

R.M. OF CALEDONIA NO. 99
Financial Statements
Year Ended December 31, 2022

R.M. OF CALEDONIA NO. 99
Index to Financial Statements
Year Ended December 31, 2022

| | Page |
|--|--------|
| MANAGEMENT'S RESPONSIBILITY | 1 |
| INDEPENDENT AUDITORS' REPORT | 2 - 3 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 4 |
| Statement of Operations and Accumulated Surplus | 5 |
| Statement of Change in Net Financial Assets | 6 |
| Statement of Cash Flows | 7 |
| Notes to Financial Statements | 8 - 15 |
| Taxes and Other Unconditional Revenue (<i>Schedule 1</i>) | 16 |
| Schedule of Operating and Capital Revenue by Function (Schedule 2 - 1) | 17 |
| Schedule of Operating and Capital Revenue by Function (Schedule 2 - 2) | 18 |
| Schedule of Operating and Capital Revenue by Function (Schedule 2 - 3) | 19 |
| Schedule of Operating and Capital Revenue by Function (Schedule 2 - 4) | 20 |
| Total Expenses by Function (Schedule 3 - 1) | 21 |
| Total Expenses by Function (Schedule 3 - 2) | 22 |
| Total Expenses by Function (Schedule 3 - 3) | 23 |
| Schedule of Segment Disclosure by Function (Schedule 4) | 24 |
| Schedule of Segment Disclosure by Function (Schedule 5) | 25 |
| Schedule of Tangible Capital Assets by Object (Schedule 6) | 26 |
| Schedule of Tangible Capital Assets by Function (Schedule 7) | 27 |
| Schedule of Accumulated Surplus (Schedule 8) | 28 |
| Schedule of Mill Rates and Assessments (Schedule 9) | 29 |
| Schedule of Council Remuneration (Schedule 10) | 30 |

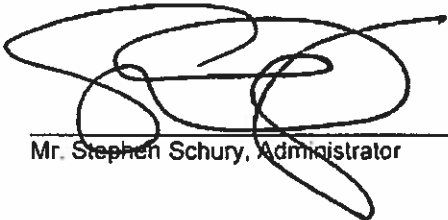
Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

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



Mr. Stephen Schury, Administrator



Mr. Mark Beck, Reeve

Milestone, SK

Independent Auditor's report

To the Council of the R.M. of Caledonia No. 99:

Qualified Opinion

We have audited the financial statements of the R.M. of Caledonia No. 99 (the Municipality), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

We were not able to observe the counting of inventories at December 31, 2022 or satisfy ourselves by alternative means concerning inventory quantities held as at December 31, 2022. Therefore, we were unable to determine whether any adjustments might have been necessary in respect of surplus of revenues over expenses for the year reported in the statement of operations, inventory reported on the statement of financial position and the cash flows from operating activities reported in the statement of cash flows. Our audit opinion on the financial statements for the year ended December 31, 2021 was also modified because of the possible effects of this limitation in scope.

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

Other Matter: Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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

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

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

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

(continues)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Weyburn, Canada
October 10, 2023

Grant Thornton LLP

Chartered Professional Accountants

R.M. OF CALEDONIA NO. 99
Statement of Financial Position
As at December 31, 2022

Statement 1

| | 2022 | 2021 |
|---|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash and Temporary Investments (Note 2) | \$ 786,724 | \$ 1,103,363 |
| Taxes Receivable - Municipal (Note 3) | 52,483 | 56,516 |
| Other Accounts Receivable (Note 4) | 40,439 | 61,122 |
| Assets Held for Sale (Note 5) | - | - |
| Long-Term Investments (Note 6) | 57,476 | 69,498 |
| Debt Charges Recoverable | - | - |
| Other | - | - |
| Total financial assets | 937,122 | 1,290,499 |
| LIABILITIES | | |
| Bank indebtedness (Note 7) | - | - |
| Accounts Payable | 277,801 | 98,417 |
| Accrued Liabilities Payable | 40,056 | 26,733 |
| Deposits | - | - |
| Deferred Revenue (Note 8) | 17,808 | 26 |
| Accrued Landfill Costs | - | - |
| Liability for Contaminated Sites | - | - |
| Other Liabilities | - | - |
| Long-Term Debt (Note 9) | 178,327 | - |
| Lease Obligations | - | - |
| Total liabilities | 513,992 | 125,176 |
| NET FINANCIAL ASSETS | 423,130 | 1,165,323 |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets(Schedule 6, 7) | 2,365,819 | 1,835,211 |
| Prepayments and Deferred Charges | 48,073 | 102,219 |
| Stock and supplies | 185,874 | 75,221 |
| Other | - | - |
| Total Non-Financial Assets | 2,599,766 | 2,012,651 |
| ACCUMULATED SURPLUS (Schedule 8) | \$ 3,022,896 | \$ 3,177,974 |

