

R.M. OF HOODOO NO. 401

Auditor's Report

Summarized Consolidated Financial Statements

December 31, 2023

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



Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*

*denotes professional corporation

REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY FINANCIAL STATEMENTS

To the **Reeve** and Council of **R.M. of Hoodoo No. 401**

Opinion

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2023**, the summary statement of financial activities, summary statement of changes in net financial assets, summary statement of changes in financial position, and summary statement of rereasurement gains and losses for the year then ended are derived from the audited financial statements of **R.M. of Hoodoo No. 401** as at **December 31, 2023**.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statement and auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated May 10, 2024.

Management's Responsibility for the Summarized Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Saskatoon, Saskatchewan
May 10, 2024

A handwritten signature in blue ink that reads "Jensen Stromberg".

Chartered Professional Accountants

R.M. OF HOODOO NO. 401



Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2023
with comparative figures for 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Financial assets:		
Cash and cash equivalents	\$ 2,883,335	1,355,920
Investments	-	1,095,226
Taxes receivable - Municipal	146,982	119,495
Other accounts receivable	426,535	348,548
Assets held for sale	12,864	39,926
Long-term receivables	112,008	95,913
Debt charges recoverable	-	-
Other	-	-
Investment in Wheatland Rail Inc.	<u>1,055,067</u>	<u>931,917</u>
Total financial assets	4,636,791	3,986,945
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	102,292	387,359
Accrued liabilities payable	85,700	164,717
Deposits	107,500	9,500
Deferred revenue	-	-
Asset retirement obligations	32,147	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt	1,214,300	1,533,628
Gravel agreement payable	<u>150,000</u>	<u>300,000</u>
Total liabilities	<u>1,691,939</u>	<u>2,395,204</u>
NET FINANCIAL ASSETS (DEBT)	2,944,852	1,591,741
Non-financial assets:		
Tangible capital assets	8,975,676	8,939,758
Prepaid and deferred charges	27,476	91,981
Stock and supplies	<u>993,845</u>	<u>1,033,196</u>
Total non-financial assets	<u>9,996,997</u>	<u>10,064,935</u>
Accumulated surplus (deficit)	<u>\$ 12,941,849</u>	<u>11,656,676</u>
Accumulated surplus (deficit) is comprised of:		
Accumulated surplus (deficit) excluding remeasurement gains (losses)	12,941,849	11,656,676
Accumulated remeasurement gains (losses) (Statement 5)	-	-
Contingent liabilities		

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, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Revenues:			
Tax revenue	\$ 2,735,725	2,737,537	2,621,019
Other unconditional revenue	244,534	244,288	215,636
Fees and charges	878,306	1,079,127	875,288
Conditional grants	249,145	259,667	114,609
Tangible capital asset sales - gain (loss)	140,000	(7,617)	(47,056)
Land sales - gain (loss)	-	16,613	-
Investment income	62,400	126,756	23,045
Commissions	-	-	-
Restructurings	-	-	-
Other revenues (loss) - Wheatland Rail Inc.	44,475	167,649	(402)
Provincial/Federal capital grants and contributions	<u>45,495</u>	<u>45,495</u>	<u>30,663</u>
Total Revenues	4,400,080	4,669,515	3,832,802
Expenditures:			
General government services	545,858	562,006	533,101
Protective services	351,496	372,296	271,399
Transportation services	2,117,110	1,864,586	1,992,277
Environmental and public health services	134,835	113,497	116,223
Planning and development services	191,366	152,756	128,242
Recreation and cultural services	37,021	45,320	35,788
Utility services	288,552	273,881	270,400
Restructurings	-	-	-
Total Expenditures	<u>3,666,238</u>	<u>3,384,342</u>	<u>3,347,430</u>
Surplus (deficit) of revenues over expenditures	733,842	1,285,173	485,372
Accumulated surplus (deficit) excluding remeasurement gains (losses), beginning of year	<u>11,656,676</u>	<u>11,656,676</u>	<u>11,171,304</u>
Accumulated surplus (deficit) excluding remeasurement gains (losses), end of year	<u>\$ 12,390,518</u>	<u>12,941,849</u>	<u>11,656,676</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, 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)	\$ 733,842	1,285,173	485,372
(Acquisition) of tangible capital assets	(594,654)	(606,003)	(1,333,584)
Amortization of tangible capital assets	418,340	422,468	378,764
Proceeds on disposal of tangible capital assets	-	140,000	155,898
Loss (gain) on disposal of tangible capital assets	(140,000)	7,617	47,056
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>(316,314)</u>	<u>(35,918)</u>	<u>(751,866)</u>
(Acquisition) of supplies inventories	-	(33,952)	(2,917)
(Acquisition) of gravel inventories	-	(277,690)	-
(Acquisition) of prepaid expenses and deposits	-	(27,477)	(91,981)
Consumption of supplies inventories	-	3,407	947
Consumption of gravel inventories	-	347,586	376,574
Use of prepaid expenses and deposits	-	91,982	1,452
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>103,856</u>	<u>284,075</u>
Unrealized remeasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	417,528	1,353,111	17,581
Net Financial Assets (Debt) - Beginning of the year	<u>1,591,741</u>	<u>1,591,741</u>	<u>1,574,160</u>
Net Financial Assets (Debt) - End of year	<u>\$ 2,009,269</u>	<u>2,944,852</u>	<u>1,591,741</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, 2023
with comparative figures for 2022

