

# **TOWN OF ROSTHERN**

**Auditor's Report**

**Financial Statements**

**December 31, 2023**

## MANAGEMENT'S RESPONSIBILITY

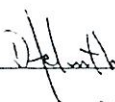
To the Ratepayers of  
**Town of Rosthern :**

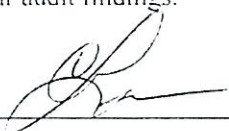
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting 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 Town. 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 Town'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.

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Administrator

## INDEPENDENT AUDITOR'S REPORT

To the **Mayor** and Council of the **Town of Rosthern**

### *Report on the Financial Statements*

#### *Opinion*

We have audited the financial statements of the **Town of Rosthern**, 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, the accompanying financial statements, present fairly, in all material respects, the financial position of the Town 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 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 Town 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 Town'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 Town or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town'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 Town'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 Town'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 Town 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 4, 2024

  
Chartered Professional Accountants



# TOWN OF ROSTHERN

**Statement 1**

## STATEMENT OF FINANCIAL POSITION

**December 31, 2023**  
with comparative figures for 2022

	<b><u>2023</u></b>	<b><u>2022</u></b>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and cash equivalents (Note 2)	\$ 3,416,968	3,085,348
Investments	-	-
Taxes receivable - Municipal (Note 3)	151,581	150,282
Other accounts receivable (Note 4)	482,400	440,299
Assets held for sale (Note 5)	-	-
Long-term receivables	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	4,050,949	3,675,929
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 6)	-	-
Accounts payable	145,304	62,988
Accrued liabilities payable	-	-
Deposits	20,320	12,765
Deferred revenue	3,007	7,949
Asset retirement obligations (Note 7)	496,806	94,924
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 8)	2,739,085	3,118,357
Lease obligations	-	-
Total liabilities	3,404,522	3,296,983
<b>NET FINANCIAL ASSETS (DEBT)</b>	646,427	378,946
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	19,213,341	18,983,901
Prepaid and deferred charges	42,638	25,574
Stock and supplies	-	-
Total non-financial assets	19,255,979	19,009,475
Accumulated surplus (deficit)	\$ <u>19,902,406</u>	<u>19,388,421</u>
Accumulated surplus (deficit) is comprised of:		
Accumulated surplus (deficit) excluding remeasurement gains (losses) (Schedule 8)	19,902,406	19,388,421
Accumulated remeasurement gains (losses) (Statement 5)	-	-

### APPROVED ON BEHALF OF COUNCIL:

\_\_\_\_\_ Mayor

\_\_\_\_\_ Councillor

See accompanying notes to the financial statements.

# TOWN OF ROSTHERN

## 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	(Schedule 1)	\$ 2,059,460	2,044,059	1,897,781
Other unconditional revenue	(Schedule 1)	553,229	571,909	509,441
Fees and charges	(Schedule 4, 5)	2,552,804	2,534,648	2,568,427
Conditional grants	(Schedule 4, 5)	197,373	157,766	136,129
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	21,956
Land sales - gain	(Schedule 4, 5)	40,000	15,105	114,102
Investment income	(Schedule 4, 5)	70,000	174,487	71,379
Commissions	(Schedule 4, 5)	-	-	-
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	6,000	17,427	15,615
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>116,746</u>	<u>124,101</u>	<u>1,139,588</u>
Total Revenues		5,595,612	5,639,502	6,474,418
Expenditures:				
General government services	(Schedule 3)	783,273	797,086	653,236
Protective services	(Schedule 3)	501,255	412,859	523,662
Transportation services	(Schedule 3)	873,328	790,268	745,316
Environmental and public health services	(Schedule 3)	325,988	730,611	304,574
Planning and development services	(Schedule 3)	202,320	170,033	158,039
Recreation and cultural services	(Schedule 3)	1,035,737	1,070,251	932,705
Utility services	(Schedule 3)	1,329,407	1,154,409	933,712
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>5,051,308</u>	<u>5,125,517</u>	<u>4,251,245</u>
Surplus (deficit) of revenues over expenditures		544,304	513,985	2,223,173
Accumulated surplus (deficit) excluding remeasurement gains (losses), beginning of year		<u>19,388,421</u>	<u>19,388,421</u>	<u>17,165,248</u>
Accumulated surplus (deficit) excluding remeasurement gains (losses), end of year		\$ <u>19,932,725</u>	<u>19,902,406</u>	<u>19,388,421</u>

See accompanying notes to the financial statements.