R.M. OF CALEDONIA NO. 99

Statement of Operations and Accumulated Surplus

As at December 31, 2022

Statement 2

| | Budget 2022 | 2022 | 2021 |
|---|---------------------|---------------------|---------------------|
| REVENUES | | | |
| Taxes and Other Unconditional Revenue (Schedule 1) | \$ 1,014,119 | \$ 1,010,252 | \$ 1,022,138 |
| Fees and Charges (Schedule 4, 5) | 5,430 | 76,470 | 40,997 |
| Conditional Grants (Schedule 4, 5) | 5,287 | 5,487 | 6,743 |
| Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5) | - | (18,225) | 6,387 |
| Land Sales - Gain (Loss) (Schedule 4, 5) | - | - | - |
| Investment Income and Commissions (Schedule 4, 5) | 5,000 | 7,679 | 10,422 |
| Restructurings (Schedule 4, 5) | - | - | - |
| Other Revenues (Schedule 4, 5) | - | (20) | - |
| Total Revenues | 1,029,836 | 1,081,643 | 1,086,687 |
| EXPENSES | | | |
| General Government Services (Schedule 3) | 199,744 | 185,673 | 210,412 |
| Protective Services (Schedule 3) | 14,688 | 13,128 | 12,317 |
| Transportation Services (Schedule 3) | 991,365 | 1,001,453 | 705,677 |
| Environmental and Public Health Services (Schedule 3) | 33,500 | 35,210 | 29,982 |
| Planning and Development Services (Schedule 3) | 3,640 | 4,899 | 3,635 |
| Recreation and Cultural Services (Schedule 3) | 7,020 | 4,378 | 6,844 |
| Utility Services (Schedule 3) | 8,170 | 5,642 | 4,051 |
| Restructurings (Schedule 3) | - | - | - |
| Total Expenses | 1,258,127 | 1,250,383 | 972,918 |
| Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions | (228,291) | (168,740) | 113,769 |
| Provincial/Federal Capital Grants and Contributions (Schedule 4, 5) | 28,474 | 13,662 | 77,592 |
| Surplus (Deficit) of Revenues over Expenses | (199,817) | (155,078) | 191,361 |
| Accumulated Surplus (Deficit), Beginning of Year | 3,177,974 | 3,177,974 | 2,986,613 |
| ACCUMULATED SURPLUS - END OF YEAR | \$ 2,978,157 | \$ 3,022,896 | \$ 3,177,974 |

R.M. OF CALEDONIA NO. 99

Statement of Change in Net Financial Assets

As at December 31, 2022

Statement 3

| | Budget 2022 | 2022 | 2021 |
|---|---------------------|-------------------|---------------------|
| Surplus (Deficit) | \$ (199,816) | \$ (155,078) | \$ 191,361 |
| (Acquisition) of tangible capital assets | (62,118) | (861,572) | (231,179) |
| Amortization of tangible capital assets | 150,461 | 127,239 | 150,461 |
| Proceeds on disposal of tangible capital assets | - | 185,500 | 17,500 |
| Loss (gain) on the disposal of tangible capital assets | - | 18,225 | (6,387) |
| Transfer of assets/liabilities in restructuring transactions | - | - | - |
| Surplus (Deficit) of capital expenses over expenditures | 88,343 | (530,608) | (69,605) |
| (Acquisition) of supplies inventories | - | (110,654) | (57,008) |
| (Acquisition) of prepaid expense | - | (47,760) | (101,567) |
| Consumption of supplies inventory | - | - | 42,011 |
| Use of prepaid expense | - | 101,907 | - |
| Surplus (Deficit) of expenses of other non-financial over expenditures | - | (56,507) | (116,564) |
| Increase/Decrease in Net Financial Assets | (111,473) | (742,193) | 5,192 |
| Net Financial Assets (Debt) - Beginning of Year | 1,165,323 | 1,165,323 | 1,160,131 |
| Net Financial Assets (Debt) - End of Year | \$ 1,053,850 | \$ 423,130 | \$ 1,165,323 |

Cash provided by (used for) the following activities

| | 2022 | 2021 |
|---|-------------------|---------------------|
| Operating: | | |
| Surplus (Deficit) | \$ (155,078) | \$ 191,361 |
| Amortization | 127,239 | 150,461 |
| Loss (gain) on disposal of tangible capital assets | 18,225 | (6,387) |
| | <u>(9,614)</u> | <u>335,435</u> |
| Change in assets/liabilities | | |
| Taxes Receivable - Municipal | 4,032 | 23,119 |
| Other Receivables | 20,683 | (26,988) |
| Accrued Liabilities Payable | 13,324 | 1,943 |
| Accounts Payable | 179,385 | 14,224 |
| Deferred Revenue | 17,782 | (35,213) |
| Prepayments and Deferred Charges | 54,146 | (101,567) |
| Stock and supplies | (110,653) | (14,998) |
| | <u>178,699</u> | <u>(139,480)</u> |
| Cash provided by operating transactions | <u>169,085</u> | <u>195,955</u> |
| Capital: | | |
| Cash used to acquire tangible capital assets | (861,572) | (231,179) |
| Proceeds on sale of tangible capital assets | 185,500 | 17,500 |
| Cash applied to capital transactions | <u>(676,072)</u> | <u>(213,679)</u> |
| Investing: | | |
| Proceeds on disposal of investments | 12,022 | (4,714) |
| Aquisition in investment | - | - |
| Cash provided by (applied to) investing transactions | <u>12,022</u> | <u>(4,714)</u> |
| Financing: | | |
| Debt charges recovered | - | - |
| Proceeds from debt issues | 235,000 | - |
| Debt repayment | (56,674) | (19,073) |
| Other financing | - | - |
| Cash provided by (applied to) financing transactions | <u>178,326</u> | <u>(19,073)</u> |
| Change in Cash and Temporary Investments during the year | <u>(316,639)</u> | <u>(41,511)</u> |
| Cash and Temporary Investments - Beginning of Year | <u>1,103,363</u> | <u>1,144,874</u> |
| Cash and Temporary Investments - End of Year (Note 2) | <u>\$ 786,724</u> | <u>\$ 1,103,363</u> |

1. **Significant accounting policies**

The financial statements of the Municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

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

(a) **Reporting Entity:**

The financial 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, therefore, accountable to the Council for the administration of their financial affairs and resources. There are no external entities consolidated into this municipality.

