
RURAL MUNICIPALITY OF NORTH BATTLEFORD NO. 437

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021



Vantage

CHARTERED PROFESSIONAL ACCOUNTANTS

Management's Responsibility

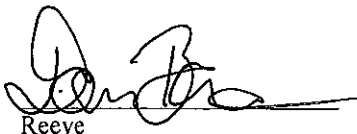
To the Ratepayers of Rural Municipality of North Battleford No. 437

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated 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 judgements and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated 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 consolidated 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.

Vantage, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated 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.



Reeve



Administrator

March 9, 2022

INDEPENDENT AUDITORS' REPORT

Reeve and Council
Rural Municipality of North Battleford No. 437
North Battleford, Saskatchewan

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of North Battleford No. 437, which comprise the consolidated statement of financial position as at December 31, 2021, the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of North Battleford No. 437 as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Rural Municipality of North Battleford No. 437 in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Rural Municipality of North Battleford No. 437's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

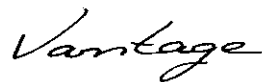
Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

The logo for Vantage Chartered Professional Accountants, featuring the word "Vantage" in a stylized, cursive script.

Chartered Professional Accountants

North Battleford, Saskatchewan
March 9, 2022

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Financial Position
 As at December 31, 2021

Statement 1

	2021	2020
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	4,390,325	4,084,839
Taxes Receivable - Municipal (Note 3)	212,652	286,120
Other Accounts Receivable (Note 4)	57,435	22,905
Land for Resale (Note 5)	18	18
Long-Term Investments (Note 6)	103,643	95,811
Debt Charges Recoverable		
Other (<i>Specify</i>)		
Total Financial Assets	4,764,073	4,489,693
LIABILITIES		
Bank Indebtedness		
Accounts Payable	47,023	44,969
Accrued Liabilities Payable		
Deposits		
Deferred Revenue	300	
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 7)	1,234,063	1,400,042
Lease Obligations		
Total Liabilities	1,281,386	1,445,011
NET FINANCIAL ASSETS (DEBT)	3,482,687	3,044,682
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	4,611,318	4,395,831
Prepayments and Deferred Charges	49,420	116
Stock and Supplies	353,681	359,247
Other		
Total Non-Financial Assets	5,014,419	4,755,194
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	8,497,106	7,799,876

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Operations
 For the year ended December 31, 2021

Statement 2

	2021 Budget	2021	2020
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	2,222,714	2,214,185	2,124,500
Fees and Charges (Schedule 4, 5)	1,184,600	1,128,436	134,539
Conditional Grants (Schedule 4, 5)	3,295	3,382	47,373
Tangible Capital Asset Sales - Gain (Schedule 4, 5)			(4,230)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	12,500	18,932	18,544
Restructurings (Schedule 4,5)			
Other Revenues (Schedule 4, 5)	18,000	96,966	39,653
Total Revenues	3,441,109	3,461,901	2,360,379
EXPENSES			
General Government Services (Schedule 3)	470,780	463,432	425,721
Protective Services (Schedule 3)	153,900	181,441	173,309
Transportation Services (Schedule 3)	2,876,878	2,131,487	924,069
Environmental and Public Health Services (Schedule 3)	37,100	38,031	37,008
Planning and Development Services (Schedule 3)	10,000	29,479	6,510
Recreation and Cultural Services (Schedule 3)	9,200	9,142	9,142
Utility Services (Schedule 3)			
Restructurings (Schedule 3)			
Total Expenses	3,557,858	2,853,012	1,575,759
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(116,749)	608,889	784,620
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	22,000	88,341	168,365
Surplus (Deficit) of Revenues over Expenses	(94,749)	697,230	952,985
Accumulated Surplus (Deficit), Beginning of Year	7,799,876	7,799,876	6,846,891
Accumulated Surplus (Deficit), End of Year	7,705,127	8,497,106	7,799,876