# TOWN OF ROSTHERN

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>
<b>Surplus (deficit)</b>	\$ <u>544,304</u>	<u>513,985</u>	<u>2,223,173</u>
(Acquisition) of tangible capital assets	-	(939,200)	(2,931,956)
Amortization of tangible capital assets	681,974	682,257	658,235
Proceeds on disposal of tangible capital assets	-	42,608	192,004
Loss (gain) on disposal of tangible capital assets	(40,000)	(15,105)	(136,058)
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>641,974</u>	<u>(229,440)</u>	<u>(2,217,775)</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(42,638)	(25,574)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>25,574</u>	<u>8,786</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>(17,064)</u>	<u>(16,788)</u>
Unrealized remeasurement gains (losses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>Increase (decrease) in Net Financial Assets</b>	1,186,278	267,481	(11,390)
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>378,946</u>	<u>378,946</u>	<u>390,336</u>
<b>Net Financial Assets (Debt) - End of year</b>	\$ <u><u>1,565,224</u></u>	<u><u>646,427</u></u>	<u><u>378,946</u></u>

See accompanying notes to the financial statements.



# TOWN OF ROSTHERN

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)	\$ 513,985	2,223,173
Amortization	682,257	658,235
Loss (gain) on disposal of tangible capital assets	<u>(15,105)</u>	<u>(136,058)</u>
	1,181,137	2,745,350
Change in assets/liabilities		
Taxes receivable - Municipal	(1,299)	67,883
Other accounts receivable	(42,102)	(27,784)
Assets held for sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	82,315	(108,854)
Deposits	7,555	2,590
Deferred revenue	(4,942)	6,145
Asset retirement obligations	401,882	11,932
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	-	-
Prepayments and deferred charges	(17,064)	(16,788)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>1,607,482</u>	<u>2,680,474</u>
Capital:		
Cash used to acquire tangible capital assets	(939,200)	(2,931,956)
Proceeds on disposal of tangible capital assets	42,608	192,004
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(896,592)</u>	<u>(2,739,952)</u>
Investing:		
Decrease (increase) in restricted cash	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	76,509
Long-term debt repaid	(379,270)	(452,869)
Other financing	<u>-</u>	<u>-</u>
Net cash used for financing	<u>(379,270)</u>	<u>(376,360)</u>
Change in cash and cash equivalents during the year	331,620	(435,838)
Cash and cash equivalents, beginning of year	<u>3,085,348</u>	<u>3,521,186</u>
Cash and cash equivalents, end of year (Note 2)	<u>\$ 3,416,968</u>	<u>3,085,348</u>

See accompanying notes to the financial statements.

# TOWN OF ROSTHERN

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

See accompanying notes to the financial statements.

**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town 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 Town. The entity is comprised of all organizations owned or controlled by the Town 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 Town 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 Town for the school board 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 Town 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.

**(g) Local Improvement Charges**

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



**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

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

**(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) 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 Town'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

**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

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

**(m) Inventories**

Inventories of materials and supplies expected to be used by the Town 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. 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 Town'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	20 years
Buildings	15 to 40 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	10 years
<i>Infrastructure Assets</i>	
Water and sewer	50 years
Road network assets	10 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 Town 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.



**TOWN OF ROSTHERN**  
**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 Town 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 Town 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 Town:
  - 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 Town does not have any contaminated sites.

**(q) Employee Benefit Plans**

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



**TOWN OF ROSTHERN**  
**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 Town follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Town 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 Town.

**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 Town.

**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.

**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

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

**(t) Assets Held for Sale**

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

**(u) Budget Information**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 10, 2023.

**(v) Loan Guarantees**

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

**(w) 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.



**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

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

**(x) 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.

The Town has chosen to adopt this standard using the following method:

**Prospective application:** During the year, the Town adopted this new accounting standard using the prospective application method. Prior to this, the Town recognized a liability using Solid Waste Landfill Closure and Post-Closure Liability section PSAS 3270. This change has had no impact on the comparative figures in these financial statements.