(b) **Collection of funds for other authorities:**

Collection of funds by the Municipality for school boards, Municipal Hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **Government Transfers:**

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

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) **Deferred Revenue - Fees and Charges:**

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed. Resources restricted by agreement with an external party are recognized as revenue in the Municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

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

(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.

(continues)

R.M. OF CALEDONIA NO. 99
Notes to Financial Statements
As at December 31, 2022

1. **Significant accounting policies** *(continued)*

(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, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(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. The balance represents the balances receivable should the Municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The Municipality has the ability to withdraw from the plan with notice. Beyond the return of the Municipality's fund balance, it has no further claim to the residual net assets of SARM.

(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 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. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The Municipality's tangible capital asset useful lives are estimated as follows:

| <u>Asset</u> | <u>Useful Life</u> |
|------------------------------|---------------------------|
| General Assets | |
| Land | Indefinite |
| Land Improvements | 10 to 25 Years |
| Buildings | 50 Years |
| Vehicles & Equipment | |
| Vehicles | 10 Years |
| Machinery and Equipment | 5 to 10 Years |
| Leased capital assets | Lease term |
| Infrastructure Assets | |
| Water & Sewer | 25 and 40 Years |
| Road Network Assets | 15 and 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.

(continues)

1. **Significant accounting policies** *(continued)*

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

(m) **Landfill liability:**

The Municipality does not maintain a waste disposal site.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the Municipality. Trust fund activities administered by the Municipality are disclosed in Note 11.

(o) **Employee benefit plans:**

Contributions to the Municipality's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to their contributions.

(p) **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.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(q) **Measurement Uncertainty:**

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

The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

(continues)

1. **Significant accounting policies** *(continued)*

(r) **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: Provides for the administration of the Municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 12, 2022.

(t) **New Accounting Standards and Amendments to Standards:**

Future Accounting Standards, Effective for fiscal years beginning on or after April 1, 2022:

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

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Notes to Financial Statements

As at December 31, 2022

1. Significant accounting policies (continued)

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.

2. Cash and Temporary Investments

| | 2022 | 2021 |
|--------------------------------|------------|--------------|
| Cash and Temporary Investments | \$ 786,724 | \$ 1,103,363 |

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

3. Taxes Receivable - Municipal

| | 2022 | 2021 |
|--|------------------|------------------|
| <u>Municipal</u> | | |
| - Current | \$ 33,488 | \$ 37,107 |
| - Arrears | 45,303 | 44,228 |
| | 78,791 | 81,335 |
| Less - allowance for uncollectibles | (26,308) | (24,819) |
| Total municipal taxes receivable | 52,483 | 56,516 |
| <u>School</u> | | |
| - Current | 11,276 | 12,255 |
| - Arrears | 35,309 | 30,161 |
| Total school taxes receivable | 46,585 | 42,416 |
| Other | 666 | 1,578 |
| Total taxes and grants in lieu receivable | 99,734 | 100,510 |
| Deduct taxes receivable to be collected on behalf of other organizations | (47,251) | (43,994) |
| Total Taxes Receivable - Municipal | \$ 52,483 | \$ 56,516 |

4. Other Accounts Receivable

| | 2022 | 2021 |
|--------------------------------------|------------------|------------------|
| Federal Government | \$ 31,772 | \$ 43,063 |
| Provincial government | - | - |
| Local government | 8,667 | 18,059 |
| Utility | - | - |
| Trade | - | - |
| Other | - | - |
| Total Other Accounts Receivable | 40,439 | 61,122 |
| Less: allowance for uncollectibles | - | - |
| Net Other Accounts Receivable | \$ 40,439 | \$ 61,122 |

Notes to Financial Statements

As at December 31, 2022

5. Assets Held for Sale

| | 2022 | 2021 |
|---------------------------------------|-------------|-------------|
| Tax Title Property | \$ 4,770 | \$ 4,770 |
| Allowance for market value adjustment | (4,770) | (4,770) |
| Net Tax Title Property | - | - |
| Land for Resale | - | - |
| Allowance for market value adjustment | - | - |
| Net Other Land | - | - |
| Total Assets Held for Sale | \$ - | \$ - |

6. Investments

| | 2022 | 2021 |
|--|------------------|------------------|
| Long-term Investments | | |
| Sask. Assoc. of Rural Municipalities - Self Insurance Fund | \$ 57,276 | \$ 69,298 |
| Prairie Sky Co-operative Association - member equity | 200 | 200 |
| Total Investments | \$ 57,476 | \$ 69,498 |

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis. The balance represents the balances receivable should the Municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The Municipality has the ability to withdraw from the plan with notice. Beyond the return of the Municipality's fund balance, it has no further claim to the residual net assets of SARM.

Prairie Sky Co-op Equity is recorded at cost.

7. Bank Indebtedness

Credit Arrangements

At December 31, 2022, the Municipality had lines of credit totaling \$200,000 (2021 - \$200,000) bearing interest at 6.2% (2021 - 2.2%) per annum, of which \$nil (2021 - \$nil) has been drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

8. Deferred Revenue

| | 2022 | 2021 |
|--|------------------|--------------|
| <u>Municipal Economic Enhancement Program (MEEP)</u> | | |
| Balance - Beginning of Year | \$ - | \$ 35,213 |
| Add: Amounts received during the year | - | - |
| Less: Amounts recognized as revenue during the year | - | (35,213) |
| Balance - End of Year | - | - |
| <u>Prepaid Taxes</u> | | |
| Balance - Beginning of Year | 26 | 26 |
| Add: Amounts received during the year | 2,123 | 26 |
| Less: Amounts recognized as revenue during the year | (26) | (26) |
| Balance - End of Year | 2,123 | 26 |
| <u>Canada Community-Building Fund</u> | | |
| Balance - Beginning of Year | - | - |
| Add: Amounts received during the year | 15,685 | - |
| Less: Amounts recognized as revenue during the year | - | - |
| Balance - End of Year | 15,685 | - |
| Total | \$ 17,808 | \$ 26 |

Notes to Financial Statements

As at December 31, 2022

9. Long-term Debt

The debt limit of the Municipality is \$830,759 (2021 - \$821,922). The debt limit for a municipality is the total amount of the Municipality's own source revenues for the preceding year (The Municipalities Act Section 161(1)).

