

RURAL MUNICIPALITY OF LEASK NO. 464

Auditor's Report

Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

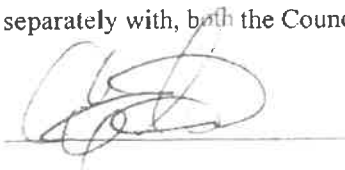
To the Ratepayers of
Rural Municipality of Leask No. 464:

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

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

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

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



Reeve



Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Reeve and Council of Rural Municipality of Leask No. 464**

Report on the Financial Statements

Opinion

We have audited the financial statements of **Rural Municipality of Leask No. 464**, which comprise the statement of financial position as at **December 31, 2022** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Rural Municipality as at **December 31, 2022** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Saskatoon, Saskatchewan
June 22, 2023


Chartered Professional Accountants

RURAL MUNICIPALITY OF LEASK NO. 464**Statement 1****STATEMENT OF FINANCIAL POSITION**

December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 1,162,393	914,763
Taxes receivable - Municipal (Note 3)	119,274	189,987
Other accounts receivable (Note 4)	43,114	66,880
Assets held for sale (Note 5)	2,472	14,277
Long-term investments (Note 6)	85,507	105,894
Debt charges recoverable	-	-
Other	-	-
Total financial assets	1,412,760	1,291,801
<u>LIABILITIES</u>		
Bank indebtedness (Note 7)	-	-
Accounts payable	152,232	146,799
Accrued liabilities payable	-	-
Deposits	18,261	18,261
Deferred revenue	-	-
Accrued landfill costs (Note 8)	30,000	30,000
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 9)	203,739	-
Lease obligations (Note 10)	4,419	5,827
Total liabilities	408,651	200,887
NET FINANCIAL ASSETS (DEBT)	1,004,109	1,090,914
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	4,396,450	4,469,219
Prepaid and deferred charges	1,409	1,063
Stock and supplies	180,069	93,148
Total non-financial assets	4,577,928	4,563,430
Accumulated Surplus (Schedule 8)	\$ 5,582,037	5,654,344
Contingent Liabilities (Note 11)		

APPROVED ON BEHALF OF COUNCIL:

Reeve

Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464**Statement 2****STATEMENT OF FINANCIAL ACTIVITIES****Year ended December 31, 2022**
with comparative figures for 2021

		<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,263,600	2,230,041	2,236,829
Fees and charges	(Schedule 4, 5)	88,000	116,709	155,923
Conditional grants	(Schedule 4, 5)	3,780	14,585	7,608
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	-
Land sales - gain (loss)	(Schedule 4, 5)	25,510	5,278	-
Investment income and commissions	(Schedule 4, 5)	8,900	(1,272)	9,653
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	<u>4,420</u>	<u>15,287</u>	<u>4,438</u>
Total Revenues		<u>2,394,210</u>	<u>2,380,628</u>	<u>2,414,451</u>
Expenditures:				
General government services	(Schedule 3)	352,540	368,693	360,828
Protective services	(Schedule 3)	106,550	93,863	91,367
Transportation services	(Schedule 3)	1,703,910	1,908,590	1,710,065
Environmental and public health services	(Schedule 3)	43,700	39,266	39,727
Planning and development services	(Schedule 3)	39,500	46,101	7,666
Recreation and cultural services	(Schedule 3)	94,690	83,499	64,707
Utility services	(Schedule 3)	-	-	-
Restructurings	(Schedule 3)	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures		<u>2,340,890</u>	<u>2,540,012</u>	<u>2,274,360</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>53,320</u>	<u>(159,384)</u>	<u>140,091</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>107,680</u>	<u>87,077</u>	<u>166,322</u>
Surplus (deficit) of revenues over expenditures		161,000	(72,307)	306,413
Accumulated surplus (deficit), beginning of year		<u>5,654,344</u>	<u>5,654,344</u>	<u>5,347,931</u>
Accumulated surplus (deficit), end of year		<u>\$ 5,815,344</u>	<u>5,582,037</u>	<u>5,654,344</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464**Statement 3****STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Surplus (deficit)	\$ <u>161,000</u>	<u>(72,307)</u>	<u>306,413</u>
(Acquisition) of tangible capital assets	106,000	(431,095)	(299,769)
Amortization of tangible capital assets	-	503,864	369,389
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of capital expenses over expenditures	<u>106,000</u>	<u>72,769</u>	<u>69,620</u>
(Acquisition) of supplies inventories	-	(181,166)	(350,116)
(Acquisition) of prepaid expenses	-	(1,409)	(1,064)
Consumption of supplies inventories	-	94,245	314,682
Use of prepaid expenses	<u>-</u>	<u>1,063</u>	<u>993</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>106,000</u>	<u>(87,267)</u>	<u>(35,505)</u>
Increase (decrease) in Net Financial Assets	373,000	(86,805)	340,528
Net Financial Assets (Debt) - Beginning of the year	<u>1,090,914</u>	<u>1,090,914</u>	<u>750,386</u>
Net Financial Assets (Debt) - End of year	\$ <u>1,463,914</u>	<u>1,004,109</u>	<u>1,090,914</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464**Statement 4****STATEMENT OF CHANGES IN FINANCIAL POSITION****Year ended December 31, 2022**