**2. CASH AND CASH EQUIVALENTS**

	<u>2023</u>	<u>2022</u>
Cash	\$ 3,416,968	3,085,348
Short-term investments	-	-
Restricted cash	<u>-</u>	<u>-</u>
	<u>\$ 3,416,968</u>	<u>3,085,348</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.



**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**3. TAXES AND GRANTS IN LIEU RECEIVABLE**

	<u>2023</u>	<u>2022</u>
Municipal: - Current	\$ 38,190	36,879
- Arrears	<u>113,391</u>	<u>113,403</u>
	151,581	150,282
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>151,581</u>	<u>150,282</u>
School: - Current	9,544	12,825
- Arrears	<u>14,351</u>	<u>15,573</u>
Total taxes to be collected on behalf of School Divisions	<u>23,895</u>	<u>28,398</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	175,476	178,680
Deduct taxes receivable to be collected on behalf of other organizations	<u>(23,895)</u>	<u>(28,398)</u>
Total taxes receivable - Municipal	<u>\$ 151,581</u>	<u>150,282</u>

**4. OTHER ACCOUNTS RECEIVABLE**

	<u>2023</u>	<u>2022</u>
Federal government GST rebate	\$ 39,673	66,932
Provincial government	63,493	15,679
Local government	149,806	132,625
Utility	146,623	166,000
Trade	82,805	59,063
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	482,400	440,299
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 482,400</u>	<u>440,299</u>

**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**5. ASSETS HELD FOR SALE**

	<u>2023</u>	<u>2022</u>
Tax title property	\$ 29,633	13,276
Less: - allowance for market value adjustment	(16,357)	-
- due to other taxing authorities	<u>(13,276)</u>	<u>(13,276)</u>
Net tax title property	<u>-</u>	<u>-</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>-</u>	<u>-</u>

**6. BANK INDEBTEDNESS**

**Credit Arrangements**

At December 31, 2023, the Town had a line of credit totaling \$300,000, none of which was drawn.

**7. ASSET RETIREMENT OBLIGATION**

	<u>2023</u>	<u>2022</u>
Balance, beginning of the year	\$ 94,924	82,992
Liabilities incurred	<u>401,882</u>	<u>11,932</u>
Estimated total liability	\$ <u>496,806</u>	<u>94,924</u>

**Landfill** - Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 20-year period using the best information that is available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**8. LONG-TERM DEBT**

The authorized debt limit for the Town is \$4,511,106. The authorized debt limit for a Town is the total amount of the Town'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>2023</u>	<u>2022</u>
Debenture, repayable in annual payments of \$112,830; including interest at 4.25%; matures in 2033.	\$ 903,866	975,248
	<u>\$ 903,866</u>	<u>975,248</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2024	\$ 74,415	38,414	112,829
2025	77,578	35,252	112,830
2026	80,875	31,955	112,830
2027	84,312	28,517	112,829
2028	87,896	24,934	112,830
Thereafter	<u>498,790</u>	<u>65,359</u>	<u>564,149</u>
Balance	<u>\$ 903,866</u>	<u>224,431</u>	<u>1,128,297</u>

Bank loans:

	<u>2023</u>	<u>2022</u>
CIBC loan, repayable in annual principal payments of \$53,333 plus monthly interest payments at 5.64%, matures in 2024.	\$ 53,333	106,667
CIBC loan, repayable in annual principal payments of \$107,355 plus monthly interest payments at prime, matures in 2030.	751,483	858,838
CIBC loan, repayable in annual principal payments of \$147,201 plus monthly interest payments at prime, matures in 2030.	<u>1,030,403</u>	<u>1,177,604</u>
	<u>\$ 1,835,219</u>	<u>2,143,109</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2024	\$ 307,889	47,158	355,047
2025	254,555	37,843	292,398
2026	254,555	31,536	286,091
2027	254,555	25,228	279,783
2028	254,555	18,921	273,476
Thereafter	<u>509,110</u>	<u>18,921</u>	<u>528,031</u>
Balance	<u>\$ 1,835,219</u>	<u>179,607</u>	<u>2,014,826</u>



**TOWN OF ROSTHERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2023**

**9. PENSION PLAN**

The Town 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 Town's pension expense in 2023 was \$89,099 (2022 - \$78,476). The benefits accrued to the Town's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate. The Town 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 Town to MEPP in 2023 were \$89,099 (2022 - \$78,476). Total current service contributions by the employees of the Town to MEPP in 2023 were \$89,099 (2022 - \$78,476).