Affinity Credit Union loan bearing interest at 3.65% per annum, repayable in monthly payments of \$6,901.61, including interest, due on demand. The loan matures on March 1, 2025 and is secured by a 2022 grader with a net book value of \$434,942 (2021 - \$nil).

| | Principal | Interest | 2022 | 2021 |
|------------------------------|----------------|--------------|----------------|------|
| <u>Affinity Credit Union</u> | | | | |
| 2023 | \$ 77,591 | \$ 5,229 | \$ 82,820 | \$ - |
| 2024 | 80,471 | 2,349 | 82,820 | - |
| 2025 | 20,265 | 125 | 20,390 | - |
| Balance | 178,327 | 7,703 | 186,030 | - |

10. 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's pension expense in 2022 was \$22,317 (2021 - \$22,408). The benefits accrued to the Municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

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

| | 2022 | 2021 |
|---|-------------------------------|-------------------------------|
| <u>Details of MEPP</u> | | |
| Number of active members | 3 | 3 |
| Member contribution rates (percentage of salary): | | |
| Employee contribution - general members | 9.00% | 9.00% |
| Employer contribution - general members | 9.00% | 9.00% |
| Member contributions for the year | 22,317 | 22,408 |
| Employer contributions for the year | 22,317 | 22,408 |
| Financial position of the plan: | | |
| Plan assets | 3,275,495,000 | 3,568,400,000 |
| Plan liabilities | <u>2,254,194,000</u> | <u>2,424,014,000</u> |
| Accounting pension surplus | <u>\$1,021,301,000</u> | <u>\$1,144,386,000</u> |

2022 year's maximum pensionable amount (YMPE) \$64,900 (2021 - \$61,600)

Notes to Financial Statements

As at December 31, 2022

11. Trusts Administered by the Municipality

The Municipality is in charge of the administration of funds held in trust for the Bethesda Lutheran Church roof repairs. A summary of trust fund activity by the Municipality during the year is as follows:

| | <u>2022</u> | <u>2021</u> |
|---------------------------------|-----------------|------------------|
| Bethesda Lutheran Church | | |
| Balance - Beginning of Year | \$ 17,169 | \$ 2,909 |
| Donations received | 7,342 | 14,903 |
| Disbursements | <u>(24,511)</u> | <u>(643)</u> |
| Balance - End of Year | \$ - | \$ 17,169 |

12. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

| | <u>2022</u> |
|--|-----------------|
| Budget surplus per Statement of Operations | \$ (199,817) |
| Less: Capital expenditures | (62,118) |
| Add: Amortization | 150,461 |
| Add: Transfer from surplus | <u>112,500</u> |
| Approved municipal budget | \$ 1,026 |

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2022

Schedule 1

| | Budget 2022 | 2022 | 2021 |
|--|---------------------|---------------------|---------------------|
| TAXES | | | |
| General municipal tax levy | \$ 811,334 | \$ 811,334 | \$ 813,594 |
| Abatements and adjustments | (1,000) | - | (565) |
| Discount on current year taxes | (30,000) | (33,660) | (33,689) |
| Net Municipal Taxes | 780,334 | 777,674 | 779,340 |
| Potash tax share | - | - | - |
| Trailer license fees | - | - | - |
| Penalties on tax arrears | 3,500 | 3,765 | 3,894 |
| Special tax levy | - | - | - |
| Other | - | - | - |
| Total Taxes | 783,834 | 781,439 | 783,234 |
| UNCONDITIONAL GRANTS | | | |
| Revenue Sharing | 164,005 | 163,995 | 174,097 |
| Organized Hamlet | 3,234 | 3,234 | 3,234 |
| Other | - | - | - |
| Total Unconditional Grants | 167,239 | 167,229 | 177,331 |
| GRANTS IN LIEU OF TAXES | | | |
| Federal | 23,970 | 24,995 | 23,973 |
| Provincial | | | |
| S.P.C. Electrical | - | - | - |
| SaskEnergy Gas | - | - | - |
| Transgas | 140 | 136 | 136 |
| Central Services | - | - | - |
| SaskTel | 2,819 | 336 | 1,076 |
| Other | - | - | 271 |
| Local/Other | | | |
| Housing Authority | - | - | - |
| C.P.R. Mainline | - | - | - |
| Treaty land Entitlement | 36,117 | 36,117 | 36,117 |
| Other | - | - | - |
| Other Government Transfers | | | |
| S.P.C. Surcharge | - | - | - |
| SaskEnergy Surcharge | - | - | - |
| Local Grants | - | - | - |
| Total Grants in Lieu of Taxes | 63,046 | 61,584 | 61,573 |
| TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE | \$ 1,014,119 | \$ 1,010,252 | \$ 1,022,138 |

