

RURAL MUNICIPALITY OF ROUND HILL NO. 467

Auditor's Report

Financial Statements

December 31, 2023

MANAGEMENT'S RESPONSIBILITY

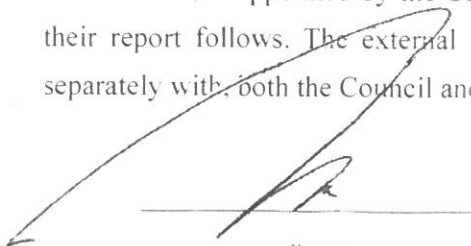
To the Ratepayers of
Rural Municipality of Round Hill No. 467:

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

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

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

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



Reeve



Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Reeve** and Council of the **Rural Municipality of Round Hill No. 467**

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of the **Rural Municipality of Round Hill No. 467**, which comprise the statement of financial position as at **December 31, 2023** and the statements of financial activities, changes in net financial assets, changes in financial position, and remeasurement gains and losses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements, present fairly, in all material respects, the financial position of the Rural Municipality as at **December 31, 2023** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Under Canadian Public Sector Accounting Standards, the Rural Municipality was required to adopt a new accounting standard, PS 3280 - Asset Retirement Obligations. This new accounting standard required the Rural Municipality to record present liabilities for future expenditures with respect to legal obligations associated with the retirement of tangible capital assets. The Rural Municipality was unable to obtain and provide sufficient appropriate audit evidence regarding the completeness and valuation of these potential liabilities and the required disclosures. Consequently, we were unable to determine whether any adjustments were necessary to the presented amount of liabilities, accumulated surplus (deficit), expenditures, or surplus (deficit) of revenues over expenditures.

The Rural Municipality has an interest in the Rabbit Lake Museum Committee, which is a government partnership - Note 1 (b). The Rural Municipality has not recorded the interest in its financial statements using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. The effect on the financial statements has not been determined for the fiscal 2023 and 2022 years.

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

Other Matters

The financial statements of **Rural Municipality of Round Hill No. 467** for the year ended December 31, 2022 were audited by another auditor who expressed a modified opinion on those statements on June 9, 2023.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Saskatoon, Saskatchewan
June 14, 2024


Chartered Professional Accountants

RURAL MUNICIPALITY OF ROUND HILL NO. 467

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2023
with comparative figures for 2022

	<u>2023</u>	<u>2022</u> (Restated - Note 8)
<u>ASSETS</u>		
Financial assets:		
Cash and cash equivalents (Note 2)	\$ 567,791	642,788
Investments	-	-
Taxes receivable - Municipal (Note 3)	231,567	207,687
Other accounts receivable (Note 4)	83,184	60,995
Assets held for sale (Note 5)	38,283	39,732
Long-term receivables (Note 6)	186,670	191,632
Debt charges recoverable	-	-
Other	-	-
	1,107,495	1,142,834
<u>LIABILITIES</u>		
Bank indebtedness (Note 7)	-	-
Accounts payable	101,554	122,683
Accrued liabilities payable	4,579	10,109
Deposits	-	-
Deferred revenue	-	-
Asset retirement obligations	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 9)	191,887	-
Lease obligations (Note 10)	427,307	452,245
	725,327	585,037
NET FINANCIAL ASSETS (DEBT)	382,168	557,797
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	3,193,870	2,780,720
Prepaid and deferred charges	4,417	44
Stock and supplies	11,947	12,746
	3,210,234	2,793,510
Accumulated surplus (deficit)	<u>\$ 3,592,402</u>	<u>3,351,307</u>
Accumulated surplus (deficit) is comprised of:		
Accumulated surplus (deficit) excluding remeasurement gains (losses) (Schedule 8)	3,592,402	3,351,307
Accumulated remeasurement gains (losses) (Statement 5)	-	-

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2023
with comparative figures for 2022