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2021

Statement 3

	2021 Budget	2021	2020
Surplus (Deficit)	(94,749)	697,230	952,985
(Acquisition) of tangible capital assets		(396,667)	(371,427)
Amortization of tangible capital assets		181,180	167,241
Proceeds on disposal of tangible capital assets			4,230
Loss (gain) on the disposal of tangible capital assets			4,230
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures		(215,487)	(199,956)
(Acquisition) of supplies inventories		(110,249)	(103,375)
(Acquisition) of prepaid expense		(49,304)	
Consumption of supplies inventory		115,815	
Use of prepaid expense			66,076
Surplus (Deficit) of expenses of other non-financial over expenditures		(43,738)	(37,299)
Increase/Decrease in Net Financial Assets	(94,749)	438,005	715,730
Net Financial Assets (Debt) - Beginning of Year	3,044,682	3,044,682	2,328,952
Net Financial Assets (Debt) - End of Year	2,949,933	3,482,687	3,044,682

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2021

Statement 4

	2021	2020
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	697,230	952,985
Amortization	181,180	167,241
Loss (gain) on disposal of tangible capital assets		4,230
	878,410	1,124,456
Change in assets/liabilities		
Taxes Receivable - Municipal	73,468	32,545
Other Receivables	(34,530)	(1,413)
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	2,054	(59,875)
Deposits		
Deferred Revenue	300	
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies	5,566	(103,375)
Prepayments and Deferred Charges	(49,304)	66,076
Other (<i>Specify</i>)		
Cash provided by operating transactions	875,964	1,058,414
Capital:		
Acquisition of tangible capital assets	(396,667)	(371,427)
Proceeds from the disposal of tangible capital assets		
Other capital		
Cash applied to capital transactions	(396,667)	(371,427)
Investing:		
Long-term investments	(7,832)	(6,846)
Other investments		
Cash provided by (applied to) investing transactions	(7,832)	(6,846)
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid	(165,979)	(159,624)
Other financing		
Cash provided by (applied to) financing transactions	(165,979)	(159,624)
Change in Cash and Temporary Investments during the year	305,486	520,517
Cash and Temporary Investments - Beginning of Year	4,084,839	3,564,322
Cash and Temporary Investments - End of Year	4,390,325	4,084,839

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies

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

Basis of Accounting: The consolidated 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 consolidated 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.

All inter-organizational transactions and balances have been eliminated.

- 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 have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

- d) **Deferred Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- 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.

Rural Municipality of North Battleford No. 437
 Notes to the Consolidated Financial Statements
 For the year ended December 31, 2021

1. Significant Accounting Policies - continued

- 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 deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. 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>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	
Water and Sewer	40 Yrs
Road Network Assets	15 to 40 Yrs

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

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 consolidated 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 tangible capital assets. 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 the 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) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- n) **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.

1. Significant Accounting Policies - continued

- o) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and 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 is 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.

- p) **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.

- q) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 9th, 2021.

New Standards and Amendments to Standards:

- r) **Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

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

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

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

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

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

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

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

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2021

2. Cash and Temporary Investments

	2021	2020
Cash	3,850,374	4,084,839
Temporary Investments	445,000	
Restricted Cash	94,951	
Total Cash and Temporary Investments	4,390,325	4,084,839

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

3. Taxes Receivable - Municipal

	2021	2020
Municipal - Current	96,167	135,769
- Arrears	117,930	151,796
	214,097	287,565
- Less Allowance for Uncollectible	(1,445)	(1,445)
Total municipal taxes receivable	212,652	286,120
School - Current	32,693	63,254
- Arrears	60,216	75,809
Total school taxes receivable	92,909	139,063
Other	1,070	3,489
Total taxes and grants in lieu receivable	306,631	428,672
Deduct taxes receivable to be collected on behalf of other organizations	(93,979)	(142,552)
Total Taxes Receivable - Municipal	212,652	286,120