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 1

| | Budget 2022 | 2022 | 2021 |
|--|----------------|---------------|---------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and charges | \$ 500 | \$ 740 | \$ 1,518 |
| - Custom work | - | - | - |
| - Sales of supplies | 700 | 36,370 | 1,752 |
| - Other | 1,730 | 1,745 | 1,733 |
| Total Fees and Charges | 2,930 | 38,855 | 5,003 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Land sales - gain (loss) | - | - | - |
| - Investment income and commissions | 5,000 | 7,679 | 10,422 |
| - Other | - | (20) | - |
| Total Other Segmented Revenue | 7,930 | 46,514 | 15,425 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 7,930 | 46,514 | 15,425 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - ICIP | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring revenue | - | - | - |
| Total General Government Services | 7,930 | 46,514 | 15,425 |
| PROTECTIVE SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and charges | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | - | - | - |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | - | - | - |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local government | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | - | - | - |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - ICIP | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Local government | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring revenue | - | - | - |
| Total Protective Services | \$ - | \$ - | \$ - |

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 2

| | Budget 2022 | 2022 | 2021 |
|---|----------------|----------|----------|
| TRANSPORTATION SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | \$ - | \$ - | \$ - |
| - Custom work | - | 12,618 | 9,647 |
| - Sales of supplies | - | 21,525 | 19,880 |
| - Road Maintenance and Restoration Agreements | - | - | - |
| - Frontage | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | - | 34,143 | 29,527 |
| - Tangible capital asset sales - gain (loss) | - | (18,225) | 6,387 |
| - Other | - | - | - |
| Total Other Segmented Revenue | - | 15,918 | 35,914 |
| Conditional Grants | | | |
| - RIRG (CTP) | - | - | - |
| - Student Employment | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | - | 15,918 | 35,914 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | 15,140 | - | 29,853 |
| - ICIP | - | - | - |
| - RIRG (CTP, Bridge and Large Culvert, Road Const.) | 11,730 | 11,370 | 10,310 |
| - Provincial Disaster Assistance | - | - | - |
| - MEEP | - | - | 35,213 |
| - Other | 1,604 | 2,292 | 2,216 |
| Total Capital | 28,474 | 13,662 | 77,592 |
| Restructuring revenue | - | - | - |
| Total Transportation Services | 28,474 | 29,580 | 113,506 |
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | - | - | - |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | - | - | - |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local government | - | - | - |
| - MEEP | - | - | - |
| - Other | 5,287 | 5,487 | 6,743 |
| Total Conditional Grants | 5,287 | 5,487 | 6,743 |
| Total Operating | 5,287 | 5,487 | 6,743 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - ICIP | - | - | - |
| - TAPD | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring revenue | - | - | - |
| Total Environmental and Public Health Services | \$ 5,287 | \$ 5,487 | \$ 6,743 |

See notes to financial statements

R.M. OF CALEDONIA NO. 99

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 3

| | Budget 2022 | 2022 | 2021 |
|--|----------------|--------|----------|
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | \$ - | \$ - | \$ - |
| - Maintenance and Development Charges | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | - | - | - |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | - | - | - |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | - | - | - |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - ICIP | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring revenue | - | - | - |
| Total Planning and Development Services | - | - | - |
| RECREATION AND CULTURAL SERVICES | | | |
| Operating | | | |
| Other Segmented Revenues | | | |
| Fees and Charges | - | 700 | 3,800 |
| - Other | - | - | - |
| Total Fees and Charges | - | 700 | 3,800 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | - | 700 | 3,800 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local Government | - | - | - |
| - Donations | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | - | 700 | 3,800 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - ICIP | - | - | - |
| - Local government | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring revenue | - | - | - |
| Total Recreation and Cultural Services | \$ - | \$ 700 | \$ 3,800 |

Schedule of Operating and Capital Revenue by Function

As at December 31, 2022

Schedule 2 - 4

| | Budget 2022 | 2022 | 2021 |
|--|------------------|------------------|-------------------|
| UTILITY SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | \$ - | \$ - | \$ - |
| - Water | 2,500 | 2,772 | 2,667 |
| - Sewer | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | 2,500 | 2,772 | 2,667 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | 2,500 | 2,772 | 2,667 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 2,500 | 2,772 | 2,667 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | - | - | - |
| - ICIP | - | - | - |
| - New Building Canada Fund (SCF, NRP) | - | - | - |
| - Clean Water and Wastewater Fund | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - MEEP | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring revenue | - | - | - |
| Total Utility Services | 2,500 | 2,772 | 2,667 |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | \$ 44,191 | \$ 85,053 | \$ 142,141 |

SUMMARY

| | | | |
|--|------------------|------------------|-------------------|
| Total Other Segmented Revenue | \$ 10,430 | \$ 65,904 | \$ 57,806 |
| Total Conditional Grants | 5,287 | 5,487 | 6,743 |
| Total Capital Grants and Contributions | 28,474 | 13,662 | 77,592 |
| Restructuring Revenue | - | - | - |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | \$ 44,191 | \$ 85,053 | \$ 142,141 |

