
RURAL MUNICIPALITY OF NORTH BATTLEFORD NO. 437

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022



Vantage

CHARTERED PROFESSIONAL ACCOUNTANTS

Management's Responsibility


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

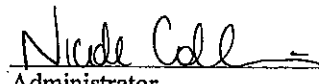
The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles 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

April 6, 2023



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, 2022, 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, 2022, 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.

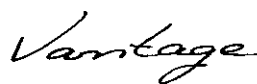
Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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
April 6, 2023

Rural Municipality of North Battleford No. 437
Consolidated Statement of Financial Position
As at December 31, 2022

Statement 1

	2022	2021
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	4,402,543	4,390,325
Taxes Receivable - Municipal (Note 3)	207,962	212,652
Other Accounts Receivable (Note 4)	67,781	57,435
Assets Held for Sale (Note 5)	18	18
Long-Term Investments (Note 6)	85,591	103,643
Debt Charges Recoverable		
Other (<i>Specify</i>)		
Total Financial Assets	4,763,895	4,764,073
LIABILITIES		
Bank Indebtedness		
Accounts Payable	49,029	47,023
Accrued Liabilities Payable		
Deposits		
Deferred Revenue	300	300
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 7)	1,061,476	1,234,063
Lease Obligations		
Total Liabilities	1,110,805	1,281,386
NET FINANCIAL ASSETS (DEBT)	3,653,090	3,482,687
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	5,202,550	4,611,318
Prepayments and Deferred Charges		49,420
Stock and Supplies	325,172	353,681
Other		
Total Non-Financial Assets	5,527,722	5,014,419
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	9,180,812	8,497,106

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Operations
 For the year ended December 31, 2022

Statement 2

	2022 Budget	2022	2021
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	2,245,500	2,243,056	2,214,185
Fees and Charges (Schedule 4, 5)	49,000	165,767	1,128,436
Conditional Grants (Schedule 4, 5)	7,700	9,524	3,382
Tangible Capital Asset Sales - Gain (Schedule 4, 5)		(1,454)	
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	12,500	81,020	18,932
Restructurings (Schedule 4,5)			
Other Revenues (Schedule 4, 5)	32,500	66,815	96,966
Total Revenues	2,347,200	2,564,728	3,461,901
EXPENSES			
General Government Services (Schedule 3)	709,190	451,509	463,432
Protective Services (Schedule 3)	255,320	210,763	181,441
Transportation Services (Schedule 3)	1,921,940	1,125,714	2,131,487
Environmental and Public Health Services (Schedule 3)	52,050	50,171	38,031
Planning and Development Services (Schedule 3)	13,000	56,126	29,479
Recreation and Cultural Services (Schedule 3)	9,150	9,142	9,142
Utility Services (Schedule 3)			
Restructurings (Schedule 3)			
Total Expenses	2,960,650	1,903,425	2,853,012
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(613,450)	661,303	608,889
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	42,000	22,403	88,341
Surplus (Deficit) of Revenues over Expenses	(571,450)	683,706	697,230
Accumulated Surplus (Deficit), Beginning of Year	8,497,106	8,497,106	7,799,876
Accumulated Surplus (Deficit), End of Year	7,925,656	9,180,812	8,497,106

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2022

Statement 3

	2022 Budget	2022	2021
Surplus (Deficit)	(571,450)	683,706	697,230
(Acquisition) of tangible capital assets	(864,000)	(812,024)	(396,667)
Amortization of tangible capital assets	192,770	187,138	181,180
Proceeds on disposal of tangible capital assets		32,200	
Loss (gain) on the disposal of tangible capital assets		1,454	
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures	(671,230)	(591,232)	(215,487)
(Acquisition) of supplies inventories			(110,249)
(Acquisition) of prepaid expense			(49,304)
Consumption of supplies inventory		28,509	115,815
Use of prepaid expense		49,420	
Surplus (Deficit) of expenses of other non-financial over expenditures		77,929	(43,738)
Increase/Decrease in Net Financial Assets	(1,242,680)	170,403	438,005
Net Financial Assets (Debt) - Beginning of Year	3,482,687	3,482,687	3,044,682
Net Financial Assets (Debt) - End of Year	2,240,007	3,653,090	3,482,687

