

R.M. OF HOODOO NO. 401

Auditor's Report

Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
R.M. of Hoodoo No. 401 :

Management is responsible for the preparation and presentation of the accompanying summarized 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 **R.M. of Hoodoo No. 401**

Report on the Financial Statements

Opinion

We have audited the financial statements of **R.M. of Hoodoo No. 401**, which comprise the statement of financial position as at **December 31, 2022** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Saskatoon, Saskatchewan
April 12, 2023



Chartered Professional Accountants

R.M. OF HOODOO NO. 401

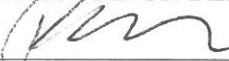
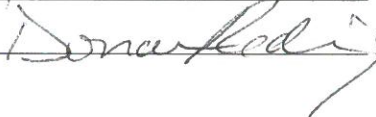
Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 2,451,146	1,883,765
Taxes receivable - Municipal (Note 3)	119,495	182,899
Other accounts receivable (Note 4)	348,548	361,283
Assets held for sale (Note 5)	39,926	42,446
Long-term investments (Note 6)	95,914	122,369
Debt charges recoverable	-	-
Other	-	-
Investment in Wheatland Rail Inc. (Note 7)	<u>931,917</u>	<u>976,820</u>
Total financial assets	3,986,946	3,569,582
<u>LIABILITIES</u>		
Bank indebtedness (Note 8)	-	-
Accounts payable	387,361	79,301
Accrued liabilities payable	164,717	430,778
Deposits	9,500	7,000
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 9)	1,533,628	1,028,343
Gravel agreement payable (Note 10)	<u>300,000</u>	<u>450,000</u>
Total liabilities	<u>2,395,206</u>	<u>1,995,422</u>
NET FINANCIAL ASSETS (DEBT)	1,591,740	1,574,160
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	8,939,762	8,187,892
Prepaid and deferred charges	5,344	1,452
Stock and supplies (Note 10)	1,033,196	1,407,800
Deposit on asset (Note 11)	<u>86,638</u>	<u>-</u>
Total non-financial assets	<u>10,064,940</u>	<u>9,597,144</u>
Accumulated Surplus (Deficit) (Schedule 8)	\$ <u>11,656,680</u>	<u>11,171,304</u>
Contingent liabilities (Note 12)		

APPROVED ON BEHALF OF COUNCIL:


 _____ Reeve

 _____ Councillor

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2022
with comparative figures for 2021

		<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,877,429	2,837,384	2,691,956
Fees and charges	(Schedule 4, 5)	917,547	875,288	1,284,945
Conditional grants	(Schedule 4, 5)	6,760	63,905	141,815
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	44,900	(47,056)	48,000
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	22,325	23,045	21,435
Restructurings	(Schedule 4, 5)	-	-	-
Other revenue (loss) - Wheatland Rail Inc.	(Schedule 4, 5)	<u>44,475</u>	<u>(427)</u>	<u>153,661</u>
Total Revenues		<u>3,913,436</u>	<u>3,752,139</u>	<u>4,341,812</u>
Expenditures:				
General government services	(Schedule 3)	516,274	533,097	531,417
Protective services	(Schedule 3)	360,203	271,399	247,778
Transportation services	(Schedule 3)	2,053,441	1,992,277	1,648,845
Environmental and public health services	(Schedule 3)	140,135	116,223	152,650
Planning and development services	(Schedule 3)	100,700	128,242	153,241
Recreation and cultural services	(Schedule 3)	34,871	35,788	33,314
Utility services	(Schedule 3)	292,763	270,400	273,874
Restructurings	(Schedule 3)	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures		<u>3,498,387</u>	<u>3,347,426</u>	<u>3,041,119</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>415,049</u>	<u>404,713</u>	<u>1,300,693</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>28,150</u>	<u>80,663</u>	<u>351,069</u>
Surplus (deficit) of revenues over expenditures		443,199	485,376	1,651,762
Accumulated surplus (deficit), beginning of year		<u>11,171,304</u>	<u>11,171,304</u>	<u>9,519,542</u>
Accumulated surplus (deficit), end of year		<u>\$ 11,614,503</u>	<u>11,656,680</u>	<u>11,171,304</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Surplus (deficit)	\$ 443,199	485,376	1,651,762
(Acquisition) of tangible capital assets	(750,080)	(1,333,584)	(1,982,823)
Amortization of tangible capital assets	391,525	378,763	432,120
Proceeds on disposal of tangible capital assets	-	155,898	50,500
Loss (gain) on disposal of tangible capital assets	(44,900)	47,056	(48,000)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>(403,455)</u>	<u>(751,867)</u>	<u>(1,548,203)</u>
(Acquisition) of supplies inventories	-	(2,921)	-
(Acquisition) of gravel inventories	-	-	(403,703)
(Acquisition) of prepaid expenses and deposits	-	(91,981)	(1,452)
Consumption of supplies inventories	-	947	29,375
Consumption of gravel inventories	-	376,574	186,731
Use of prepaid expenses and deposits	-	1,452	886
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>284,071</u>	<u>(188,163)</u>
Increase (decrease) in Net Financial Assets	39,744	17,580	(84,604)
Net Financial Assets (Debt) - Beginning of the year	<u>1,574,160</u>	<u>1,574,160</u>	<u>1,658,764</u>
Net Financial Assets (Debt) - End of year	<u>\$ 1,613,904</u>	<u>1,591,740</u>	<u>1,574,160</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