		<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u> (Restated - Note 8)
Revenues:				
Tax revenue	(Schedule 1)	\$ 1,021,374	1,033,451	1,040,451
Other unconditional revenue	(Schedule 1)	464,918	439,591	391,367
Fees and charges	(Schedule 4, 5)	61,600	72,458	70,756
Conditional grants	(Schedule 4, 5)	44,310	44,149	51,272
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	-
Land sales - gain (loss)	(Schedule 4, 5)	-	751	4,759
Investment income	(Schedule 4, 5)	7,000	28,397	4,455
Commissions	(Schedule 4, 5)	-	-	-
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	840	890	840
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>22,310</u>	<u>24,331</u>	<u>11,155</u>
Total Revenues		<u>1,622,352</u>	<u>1,644,018</u>	<u>1,575,055</u>
Expenditures:				
General government services	(Schedule 3)	254,729	275,469	279,172
Protective services	(Schedule 3)	34,569	40,625	34,569
Transportation services	(Schedule 3)	1,044,990	983,187	1,021,272
Environmental and public health services	(Schedule 3)	32,000	45,664	53,986
Planning and development services	(Schedule 3)	15,500	2,406	5,120
Recreation and cultural services	(Schedule 3)	19,435	8,054	19,392
Utility services	(Schedule 3)	62,398	47,518	40,283
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>1,463,621</u>	<u>1,402,923</u>	<u>1,453,794</u>
Surplus (deficit) of revenues over expenditures		158,731	241,095	121,261
Accumulated surplus (deficit) excluding remeasurement gains (losses), beginning of year		<u>3,351,307</u>	<u>3,351,307</u>	<u>3,230,046</u>
Accumulated surplus (deficit) excluding remeasurement gains (losses), end of year		<u>\$ 3,510,038</u>	<u>3,592,402</u>	<u>3,351,307</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Surplus (deficit)	\$ 158,731	241,095	121,261
(Acquisition) of tangible capital assets	-	(540,231)	(199,482)
Amortization of tangible capital assets	103,695	127,080	125,932
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>103,695</u>	<u>(413,151)</u>	<u>(73,550)</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(4,372)	-
Consumption of supplies inventories	-	799	7,385
Use of prepaid expenses	-	-	-
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(3,573)</u>	<u>7,385</u>
Unrealized remeasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	262,426	(175,629)	55,096
Net Financial Assets (Debt) - Beginning of the year	<u>557,797</u>	<u>557,797</u>	<u>502,701</u>
Net Financial Assets (Debt) - End of year	<u>\$ 820,223</u>	<u>382,168</u>	<u>557,797</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2023
with comparative figures for 2022

Cash provided by (used in) the following activities:	<u>2023</u>	<u>2022</u>
Operating:		
Surplus (deficit)	\$ 241,095	121,261
Amortization	127,080	125,932
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>-</u>
	368,175	247,193
Change in assets/liabilities		
Taxes receivable - Municipal	(23,879)	36,406
Other accounts receivable	(22,190)	(16,229)
Assets held for sale	1,449	(15,564)
Other financial assets	-	-
Accounts and accrued liabilities payable	(26,660)	43,250
Deposits	-	-
Deferred revenue	-	(2,475)
Asset retirement obligations	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	799	7,385
Prepayments and deferred charges	(4,372)	-
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>293,322</u>	<u>299,966</u>
Capital:		
Cash used to acquire tangible capital assets	(540,231)	(199,482)
Proceeds on disposal of tangible capital assets	-	-
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(540,231)</u>	<u>(199,482)</u>
Investing:		
Decrease (increase) in restricted cash	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	<u>4,962</u>	<u>34,995</u>
Net cash from investing	<u>4,962</u>	<u>34,995</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	227,500	-
Long-term debt repaid	(35,613)	-
Other financing (leases)	<u>(24,937)</u>	<u>(166,707)</u>
Net cash from (used for) financing	<u>166,950</u>	<u>(166,707)</u>
Change in cash and cash equivalents during the year	(74,997)	(31,228)
Cash and cash equivalents, beginning of year	<u>642,788</u>	<u>674,016</u>
Cash and cash equivalents, end of year (Note 2)	\$ <u>567,791</u>	<u>642,788</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

Statement 5

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Accumulated remeasurement gains (losses), beginning of year	\$ -	-
Unrealized gains (losses)		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Reclassified to the Statement of Financial Activities		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses)	-	-
Accumulated remeasurement gains (losses), end of year	\$ -	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) Reporting Entity

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

Partnerships

A partnership represents a contractual arrangement between the Municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership.

The Rabbit Lake Museum Committee was unable to be consolidated due to audited financial statements not being available as of the date of the audit report.