Rural Municipality of North Battleford No. 437
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2022

Statement 4

	2022	2021
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	683,706	697,230
Amortization	187,138	181,180
Loss (gain) on disposal of tangible capital assets	1,454	
	<u>872,298</u>	<u>878,410</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	4,690	73,468
Other Receivables	(10,346)	(34,530)
Assets Held for Sale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	2,005	2,054
Deposits		
Deferred Revenue		300
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies	28,509	5,566
Prepayments and Deferred Charges	49,420	(49,304)
Other (<i>Specify</i>)		
Cash provided by operating transactions	946,576	875,964
Capital:		
Cash used to acquire tangible capital assets	(812,024)	(396,667)
Proceeds on sale of tangible capital assets	32,200	
Other capital		
Cash applied to capital transactions	(779,824)	(396,667)
Investing:		
Proceeds on disposal of investments	18,052	(7,832)
Acquisition in investment		
Cash provided by (applied to) investing transactions	18,052	(7,832)
Financing:		
Debt charges recovered		
Proceeds from debt issues		
Debt repayment	(172,586)	(165,979)
Other financing (<i>Specify</i>)		
Cash provided by (applied to) financing transactions	(172,586)	(165,979)
Change in Cash and Temporary Investments during the year	12,218	305,486
Cash and Temporary Investments - Beginning of Year	4,390,325	4,084,839
Cash and Temporary Investments - End of Year	4,402,543	4,390,325

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2022

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

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2022

1. Significant Accounting Policies - continued

- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.
- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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
Leased Capital Assets	Lease term
<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 leases 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.

- n) **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.
- o) **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

- p) **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.

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

- r) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 11, 2022.
- s) **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 reasonably anticipated to be completed within one year of the financial statement date.

New Standards and Amendments to Standards:

- t) **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, 2022

2. Cash and Temporary Investments

	2022	2021
Cash	4,294,595	3,850,374
Temporary Investments		445,000
Restricted Cash	107,948	94,951
Total Cash and Temporary Investments	4,402,543	4,390,325

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

	2022	2021
Municipal - Current	104,123	96,167
- Arrears	105,284	117,930
	209,407	214,097
- Less Allowance for Uncollectible	(1,445)	(1,445)
Total municipal taxes receivable	207,962	212,652
School - Current	52,030	32,693
- Arrears	53,918	60,216
Total school taxes receivable	105,948	92,909
Other	20,658	1,070
Total taxes and grants in lieu receivable	334,568	306,631
Deduct taxes receivable to be collected on behalf of other organizations	(126,606)	(93,979)
Total Taxes Receivable - Municipal	207,962	212,652

4. Other Accounts Receivable

	2022	2021
Federal Government	44,497	44,258
Provincial Government	5,398	
Local Government		
Utility		
Trade	5,588	6,286
Other (Fire fees)	12,298	6,891
Total Other Accounts Receivable	67,781	57,435
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	67,781	57,435

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2022

5. Assets Held for Sale

	2022	2021
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 Assets Held for Sale	18	18

6. Long-Term Investments

	2022	2021
Sask Association of Rural Municipalities - Self Insurance Fund	72,052	92,715
Other (Co-op and credit union equity)	13,539	10,928
Total Long-Term Investments	85,591	103,643

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 \$3,345,242. 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
2022				172,587
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
2026	201,752	16,014	217,766	194,028
Thereafter	299,640	8,863	308,503	328,806
Balance	1,061,476	118,092	1,179,568	1,234,063

Rural Municipality of North Battleford No. 437
Notes to the Consolidated Financial Statements
For the year ended December 31, 2022

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 2022 was \$36,137 (2021 - 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.