Cash provided by (used in) the following activities:	<u>2022</u>	<u>2021</u>
Operating:		
Surplus (deficit)	\$ 485,376	1,651,762
Amortization	378,763	432,120
Loss (gain) on disposal of tangible capital assets	<u>47,056</u>	<u>(48,000)</u>
	911,195	2,035,882
Change in assets/liabilities		
Taxes receivable - Municipal	63,404	17,745
Other accounts receivable	12,735	(40,467)
Assets held for sale	2,519	(40,850)
Other financial assets	-	-
Accounts and accrued liabilities payable	(108,004)	(97,916)
Deposits	2,500	3,000
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	374,604	(187,597)
Prepayments and deferred charges	(3,891)	(566)
Other (Deposits on assets)	<u>(86,638)</u>	<u>-</u>
Net cash from operations	<u>1,168,424</u>	<u>1,689,231</u>
Capital:		
Cash used to acquire tangible capital assets	(1,333,584)	(1,982,823)
Proceeds on sale of tangible capital assets	155,898	50,500
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(1,177,686)</u>	<u>(1,932,323)</u>
Investing:		
Proceeds on disposals of investments	71,357	(163,598)
Acquisition in investment	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>71,357</u>	<u>(163,598)</u>
Financing activities:		
Debt charges recovered	-	-
Proceeds from debt issues	800,000	-
Debt repayment	(294,714)	(179,202)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>505,286</u>	<u>(179,202)</u>
Increase (decrease) in cash resources	567,381	(585,892)
Cash and temporary investments, beginning of year	<u>1,883,765</u>	<u>2,469,657</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 2,451,146</u>	<u>1,883,765</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) Reporting Entity

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

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.

(c) Collection of funds for other authorities

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

(d) Government Transfers

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

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

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

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

(e) Other (Non-Government Transfer) Contributions

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

(f) Deferred Revenue - Fees and Charges

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

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. **SIGNIFICANT ACCOUNTING POLICIES (continued)**

(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.

(l) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment.

Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund and Wheatland Rail Inc. are accounted for on the equity basis.

(m) Inventories

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

(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.

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 20 years
Machinery & Equipment	5 to 20 years
<i>Infrastructure Assets</i>	
Infrastructure assets	15 to 40 years
Water and sewer	15 to 40 years
Road network assets	15 to 40 years

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

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

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

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

(o) 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.

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Landfill liability

The R.M. of Hoodoo No. 401 does not maintain a waste disposal site. No amount has been recorded as an asset or liability.

(q) Measurement Uncertainty

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

The measurement of materials and supplies are based on estimates of volume and quality.

The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

(r) Basis of Segmentation/Segment Report

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

(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 reasonable anticipated to be completed within one year of the financial statement date.

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Budget Information

Budget Information: Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 16, 2022.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2022</u>	<u>2021</u>
Cash	\$ 1,355,920	1,883,765
Temporary investments	<u>1,095,226</u>	<u>-</u>
	<u>\$ 2,451,146</u>	<u>1,883,765</u>

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

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2022</u>	<u>2021</u>
Municipal: - Current	\$ 105,104	119,966
- Arrears	<u>14,391</u>	<u>62,933</u>
	119,495	182,899
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>119,495</u>	<u>182,899</u>
School: - Current	44,882	51,388
- Arrears	<u>2,799</u>	<u>85,373</u>
Total school taxes receivable	<u>47,681</u>	<u>136,761</u>
Other: - Current	18,740	38,265
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>18,740</u>	<u>38,265</u>
Total taxes and grants in lieu receivable	185,916	357,925
Deduct taxes receivable to be collected on behalf of other organizations	<u>(66,421)</u>	<u>(175,026)</u>
Total taxes receivable - Municipal	<u>\$ 119,495</u>	<u>182,899</u>