4. Other Accounts Receivable

	2021	2020
Federal Government	44,258	19,698
Provincial Government		
Local Government		
Utility		
Trade	6,286	3,207
Other (Fire fees)	6,891	
Total Other Accounts Receivable	57,435	22,905
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	57,435	22,905

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2021

5. Land for Resale

	2021	2020
Tax Title Property	262	262
Allowance for market value adjustment	(244)	(244)
Net Tax Title Property	18	18
Other Land		
Allowance for market value adjustment		
Net Other Land		
Total Land for Resale	18	18

6. Long-Term Investments

	2021	2020
Sask Association of Rural Municipalities - Self Insurance Fund	92,715	85,891
Other (Co-op and credit union equity)	10,928	9,920
Total Long-Term Investments	103,643	95,811

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

7. Long-Term Debt

a) The debt limit of the municipality is \$2,282,366. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

b) The Royal Bank of Canada loan is repayable at \$18,147 monthly for a 10 year term, including interest at 3.91%, due 2028, secured by municipal borrowing resolution.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2021				165,979
2022	172,586	45,181	217,767	165,979
2023	179,456	38,310	217,766	172,586
2024	186,600	31,167	217,767	179,456
2025	194,028	23,738	217,766	186,600
Thereafter	501,393	24,878	526,271	529,442
Balance	1,234,063	163,274	1,397,337	1,400,042

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2021

8. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2021 was \$32,809. 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.

9. Comparative Figures

Certain comparative figures may have been restated to conform to the current year's presentation.

10. Subsequent Events

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern." This coronavirus continues to spread throughout the world and has adversely impacted global commercial activity and has contributed to significant declines and volatility in financial markets. The extent of COVID-19's effect on the municipality's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict. The rapid development and fluidity of this situation make it impossible to ascertain the ultimate adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the municipality, its performance, and its financial results.

Rural Municipality of North Battleford No. 437
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2021

Schedule 1

	2021 Budget	2021	2020
TAXES			
General municipal tax levy	2,110,714	2,104,420	2,009,553
Abatements and adjustments		(523)	(9,426)
Discount on current year taxes	(85,000)	(91,330)	(78,862)
Net Municipal Taxes	2,025,714	2,012,567	1,921,265
Potash tax share			
Trailer license fees			
Penalties on tax arrears	20,000	20,876	23,865
Special tax levy			
Other (<i>Specify</i>)			
Total Taxes	2,045,714	2,033,443	1,945,130
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	160,000	160,951	162,972
Total Unconditional Grants	160,000	160,951	162,972
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	11,000	8,917	10,347
Other (SPSA/Fish and Wildlife)		2,295	
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	6,000	8,579	6,051
Other (<i>Specify</i>)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (<i>Specify</i>)			
Total Grants in Lieu of Taxes	17,000	19,791	16,398
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	2,222,714	2,214,185	2,124,500

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			1,120
- Sales of supplies	1,000	1,639	841
- Other (General office, recoveries)	4,000	12,336	4,077
Total Fees and Charges	5,000	13,975	6,038
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	12,500	18,932	18,544
- Other (Specify)	1,000	11,351	6,173
Total Other Segmented Revenue	18,500	44,258	30,755
Conditional Grants			
- Student Employment			
- Other (Safe Restart)			43,249
Total Conditional Grants			43,249
Total Operating	18,500	44,258	74,004
Capital			
Conditional Grants			
- Federal Gas Tax	22,000	88,341	64,162
- Provincial Disaster Assistance			
- Other (MEEP)			104,203
Total Capital	22,000	88,341	168,365
Restructuring Revenue (Specify, if any)			
Total General Government Services	40,500	132,599	242,369

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges	20,000	56,884	68,138
- Other (Specify)			
Total Fees and Charges	20,000	56,884	68,138
- Tangible capital asset sales - gain (loss)			
- Other (Donations)	15,000	81,920	26,400
Total Other Segmented Revenue	35,000	138,804	94,538
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating	35,000	138,804	94,538
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Protective Services	35,000	138,804	94,538