At December 31, 2021, the MEPP disclosed an actuarial surplus of \$312,928,000. Fiscal 2022 information was not available at the report date.

9. Comparative Figures

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

Rural Municipality of North Battleford No. 437
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2022

Schedule 1

	2022 Budget	2022	2021
TAXES			
General municipal tax levy	2,156,210	2,155,313	2,104,420
Abatements and adjustments		(1,353)	(523)
Discount on current year taxes	(95,000)	(95,002)	(91,330)
Net Municipal Taxes	2,061,210	2,058,958	2,012,567
Potash tax share			
Trailer license fees			
Penalties on tax arrears	20,000	16,824	20,876
Special tax levy			
Other (<i>Specify</i>)			
Total Taxes	2,081,210	2,075,782	2,033,443
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	147,390	147,482	160,951
Total Unconditional Grants	147,390	147,482	160,951
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	8,900	8,917	8,917
Other (SPSA/fish and wildlife)	2,000	2,296	2,295
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	6,000	8,579	8,579
Other (<i>Specify</i>)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (<i>Specify</i>)			
Total Grants in Lieu of Taxes	16,900	19,792	19,791
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	2,245,500	2,243,056	2,214,185

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2022

Schedule 2 - 1

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies	1,000	1,617	1,639
- Other (General office, recoveries)	5,500	5,953	12,336
Total Fees and Charges	6,500	7,570	13,975
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	12,500	81,020	18,932
- Other (Specify)	1,000	808	11,351
Total Other Segmented Revenue	20,000	89,398	44,258
Conditional Grants			
- Student Employment		1,413	
- Other (Safe restart)			
Total Conditional Grants		1,413	
Total Operating	20,000	90,811	44,258
Capital			
Conditional Grants			
- Federal Gas Tax	42,000	22,403	88,341
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	42,000	22,403	88,341
Restructuring Revenue (Specify, if any)			
Total General Government Services	62,000	113,214	132,599

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges	25,000	74,841	56,884
- Other (Specify)			
Total Fees and Charges	25,000	74,841	56,884
- Tangible capital asset sales - gain (loss)			
- Other (Donations)	25,000	1,550	81,920
Total Other Segmented Revenue	50,000	76,391	138,804
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating	50,000	76,391	138,804

Capital

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Protective Services	50,000	76,391	138,804

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2022

Schedule 2 - 2

	2022 Budget	2022	2021
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,000	2,200	990,066
- Sales of supplies	1,000	1,804	2,216
- Road Maintenance and Restoration Agreements	1,000	12,836	12,063
- Overweight Permits	400	2,850	2,150
- Other (Pasture rental)	1,350	1,350	1,350
Total Fees and Charges	4,750	21,040	1,007,845
- Tangible capital asset sales - gain (loss)		(1,454)	
- Other (SARM insurance claim)		57,957	
Total Other Segmented Revenue	4,750	77,543	1,007,845
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	4,750	77,543	1,007,845
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	4,750	77,543	1,007,845

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees			
- Other (Pest control)	1,000	2,035	15,549
Total Fees and Charges	1,000	2,035	15,549
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	1,000	2,035	15,549
Conditional Grants			
- Student Employment			
- TAPD			
- Local government	7,700	8,111	3,382
- Other (Specify)			
Total Conditional Grants	7,700	8,111	3,382
Total Operating	8,700	10,146	18,931
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	8,700	10,146	18,931

Rural Municipality of North Battleford No. 437
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2022

Schedule 2 - 3

	2022 Budget	2022	2021
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	750	850	1,500
- Other (Building permits)	11,000	59,431	32,683
Total Fees and Charges	11,750	60,281	34,183
- Tangible capital asset sales - gain (loss)			
- Other (Off site fees)	6,500	6,500	3,695
Total Other Segmented Revenue	18,250	66,781	37,878
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	18,250	66,781	37,878
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services	18,250	66,781	37,878