(c) Collection of Funds for Other Authorities

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

(d) Government Transfers

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

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

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

(e) Other (Non-Government Transfer) Contributions

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

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Deferred Revenue - Fees and Charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(g) Local Improvement Charges

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

(h) Net Financial Assets

Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(i) Non-Financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(j) Appropriated Reserves

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

(k) Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) **Financial Instruments**

Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost or amortized cost. Financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of financial activities when there is an other than temporary decline in value.

Interest and dividends attributable to financial instruments are reported in the statement of financial activities. Unrealized gains and losses are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of financial activities.

Long-term debt: Long-term debt is initially recognized net of premiums, discounts, and transaction costs and is measured at amortized cost with interest expense recognized using the effective interest rate method.

Long-term receivables: Receivables with terms longer than one year have been classified as other long-term receivables.

Measurement of Financial Instruments:

The Municipality's financial assets and liabilities are measured as follows:

Cash and cash equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other accounts receivable	Cost and amortized cost
Long-term receivables	Amortized cost
Debt charges recoverable	Amortized cost
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-term debt	Amortized cost

(m) **Inventories**

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

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) **Tangible Capital Assets**

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

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

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

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

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

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

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) **Asset Retirement Obligations**

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that results from its acquisition, construction, development, or normal use. The tangible capital assets include but are not limited to assets in productive use, assets no longer in productive use, and leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Municipality to incur costs in relation to a specific tangible capital asset, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using the present value method.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of financial activities.

(p) **Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the Municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

The Municipality does not have any contaminated sites.

(q) **Employee Benefit Plans**

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

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) **Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

Measurement uncertainty impacts the following financial statement areas:

- a) Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.
- b) The measurement of materials and supplies are based on estimates of volume and quality.
- c) The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available.
- d) Amortization is based on the estimated useful lives of tangible capital assets.
- e) The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.
- f) Measurement of financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

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

(s) **Basis of Segmentation/Segment Report**

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

These segments (functions) are as follows:

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

Protective Services: Protective services is comprised of expenses for police and fire protection.

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

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

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

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

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

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) **Assets Held for Sale**

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

(u) **Loan Guarantees**

Loan guarantees provided by the Municipality for various organizations are not consolidated as part of the Municipality's financial statements. As the guarantees represent potential financial commitments for the Municipality, these amounts are considered contingent liabilities and are not formally recognized as liabilities until the Municipality considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The Municipality monitors the status of the organizations annually and in the event that payment by the Municipality is likely to occur, a provision will be recognized in the financial statements.

(v) **New Standards and Amendments to Standards: effective for fiscal years beginning on or after April 1, 2023**

PS 3160, Public Private Partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard applies to 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 standard is mandatory for fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted. The standard may be adopted retroactively or prospectively.

PSG-8, Purchased Intangibles, provides guidance on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. The standard may be adopted retroactively or prospectively.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) New Accounting Policies Adopted During the Year

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 instruments 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 remeasurement 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.

2. CASH AND CASH EQUIVALENTS

	<u>2023</u>	<u>2022</u>
Cash	\$ 567,791	642,788
Short-term investments	-	-
Restricted cash	<u>-</u>	<u>-</u>
	<u>\$ 567,791</u>	<u>642,788</u>

Cash and cash equivalents include balances with banks, less outstanding cheques and plus outstanding deposits, and short-term deposits with maturities of three months or less.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2023</u>	<u>2022</u>
Municipal: - Current	\$ 77,633	74,356
- Arrears	<u>207,268</u>	<u>178,450</u>
	284,901	252,806
Less: allowance for uncollectibles	<u>(53,334)</u>	<u>(45,119)</u>
Total municipal taxes receivable	<u>231,567</u>	<u>207,687</u>
School: - Current	12,673	11,415
- Arrears	<u>48,541</u>	<u>39,167</u>
Total taxes to be collected on behalf of School Divisions	<u>61,214</u>	<u>50,582</u>
Other: - Current	950	1,646
- Arrears	<u>4,771</u>	<u>4,215</u>
Total other collections receivable	<u>5,721</u>	<u>5,861</u>
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	298,502	264,130
Deduct taxes receivable to be collected on behalf of other organizations	<u>(66,935)</u>	<u>(56,443)</u>
Total taxes receivable - Municipal	<u>\$ 231,567</u>	<u>207,687</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Federal government	\$ 75,460	49,380
Provincial government	-	-
Local government	-	-
Utility	7,038	7,708
Trade	686	3,907
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	83,184	60,995
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 83,184</u>	<u>60,995</u>