with comparative figures for 2021

Cash provided by (used in) the following activities:	<u>2022</u>	<u>2021</u>
Operating:		
Surplus (deficit)	\$ (72,307)	306,413
Amortization	503,865	369,389
Loss (gain) on disposal of tangible capital assets	-	-
	<u>431,558</u>	<u>675,802</u>
Change in assets/liabilities		
Taxes receivable - Municipal	70,714	23,268
Other accounts receivable	23,765	187,866
Assets held for sale	11,805	(14,276)
Other financial assets	-	-
Accounts and accrued liabilities payable	5,432	34,857
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(86,921)	(35,434)
Prepayments and deferred charges	(346)	(71)
Other	-	-
Net cash from operations	<u>456,007</u>	<u>872,012</u>
Capital:		
Cash used to acquire capital assets	(431,095)	(299,769)
Proceeds on sale of tangible capital assets	-	-
Other capital	-	-
Net cash used for capital	<u>(431,095)</u>	<u>(299,769)</u>
Investing:		
Proceeds on disposal of investments	20,387	(7,461)
Acquisition in investment	-	-
Net cash from (used for) investing	<u>20,387</u>	<u>(7,461)</u>
Financing activities:		
Debt charges recovered	-	-
Proceeds from debt issues	261,951	-
Debt repayment	(58,212)	(28,573)
Other financing	(1,408)	5,827
Net cash from (used for) financing	<u>202,331</u>	<u>(22,746)</u>
Increase (decrease) in cash resources	247,630	542,036
Cash and temporary investments, beginning of year	<u>914,763</u>	<u>372,727</u>
Cash and temporary investments, end of year (Note 2)	\$ <u>1,162,393</u>	<u>914,763</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting

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

(b) Reporting Entity

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

(c) Collection of funds for other authorities

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

(d) Government Transfers

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

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

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

(e) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

(f) 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.

(g) Local Improvement Charges

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

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) 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.

(i) 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.

(j) Appropriated Reserves

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

(k) 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.

(l) 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.

(m) Inventories

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

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) **Tangible Capital Assets**

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

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

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

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

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

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

(o) **Landfill liability**

The Rural Municipality of Leask No. 464 does not maintain an active waste disposal site. The previous waste disposal site is in the process of being decommissioned. Accrued decommissioning costs are disclosed in Note 8.

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

The Municipality does not have any contaminated sites.

(q) Trust Funds

Funds held in trust for others are neither included in the Municipality's assets or equity. They are disclosed in Note 14.