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 1

| | Budget 2022 | 2022 | 2021 |
|--|-------------------|---------------------|-------------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Council remuneration and travel | \$ 25,900 | \$ 24,529 | \$ 21,451 |
| Wages and benefits | 96,750 | 98,718 | 96,311 |
| Professional/Contractual services | 53,138 | 47,403 | 59,341 |
| Utilities | 4,600 | 3,676 | 3,583 |
| Maintenance, materials and supplies | 16,500 | 5,986 | 17,685 |
| Grants and contributions | | | |
| - operating | 1,000 | 1,000 | 6,960 |
| - capital | - | - | - |
| Amortization | 856 | 856 | 856 |
| Interest | 1,000 | 2,016 | 827 |
| Allowance For Uncollectibles | - | 1,489 | 3,398 |
| Other | - | - | - |
| General Government Services | 199,744 | 185,673 | 210,412 |
| Restructuring | - | - | - |
| Total General Government Services | 199,744 | 185,673 | 210,412 |
| PROTECTIVE SERVICES | | | |
| Police Protection | | | |
| Wages and benefits | - | - | - |
| Professional/Contractual Services | 12,120 | 12,335 | 12,117 |
| Utilities | - | - | - |
| Maintenance, materials and supplies | - | - | - |
| Grants and contributions | | | |
| - Operating | 200 | 200 | 200 |
| - Capital | - | - | - |
| Other | - | - | - |
| Fire Protection | | | |
| Wages and benefits | - | - | - |
| Professional/Contractual Services | 368 | 368 | - |
| Utilities | - | - | - |
| Maintenance, materials and supplies | - | - | - |
| Grants and contributions | | | |
| - Operating | 2,000 | 125 | - |
| - Capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Other | - | 100 | - |
| Protective Services | 14,688 | 13,128 | 12,317 |
| Restructuring | - | - | - |
| Total Protective Services | 14,688 | 13,128 | 12,317 |
| TRANSPORTATION SERVICES | | | |
| Wages and Benefits | 189,810 | 175,892 | 164,813 |
| Professional/Contractual Services | 76,240 | 88,434 | 56,565 |
| Utilities | 6,020 | 6,662 | 5,703 |
| Maintenance, materials and supplies | 266,910 | 295,667 | 198,645 |
| Gravel | 302,780 | 302,973 | 130,203 |
| Grants and contributions | | | |
| - Operating | - | - | - |
| - Capital | - | - | - |
| Amortization | 149,605 | 126,383 | 149,605 |
| Interest | - | 5,442 | 143 |
| Other | - | - | - |
| Transportation Services | 991,365 | 1,001,453 | 705,677 |
| Restructuring | - | - | - |
| Total Transportation Services | \$ 991,365 | \$ 1,001,453 | \$ 705,677 |

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 2

| | Budget 2022 | 2022 | 2021 |
|---|-----------------|-----------------|-----------------|
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Wages and Benefits | \$ - | \$ - | \$ - |
| Professional/Contractual Services | 33,500 | 35,210 | 29,982 |
| Utilities | - | - | - |
| Maintenance, materials and supplies | - | - | - |
| Grants and contributions | | | |
| - operating | - | - | - |
| waste disposal | - | - | - |
| Public Health | - | - | - |
| - capital | - | - | - |
| waste disposal | - | - | - |
| Public Health | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Other | - | - | - |
| Environmental and Public Health Services | 33,500 | 35,210 | 29,982 |
| Restructuring | - | - | - |
| Total Environmental and Public Health Services | 33,500 | 35,210 | 29,982 |
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Wages and Benefits | - | - | - |
| Professional/Contractual Services | 3,640 | 4,899 | 3,635 |
| Grants and contributions | | | |
| - Operating | - | - | - |
| - Capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Other | - | - | - |
| Planning and Development Services | 3,640 | 4,899 | 3,635 |
| Restructuring | - | - | - |
| Total Planning and Development Services | 3,640 | 4,899 | 3,635 |
| RECREATION AND CULTURAL SERVICES | | | |
| Wages and Benefits | - | - | - |
| Professional/Contractual Services | - | - | - |
| Utilities | 2,120 | 2,323 | 1,949 |
| Maintenance, materials, and supplies | - | - | - |
| Grants and contributions | | | |
| - Operating | 4,310 | 1,439 | 4,305 |
| - Capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Allowance For Uncollectibles | - | - | - |
| Other | 590 | 616 | 590 |
| Recreation and Cultural Services | 7,020 | 4,378 | 6,844 |
| Restructuring | - | - | - |
| Total Recreation and Cultural Services | \$ 7,020 | \$ 4,378 | \$ 6,844 |

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 3

| | Budget 2022 | 2022 | 2021 |
|-------------------------------------|----------------|--------------|------------|
| UTILITY SERVICES | | | |
| Wages and Benefits | \$ - | \$ - | \$ - |
| Professional/Contractual Services | 4,000 | 1,736 | 263 |
| Utilities | 3,670 | 3,369 | 3,101 |
| Maintenance, materials and supplies | 500 | 537 | 687 |
| Grants and contributions | | | |
| - Operating | - | - | - |
| - Capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Allowance For Uncollectibles | - | - | - |
| Other | - | - | - |
| Utility Services | 8,170 | 5,642 | 4,051 |
| Restructuring | - | - | - |
| Total Utility Services | 8,170 | 5,642 | 4,051 |
| TOTAL EXPENSES BY FUNCTION | \$ 1,258,127 | \$ 1,250,383 | \$ 972,918 |