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, 2022

Schedule 2 - 4

	2022 Budget	2022	2021
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	143,700	344,075	1,336,057

SUMMARY

Total Other Segmented Revenue	94,000	312,148	1,244,334
Total Conditional Grants	7,700	9,524	3,382
Total Capital Grants and Contributions	42,000	22,403	88,341
Restructuring Revenue			
TOTAL REVENUE BY FUNCTION	143,700	344,075	1,336,057

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	33,800	30,142	26,380
Wages and benefits	213,730	218,029	223,713
Professional/Contractual services	84,800	88,615	89,632
Utilities	8,100	6,953	10,583
Maintenance, materials and supplies	19,800	19,736	14,991
Grants and contributions - operating	15,000	13,940	18,851
- capital	14,000		
Amortization	22,360	22,354	22,354
Interest	295,600	45,518	52,319
Allowance for uncollectible			
Other (Office functions)	2,000	6,222	4,609
General Government Services	709,190	451,509	463,432
Restructuring (Specify, if any)			
Total General Government Services	709,190	451,509	463,432

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	36,000	37,376	35,857
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	300	100	300
- capital			
Other (Specify)			

Fire protection

Wages and benefits	80,400	76,971	65,717
Professional/Contractual services	22,100	9,118	15,034
Utilities	6,750	4,067	5,325
Maintenance, material and supplies	50,000	48,367	33,293
Grants and contributions - operating			
- capital	25,000		
Amortization	34,770	34,764	25,915
Interest			
Other (Specify)			

Protective Services	255,320	210,763	181,441
Restructuring (Specify, if any)			
Total Protective Services	255,320	210,763	181,441

TRANSPORTATION SERVICES

Wages and benefits	337,000	295,975	266,442
Professional/Contractual services	157,400	96,258	1,271,748
Utilities	19,400	19,583	15,856
Maintenance, materials and supplies	202,500	270,484	180,083
Gravel	270,000	254,736	264,447
Grants and contributions - operating			
- capital	700,000		
Amortization	235,640	130,020	132,911
Interest			
Other (SARM insurance claim)		58,658	

Transportation Services	1,921,940	1,125,714	2,131,487
Restructuring (Specify, if any)			
Total Transportation Services	1,921,940	1,125,714	2,131,487

Rural Municipality of North Battleford No. 437

Total Expenses by Function

For the year ended December 31, 2022

Schedule 3 - 2

	2022 Budget	2022	2021
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	4,700	4,659	4,571
Professional/Contractual services	43,350	40,379	26,174
Utilities			
Maintenance, materials and supplies	4,000	5,133	7,286
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (Specify)			
Environmental and Public Health Services	52,050	50,171	38,031
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	52,050	50,171	38,031
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual services	13,000	56,126	29,479
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Planning and Development Services	13,000	56,126	29,479
Restructuring (Specify, if any)			
Total Planning and Development Services	13,000	56,126	29,479
RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	9,150	9,142	9,142
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	9,150	9,142	9,142
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	9,150	9,142	9,142

Rural Municipality of North Battleford No. 437
Total Expenses by Function
 For the year ended December 31, 2022

Schedule 3 - 3

	<u>2022 Budget</u>	<u>2022</u>	<u>2021</u>
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	 2,960,650	 1,903,425	 2,853,012