(r) Employee benefit plans

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

(s) Measurement Uncertainty

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

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

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

(t) Basis of Segmentation/Segment Report

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

These segments (functions) are as follows:

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

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

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

(u) **Assets held for sale**

The municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset, and the sale is reasonable anticipated to be completed within one year of the financial statement date.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2022</u>	<u>2021</u>
Cash	\$ 1,060,996	814,763
Temporary investments	<u>101,397</u>	<u>100,000</u>
	<u>\$ 1,162,393</u>	<u>914,763</u>

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

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2022</u>	<u>2021</u>
Municipal: - Current	\$ 88,645	120,835
- Arrears	<u>30,629</u>	<u>69,152</u>
	119,274	189,987
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>119,274</u>	<u>189,987</u>
School: - Current	37,279	41,845
- Arrears	<u>10,883</u>	<u>16,525</u>
Total school taxes receivable	<u>48,162</u>	<u>58,370</u>
Other: - Current	14	6,239
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>14</u>	<u>6,239</u>
Total taxes and grants in lieu receivable	167,450	254,596
Deduct taxes receivable to be collected on behalf of other organizations	<u>(48,175)</u>	<u>(64,609)</u>
Total taxes receivable - Municipal	<u>\$ 119,274</u>	<u>189,987</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Federal government	\$ 37,842	10,279
Provincial government	-	25,280
Local government	-	-
Utility	-	-
Trade	5,272	31,321
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	43,114	66,880
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 43,114</u>	<u>66,880</u>

5. ASSETS HELD FOR SALE

	<u>2022</u>	<u>2021</u>
Tax title property	\$ 2,481	43,365
Less: - allowance for market value adjustment	-	(17,913)
- due to other taxing authorities	<u>(9)</u>	<u>(11,175)</u>
Net tax title Property	<u>2,472</u>	<u>14,277</u>
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ 2,472</u>	<u>14,277</u>

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

6. LONG-TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ <u>85,507</u>	<u>105,894</u>

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2022, the Municipality had a line of credit totaling \$450,000, none of which was drawn.

8. ACCRUED LANDFILL COSTS

	<u>2022</u>	<u>2021</u>
Accrued landfill costs	\$ <u>30,000</u>	<u>30,000</u>

In 2022 the Municipality has accrued an overall liability for environmental matters which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

9. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$1,777,975. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

Bank loans:

	<u>2022</u>	<u>2021</u>
Royal Bank of Canada loan, payable in monthly instalments of \$7,276 including principal and interest at 3.65%, maturing April, 2025; secured by equipment with a net book value of \$184,607.	\$ <u>203,739</u>	<u>-</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2023	\$ 80,397	5,993	86,390	-
2024	85,657	3,033	88,690	-
2025	37,685	353	38,038	-
2026	-	-	-	-
2027	-	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance	\$ <u>203,739</u>	<u>9,379</u>	<u>213,118</u>	<u>-</u>

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

10. LEASE OBLIGATIONS

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

2023	\$	1,565
2024		1,565
2025		<u>1,503</u>
Total future minimum lease payments		4,633
Amounts representing interest at a weighted average rate of 3%		<u>(214)</u>
Capital lease liability	\$	<u>4,419</u>

11. CONTINGENT LIABILITIES

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

12. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2022 was \$44,794 (2021 - \$46,988). 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.

Total current service contributions by the municipality to MEPP in 2022 were \$46,888 (2021 - \$45,107). Total current service contributions by the employees of the municipality to MEPP in 2022 were \$44,794 (2021 - \$46,988).

Based on the latest information available (December 31, 2022 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,021,301,000. This is based on the most recent actuarial valuation, completed December 31, 2021. The Rural Municipality's portion of this is not readily determinable.