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

4. OTHER ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Federal government	\$ 33,929	38,928
Provincial government	2,838	13,050
Local government	249,131	187,871
Utility	61,196	39,562
Trade	58,210	138,628
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	405,304	418,039
Less: allowance for uncollectibles	<u>(56,756)</u>	<u>(56,756)</u>
Net other accounts receivable	<u>\$ 348,548</u>	<u>361,283</u>

5. ASSETS HELD FOR SALE

	<u>2022</u>	<u>2021</u>
Tax title property	\$ 75,498	90,461
Less: - allowance for market value adjustment	-	(1,636)
- due to other taxing authorities	<u>(35,572)</u>	<u>(46,379)</u>
Net tax title Property	<u>39,926</u>	<u>42,446</u>
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ 39,926</u>	<u>42,446</u>

6. LONG-TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
Sask. Assoc. of Rural Municipalities - Liability self-insurance fund	\$ 58,950	75,391
Sask. Assoc. of Rural Municipalities - Property self-insurance fund	<u>36,963</u>	<u>46,977</u>
Total long term investments	<u>\$ 95,914</u>	<u>122,369</u>

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

7. WHEATLAND RAIL INC.

The Municipality and Town of Cudworth, R.M. of St. Louis and the Town of Wakaw (the "Shareholders") jointly own the Wheatland Rail Inc. (the "Corporation"), a short-line rail in northeast Saskatchewan incorporated provincially under the Business Corporations Act of Saskatchewan on March 3, 1999.

The following is 100% of the financial position and result of operations of the Corporation, a government business enterprise, of which 44.5% has been included in the statement of financial position of the Municipality using the modified equity method.

	2022 100%	2022 44.5%	2021 100%	2021 44.5%
Financial Position				
Financial Assets				
Cash	\$ 578,925	257,622	660,033	293,715
Accounts receivable	230,180	102,430	191,962	85,423
	<u>809,105</u>	<u>360,052</u>	<u>851,995</u>	<u>379,138</u>
Liabilities				
Accounts Payable	54,571	24,284	27,195	12,102
Goods and services tax payable	5,157	2,295	11,340	5,046
Long term debt	21,215	9,441	78,358	34,869
	<u>80,943</u>	<u>36,020</u>	<u>116,893</u>	<u>52,017</u>
Net Financial Assets	728,162	324,032	735,102	327,121
Non-financial Assets				
Tangible Capital Assets	1,206,114	536,721	1,232,615	548,514
Inventory	151,760	67,533	217,750	96,899
Prepaid and deferred charges	8,160	3,631	9,633	598
Accumulated Surplus	<u>\$ 2,094,196</u>	<u>931,917</u>	<u>2,195,100</u>	<u>973,132</u>
Operations				
Revenues	\$ 700,904	311,902	1,000,235	445,105
Expenses	<u>(701,807)</u>	<u>(312,304)</u>	<u>(654,933)</u>	<u>(291,445)</u>
Annual surplus (deficit)	(903)	(402)	345,302	153,660
Accumulated Surplus, opening	2,195,099	976,819	1,849,797	823,160
Dividends issued	<u>(100,000)</u>	<u>(44,500)</u>	<u>-</u>	<u>-</u>
Accumulated Surplus, closing	<u>\$ 2,094,196</u>	<u>931,917</u>	<u>2,195,099</u>	<u>976,820</u>

8. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2022, the Municipality had a line of credit totaling \$900,000 bearing interest at bank prime, none of which was drawn.

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

9. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$3,464,380. 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.

Debenture debt

	<u>2022</u>	<u>2021</u>
Sask Municipal Financing debenture, repayable in annual payments of \$59,488; including interest at 3.2%; matures in 2032.	\$ <u>502,305</u>	<u>544,373</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Total
2023	\$ 43,414	16,074	59,488
2024	44,804	14,685	59,489
2025	46,237	13,251	59,488
2026	47,717	11,771	59,488
2027	49,244	10,244	59,488
Thereafter	<u>270,889</u>	<u>26,551</u>	<u>297,440</u>
Balance	\$ <u>502,305</u>	<u>92,576</u>	<u>594,881</u>