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 Town's portion of this is not readily determinable.

**10. RISK MANAGEMENT**

Through its financial assets and liabilities, the Town 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 Town is mainly exposed to credit risk with respect to its cash and taxes and other accounts receivable. It is management's opinion that the Town 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 Town will encounter difficulty in meeting financial obligations as they fall due. The Town undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The Town is mainly exposed to liquidity risk with respect to its accounts payable and accrued liabilities and long-term debt.

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 Town to interest rate risk consist of long-term debt.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Town is not subject to 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 Town is not subject to other price risk.

## TOWN OF ROSTHERN

## 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>
<b>TAXES</b>			
General municipal tax levy	\$ 2,042,460	2,042,459	1,879,759
Abatements and adjustments	(22,000)	(33,675)	(21,027)
Discount on current year taxes	-	-	-
<b>Net municipal taxes</b>	<u>2,020,460</u>	<u>2,008,784</u>	<u>1,858,732</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	39,000	35,275	39,049
Special tax levy	-	-	-
Other	-	-	-
<b>Total Taxes</b>	<u>2,059,460</u>	<u>2,044,059</u>	<u>1,897,781</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	388,905	389,073	342,769
Organized Hamlet	-	-	-
Other	-	-	-
<b>Total Unconditional Grants</b>	<u>388,905</u>	<u>389,073</u>	<u>342,769</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	4,000	3,989	3,801
Provincial			
S.P.C. Electrical	-	-	-
Sask. Energy Gas	51,000	53,389	50,441
TransGas	-	-	-
Central Services	-	-	-
Sasktel	-	-	-
Other (GIL)	8,324	8,666	8,324
Local/Other			
Housing Authority	-	5,977	3,969
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	101,000	110,815	100,137
Sask Energy Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<u>164,324</u>	<u>182,836</u>	<u>166,672</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 2,612,689</u>	<u>2,615,968</u>	<u>2,407,222</u>

See accompanying notes to the financial statements.

## TOWN OF ROSTHERN

## 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>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	-	50	-
Other (permits and rentals)	214,854	234,833	238,734
Total Fees and Charges	214,854	234,883	238,734
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	40,000	15,105	114,102
Investment income	70,000	126,299	71,379
Commissions	-	-	-
Other Segmented Revenue (donations)	500	-	-
Total other segmented revenue	325,354	376,287	424,215
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>325,354</u>	<u>376,287</u>	<u>424,215</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>325,354</u>	<u>376,287</u>	<u>424,215</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (fines, fees, bylaw enforcement)	197,700	159,875	143,109
Total Fees and Charges	197,700	159,875	143,109
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	4,386	-
Other Segmented Revenue (donations)	-	10,100	5,170
Total other segmented revenue	197,700	174,361	148,279
Conditional Grants			
Federal - Student Employment	-	-	-
Local government	57,830	21,671	18,724
Other	-	-	-
Total Conditional Grants	57,830	21,671	18,724
<b>Total Operating</b>	<u>255,530</u>	<u>196,032</u>	<u>167,003</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Local Government	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>255,530</u>	<u>196,032</u>	<u>167,003</u>

See accompanying notes to the financial statements.