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

13. RECENT ACCOUNTING PRONOUNCEMENTS

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

Standards Effective On Or After April 1, 2022:

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

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

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

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

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

Standards Effective On Or After April 1, 2023:

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

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

RURAL MUNICIPALITY OF LEASK NO. 464

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

14. TRUSTS ADMINISTERED BY THE MUNICIPALITY

A summary of trust fund activity by the municipality during the year is as follows:

Green Fund	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 57,066	70,644
Interest	1,212	1,518
Expenditures	<u>(13,600)</u>	<u>(15,096)</u>
Balance, end of year	\$ <u>44,678</u>	<u>57,066</u>

15. BUDGET

The Financial Plan (Budget) adopted by Council on May 11, 2022, was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus does not include amounts budgeted for capital purchases, issuance or repayment of debt, or transfers to or from reserves. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2022</u>
Budget net surplus	\$ 4,000
Add: Investment in tangible capital assets	106,000
Debt repaid	<u>51,000</u>
Budget surplus per statement of operations	\$ <u>161,000</u>

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 1,733,800	1,733,832	1,708,138
Abatements and adjustments	(3,000)	(5,607)	(6,589)
Discount on current year taxes	(75,700)	(78,125)	(74,139)
Net municipal taxes	<u>1,655,100</u>	<u>1,650,100</u>	<u>1,627,410</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	25,260	15,519	23,672
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>1,680,360</u>	<u>1,665,619</u>	<u>1,651,082</u>
UNCONDITIONAL GRANTS			
Revenue sharing	538,060	538,374	543,642
Organized Hamlet	10,020	10,021	6,869
Other	-	-	-
Total Unconditional Grants	<u>548,080</u>	<u>548,395</u>	<u>550,511</u>
GRANTS IN LIEU OF TAXES			
Federal	540	289	543
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	820	816	816
Provincial - Central Services	-	-	-
Sasktel	3,800	3,801	3,801
Other (TLE/Specific Claims)	30,000	11,121	30,076
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>35,160</u>	<u>16,027</u>	<u>35,236</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 2,263,600</u>	<u>2,230,041</u>	<u>2,236,829</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 3,100	10,256	5,267
Sales of supplies	4,170	4,505	7,761
Other (Donations, trailer park licenses, misc.)	4,230	4,059	13,383
Total Fees and Charges	11,500	18,820	26,411
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	25,510	5,278	-
Investment income and commissions	8,900	(1,272)	9,653
Other	-	-	-
Total other segmented revenue	45,910	22,826	36,064
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>45,910</u>	<u>22,826</u>	<u>36,064</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>45,910</u>	<u>22,826</u>	<u>36,064</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (fire fees)	37,000	31,334	88,125
Total Fees and Charges	37,000	31,334	88,125
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	37,000	31,334	88,125
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>37,000</u>	<u>31,334</u>	<u>88,125</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>37,000</u>	<u>31,334</u>	<u>88,125</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 10,000	12,859	9,743
Sales of supplies	8,000	4,793	8,102
Road Maintenance and Restoration Agreements	5,000	8,658	8,656
Other (Gravel extraction fee)	2,000	18,955	-
Total Fees and Charges	25,000	45,265	26,501
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	25,000	45,265	26,501
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	25,000	45,265	26,501
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	42,400	21,197	83,589
MREP (Heavy Haul, CTP, Municipal Bridges)	25,280	25,280	82,733
Provincial Disaster Assistance	-	-	-
Other (MAMP)	27,000	27,000	-
Total Capital	94,680	73,477	166,322
Restructuring Revenue	-	-	-
Total Transportation Services	119,680	118,742	192,823
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	5,000	4,289	5,315
Other (Pound fees)	-	-	280
Total Fees and Charges	5,000	4,289	5,595
Tangible capital asset sales - gain (loss)	-	-	-
Other (MMSW)	4,420	6,948	4,438
Total other segmented revenue	9,420	11,237	10,033
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Weed & rat control, channel clearing)	3,780	11,093	4,604
Total Conditional Grants	3,780	11,093	4,604
Total Operating	13,200	22,330	14,637
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	13,200	22,330	14,637