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

5. ASSETS HELD FOR SALE

	<u>2023</u>	<u>2022</u>
Tax title property	\$ 154,335	154,335
Less: - allowance for market value adjustment	(94,999)	(94,999)
- due to other taxing authorities	<u>(39,462)</u>	<u>(39,462)</u>
Net tax title property	<u>19,874</u>	<u>19,874</u>
Other land	18,409	19,858
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>18,409</u>	<u>19,858</u>
Total land for resale	<u>\$ 38,283</u>	<u>39,732</u>

6. LONG-TERM INVESTMENTS

	<u>2023</u>	<u>2022</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ 43,487	40,762
Sask. Assoc. of Rural Municipalities - Tax loss comp. trust fund	139,433	148,061
Other long term investments:		
Co-op equity	10	10
Innovation Credit Union equity	<u>3,740</u>	<u>2,799</u>
	<u>\$ 186,670</u>	<u>191,632</u>

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2023, the Municipality had a line of credit totaling \$150,000, none of which was drawn (2022 - \$NIL). The line of credit is provided by Innovation Credit Union, and bears interest at 6.70% per annum. Security for the line of credit is the assignment of the Municipality's municipal taxes receivable.

8. PRIOR PERIOD ADJUSTMENT

In prior years, the Municipality had recognized an asset retirement obligation for estimated lagoon decommissioning costs in the amount of \$300,000. During the current year, it was determined that this estimate was uncertain due to the amount and timing of possible cash outflow. As a result, the asset retirement obligation has been retrospectively removed from the financial statements. Due to these changes, prior year total liabilities as previously reported decreased by \$300,000, and accumulated surplus increased by \$300,000.

The audit report has been qualified due to the scope limitation of adopting the new PSAS 3280 Asset Retirement Obligation Standard.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

9. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$1,750,843. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

a) Bank loans:

	<u>2023</u>	<u>2022</u>
Innovation Credit Union term loan, repayable in monthly payments of \$6,933 including interest at 6.12%, maturing June 2026. The loan is secured by 2020 John Deere 772G Grader with a net book value of \$241,150.	\$ <u>191,887</u>	<u>-</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2024	\$ 73,766	9,435	83,201	-
2025	78,280	4,920	83,200	-
2026	39,841	682	40,523	-
2027	-	-	-	-
2028	-	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance	\$ <u>191,887</u>	<u>15,037</u>	<u>206,924</u>	<u>-</u>

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

10. LEASE OBLIGATIONS

- a) John Deere lease obligation is repayable in monthly installments of \$8,945, including interest at 4.17%. Capital lease obligation is secured by the 2020 John Deere 772G Motor Grader with a net book value of \$428,315 (2022 - \$447,784).
- b) Calidon Equipment leasing lease obligation is repayable in annual instalments of \$67,538, including interest at 4.49%. Capital lease obligation is secured by 48' x 72' x 16' Heated Shop with a net book value of \$347,732 (2022 - \$354,829).
- c) De Lage Landen Financial Services Canada Inc. lease obligation is repayable in monthly installments of \$2,891, including interest at 3.48%. Capital lease obligation is secured by the 2023 JCB 3TS-8T Teleskid with a net book value of \$159,659.

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

2024	\$	209,571
2025		138,540
2026		68,043
2027		34,692
2028		<u>2,891</u>
Total future minimum lease payments		453,737
Amounts representing interest at a weighted average rate of 4.1%		<u>(26,430)</u>
Capital lease liability	\$	<u>427,307</u>

11. CONTINGENT LIABILITIES

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

12. PENSION PLAN

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Municipality's pension expense in 2023 was \$20,158 (2022 - \$27,675). 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. The Municipality matches its employee's contributions of 9.0% for general members and 12.5% for designated police officers and firefighters

Total current service contributions by the Municipality to MEPP in 2023 were \$20,158 (2022 - \$27,675). Total current service contributions by the employees of the Municipality to MEPP in 2023 were \$20,158 (2022 - \$27,675).

Based on the latest information available (December 31, 2023 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,161,337,000. This is based on the most recent actuarial valuation, completed December 31, 2022. The Rural Municipality's portion of this is not readily determinable.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

13.COMPARATIVE FIGURES

The prior year's comparative figures have been reclassified to conform to the current year's method of presentation.