Bank loans

	<u>2022</u>	<u>2021</u>
Conexus Credit Union loan, repayable in monthly payments of \$9,029; including interest at 6.45%, matures in 2027.	\$ 440,667	-
Conexus Credit Union loan, repayable in monthly payments of \$9,749; including interest at 6.45%, matures in 2025.	343,372	445,580
Conexus Credit Union loan, repayable in monthly payments of \$9,059; including interest at 6.45%, matures in 2025.	243,570	-
Conexus Credit Union loan, repayable in monthly payments of \$2,951; including interest at 6.45%, matures in 2023.	<u>3,714</u>	<u>38,390</u>
	<u>\$ 1,031,323</u>	<u>483,970</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Total
2023	\$ 290,249	47,515	337,764
2024	301,496	32,550	334,046
2025	263,180	17,595	280,775
2026	99,881	8,466	108,347
2027	76,517	1,388	77,905
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Balance	\$ <u>1,031,323</u>	<u>107,514</u>	<u>1,138,837</u>

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

10. GRAVEL AGREEMENT PAYABLE

The Municipality has entered into an agreement to pay \$900,000 for the purchase of gravel and lease of land, payable through six annual installments of \$150,000. To date, the Municipality has paid \$600,000.

11. DEPOSIT ON ASSET

During 2022, the Municipality paid a deposit for an asset that has an anticipated delivery date of March 31, 2023. Once the asset is delivered the deposit will be put towards the final purchase price.

12. 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.

The Municipality, together with a number of other rural and urban municipalities, is a member of the Regional Authority of Carlton Trail - Waste Management District ("REACT"). REACT is governed by the Department of Saskatchewan Environment and Resource Management and is responsible for the waste collection, landfill operations and future revenues as incurred. Future site restoration costs are recognized based on assumptions, engineering studies and estimates to the costs of future removal and site restoration. Changes to the underlying assumptions or legislative changes in the future could have a material impact on the statements. As these costs are not readily determinable, the Municipality has not provided for future site restoration costs.

13. RELATED PARTIES

The financial statements include transactions with related parties. The Municipality is related to Wheatland Rail Inc. under common control of the Council. Transactions with related parties are in the normal course of operations and are settled on normal trade terms.

14. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2022 was \$44,581 (2021 - \$43,569). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Total current service contributions by the municipality to MEPP in 2022 were \$44,581 (2021 - \$43,569). Total current service contributions by the employees of the municipality to MEPP in 2022 were \$44,581 (2021 - \$43,569).

Based on the latest information available (December 31, 2021 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,144,386,000. This is based on the most recent actuarial valuation, completed December 31, 2020. The Rural Municipality's portion of this is not readily determinable.

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

15. RECENT ACCOUNTING PRONOUNCEMENTS

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

Standards Effective On Or After April 1, 2022

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

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

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

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

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

Standards Effective On Or After April 1, 2023

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

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

R.M. OF HOODOO NO. 401

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

16. BUDGET

The Financial Plan (Budget) adopted by Council on June 16, 2022 was prepared on a basis consistent with that used to report actual results. The budget listed below was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis.

	<u>2022</u>
Budget surplus per statement of operations	\$ 443,199
Add: Net transfers to/from reserves	750,080
Long-term debt issued	310,558
Less: Investment in tangible capital assets	(1,200,492)
Debt repaid	<u>(303,345)</u>
Budget net surplus (deficit)	\$ <u>-</u>