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other (Building & development permits)	9,500	17,001	9,291
Total Fees and Charges	9,500	17,001	9,291
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	9,500	17,001	9,291
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	9,500	17,001	9,291
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	9,500	17,001	9,291
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other (Donations)	-	8,339	-
Total other segmented revenue	-	8,339	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other (Sask Lotto)	-	3,492	3,004
Total Conditional Grants	-	3,492	3,004
Total Operating	-	11,831	3,004
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Green fund)	13,000	13,600	-
Total Capital	13,000	13,600	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	13,000	25,431	3,004

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 238,290</u>	<u>237,664</u>	<u>343,944</u>
 SUMMARY			
Total Other Segmented Revenue	\$ 126,830	136,002	170,014
Total Conditional Grants	3,780	14,585	7,608
Total Capital Grants and Contributions	107,680	87,077	166,322
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 238,290</u>	<u>237,664</u>	<u>343,944</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 45,000	42,311	42,905
Wages and benefits	180,000	180,211	188,340
Professional/Contractual services	110,940	130,449	116,456
Utilities	11,500	9,303	10,116
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	2,700	2,923	3,795
-capital	-	-	-
Amortization	-	1,449	-
Interest	2,400	2,047	2,510
Allowance for uncollectibles	-	-	(3,294)
General Government Services	<u>352,540</u>	<u>368,693</u>	<u>360,828</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>352,540</u>	<u>368,693</u>	<u>360,828</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	52,100	40,652	32,000
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	16,270	13,251	21,091
Professional/Contractual services	7,630	7,921	6,749
Utilities	11,500	12,452	9,319
Maintenance, materials, and supplies	19,000	8,232	13,386
Grants and contributions	50	-	45
-operating	-	-	-
-capital	-	-	-
Amortization	-	11,355	8,777
Interest	-	-	-
Other	-	-	-
Protective Services	<u>106,550</u>	<u>93,863</u>	<u>91,367</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>106,550</u>	<u>93,863</u>	<u>91,367</u>
TRANSPORTATION SERVICES			
Wages and benefits	558,080	480,540	480,739
Professional/Contractual services	150,900	118,940	139,963
Utilities	7,400	10,080	5,949
Maintenance, materials, and supplies	451,200	435,063	331,783
Gravel	530,330	374,317	393,814
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	483,878	357,560
Interest	6,000	5,772	257
Other	-	-	-
Transportation Services	<u>1,703,910</u>	<u>1,908,590</u>	<u>1,710,065</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>1,703,910</u>	<u>1,908,590</u>	<u>1,710,065</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	6,200	6,515	5,622
Professional/Contractual services	30,000	26,752	30,675
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating			
Waste disposal	1,500	-	-
Public health	6,000	5,999	3,430
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>43,700</u>	<u>39,266</u>	<u>39,727</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>43,700</u>	<u>39,266</u>	<u>39,727</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	39,500	46,101	7,666
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>39,500</u>	<u>46,101</u>	<u>7,666</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>39,500</u>	<u>46,101</u>	<u>7,666</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	3,990	4,671	3,278
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating	30,000	24,984	14,163
-capital	-	-	-
Amortization	-	7,183	3,052
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other (Hamlet activities)	60,700	46,661	44,214
Recreation and Cultural Services	<u>94,690</u>	<u>83,499</u>	<u>64,707</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>94,690</u>	<u>83,499</u>	<u>64,707</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	-	-	-
Restructuring	-	-	-
Total Utility Services	-	-	-
 TOTAL EXPENDITURES BY FUNCTION	 \$ 2,340,890	 2,540,012	 2,274,360