## TOWN OF ROSTHERN

## 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>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 3,900	2,768	3,923
Sale of gravel and supplies	-	1,063	792
Road maintenance and restoration agreements	-	-	-
Other (rental)	800	813	870
Total Fees and Charges	4,700	4,644	5,585
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	4,700	4,644	5,585
Conditional Grants			
Primary Weight Corridor	-	-	-
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	4,700	4,644	5,585
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (traffic safety)	-	330	-
<b>Total Capital</b>	-	330	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Transportation Services</b>	4,700	4,974	5,585
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Transit fees	\$ 5,200	5,856	5,916
Cemetery fees	23,000	25,060	23,784
Waste and Disposal Charges	221,500	220,287	206,975
Other	-	-	-
Total Fees and Charges	249,700	251,203	236,675
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	4,826	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	249,700	256,029	236,675
Conditional Grants			
Federal - Student Employment	-	-	-
TAPD	-	3,463	4,037
Local government	-	-	-
Other (Multi Material Stewardship Western)	32,000	38,748	27,632
Total Conditional Grants	32,000	42,211	31,669
<b>Total Operating</b>	281,700	298,240	268,344
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial - Disaster Assistance	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Environmental and Public Health Services Services</b>	281,700	298,240	268,344

See accompanying notes to the financial statements.

## TOWN OF ROSTHERN

## 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>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ 4,500	6,990	175
Other (sign corridor)	21,900	15,450	16,774
Total Fees and Charges	26,400	22,440	16,949
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	26,400	22,440	16,949
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	26,400	22,440	16,949
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Planning and Development Services</b>	26,400	22,440	16,949
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (rec centre, CMC, curling)	212,350	276,002	206,781
Total Fees and Charges	212,350	276,002	206,781
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	1,636	-
Other Segmented Revenue (donations)	5,500	7,327	10,445
Total other segmented revenue	217,850	284,965	217,226
Conditional Grants			
Student Employment	11,100	9,100	11,111
Local government	62,993	53,739	43,541
Donations	-	-	-
Other (Sask Lotteries, other grants)	33,450	31,045	31,084
Total Conditional Grants	107,543	93,884	85,736
<b>Total Operating</b>	325,393	378,849	302,962
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local Government	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (rinks, ICIP)	5,000	10,000	1,087,429
<b>Total Capital</b>	5,000	10,000	1,087,429
<b>Restructuring Revenue</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	330,393	388,849	1,390,391

See accompanying notes to the financial statements.

## TOWN OF ROSTHERN

## 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>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 1,284,600	1,231,799	1,365,697
Sewer	362,500	353,802	354,897
Other	-	-	-
Total Fees and Charges	1,647,100	1,585,601	1,720,594
Tangible capital asset sales - gain (loss)	-	-	21,956
Investment income and commissions	-	37,340	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	1,647,100	1,622,941	1,742,550
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>1,647,100</u>	<u>1,622,941</u>	<u>1,742,550</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	111,746	113,771	52,159
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>111,746</u>	<u>113,771</u>	<u>52,159</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>1,758,846</u>	<u>1,736,712</u>	<u>1,794,709</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 2,982,923</u>	<u>3,023,534</u>	<u>4,067,196</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 2,668,804	2,741,667	2,791,479
Total Conditional Grants	197,373	157,766	136,129
Total Capital Grants and Contributions	116,746	124,101	1,139,588
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 2,982,923</u>	<u>3,023,534</u>	<u>4,067,196</u>

See accompanying notes to the financial statements.



# TOWN OF ROSTHERN

## 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>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 84,720	79,255	71,209
Wages and benefits	300,400	299,618	226,460
Professional/Contractual services	274,536	296,440	243,965
Utilities	33,150	28,531	27,131
Maintenance, materials, and supplies	23,500	25,725	15,664
Grants and contributions	5,500	6,050	5,332
-operating	-	-	-
-capital	-	-	-
Amortization	61,467	61,467	63,475
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
<b>General Government Services</b>	<u>783,273</u>	<u>797,086</u>	<u>653,236</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>783,273</u>	<u>797,086</u>	<u>653,236</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	102,000	92,512	83,022
Professional/Contractual services	152,304	158,416	147,447
Utilities	-	-	-
Maintenance, materials, and supplies	6,600	4,639	6,865
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	3,733	3,733	3,733
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	81,700	21,450	21,845
Professional/Contractual services	43,105	44,986	37,369
Utilities	18,600	15,176	13,935
Maintenance, materials, and supplies	28,050	10,010	9,544
Grants and contributions	-	-	134,957
-operating	-	-	-
-capital	-	-	-
Amortization	58,163	58,163	58,163
Accretion of asset retirement obligations	-	-	-
Interest	7,000	3,774	6,782
Other	-	-	-
<b>Protective Services</b>	<u>501,255</u>	<u>412,859</u>	<u>523,662</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>501,255</u>	<u>412,859</u>	<u>523,662</u>

See accompanying notes to the financial statements.