14.BUDGET

The Financial Plan (Budget) adopted by Council on July 14, 2023 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus included principal repayments of capital leases as expenses. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2023</u>
Budget net surplus	\$ 10,994
Add: Repayment of capital leases	251,432
Less: Amortization provision	<u>(103,695)</u>
Budget surplus per statement of financial activities	<u>\$ 158,731</u>

RURAL MUNICIPALITY OF ROUND HILL NO. 467

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

15. RISK MANAGEMENT

Through its financial assets and liabilities, the Municipality is exposed to various risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The Municipality is mainly exposed to credit risk with respect to its cash and taxes and other accounts receivable. It is management's opinion that the Municipality is not exposed to significant credit risk as its cash is held by financial institutions with high credit ratings, and a significant portion of its taxes and other accounts receivable can be collected through tax enforcement procedures.

Liquidity Risk

Liquidity risk is the risk that the Municipality will encounter difficulty in meeting financial obligations as they fall due. The Municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The Municipality is mainly exposed to liquidity risk with respect to its accounts payable and accrued liabilities, long-term debt, and lease obligations.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk.

- Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the Municipality to interest rate risk consist of long-term debt and lease obligations.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Municipality is not subject to any significant currency risk.
- Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the fair value of equity investments. The Municipality is not subject to any significant other price risk.