R.M. OF HOODOO NO. 401

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 2,773,813	2,771,502	2,564,066
Abatements and adjustments	(25,934)	(36,684)	(6,240)
Discount on current year taxes	<u>(130,900)</u>	<u>(137,473)</u>	<u>(127,053)</u>
Net municipal taxes	2,616,979	2,597,345	2,430,773
Potash tax share	-	-	-
Trailer license fees	4,420	4,240	19,625
Penalties on tax arrears	24,900	10,267	17,609
Special tax levy	-	-	-
Other (tax enforcement)	<u>17,000</u>	<u>9,192</u>	<u>11,833</u>
Total Taxes	<u>2,663,299</u>	<u>2,621,044</u>	<u>2,479,840</u>
UNCONDITIONAL GRANTS			
Revenue sharing	199,990	200,106	193,633
Organized Hamlet	12,512	12,512	10,103
Other (SGI)	<u>-</u>	<u>704</u>	<u>6,752</u>
Total Unconditional Grants	<u>212,502</u>	<u>213,322</u>	<u>210,488</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	544	-
Central Services	-	-	-
Sasktel	1,628	2,474	1,628
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants in Lieu of Taxes	<u>1,628</u>	<u>3,018</u>	<u>1,628</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 2,877,429</u>	<u>2,837,384</u>	<u>2,691,956</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	9,100	6,653	11,169
Other (rentals, office services)	<u>77,561</u>	<u>121,547</u>	<u>53,145</u>
Total Fees and Charges	86,661	128,200	64,314
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	22,325	23,045	21,435
Other (Investment income (loss) - Wheatland Rail Inc.)	<u>44,475</u>	<u>(427)</u>	<u>153,661</u>
Total other segmented revenue	<u>153,461</u>	<u>150,818</u>	<u>239,410</u>
Conditional Grants			
Student employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
Total Operating	<u>153,461</u>	<u>150,818</u>	<u>239,410</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Canada Summer Jobs)	-	1,655	-
Other (asset management)	<u>-</u>	<u>50,000</u>	<u>-</u>
Total Capital	<u>-</u>	<u>51,655</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>153,461</u>	<u>202,473</u>	<u>239,410</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (fire fees)	<u>298,920</u>	<u>251,515</u>	<u>329,287</u>
Total Fees and Charges	298,920	251,515	329,287
Tangible capital asset sales - gain (loss)	-	-	(2,500)
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>298,920</u>	<u>251,515</u>	<u>326,787</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
Total Operating	<u>298,920</u>	<u>251,515</u>	<u>326,787</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>298,920</u>	<u>251,515</u>	<u>326,787</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 16,500	10,145	47,590
Sales of supplies	37,700	36,860	120,800
Road Maintenance and Restoration Agreements	60,000	24,233	195,759
Other	-	-	-
Total Fees and Charges	<u>114,200</u>	<u>71,238</u>	<u>364,149</u>
Tangible capital asset sales - gain (loss)	44,900	(47,056)	50,500
Other	-	-	-
Total other segmented revenue	<u>159,100</u>	<u>24,182</u>	<u>414,649</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other (SARM Rural Integrated Roads for Growth)	-	57,145	138,835
Total Conditional Grants	<u>-</u>	<u>57,145</u>	<u>138,835</u>
Total Operating	<u>159,100</u>	<u>81,327</u>	<u>553,484</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	20,000	20,858	82,249
MREP (Heavy Haul, CTP, Municipal Bridges)	8,150	8,150	8,150
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>28,150</u>	<u>29,008</u>	<u>90,399</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>187,250</u>	<u>110,335</u>	<u>643,883</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Pest & weed control)	6,760	6,760	2,980
Total Conditional Grants	<u>6,760</u>	<u>6,760</u>	<u>2,980</u>
Total Operating	<u>6,760</u>	<u>6,760</u>	<u>2,980</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
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>6,760</u>	<u>6,760</u>	<u>2,980</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other (Lot leases and permits)	108,500	93,730	193,992
Total Fees and Charges	<u>108,500</u>	<u>93,730</u>	<u>193,992</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>108,500</u>	<u>93,730</u>	<u>193,992</u>
Conditional Grants			
Student employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>108,500</u>	<u>93,730</u>	<u>193,992</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>108,500</u>	<u>93,730</u>	<u>193,992</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>-</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 290,250	291,520	298,188
Sewer	19,016	39,085	35,015
Other	-	-	-
Total Fees and Charges	<u>309,266</u>	<u>330,605</u>	<u>333,203</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>309,266</u>	<u>330,605</u>	<u>333,203</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>309,266</u>	<u>330,605</u>	<u>333,203</u>
Capital			
Conditional Grants			
Canada Community-Building Fund	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other (South lagoon expansion)	-	-	260,670
Total Capital	<u>-</u>	<u>-</u>	<u>260,670</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>309,266</u>	<u>330,605</u>	<u>593,873</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 1,064,157</u>	<u>995,418</u>	<u>2,000,925</u>
SUMMARY			
Total Other Segmented Revenue	\$ 1,029,247	850,850	1,508,041
Total Conditional Grants	6,760	63,905	141,815
Total Capital Grants and Contributions	28,150	80,663	351,069
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 1,064,157</u>	<u>995,418</u>	<u>2,000,925</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 53,195	40,880	48,733
Wages and benefits	256,200	291,906	234,405
Professional/Contractual services	157,220	155,965	207,947
Utilities	10,900	11,151	10,429
Maintenance, materials, and supplies	33,100	27,112	26,195
Grants and contributions	-	100	700
-operating	-	-	-
-capital	-	-	-
Amortization	959	959	959
Interest	3,700	2,416	1,988
Allowance for uncollectibles	-	1,679	-
Other (elections)	1,000	929	61
General Government Services	<u>516,274</u>	<u>533,097</u>	<u>531,417</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>516,274</u>	<u>533,097</u>	<u>531,417</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	176	1,271
Professional/Contractual services	56,081	58,055	47,116
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Fire protection			
Wages and benefits	95,656	63,024	71,398
Professional/Contractual services	7,037	6,598	4,868
Utilities	43,000	41,746	42,326
Maintenance, materials, and supplies	108,300	66,034	31,279
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	36,129	36,129	40,962
Interest	-	-	-
Allowance for uncollectibles	14,000	(363)	8,558
Other	-	-	-
Protective Services	<u>360,203</u>	<u>271,399</u>	<u>247,778</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>360,203</u>	<u>271,399</u>	<u>247,778</u>
TRANSPORTATION SERVICES			
Supervision	60,489	60,489	58,229
Wages and benefits	373,300	399,379	346,279
Professional/Contractual services	31,100	29,330	25,134
Utilities	12,900	18,992	11,042
Maintenance, materials, and supplies	478,000	614,672	388,676
Gravel	650,000	498,996	357,135
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	295,514	282,547	340,583
Interest	44,798	53,468	30,636
Other (Resort)	107,340	34,404	91,131
Transportation Services	<u>2,053,441</u>	<u>1,992,277</u>	<u>1,648,845</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>2,053,441</u>	<u>1,992,277</u>	<u>1,648,845</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	31,000	30,320	6,239
Professional/Contractual services	80,805	57,574	112,082
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating			
Waste disposal	25,000	25,000	31,000
Public health	-	-	-
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	3,330	3,329	3,329
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>140,135</u>	<u>116,223</u>	<u>152,650</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>140,135</u>	<u>116,223</u>	<u>152,650</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	52,100	45,984	50,431
Professional/Contractual services	48,600	82,258	102,810
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>100,700</u>	<u>128,242</u>	<u>153,241</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>100,700</u>	<u>128,242</u>	<u>153,241</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	3,500	5,471	3,516
Grants and contributions			
-operating	21,500	20,446	21,260
-capital	-	-	-
Amortization	9,871	9,871	8,538
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>34,871</u>	<u>35,788</u>	<u>33,314</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>34,871</u>	<u>35,788</u>	<u>33,314</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	2,800	1,780	2,479
Professional/Contractual services	214,200	207,477	207,482
Utilities	14,600	9,006	11,357
Maintenance, materials, and supplies	14,300	4,868	12,354
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	45,722	45,928	37,749
Interest	641	736	1,393
Allowance for uncollectibles	500	605	1,060
Other	-	-	-
Utility Services	<u>292,763</u>	<u>270,400</u>	<u>273,874</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>292,763</u>	<u>270,400</u>	<u>273,874</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 3,498,387</u>	<u>3,347,426</u>	<u>3,041,119</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Schedule 4