# TOWN OF ROSTHERN

## 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>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	\$ 161,250	194,517	176,830
Professional/Contractual services	235,190	166,777	154,106
Utilities	62,500	53,833	52,862
Maintenance, materials, and supplies	129,000	90,373	89,091
Gravel	20,000	19,097	11,640
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	223,940	224,223	216,429
Accretion of asset retirement obligations	-	-	-
Interest	41,448	41,448	44,358
Other	-	-	-
<b>Transportation Services</b>	<u>873,328</u>	<u>790,268</u>	<u>745,316</u>
<b>Restructuring</b>	-	-	-
<b>Total Transportation Services</b>	<u>873,328</u>	<u>790,268</u>	<u>745,316</u>
 <b>ENVIRONMENTAL SERVICES</b>			
Wages and benefits	39,600	54,412	42,073
Contractual services	258,050	249,114	230,482
Utilities	1,550	1,242	1,253
Maintenance, materials, and supplies	-	10,250	9,881
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	7,783	7,783	7,783
Accretion of asset retirement obligations	10,000	401,882	11,932
Interest	-	-	-
Other (cemetery fees)	9,005	5,928	1,170
<b>Environmental and Public Health Services</b>	<u>325,988</u>	<u>730,611</u>	<u>304,574</u>
<b>Restructuring</b>	-	-	-
<b>Total Environmental and Public Health Services</b>	<u>325,988</u>	<u>730,611</u>	<u>304,574</u>
 <b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	88,800	65,075	10,621
Contractual services	47,120	40,595	74,979
Utilities	-	300	-
Maintenance, materials, and supplies	1,000	1,160	1,153
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	65,400	62,903	71,286
Other	-	-	-
<b>Planning and Development Services</b>	<u>202,320</u>	<u>170,033</u>	<u>158,039</u>
<b>Restructuring</b>	-	-	-
<b>Total Planning and Development Services</b>	<u>202,320</u>	<u>170,033</u>	<u>158,039</u>

See accompanying notes to the financial statements.

## TOWN OF ROSTHERN

## 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>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	\$ 435,840	456,613	419,414
Contractual services	154,130	160,753	133,955
Utilities	127,980	137,843	101,921
Maintenance, materials, and supplies	144,002	126,860	87,717
Grants and contributions			
-operating	46,350	42,692	42,692
-capital	-	-	-
Amortization	102,685	102,685	98,448
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	4,379
Other (library, miscellaneous)	24,750	42,805	44,179
<b>Recreation and Cultural Services</b>	<u>1,035,737</u>	<u>1,070,251</u>	<u>932,705</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>1,035,737</u>	<u>1,070,251</u>	<u>932,705</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	442,280	367,320	367,319
Contractual services	341,774	257,829	135,350
Utilities	121,450	112,972	102,189
Maintenance, materials, and supplies	199,700	192,085	118,652
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	224,203	224,203	210,203
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Utility Services</b>	<u>1,329,407</u>	<u>1,154,409</u>	<u>933,713</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>1,329,407</u>	<u>1,154,409</u>	<u>933,713</u>
<b>TOTAL EXPENDITURES BY FUNCTION</b>	<u>\$ 5,051,308</u>	<u>5,125,517</u>	<u>4,251,245</u>

See accompanying notes to the financial statements.