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 4

Year ended December 31, 2022

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 18,820	31,334	45,265	4,289	17,001	-	-	116,709
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	5,278	-	-	-	-	-	-	5,278
Investment income and commissions	(1,272)	-	-	-	-	-	-	(1,272)
Other revenues	-	-	-	6,948	-	8,339	-	15,287
Grants - Conditional	-	-	-	11,093	-	3,492	-	14,585
Grants - Capital	-	-	73,477	-	-	13,600	-	87,077
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>22,826</u>	<u>31,334</u>	<u>118,742</u>	<u>22,330</u>	<u>17,001</u>	<u>25,431</u>	<u>-</u>	<u>237,664</u>
Expenses (Schedule 3)								
Wages & Benefits	222,522	13,251	480,540	6,515	-	-	-	722,828
Professional/Contractual Services	130,449	48,573	118,940	26,752	46,101	4,671	-	375,486
Utilities	9,303	12,452	10,080	-	-	-	-	31,835
Maintenance, materials and supplies	-	8,232	809,380	-	-	46,661	-	864,273
Grants and contributions	2,923	-	-	5,999	-	24,984	-	33,906
Amortization	1,449	11,355	483,878	-	-	7,183	-	503,865
Interest	2,047	-	5,772	-	-	-	-	7,819
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>368,693</u>	<u>93,863</u>	<u>1,908,590</u>	<u>39,266</u>	<u>46,101</u>	<u>83,499</u>	<u>-</u>	<u>2,540,012</u>
Surplus (deficit) by function								
Taxation and other unconditional revenue (Schedule 1)	(345,867)	(62,529)	(1,789,848)	(16,936)	(29,100)	(58,068)	-	(2,302,348)
Net Surplus (Deficit)								
								<u>\$ (72,307)</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 5

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 26,411	88,125	26,501	5,595	9,291	-	-	155,923
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	9,653	-	-	-	-	-	-	9,653
Other revenues	-	-	-	4,438	-	-	-	4,438
Grants - Conditional	-	-	-	4,604	-	3,004	-	7,608
Grants - Capital	-	-	166,322	-	-	-	-	166,322
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>36,064</u>	<u>88,125</u>	<u>192,823</u>	<u>14,637</u>	<u>9,291</u>	<u>3,004</u>	<u>-</u>	<u>343,944</u>
Expenses (Schedule 3)								
Wages & Benefits	231,245	21,091	480,739	5,622	-	-	-	738,697
Professional/Contractual Services	116,456	38,749	139,963	30,675	7,666	3,278	-	336,787
Utilities	10,116	9,319	5,949	-	-	-	-	25,384
Maintenance, materials and supplies	-	13,386	725,597	-	-	44,214	-	783,197
Grants and contributions	3,795	45	-	3,430	-	14,163	-	21,433
Amortization	-	8,777	357,560	-	-	3,052	-	369,389
Interest	2,510	-	257	-	-	-	-	2,767
Allowance for uncollectibles	(3,294)	-	-	-	-	-	-	(3,294)
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>360,828</u>	<u>91,367</u>	<u>1,710,065</u>	<u>39,727</u>	<u>7,666</u>	<u>64,707</u>	<u>-</u>	<u>2,274,360</u>
Surplus (deficit) by function	<u>(324,764)</u>	<u>(3,242)</u>	<u>(1,517,242)</u>	<u>(25,090)</u>	<u>1,625</u>	<u>(61,703)</u>	<u>-</u>	<u>(1,930,416)</u>
Taxation and other unconditional revenue (Schedule 1)								<u>2,236,829</u>
Net Surplus (Deficit)								<u>\$ 306,413</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2022
with comparative figures for 2021