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

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	\$ 128,200	251,515	71,238	-	93,730	-	330,605	875,288
Tangible capital asset sales - Gain (loss)	-	-	(47,056)	-	-	-	-	(47,056)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	23,045	-	-	-	-	-	-	23,045
Other revenues (Wheatland Rail Inc.)	(427)	-	-	-	-	-	-	(427)
Grants - Conditional	-	-	57,145	6,760	-	-	-	63,905
Grants - Capital	51,655	-	29,008	-	-	-	-	80,663
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>202,473</u>	<u>251,515</u>	<u>110,335</u>	<u>6,760</u>	<u>93,730</u>	<u>-</u>	<u>330,605</u>	<u>995,418</u>
Expenses (Schedule 3)								
Wages & Benefits	332,786	63,200	459,868	30,320	45,984	-	1,780	933,938
Professional/Contractual Services	155,965	64,653	29,330	57,574	82,258	-	207,477	597,257
Utilities	11,151	41,746	18,992	-	-	-	9,006	80,895
Maintenance, materials and supplies	27,112	66,034	1,113,668	-	-	5,471	4,868	1,217,153
Grants and contributions	100	-	-	25,000	-	20,446	-	45,546
Amortization	959	36,129	282,547	3,329	-	9,871	45,928	378,763
Interest	2,416	-	53,468	-	-	-	736	56,620
Allowance for uncollectibles	1,679	(363)	-	-	-	-	605	1,921
Other	929	-	34,404	-	-	-	-	35,333
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>533,097</u>	<u>271,399</u>	<u>1,992,277</u>	<u>116,223</u>	<u>128,242</u>	<u>35,788</u>	<u>270,400</u>	<u>3,347,426</u>
Surplus (deficit) by function	(330,624)	(19,884)	(1,881,942)	(109,463)	(34,512)	(35,788)	60,205	(2,352,008)
Taxation and other unconditional revenue (Schedule 1)								<u>2,837,384</u>
Net Surplus (Deficit)								<u>\$ 485,376</u>

See accompanying notes to the financial statements.