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 2

	2021 Budget	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,101,000	990,066	
- Sales of supplies	1,000	2,216	7,449
- Road Maintenance and Restoration Agreements	20,000	12,063	22,119
- Overweight Permits	400	2,150	
- Other (Pasture rental)	1,350	1,350	1,350
Total Fees and Charges	1,123,750	1,007,845	30,918
- Tangible capital asset sales - gain (loss)			(4,230)
- Other (Specify)			
Total Other Segmented Revenue	1,123,750	1,007,845	26,688
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	1,123,750	1,007,845	26,688
Capital			
Conditional Grants			
- Federal Gas Tax			
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Transportation Services	1,123,750	1,007,845	26,688

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees			
- Other (Pest control)	15,100	15,549	21,375
Total Fees and Charges	15,100	15,549	21,375
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	15,100	15,549	21,375
Conditional Grants			
- Student Employment			
- TAPD			
- Local government	3,295	3,382	4,124
- Other (Specify)			
Total Conditional Grants	3,295	3,382	4,124
Total Operating	18,395	18,931	25,499
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	18,395	18,931	25,499

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 3

	2021 Budget	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	750	1,500	1,100
- Other (Public Reserve and Building Permits)	20,000	32,683	6,970
Total Fees and Charges	20,750	34,183	8,070
- Tangible capital asset sales - gain (loss)			
- Other (Specify)	2,000	3,695	7,080
Total Other Segmented Revenue	22,750	37,878	15,150
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	22,750	37,878	15,150
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services	22,750	37,878	15,150

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services			

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 4

	2021 Budget	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (<i>Specify</i>)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Utility Services			
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,240,395	1,336,057	404,244

SUMMARY

Total Other Segmented Revenue	1,215,100	1,244,334	188,506
Total Conditional Grants	3,295	3,382	47,373
Total Capital Grants and Contributions	22,000	88,341	168,365
Restructuring Revenue			
TOTAL REVENUE BY FUNCTION	1,240,395	1,336,057	404,244

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	34,200	26,380	32,553
Wages and benefits	225,192	223,713	215,480
Professional/Contractual services	81,795	89,632	53,674
Utilities	8,680	10,583	7,980
Maintenance, materials and supplies	16,100	14,991	40,000
Grants and contributions - operating	13,000	18,851	12,231
- capital	24,000		
Amortization	5,813	22,354	4,193
Interest	60,000	52,319	58,542
Allowance for uncollectible			
Other (Office functions)	2,000	4,609	1,068
General Government Services	470,780	463,432	425,721
Restructuring (<i>Specify, if any</i>)			
Total General Government Services	470,780	463,432	425,721

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	35,000	35,857	34,920
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	300	300	300
- capital			
Other (<i>Specify</i>)			

Fire protection

Wages and benefits	65,400	65,717	64,301
Professional/Contractual services	20,500	15,034	21,754
Utilities	2,700	5,325	1,609
Maintenance, material and supplies	30,000	33,293	47,043
Grants and contributions - operating			
- capital			
Amortization		25,915	3,382
Interest			
Other (Fundraising)			

Protective Services	153,900	181,441	173,309
Restructuring (<i>Specify, if any</i>)			
Total Protective Services	153,900	181,441	173,309

TRANSPORTATION SERVICES

Wages and benefits	332,000	266,442	238,857
Professional/Contractual services	1,657,500	1,271,748	219,649
Utilities	20,000	15,856	14,831
Maintenance, materials and supplies	146,670	180,083	135,282
Gravel	270,000	264,447	155,784
Grants and contributions - operating			
- capital	275,000		
Amortization	175,708	132,911	159,666
Interest			
Other (Grader lease)			