R.M. OF CALEDONIA NO. 99

Schedule of Segment Disclosure by Function

As at December 31, 2022

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 | \$ 38,855 | \$ - | \$ 34,143 | \$ - | \$ - | \$ 700 | \$ 2,772 | \$ 76,470 |
| Tangible Capital Asset Sales - Gain (Loss) | - | - | (18,225) | - | - | - | - | (18,225) |
| Land Sales - Gain (Loss) | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 7,679 | - | - | - | - | - | - | 7,679 |
| Other Revenues | (20) | - | - | - | - | - | - | (20) |
| Grants - Conditional | - | - | - | 5,487 | - | - | - | 5,487 |
| - Capital | - | - | 13,662 | - | - | - | - | 13,662 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 46,514 | - | 29,580 | 5,487 | - | 700 | 2,772 | 85,053 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages and Benefits | 123,247 | - | 175,892 | - | - | - | - | 299,139 |
| Professional/Contractual Services | 47,403 | 12,703 | 88,434 | 35,210 | 4,899 | - | 1,736 | 190,385 |
| Utilities | 3,676 | - | 6,662 | - | - | 2,323 | 3,369 | 16,030 |
| Maintenance Material and Supplies | 5,986 | - | 598,640 | - | - | - | 537 | 605,163 |
| Grants and Contributions | 1,000 | 325 | - | - | - | 1,439 | - | 2,764 |
| Amortization | 856 | - | 126,383 | - | - | - | - | 127,239 |
| Interest | 2,016 | - | 5,442 | - | - | - | - | 7,458 |
| Allowance for Uncollectibles | 1,489 | - | - | - | - | - | - | 1,489 |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | - | 100 | - | - | - | 616 | - | 716 |
| Total Expenses | 185,673 | 13,128 | 1,001,453 | 35,210 | 4,899 | 4,378 | 5,642 | 1,250,383 |
| Surplus (Deficit) by Function | (139,159) | (13,128) | (971,873) | (29,723) | (4,899) | (3,678) | (2,870) | (1,165,330) |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | <u>1,010,252</u> |
| Net Surplus (Deficit) | | | | | | | | <u>\$ (155,078)</u> |

See notes to financial statements

R.M. OF CALEDONIA NO. 99

Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 5

| | General Government | Protective Services | Transportation Services | Environmental & Public | Planning and Development | Recreation and Culture | Utility Services | Total |
|--|-----------------------|------------------------|----------------------------|---------------------------|-----------------------------|---------------------------|---------------------|-------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | \$ 5,003 | \$ - | \$ 29,527 | \$ - | \$ - | \$ 3,800 | \$ 2,667 | \$ 40,997 |
| Tangible Capital Asset Sales - Gain (Loss) | - | - | 6,387 | - | - | - | - | 6,387 |
| Land Sales - Gain (Loss) | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 10,422 | - | - | - | - | - | - | 10,422 |
| Other Revenues | - | - | - | - | - | - | - | - |
| Grants - Conditional | - | - | - | 6,743 | - | - | - | 6,743 |
| - Capital | - | - | 77,592 | - | - | - | - | 77,592 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 15,425 | - | 113,506 | 6,743 | - | 3,800 | 2,667 | 142,141 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages and Benefits | 117,762 | - | 164,813 | - | - | - | - | 282,575 |
| Professional/Contractual Services | 59,341 | 12,117 | 56,565 | 29,982 | 3,635 | - | 263 | 161,903 |
| Utilities | 3,583 | - | 5,703 | - | - | 1,949 | 3,101 | 14,336 |
| Maintenance Material and Supplies | 17,685 | - | 328,848 | - | - | - | 687 | 347,220 |
| Grants and Contributions | 6,960 | 200 | - | - | - | 4,305 | - | 11,465 |
| Amortization | 856 | - | 149,605 | - | - | - | - | 150,461 |
| Interest | 827 | - | 143 | - | - | - | - | 970 |
| Allowance for Uncollectibles | 3,398 | - | - | - | - | - | - | 3,398 |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | 590 | - | 590 |
| Total Expenses | 210,412 | 12,317 | 705,677 | 29,982 | 3,635 | 6,844 | 4,051 | 972,918 |
| Surplus (Deficit) by Function | (194,987) | (12,317) | (592,171) | (23,239) | (3,635) | (3,044) | (1,384) | (830,777) |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | <u>1,022,138</u> |
| Net Surplus (Deficit) | | | | | | | | <u>\$ 191,361</u> |

See notes to financial statements

R.M. OF CALEDONIA NO. 99

Schedule of Tangible Capital Assets by Object

As at December 31, 2022

Schedule 6

| | 2022 | | | | | | | | |
|---|------------------|-------------------|------------------|-------------|-----------------------|-----------------------|--|---------------------|---------------------|
| | General Assets | | | | | Infrastructure Assets | General/Infrastructure Assets Under Construction | Total | 2021 Total |
| | Land | Land Improvements | Buildings | Vehicles | Machinery & Equipment | Linear Assets | | | |
| Asset cost | | | | | | | | | |
| Opening Asset costs | \$ 33,707 | \$ - | \$ 84,059 | \$ - | \$ 1,166,790 | \$ 2,217,160 | \$ 167,446 | \$ 3,669,162 | \$ 3,456,504 |
| Additions during the year | - | - | - | - | 434,942 | 426,630 | - | 861,572 | 231,179 |
| Disposals and write-downs during the year | - | - | - | - | (339,542) | - | - | (339,542) | (18,521) |
| Transfers (from) assets under construction | - | - | - | - | - | 167,446 | (167,446) | - | - |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - | - |
| Closing Asset Costs | 33,707 | - | 84,059 | - | 1,262,190 | 2,811,236 | - | 4,191,192 | 3,669,162 |
| Accumulated Amortization Cost | | | | | | | | | |
| Opening Accumulated Amortization Costs | - | - | 35,171 | - | 403,412 | 1,395,368 | - | 1,833,951 | 1,690,897 |
| Add: Amortization taken | - | - | 981 | - | 70,683 | 55,575 | - | 127,239 | 150,461 |
| Less: Accumulated amortization on disposals | - | - | - | - | (135,817) | - | - | (135,817) | (7,407) |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - | - |
| Closing Accumulated Amortization Costs | - | - | 36,152 | - | 338,278 | 1,450,943 | - | 1,825,373 | 1,833,951 |
| Net Book Value | \$ 33,707 | \$ - | \$ 47,907 | \$ - | \$ 923,912 | \$ 1,360,293 | \$ - | \$ 2,365,819 | \$ 1,835,211 |