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 64,314	329,287	364,149	-	193,992	-	333,203	1,284,945
Tangible capital asset sales - Gain (loss)	-	(2,500)	50,500	-	-	-	-	48,000
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	21,435	-	-	-	-	-	-	21,435
Other revenues (Wheatland Rail Inc.)	153,661	-	-	-	-	-	-	153,661
Grants - Conditional	-	-	138,835	2,980	-	-	-	141,815
Grants - Capital	-	-	90,399	-	-	-	260,670	351,069
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>239,410</u>	<u>326,787</u>	<u>643,883</u>	<u>2,980</u>	<u>193,992</u>	<u>-</u>	<u>593,873</u>	<u>2,000,925</u>
Expenses (Schedule 3)								
Wages & Benefits	283,138	72,669	404,508	6,239	50,431	-	2,479	819,464
Professional/Contractual Services	207,947	51,984	25,134	112,082	102,810	-	207,482	707,439
Utilities	10,429	42,326	11,042	-	-	-	11,357	75,154
Maintenance, materials and supplies	26,195	31,279	745,811	-	-	3,516	12,354	819,155
Grants and contributions	700	-	-	31,000	-	21,260	-	52,960
Amortization	959	40,962	340,583	3,329	-	8,538	37,749	432,120
Interest	1,988	-	30,636	-	-	-	1,393	34,017
Allowance for uncollectibles	-	8,558	-	-	-	-	1,060	9,618
Other	61	-	91,131	-	-	-	-	91,192
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>531,417</u>	<u>247,778</u>	<u>1,648,845</u>	<u>152,650</u>	<u>153,241</u>	<u>33,314</u>	<u>273,874</u>	<u>3,041,119</u>
Surplus (deficit) by function	(292,007)	79,009	(1,004,962)	(149,670)	40,751	(33,314)	319,999	(1,040,194)
Taxation and other unconditional revenue (Schedule 1)								<u>2,691,956</u>
Net Surplus (Deficit)								<u>\$ 1,651,762</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2022
with comparative figures for 2021

	2022							2021	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction		Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Total		
Asset cost									
Opening asset costs	\$ 1,347,001	-	313,672	-	4,670,916	7,473,680	-	13,805,269	12,112,403
Additions during the year	109,319	-	316,401	-	804,774	103,092	-	1,333,586	1,982,823
Disposals and write-downs during the year	-	-	-	-	(356,567)	-	-	(356,567)	(289,957)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>1,456,320</u>	<u>-</u>	<u>630,073</u>	<u>-</u>	<u>5,119,123</u>	<u>7,576,772</u>	<u>-</u>	<u>14,782,288</u>	<u>13,805,269</u>
Accumulated amortization cost									
Opening accumulated amortization costs	-	-	90,417	-	1,449,714	4,077,246	-	5,617,377	5,472,714
Add: Amortization taken	-	-	6,306	-	201,435	171,022	-	378,763	432,120
Less: Accumulated amortization on disposals	-	-	-	-	(153,614)	-	-	(153,614)	(287,457)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>-</u>	<u>96,723</u>	<u>-</u>	<u>1,497,535</u>	<u>4,248,268</u>	<u>-</u>	<u>5,842,526</u>	<u>5,617,377</u>
Net book value	<u>\$ 1,456,320</u>	<u>-</u>	<u>533,350</u>	<u>-</u>	<u>3,621,588</u>	<u>3,328,504</u>	<u>-</u>	<u>8,939,762</u>	<u>8,187,892</u>