Transportation Services	2,876,878	2,131,487	924,069
Restructuring (<i>Specify, if any</i>)			
Total Transportation Services	2,876,878	2,131,487	924,069

Rural Municipality of North Battleford No. 437

Total Expenses by Function

For the year ended December 31, 2021

Schedule 3 - 2

	2021 Budget	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	4,600	4,571	7,699
Professional/Contractual services	25,500	26,174	
Utilities			
Maintenance, materials and supplies	7,000	7,286	29,309
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (<i>Specify</i>)			
Environmental and Public Health Services	37,100	38,031	37,008
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	37,100	38,031	37,008
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual services	10,000	29,479	6,510
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (<i>Specify</i>)			
Planning and Development Services	10,000	29,479	6,510
Restructuring (Specify, if any)			
Total Planning and Development Services	10,000	29,479	6,510
RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	9,200	9,142	9,142
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)			
Recreation and Cultural Services	9,200	9,142	9,142
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	9,200	9,142	9,142

Rural Municipality of North Battleford No. 437

Total Expenses by Function

For the year ended December 31, 2021

Schedule 3 - 3

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)			
Utility Services			
Restructuring (Specify, if any)			
Total Utility Services			
 TOTAL EXPENSES BY FUNCTION	 3,557,858	 2,853,012	 1,575,759

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	13,975	56,884	1,007,845	15,549	34,183			1,128,436
Tangible Capital Asset Sales - Gain	18,932							18,932
Land Sales - Gain	11,351	81,920			3,695			96,966
Investment Income and Commissions								3,382
Other Revenues				3,382				88,341
Grants - Conditional - Capital Restructurings	88,341							
Total Revenues	132,599	138,804	1,007,845	18,931	37,878			1,336,057
Expenses (Schedule 3)								
Wages and Benefits	250,093	65,717	266,442	4,571				586,823
Professional/Contractual Services	89,632	50,891	1,271,748	26,174	29,479			1,467,924
Utilities	10,583	5,325	15,856					31,764
Maintenance, Materials and Supplies	14,991	33,293	444,530	7,286				500,100
Grants and Contributions	18,851	300				9,142		28,293
Amortization	22,354	25,915	132,911					181,180
Interest	52,319							52,319
Allowance for Uncollectible Restructurings								
Other	4,609							4,609
Total Expenses	463,432	181,441	2,131,487	38,031	29,479	9,142		2,853,012
Surplus (Deficit) by Function	(330,833)	(42,637)	(1,123,642)	(19,100)	8,399	(9,142)		(1,516,955)
Taxes and other unconditional revenue (Schedule 1)								2,214,185
Net Surplus (Deficit)								697,230

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	6,038	68,138	30,918	21,375	8,070			134,539
Tangible Capital Asset Sales - Gain			(4,230)					(4,230)
Land Sales - Gain	18,544							18,544
Investment Income and Commissions	6,173	26,400			7,080			39,653
Other Revenues	43,249			4,124				47,373
Grants - Conditional	168,365							168,365
- Capital								
Restructurings								
Total Revenues	242,369	94,538	26,688	25,499	15,150			404,244
Expenses (Schedule 3)								
Wages and Benefits	248,033	64,301	238,857	7,699				558,890
Professional/Contractual Services	53,674	56,674	219,649		6,510			336,507
Utilities	7,980	1,609	14,831					24,420
Maintenance, Materials and Supplies	40,000	47,043	291,066	29,309		9,142		407,418
Grants and Contributions	12,231	300						21,673
Amortization	4,193	3,382	159,666					167,241
Interest	58,542							58,542
Allowance for Uncollectible								
Restructurings								
Other	1,068							1,068
Total Expenses	425,721	173,309	924,069	37,008	6,510	9,142		1,575,759
Surplus (Deficit) by Function	(183,352)	(78,771)	(897,381)	(11,509)	8,640	(9,142)		(1,171,515)
Taxes and other unconditional revenue (Schedule 1)								2,124,500
Net Surplus (Deficit)								952,985