RURAL MUNICIPALITY OF ROUND HILL NO. 467
SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 1,004,574	1,002,475	993,631
Abatements and adjustments	-	(50)	-
Discount on current year taxes	<u>(13,200)</u>	<u>(27,007)</u>	<u>(26,116)</u>
Net municipal taxes	991,374	975,418	967,515
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	30,000	58,033	72,936
Special tax levy	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Taxes	<u>1,021,374</u>	<u>1,033,451</u>	<u>1,040,451</u>
UNCONDITIONAL GRANTS			
Revenue sharing	368,826	368,830	329,547
Organized Hamlet	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Unconditional Grants	<u>368,826</u>	<u>368,830</u>	<u>329,547</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	272	272	272
Central Services	-	-	-
Sasktel	1,094	1,094	1,094
Other (Pasture)	84,847	59,491	51,475
Local/Other			
Housing Authority	9,879	9,904	8,979
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants in Lieu of Taxes	<u>96,092</u>	<u>70,761</u>	<u>61,820</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,486,292</u>	<u>1,473,042</u>	<u>1,431,818</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 2,000	7,665	8,782
Sales of supplies	500	521	660
Other (rent)	7,100	4,900	5,459
Total Fees and Charges	<u>9,600</u>	<u>13,086</u>	<u>14,901</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	751	4,759
Investment income	7,000	28,397	4,455
Commissions	-	-	-
Other	-	-	-
Total other segmented revenue	<u>16,600</u>	<u>42,234</u>	<u>24,115</u>
Conditional Grants			
Student employment	-	-	-
Other (donations)	5,000	1,859	14,462
Total Conditional Grants	<u>5,000</u>	<u>1,859</u>	<u>14,462</u>
Total Operating	<u>21,600</u>	<u>44,093</u>	<u>38,577</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>21,600</u>	<u>44,093</u>	<u>38,577</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (fire fees)	-	7,725	-
Total Fees and Charges	<u>-</u>	<u>7,725</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>7,725</u>	<u>-</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>7,725</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>-</u>	<u>7,725</u>	<u>-</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 5,000	3,000	3,000
Sale of gravel and supplies	1,000	275	5,304
Road Maintenance and Restoration Agreements	-	2,015	-
Other	-	-	-
Total Fees and Charges	<u>6,000</u>	<u>5,290</u>	<u>8,304</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>6,000</u>	<u>5,290</u>	<u>8,304</u>
Conditional Grants			
Primary Weight Corridor (CTP)	34,730	34,730	34,730
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>34,730</u>	<u>34,730</u>	<u>34,730</u>
Total Operating	<u>40,730</u>	<u>40,020</u>	<u>43,034</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	22,310	24,331	11,155
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>22,310</u>	<u>24,331</u>	<u>11,155</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>63,040</u>	<u>64,351</u>	<u>54,189</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Sales of supplies	-	860	-
Waste and Disposal Fees	-	1,161	158
Other (cemetary fees)	-	100	750
Total Fees and Charges	<u>-</u>	<u>2,121</u>	<u>908</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>2,121</u>	<u>908</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (pest control)	2,080	2,768	2,080
Total Conditional Grants	<u>2,080</u>	<u>2,768</u>	<u>2,080</u>
Total Operating	<u>2,080</u>	<u>4,889</u>	<u>2,988</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>2,080</u>	<u>4,889</u>	<u>2,988</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other (Sask Parks and Recreation & Sask Lotteries)	2,500	4,792	-
Total Conditional Grants	2,500	4,792	-
Total Operating	2,500	4,792	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	2,500	4,792	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 46,000	44,236	46,643
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	<u>46,000</u>	<u>44,236</u>	<u>46,643</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (Permits)	840	890	840
Total other segmented revenue	<u>46,840</u>	<u>45,126</u>	<u>47,483</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>46,840</u>	<u>45,126</u>	<u>47,483</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>46,840</u>	<u>45,126</u>	<u>47,483</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 136,060</u>	<u>170,976</u>	<u>143,237</u>
SUMMARY			
Total Other Segmented Revenue	\$ 69,440	102,496	80,810
Total Conditional Grants	44,310	44,149	51,272
Total Capital Grants and Contributions	22,310	24,331	11,155
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 136,060</u>	<u>170,976</u>	<u>143,237</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 35,000	34,925	30,484
Wages and benefits	106,200	107,267	98,597
Professional/Contractual services	66,845	61,767	63,992
Utilities	32,000	30,759	30,468
Maintenance, materials, and supplies	13,000	14,816	7,407
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	1,684	3,483	1,859
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	22,452	46,365
General Government Services	<u>254,729</u>	<u>275,469</u>	<u>279,172</u>
Restructuring	-	-	-
Total General Government Services	<u>254,729</u>	<u>275,469</u>	<u>279,172</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	16,268	17,231	16,268
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	18,301	22,654	18,301
Utilities	-	-	-
Maintenance, materials, and supplies	-	740	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	<u>34,569</u>	<u>40,625</u>	<u>34,569</u>
Restructuring	-	-	-
Total Protective Services	<u>34,569</u>	<u>40,625</u>	<u>34,569</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Council remuneration and travel	\$ 8,550	4,703	8,454
Wages and benefits	190,000	186,137	199,510
Professional/Contractual services	462,500	452,767	385,125
Utilities	900	894	865
Maintenance, materials, and supplies	260,500	150,054	178,911
Gravel	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	97,540	118,015	118,508
Accretion of asset retirement obligations	-	-	-
Interest	25,000	28,071	24,173
Other (Grader lease)	-	42,546	105,726
Transportation Services	<u>1,044,990</u>	<u>983,187</u>	<u>1,021,272</u>
Restructuring	-	-	-
Total Transportation Services	<u>1,044,990</u>	<u>983,187</u>	<u>1,021,272</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	8,183	15,812
Professional/Contractual services	32,000	37,481	40,375
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other (Recovery of expense)	-	-	(2,201)
Environmental and Public Health Services	<u>32,000</u>	<u>45,664</u>	<u>53,986</u>
Restructuring	-	-	-
Total Environmental and Public Health Services	<u>32,000</u>	<u>45,664</u>	<u>53,986</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	15,500	2,406	4,908
Maintenance, materials, and supplies	-	-	212
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>15,500</u>	<u>2,406</u>	<u>5,120</u>
Restructuring	-	-	-
Total Planning and Development Services	<u>15,500</u>	<u>2,406</u>	<u>5,120</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	-	-
Professional/Contractual services	14,292	5,189	14,251
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	4,570	2,292	4,568
-operating	-	-	-
-capital	-	-	-
Amortization	573	573	573
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>19,435</u>	<u>8,054</u>	<u>19,392</u>
Restructuring	-	-	-
Total Recreation and Cultural Services	<u>19,435</u>	<u>8,054</u>	<u>19,392</u>
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	26,000	26,081	24,632
Utilities	30,000	8,003	9,015
Maintenance, materials, and supplies	2,500	6,814	899
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	3,898	5,009	4,992
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	1,611	745
Utility Services	<u>62,398</u>	<u>47,518</u>	<u>40,283</u>
Restructuring	-	-	-
Total Utility Services	<u>62,398</u>	<u>47,518</u>	<u>40,283</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 1,463,621</u>	<u>1,402,923</u>	<u>1,453,794</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467
SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 4