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2022

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	7,570	74,841	21,040	2,035	60,281			165,767
Tangible Capital Asset Sales - Gain			(1,454)					(1,454)
Land Sales - Gain	81,020							81,020
Investment Income and Commissions	808	1,550	57,957		6,500			66,815
Other Revenues	1,413			8,111				9,524
Grants - Conditional	22,403							22,403
- Capital Restructurings								
Total Revenues	113,214	76,391	77,543	10,146	66,781			344,075
Expenses (Schedule 3)								
Wages and Benefits	248,171	76,971	295,975	4,659				625,776
Professional/Contractual Services	88,615	46,494	96,258	40,379	56,126			327,872
Utilities	6,953	4,067	19,583					30,603
Maintenance, Materials and Supplies	19,756	48,567	525,220	5,133		9,142		598,456
Grants and Contributions	13,940	100						23,182
Amortization	22,354	34,764	130,020					187,138
Interest	45,518							45,518
Allowance for Uncollectible Restructurings								
Other	6,222		58,658					64,880
Total Expenses	451,509	210,763	1,125,714	50,171	56,126	9,142		1,903,425
Surplus (Deficit) by Function	(338,295)	(134,372)	(1,048,171)	(40,025)	10,655	(9,142)		(1,559,350)
Taxes and other unconditional revenue (Schedule 1)								2,243,056
Net Surplus (Deficit)								683,706

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

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	13,975	56,884	1,007,845	15,549	34,183			1,128,436
Tangible Capital Asset Sales - Gain								
Land Sales - Gain	18,932							18,932
Investment Income and Commissions	11,351	81,920		3,382	3,695			96,966
Other Revenues								3,382
Grants - Conditional	88,341							88,341
- Capital								
Restructurings								
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 Tangible Capital Assets by Function
 For the year ended December 31, 2022

Schedule 7

	2022					2021				
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total	Total	Total
Assets										
Asset costs										
Opening Asset Costs	845,404	1,149,464	4,901,878					6,896,746	6,500,079	
Additions during the year		51,192	760,832					812,024	396,667	
Disposals and write-downs during the year			(56,090)					(56,090)		
Fund reclassification		8,530	(8,530)					Nil		
Transfer of capital assets related to reclassification										
Closing Asset Costs	845,404	1,209,186	5,598,090					7,652,680	6,896,746	
Amortization										
Accumulated Amortization Costs										
Opening Accumulated Amortization Costs	65,264	77,450	2,142,714					2,285,428	2,104,248	
Add: Amortization taken	22,354	34,764	130,020					187,138	181,180	
Less: Accumulated amortization on disposals			(22,436)					(22,436)		
Fund reclassification		18,346	(18,346)					Nil		
Transfer of capital assets related to restructuring (Schedule 11)										
Closing Accumulated Amortization Costs	87,618	130,560	2,231,952					2,450,130	2,285,428	
Net Book Value	757,786	1,078,626	3,366,138					5,202,550	4,611,318	

Rural Municipality of North Battleford No. 437
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2022

Schedule 8

	2021	Changes	2022
UNAPPROPRIATED SURPLUS	4,937,900	(80,113)	4,857,787
APPROPRIATED RESERVES			
Machinery and Equipment	87,000		87,000
Public Reserve	94,951		94,951
Capital Trust			
Utility			
Other			
Total Appropriated	181,951		181,951
INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	4,611,318	591,232	5,202,550
Less: Related debt	(1,234,063)	172,587	(1,061,476)
Net Investment in Tangible Capital Assets	3,377,255	763,819	4,141,074
Total Accumulated Surplus	8,497,106	683,706	9,180,812

Rural Municipality of North Battleford No. 437
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2022

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	157,067,900	34,991,945			102,522,070		294,581,915
Regional Park Assessment							
Total Assessment							294,581,915
Mill Rate Factor(s)	0.5100	0.9200			1.0000		
Total Base/Minimum Tax (generated for each property class)	18,800						18,800
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	813,226	316,866			1,025,221		2,155,313

MILL RATES:

	MILLS
Average Municipal*	7.3302
Average School*	3.6883
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, 2022

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Daniel Bartko	6,180	1,609	7,789
Councillor	Robert Hujdic	4,340	379	4,719
Councillor	Todd Illingworth	3,880	515	4,395
Councillor	Todd Winterhalt	2,460		2,460
Councillor	David Acaster	4,160	836	4,996
Councillor	Ryan Shepherd	2,460		2,460
Councillor	Gilles Fransoo	2,760		2,760
Total		26,240	3,339	29,579