Cash provided by (used in) the following activities:	<u>2023</u>	<u>2022</u>
Operating:		
Surplus (deficit)	\$ 1,285,173	485,372
Amortization	422,468	378,763
Loss (gain) on disposal of tangible capital assets	<u>7,617</u>	<u>47,056</u>
	1,715,258	911,191
Change in assets/liabilities		
Taxes receivable - Municipal	(27,488)	63,404
Other accounts receivable	(77,988)	12,735
Assets held for sale	27,063	2,519
Other financial assets	-	-
Accounts and accrued liabilities payable	(514,083)	(108,000)
Deposits	98,000	2,500
Deferred revenue	-	-
Asset retirement obligations	32,147	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	39,352	374,604
Prepayments and deferred charges	<u>64,505</u>	<u>(90,529)</u>
Net cash from operations	<u>1,356,766</u>	<u>1,168,424</u>
Capital:		
Cash used to acquire tangible capital assets	(606,003)	(1,333,584)
Proceeds on disposal of tangible capital assets	140,000	155,898
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(466,003)</u>	<u>(1,177,686)</u>
Investing:		
Decrease (increase) in restricted cash	-	-
Proceeds on disposal of investments	(139,245)	71,357
Decrease (increase) in investments	<u>1,095,226</u>	<u>(1,095,226)</u>
Net cash from (used for) investing	<u>955,981</u>	<u>(1,023,869)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	800,000
Long-term debt repaid	(319,329)	(294,714)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>(319,329)</u>	<u>505,286</u>
Change in cash and cash equivalents during the year	1,527,415	(527,845)
Cash and cash equivalents, beginning of year	<u>1,355,920</u>	<u>1,883,765</u>
Cash and cash equivalents, end of year	<u>\$ 2,883,335</u>	<u>1,355,920</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

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.

R.M. OF HOODOO NO. 401

NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2023

1. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian public sector accounting standards as at December 31, 2023 and December 31, 2022, and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- a) the summary financial statements include a statement for each statement included in the audited financial statements;
- b) information in the summary financial statements agrees with the related information in the related audited financial statements;
- c) major subtotals, totals and comparative information from the audited financial statements are included; and
- d) the summary financial statements contain the information from the audited financial statements dealing with matters that have a pervasive or otherwise significant effect on the summarized financial statements.

The audited financial statements of R.M. of Hoodoo No. 401 are available upon request by contacting the Municipality.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

The financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Municipality's audited financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. 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.

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.