1. Total contributed/donated assets received in 2022: \$ -

2. List of assets recognized at nominal value in 2022 are:

-Infrastructure Assets \$ -
-Vehicles \$ -
-Machinery and Equipment \$ -

3. Amount of interest capitalized in 2022: \$ -

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	2022							2021	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening asset costs	\$ 77,256	856,890	10,236,833	111,750	726,678	365,659	1,430,203	13,805,269	12,112,403
Additions during the year	316,401	-	907,866	-	109,319	-	-	1,333,586	1,982,823
Disposals and write-downs during the year	-	-	(356,567)	-	-	-	-	(356,567)	(289,957)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>393,657</u>	<u>856,890</u>	<u>10,788,132</u>	<u>111,750</u>	<u>835,997</u>	<u>365,659</u>	<u>1,430,203</u>	<u>14,782,288</u>	<u>13,805,269</u>
Accumulated amortization cost									
Opening accumulated amortization costs	56,141	350,571	4,867,293	39,880	-	24,759	278,733	5,617,377	5,472,714
Add: Amortization taken	959	36,129	282,547	3,329	-	9,871	45,928	378,763	432,120
Less: Accumulated amortization on disposals	-	-	(153,614)	-	-	-	-	(153,614)	(287,457)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>57,100</u>	<u>386,700</u>	<u>4,996,226</u>	<u>43,209</u>	<u>-</u>	<u>34,630</u>	<u>324,661</u>	<u>5,842,526</u>	<u>5,617,377</u>
Net book value	<u>\$ 336,557</u>	<u>470,190</u>	<u>5,791,906</u>	<u>68,541</u>	<u>835,997</u>	<u>331,029</u>	<u>1,105,542</u>	<u>8,939,762</u>	<u>8,187,892</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2022

	<u>2021</u>	<u>Changes</u>	<u>2022</u>
UNAPPROPRIATED SURPLUS	\$ <u>2,672,097</u>	<u>(614,492)</u>	<u>2,057,605</u>
APPROPRIATED RESERVES			
Machinery and equipment	262,458	(107,146)	155,312
Public reserve	141,234	2,764	143,998
Capital trust	-	-	-
Utility (Sewer)	16,000	21,421	37,421
Utility (Water)	47,084	82,371	129,455
Other (Buildings- office renovations and new shop)	200,578	(96,446)	104,132
Other (Fire equipment)	341,802	122,927	464,729
Other (Gas tax)	40,659	(40,659)	-
Other (Gravel)	-	142,676	142,676
Other (Rail line)	82,608	77,779	160,387
Other (Roads and pavement)	203,463	125,671	329,134
Other (Various reserves)	<u>91,588</u>	<u>(7,089)</u>	<u>84,499</u>
Total Appropriated	<u>1,427,474</u>	<u>324,269</u>	<u>1,751,743</u>
ORGANIZED HAMLETS			
Hamlet of Balone	26,010	5,132	31,142
Hamlet of Cudsaskwa	<u>65,377</u>	<u>18,597</u>	<u>83,974</u>
Total Hamlets	91,387	23,729	115,116
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	8,187,892	751,870	8,939,762
Less: Related debt	<u>(1,207,546)</u>	<u>-</u>	<u>(1,207,546)</u>
Net Investment in Tangible Capital Assets	<u>6,980,346</u>	<u>751,870</u>	<u>7,732,216</u>
Total Accumulated Surplus	\$ <u>11,171,304</u>	<u>485,376</u>	<u>11,656,680</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2022

	PROPERTY CLASS						Total
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	
Taxable Assessment	\$ 187,348,115	44,307,518	-	113,721,760	7,150,285	-	\$ 352,527,678
Regional Park Assessment							-
Total Assessment							\$ 352,527,678
Mill Rate Factor(s)	1.0000	0.6761	-	0.6761	1.0000		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-		
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,636,636	398,093	-	671,670	65,103		

<u>MILL RATES:</u>	<u>MILLS</u>
Average Municipal*	7.862
Average School*	2.924
Potash Mill Rate	-
Uniform Municipal Mill Rate	8.736

* 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.

R.M. OF HOODOO NO. 401**SCHEDULE OF COUNCIL REMUNERATION**

Year ended December 31, 2022

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Derreck Kolla	\$ 22,820	1,033	23,853
Councillor	Bruce Cron	15,494	1,462	16,956
Councillor	Hal Diederichs	13,370	649	14,019
Councillor	Don Gabel	19,694	1,967	21,661
Councillor	Eugene Jungwirth	13,820	678	14,498
Councillor	Donavin Reding	15,320	1,447	16,767
Councillor	Reg Wedewer	13,220	4,939	18,159
Total		<u>\$ 113,738</u>	<u>12,175</u>	<u>125,913</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

SCHEDULE OF RESTRUCTURING

Year ended December 31, 2022

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

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

See accompanying notes to the financial statements.