Year ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 13,086	7,725	5,290	2,121	-	-	44,236	72,458
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	751	-	-	-	-	-	-	751
Investment income	28,397	-	-	-	-	-	-	28,397
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	890	890
Grants - Conditional	1,859	-	34,730	2,768	-	4,792	-	44,149
Grants - Capital	-	-	24,331	-	-	-	-	24,331
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>44,093</u>	<u>7,725</u>	<u>64,351</u>	<u>4,889</u>	<u>-</u>	<u>4,792</u>	<u>45,126</u>	<u>170,976</u>
Expenses (Schedule 3)								
Wages and benefits	142,192	-	190,840	8,183	-	-	-	341,215
Professional/Contractual Services	61,767	39,885	452,767	37,481	2,406	5,189	26,081	625,576
Utilities	30,759	-	894	-	-	-	8,003	39,656
Maintenance, materials and supplies	14,816	740	150,054	-	-	-	6,814	172,424
Grants and contributions	-	-	-	-	-	2,292	-	2,292
Amortization	3,483	-	118,015	-	-	573	-	127,080
Accretion of asset retirement obligations	-	-	-	-	-	-	-	-
Interest	-	-	28,071	-	-	-	-	28,071
Allowance for uncollectibles	22,452	-	-	-	-	-	-	22,452
Other	-	-	42,546	-	-	-	1,611	44,157
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>275,469</u>	<u>40,625</u>	<u>983,187</u>	<u>45,664</u>	<u>2,406</u>	<u>8,054</u>	<u>47,518</u>	<u>1,402,923</u>
Surplus (deficit) by function	(231,376)	(32,900)	(918,836)	(40,775)	(2,406)	(3,262)	(2,392)	(1,231,947)
Taxation and other unconditional revenue (Schedule 1)								1,473,042
Net surplus (deficit)								<u>\$ 241,095</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467
SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 5

Year ended December 31, 2022

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 14,901	-	8,304	908	-	-	46,643	70,756
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	4,759	-	-	-	-	-	-	4,759
Investment income	4,455	-	-	-	-	-	-	4,455
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	840	840
Grants - Conditional	14,462	-	34,730	2,080	-	-	-	51,272
Grants - Capital	-	-	11,155	-	-	-	-	11,155
Restructurings	-	-	-	-	-	-	-	-
Total revenues	38,577	-	54,189	2,988	-	-	47,483	143,237
Expenses (Schedule 3)								
Wages and benefits	129,081	-	207,964	15,812	-	-	-	352,857
Professional/Contractual Services	63,992	34,569	385,125	40,375	4,908	14,251	24,632	567,852
Utilities	30,468	-	865	-	-	-	9,015	40,348
Maintenance, materials and supplies	7,407	-	178,911	-	212	-	899	187,429
Grants and contributions	-	-	-	-	-	4,568	-	4,568
Amortization	1,859	-	118,508	-	-	573	4,992	125,932
Accretion of asset retirement obligations	-	-	-	-	-	-	-	-
Interest	-	-	24,173	-	-	-	-	24,173
Allowance for uncollectibles	46,365	-	-	-	-	-	-	46,365
Other	-	-	105,726	(2,201)	-	-	745	104,270
Restructurings	-	-	-	-	-	-	-	-
Total expenses	279,172	34,569	1,021,272	53,986	5,120	19,392	40,283	1,453,794
Surplus (deficit) by function	(240,595)	(34,569)	(967,083)	(50,998)	(5,120)	(19,392)	7,200	(1,310,557)
Taxation and other unconditional revenue (Schedule 1)								
Net surplus (deficit)								\$ 1,431,818
								\$ 121,261

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2023
with comparative figures for 2022