1. Total contributed donated assets received in 2022: \$ -
2. List of assets recognized at nominal value in 2022 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -
 - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2022: \$ -

See notes to financial statements

R.M. OF CALEDONIA NO. 99

Schedule of Tangible Capital Assets by Function

As at December 31, 2022

Schedule 7

| | 2022 | | | | | | | Total | 2021 Total |
|---|-----------------------|------------------------|----------------------------|-------------------------------------|---------------------------|-------------------------|------------------|---------------------|---------------------|
| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning & Development | Recreation & Culture | Water & Sewer | | |
| Asset cost | | | | | | | | | |
| Opening Asset costs | \$ 64,714 | \$ - | \$ 3,567,980 | \$ - | \$ - | \$ - | \$ 36,468 | \$ 3,669,162 | \$ 3,456,504 |
| Additions during the year | - | - | 861,572 | - | - | - | - | 861,572 | 231,179 |
| Disposals and write-downs during the year | - | - | (339,542) | - | - | - | - | (339,542) | (18,521) |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - | - |
| Closing Asset Costs | 64,714 | - | 4,090,010 | - | - | - | 36,468 | 4,191,192 | 3,669,162 |
| Accumulated Amortization Cost | | | | | | | | | |
| Opening Accumulated Amortization Costs | 36,880 | - | 1,760,603 | - | - | - | 36,468 | 1,833,951 | 1,690,897 |
| Add: Amortization taken | 856 | - | 126,383 | - | - | - | - | 127,239 | 150,461 |
| Less: Accumulated amortization on disposals | - | - | (135,817) | - | - | - | - | (135,817) | (7,407) |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - | - |
| Closing Accumulated Amortization Costs | 37,736 | - | 1,751,169 | - | - | - | 36,468 | 1,825,373 | 1,833,951 |
| Net Book Value | \$ 26,978 | \$ - | \$ 2,338,841 | \$ - | \$ - | \$ - | \$ - | \$ 2,365,819 | \$ 1,835,211 |

See notes to financial statements

R.M. OF CALEDONIA NO. 99

Schedule of Accumulated Surplus

As at December 31, 2022

Schedule 8

| | 2021 | Changes | 2022 |
|--|---------------------|---------------------|---------------------|
| UNAPPROPRIATED SURPLUS | \$ 1,014,434 | \$ (503,250) | \$ 511,184 |
| Machinery and Equipment | 232,500 | - | 232,500 |
| Public Reserve | 25,000 | - | 25,000 |
| Capital Trust | - | - | - |
| Utility | - | - | - |
| Other - Road Work | 56,500 | - | 56,500 |
| Other - Bridges | 10,000 | - | 10,000 |
| Other - Municipal Reserve | 222 | - | 222 |
| Total Appropriated | 324,222 | - | 324,222 |
| ORGANIZED HAMLETS | | | |
| Organized Hamlet of Parry | 4,107 | (4,109) | (2) |
| Total Organized Hamlets | 4,107 | (4,109) | (2) |
| NET INVESTMENT IN TANGIBLE CAPITAL ASSETS | | | |
| Tangible capital assets (Schedule 6, 7) | 1,835,211 | 530,608 | 2,365,819 |
| Less: Related debt | - | (178,327) | (178,327) |
| Net Investment in Tangible Capital Assets | 1,835,211 | 352,281 | 2,187,492 |
| Total Accumulated Surplus | \$ 3,177,974 | \$ (155,078) | \$ 3,022,896 |

R.M. OF CALEDONIA NO. 99
Schedule of Mill Rates and Assessments
As at December 31, 2022

Schedule 9

| | PROPERTY CLASS | | | | | | Total |
|---|-------------------|------------------|-------------------------|----------------------|-------------------------|----------------|----------------------|
| | Agriculture | Residential | Residential Condominium | Seasonal Residential | Commercial & Industrial | Potash Mine(s) | |
| Taxable Assessment | \$117,803,800 | \$ 4,821,745 | \$ - | \$ - | \$ 8,586,381 | \$ - | \$131,211,926 |
| Hamlet Assessment | - | 260,320 | - | - | 2,975 | - | 263,295 |
| Total Assessment | 117,803,800 | 5,082,065 | - | - | 8,589,356 | - | 131,475,221 |
| Mill Rate Factor(s) | 1.0000 | 1.0000 | - | - | 1.0000 | - | - |
| Total Base/Minimum Tax (generated for each property class) | - | - | - | - | - | - | - |
| Total Municipal Tax Levy (include base and/or minimum tax and special levies) | \$ 726,968 | \$ 31,361 | \$ - | \$ - | \$ 53,005 | \$ - | \$ 811,334 |

MILL RATES:

Average Municipal *
Average School
Potash Mill Rate
Uniform Municipal Mill Rate

| MILLS |
|--------|
| 6.1710 |
| 1.9547 |
| - |
| 6.1710 |

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

Schedule of Council Remuneration

As at December 31, 2022

Schedule 10

| | Name | Remuneration | Reimbursed Costs | Total |
|--------------|----------------|------------------|---------------------|------------------|
| Reeve | Mark Beck | \$ 3,600 | \$ 240 | \$ 3,840 |
| Councillor | Chris Williams | 2,600 | - | 2,600 |
| Councillor | Aaron Davidson | 2,400 | 228 | 2,628 |
| Councillor | Shoat Brice | 2,400 | 370 | 2,770 |
| Councillor | Chad Nicholas | 2,000 | 150 | 2,150 |
| Councillor | Ed Schiefner | 2,200 | 45 | 2,245 |
| Councillor | Darcy Phillips | 2,800 | 275 | 3,075 |
| Total | | \$ 18,000 | \$ 1,308 | \$ 19,308 |