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2021

Schedule 6

	2021						2020	
	General Assets			Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total	Total
	Land	Land Improvements	Buildings					
Asset costs								
Opening Asset Costs		125,000	1,630,316		1,448,775	2,608,952	687,036	6,158,618
Additions during the year					114,159	193,026	89,482	371,427
Disposals and write-downs during the year								(29,966)
Transfers (from) assets under construction								
Transfer of capital assets related to restructuring (Schedule 11)								
Closing Asset Costs		125,000	1,630,316		1,562,934	2,801,978	776,518	6,504,079
Accumulated Amortization Costs								
Opening Accumulated Amortization Costs			80,826		531,810	1,491,612		1,962,743
Add: Amortization taken			40,139		95,472	45,569		167,241
Less: Accumulated amortization on disposals								(25,736)
Transfer of capital assets related to restructuring (Schedule 11)								
Closing Accumulated Amortization Costs			120,965		627,282	1,537,181		2,104,248
Net Book Value		125,000	1,509,351		935,652	1,264,797	776,518	4,395,831

1. Total contributed/donated assets received in 2021

are:

- Infrastructure Assets

- Vehicles

- Machinery and Equipment

3. Amount of interest capitalized in Schedule 6

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2021

Schedule 7

	2021						2020	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total
Asset costs								
Opening Asset Costs	1,403,327	946,933	4,149,819					6,500,079
Additions during the year		169,458	227,209					396,667
Disposals and write-downs during the year								(29,966)
Fund reclassification	(557,923)	33,073	524,850				Nil	
Transfer of capital assets related to reclassification								
Closing Asset Costs	845,404	1,149,464	4,901,878					6,500,079
Accumulated Amortization Costs								
Opening Accumulated Amortization Costs	26,369	37,205	2,040,674					1,962,743
Add: Amortization taken	22,354	25,915	132,911					167,241
Less: Accumulated amortization on disposals								(25,736)
Fund reclassification	16,541	14,330	(30,871)				Nil	
Transfer of capital assets related to restructuring (Schedule 11)								
Closing Accumulated Amortization Costs	65,264	77,450	2,142,714					2,285,428
Net Book Value	780,140	1,072,014	2,759,164					4,611,318

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	4,632,911	304,989	4,937,900
APPROPRIATED RESERVES			
Machinery and Equipment	87,000		87,000
Public Reserve	84,176	10,775	94,951
Capital Trust			
Utility			
Other (<i>Specify</i>)			
Total Appropriated	171,176	10,775	181,951
INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	4,395,831	215,487	4,611,318
Less: Related debt	(1,400,042)	165,979	(1,234,063)
Net Investment in Tangible Capital Assets	2,995,789	381,466	3,377,255
Total Accumulated Surplus	7,799,876	697,230	8,497,106

Rural Municipality of North Battleford No. 437
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	157,144,380	32,910,885			98,812,755		288,868,020
Regional Park Assessment							
Total Assessment							288,868,020
Mill Rate Factor(s)	0.5100	0.9200			1.0000		
Total Base/Minimum Tax (generated for each property class)	18,600						18,600
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	813,512	302,780			988,128		2,104,420

MILL RATES:	MILLS
Average Municipal*	7.2851
Average School*	3.5569
Potash Mill Rate	
Uniform Municipal Mill Rate	10.0000

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

Rural Municipality of North Battleford No. 437
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Daniel Bartko	5,633	1,491	7,124
Councillor	Robert Hujdic	3,800	176	3,976
Councillor	Todd Illingworth	3,040	146	3,186
Councillor	Todd Winterhalt	3,000		3,000
Councillor	David Acaster	3,640	309	3,949
Councillor	Ryan Shepherd	3,020		3,020
Councillor	Gilles Fransoo	3,300		3,300
Total		25,433	2,122	27,555