	2022						2021	
	General Assets			Infrastructure Assets		General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets		
Asset cost								
Opening asset costs	\$ 87,858	10,626	87,952	348,579	1,477,268	9,091,879	1,750	10,806,141
Additions during the year	-	53,986	-	-	333,012	44,096	-	299,769
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>87,858</u>	<u>64,612</u>	<u>87,952</u>	<u>348,579</u>	<u>1,810,280</u>	<u>9,135,975</u>	<u>1,750</u>	<u>11,105,910</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	9,044	75,783	152,825	910,269	5,488,770	-	6,267,302
Add: Amortization taken	-	1,005	380	40,058	219,835	242,587	-	369,389
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>10,049</u>	<u>76,163</u>	<u>192,883</u>	<u>1,130,104</u>	<u>5,731,357</u>	<u>-</u>	<u>6,636,691</u>
Net book value	<u>\$ 87,858</u>	<u>54,563</u>	<u>11,789</u>	<u>155,696</u>	<u>680,176</u>	<u>3,404,618</u>	<u>1,750</u>	<u>4,469,219</u>

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	2022							2021
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 47,994	121,773	10,760,069	578	-	175,498	-	11,105,912
Additions during the year	-	12,877	358,506	-	-	59,711	-	431,094
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>47,994</u>	<u>134,650</u>	<u>11,118,575</u>	<u>578</u>	<u>-</u>	<u>235,209</u>	<u>-</u>	<u>11,537,006</u>
Accumulated amortization cost								
Opening accumulated amortization costs	40,507	40,212	6,538,887	-	-	17,085	-	6,636,691
Add: Amortization taken	1,449	11,355	483,878	-	-	7,183	-	503,865
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>41,956</u>	<u>51,567</u>	<u>7,022,765</u>	<u>-</u>	<u>-</u>	<u>24,268</u>	<u>-</u>	<u>6,636,691</u>
Net book value	\$ 6,038	83,083	4,095,810	578	-	210,941	-	4,469,219

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2022

	<u>2021</u>	<u>Changes</u>	<u>2022</u>
UNAPPROPRIATED SURPLUS	\$ <u>880,413</u>	<u>194,055</u>	<u>1,074,468</u>
APPROPRIATED RESERVES			
Machinery and equipment	217,882	7	217,889
Public reserve	21,920	192	22,112
Capital trust	-	-	-
Utility	-	-	-
Other (Buildings)	<u>8,624</u>	<u>-</u>	<u>8,624</u>
Total Appropriated	<u>248,426</u>	<u>199</u>	<u>248,625</u>
ORGANIZED HAMLETS			
Hamlet of Pelican Cove	<u>62,113</u>	<u>8,540</u>	<u>70,653</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	4,469,219	(72,769)	4,396,450
Less: Related debt	<u>(5,827)</u>	<u>(202,332)</u>	<u>(208,159)</u>
Net Investment in Tangible Capital Assets	<u>4,463,392</u>	<u>(275,101)</u>	<u>4,188,291</u>
Total Accumulated Surplus	\$ <u>5,654,344</u>	<u>(72,307)</u>	<u>5,582,037</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2022
with comparative figures for 2021

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	\$ 130,526,375	23,250,170	-	48,020,440	4,150,890	-
Regional Park Assessment						
Total Assessment						\$ 205,947,875
Mill Rate Factor(s)	1.0000	0.850 & 1.000	-	0.850 & 1.000	1.6500	
Total Base/Minimum Tax (generated for each property class)						
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,213,895	179,473	-	276,769	63,695	1,733,832

MILL RATES:

Average Municipal*	8.419
Average School*	2.507
Potash Mill Rate	-
Uniform Municipal Mill Rate	9.300

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2022
with comparative figures for 2021

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Craig Hamilton	\$ 8,830	4,420	13,250
Councillor	Real Diehl	4,715	1,633	6,348
Councillor	Robert Girod	610	143	753
Councillor	Clarke Gossen	4,060	1,888	5,948
Councillor	Keith Junk	3,075	1,528	4,603
Councillor	Joan Sanftleben	4,331	1,124	5,455
Councillor	Gord Stieb	2,673	1,063	3,736
Councillor	Matthew McNiece	700	174	874
Total		\$ 28,994	11,973	40,967

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF LEASK NO. 464

SCHEDULE OF RESTRUCTURING

Year ended December 31, 2022

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

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

See accompanying notes to the financial statements.