**TOWN OF ROSTHERN**

**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

Year ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 234,883	159,875	4,644	251,203	22,440	276,002	1,585,601	2,534,648
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	15,105	-	-	-	-	-	-	15,105
Investment income	126,299	4,386	-	4,826	-	1,636	37,340	174,487
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	10,100	-	-	-	7,327	-	17,427
- Conditional Grants	-	21,671	-	42,211	-	93,884	-	157,766
- Capital Grants	-	-	330	-	-	10,000	113,771	124,101
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>376,287</u>	<u>196,032</u>	<u>4,974</u>	<u>298,240</u>	<u>22,440</u>	<u>388,849</u>	<u>1,736,712</u>	<u>3,023,534</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	378,873	113,962	194,517	54,412	65,075	456,613	367,320	1,630,772
Professional/Contractual Services	296,440	203,402	166,777	249,114	40,595	160,753	257,829	1,374,910
Utilities	28,531	15,176	53,833	1,242	300	137,843	112,972	349,897
Maintenance, materials and supplies	25,725	14,649	109,470	10,250	1,160	169,665	192,085	523,004
Grants and contributions	6,050	-	-	-	-	42,692	-	48,742
Amortization	61,467	61,896	224,223	7,783	-	102,685	224,203	682,257
Accretion of asset retirement obligations	-	-	-	401,882	-	-	-	401,882
Interest	-	3,774	41,448	-	62,903	-	-	108,125
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	5,928	-	-	-	5,928
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>797,086</u>	<u>412,859</u>	<u>790,268</u>	<u>730,611</u>	<u>170,033</u>	<u>1,070,251</u>	<u>1,154,409</u>	<u>5,125,517</u>
<b>Surplus (deficit) by function</b>	(420,799)	(216,827)	(785,294)	(432,371)	(147,593)	(681,402)	582,303	(2,101,983)
Taxation and other unconditional revenue (Schedule 1)								2,615,968
<b>Net surplus (deficit)</b>								<u>\$ 513,985</u>

See accompanying notes to the financial statements.

# TOWN OF ROSTHERN

## Schedule 5

### 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
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 238,734	143,109	5,585	236,675	16,949	206,781	1,720,594	2,568,427
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	21,956	21,956
Land sales - Gain (loss)	114,102	-	-	-	-	-	-	114,102
Investment income	71,379	-	-	-	-	-	-	71,379
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	5,170	-	-	-	10,445	-	15,615
Grants - Conditional	-	18,724	-	31,669	-	85,736	-	136,129
Grants - Capital	-	-	-	-	-	1,087,429	52,159	1,139,588
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>424,215</u>	<u>167,003</u>	<u>5,585</u>	<u>268,344</u>	<u>16,949</u>	<u>1,390,391</u>	<u>1,794,709</u>	<u>4,067,196</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	297,669	104,867	176,830	42,073	10,621	419,414	367,319	1,418,793
Professional/Contractual Services	243,965	184,816	154,106	230,482	74,979	133,955	135,350	1,157,653
Utilities	27,131	13,935	52,862	1,253	-	101,921	102,189	299,291
Maintenance, materials and supplies	15,664	16,409	100,731	9,881	1,153	131,896	118,652	394,386
Grants and contributions	5,332	134,957	-	-	-	42,692	-	182,981
Amortization	63,475	61,896	216,429	7,783	-	98,448	210,203	658,234
Accretion of asset retirement obligations	-	-	-	11,932	-	-	-	11,932
Interest	-	6,782	44,358	-	71,286	-	-	122,426
Allowance for uncollectibles	-	-	-	-	-	4,379	-	4,379
Other	-	-	-	1,170	-	-	-	1,170
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>653,236</u>	<u>523,662</u>	<u>745,316</u>	<u>304,574</u>	<u>158,039</u>	<u>932,705</u>	<u>933,713</u>	<u>4,251,245</u>
<b>Surplus (deficit) by function</b>	(229,021)	(356,659)	(739,731)	(36,230)	(141,090)	457,686	860,996	(184,049)
Taxation and other unconditional revenue (Schedule 1)								2,407,222
<b>Net surplus (deficit)</b>								<u>\$ 2,223,173</u>

See accompanying notes to the financial statements.