	2023						2022
	General Assets		Infrastructure Assets		General / Infrastructure Assets Under Construction		Total
	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Total	
Asset cost							
Opening asset costs	\$ 429	63,841	505,441	780,032	4,850,406	-	6,000,666
Additions during the year	-	-	-	400,809	139,421	-	199,483
Disposals and write-downs during the year	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing asset costs	<u>429</u>	<u>63,841</u>	<u>505,441</u>	<u>1,180,841</u>	<u>4,989,827</u>	<u>6,740,379</u>	<u>6,200,149</u>
Accumulated amortization cost							
Opening accumulated amortization costs:	-	63,841	122,629	137,570	3,095,389	-	3,293,497
Add: Amortization taken	-	-	10,330	30,253	86,497	-	125,932
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>63,841</u>	<u>132,959</u>	<u>167,823</u>	<u>3,181,886</u>	<u>-</u>	<u>3,419,429</u>
Net book value	<u>\$ 429</u>	<u>-</u>	<u>372,482</u>	<u>1,013,018</u>	<u>1,807,941</u>	<u>-</u>	<u>2,780,720</u>
1. Total contributed/donated assets received in 2023:	\$ -	-	-	-	-	-	-
2. List of assets recognized at nominal value in 2023 are:	-	-	-	-	-	-	-
-Infrastructure Assets	-	-	-	-	-	-	-
-Vehicles	-	-	-	-	-	-	-
-Machinery and Equipment	-	-	-	-	-	-	-
3. Amount of interest capitalized in 2023:	-	-	-	-	-	-	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	2023							2022
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 91,182	-	5,739,369	-	-	28,663	340,935	6,200,149
Additions during the year	-	-	540,230	-	-	-	-	540,230
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>91,182</u>	<u>-</u>	<u>6,279,599</u>	<u>-</u>	<u>-</u>	<u>28,663</u>	<u>340,935</u>	<u>6,740,379</u>
Accumulated amortization cost								
Opening accumulated amortization costs	65,134	-	3,102,785	-	-	21,767	229,743	3,419,429
Add: Amortization taken	3,483	-	118,015	-	-	573	5,009	127,080
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>68,617</u>	<u>-</u>	<u>3,220,800</u>	<u>-</u>	<u>-</u>	<u>22,340</u>	<u>234,752</u>	<u>3,546,509</u>
Net book value	<u>\$ 22,565</u>	<u>-</u>	<u>3,058,799</u>	<u>-</u>	<u>-</u>	<u>6,323</u>	<u>106,183</u>	<u>3,193,870</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2023

	<u>2022</u> (Restated - Note 8)	<u>Changes</u>	<u>2023</u>
UNAPPROPRIATED SURPLUS	\$ <u>699,673</u>	<u>(5,105)</u>	<u>694,568</u>
APPROPRIATED RESERVES			
Machinery and equipment	45,077	-	45,077
Public reserve	242,290	-	242,290
Capital trust	25,500	-	25,500
Utility	-	-	-
Other:	-	-	-
Cemetery	2,792	-	2,792
Site clean-up	7,500	-	7,500
Total Appropriated	<u>323,159</u>	<u>-</u>	<u>323,159</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,780,720	413,150	3,193,870
Less: Related debt	<u>(452,245)</u>	<u>(166,950)</u>	<u>(619,195)</u>
Net Investment in Tangible Capital Assets	<u>2,328,475</u>	<u>246,200</u>	<u>2,574,675</u>
Accumulated Surplus excluding remeasurement gains (losses)	\$ <u>3,351,307</u>	<u>241,095</u>	<u>3,592,402</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF ROUND HILL NO. 467
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2023

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	\$ 89,164,810	4,138,005	-	-	522,920	93,825,735
Regional Park Assessment						
Total Assessment	1,0000	1,0000	1,0000	1,0000	1,4000	93,825,735
Mill Rate Factor(s)	350	58,450	-	-	2,100	60,900
Total Base/Minimum Tax (generated for each property class)	\$ 892,560	93,966	-	-	15,949	1,002,475

MILL RATES:

Average Municipal*	10.684
Average School*	1.588
Potash Mill Rate	-
Uniform Municipal Mill Rate	10.000
SSA - 16.500	

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

See accompanying notes to the financial statements.



RURAL MUNICIPALITY OF ROUND HILL NO. 467

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2023
with comparative figures for 2022

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Rob McNabb	\$ 3,000	1,500	4,500
Councillor	Albert Combres	3,000	375	3,375
Councillor	Boyd Kowalczyk	1,875	500	2,375
Councillor	Cam MacDonald	2,250	-	2,250
Councillor	Gordon Moore	3,000	500	3,500
Councillor	Jason Loewen	3,000	250	3,250
Councillor	Alvin Kahl	3,000	250	3,250
Total		<u>\$ 19,125</u>	<u>3,375</u>	<u>22,500</u>

See accompanying notes to the financial statements.