# TOWN OF ROSTHERN

## SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

**Year ended December 31, 2023**  
with comparative figures for 2022

	2023							2022
	General Assets					General / Infrastructure Assets Under Construction	Total	
	Land Improvements		Buildings	Vehicles	Machinery & Equipment			
	Land	Land Improvements						
Asset cost								
Opening asset costs	\$ 874,410	83,778	12,658,311	286,728	1,953,693	16,570,165	33,940,613	31,099,295
Additions during the year	26,098	-	1,418,815	120,564	47,736	132,442	939,200	2,939,457
Disposals and write-downs during the year	(27,503)	-	(10,368)	-	(10,038)	-	(47,909)	(98,139)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	873,005	83,778	14,066,758	407,292	1,991,391	16,702,607	34,831,904	33,940,613
Accumulated amortization cost								
Opening accumulated amortization costs	-	17,442	4,197,789	154,309	967,607	9,619,564	14,956,712	14,333,170
Add: Amortization taken	-	3,144	282,186	23,296	113,988	259,643	682,257	658,235
Less: Accumulated amortization on disposals	-	-	(10,368)	-	(10,038)	-	(20,406)	(34,693)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	-	20,586	4,469,607	177,605	1,071,557	9,879,207	15,618,563	14,956,712
Net book value	\$ 873,005	63,192	9,597,151	229,687	919,834	6,823,400	19,213,341	18,983,901
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.



# TOWN OF ROSTHERN

## 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
<b>Asset cost</b>								
Opening asset costs	\$ 198,392	1,946,129	10,038,795	12,281	565,572	7,773,783	13,405,660	33,940,613
Additions during the year	57,917	145,507	119,063	-	-	16,073	600,640	939,200
Disposals and write-downs during the year	(12,540)	-	-	-	(25,003)	-	(10,366)	(47,909)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>243,769</u>	<u>2,091,636</u>	<u>10,157,858</u>	<u>12,281</u>	<u>540,569</u>	<u>7,789,856</u>	<u>13,995,934</u>	<u>34,831,904</u>
<b>Accumulated amortization cost</b>								
Opening accumulated amortization costs	19,345	560,054	6,739,175	-	-	3,516,768	4,121,369	14,333,170
Add: Amortization taken	61,467	61,896	224,223	7,783	-	102,685	224,203	658,235
Less: Accumulated amortization on disposals	(10,040)	-	-	-	-	-	(10,366)	(20,406)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>70,772</u>	<u>621,950</u>	<u>6,963,398</u>	<u>7,783</u>	<u>-</u>	<u>3,619,453</u>	<u>4,335,206</u>	<u>15,618,563</u>
<b>Net book value</b>	<u>\$ 172,997</u>	<u>1,469,686</u>	<u>3,194,460</u>	<u>4,498</u>	<u>540,569</u>	<u>4,170,403</u>	<u>9,660,728</u>	<u>19,213,341</u>
								<u>18,983,901</u>

See accompanying notes to the financial statements.

**TOWN OF ROSTHERN**  
**SCHEDULE OF ACCUMULATED SURPLUS**  
Year ended December 31, 2023

	<u>2022</u>	<u>Changes</u>	<u>2023</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>869,435</u>	<u>(596,618)</u>	<u>272,817</u>
<b>APPROPRIATED RESERVES</b>			
Reserve for machinery and equipment	-	-	-
Public reserve	1,745,851	172,662	1,918,513
Capital trust fund	-	-	-
Utility reserve	721,015	292,267	1,013,282
Rescue reserve	62,162	19,104	81,266
Recreation reserve	31,878	1,886	33,764
Offsite levy reserve	66,497	9,660	76,157
Bylaw enforcement reserve	<u>26,039</u>	<u>6,313</u>	<u>32,352</u>
<b>Total Appropriated</b>	<u>2,653,442</u>	<u>501,892</u>	<u>3,155,334</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	18,983,901	229,440	19,213,341
Less: Related debt	<u>(3,118,357)</u>	<u>379,271</u>	<u>(2,739,086)</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>15,865,544</u>	<u>608,711</u>	<u>16,474,255</u>
<b>Accumulated Surplus excluding remeasurement gains (losses)</b>	\$ <u>19,388,421</u>	<u>513,985</u>	<u>19,902,406</u>

See accompanying notes to the financial statements.

**TOWN OF ROSTHERN**  
**SCHEDULE OF MILL RATES AND ASSESSMENTS**

Year ended December 31, 2023  
with comparative figures for 2022

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	\$ 525,470	103,042,880	11,776,960	-	17,225,335	-
Regional Park Assessment						
Total Assessment						132,570,645
Mill Rate Factor(s)	1.0200	0.8100	0.8100	-	1.7800	
Total Base/Minimum Tax (generated for each property class)	975	820,965	-	-	124,950	946,890
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 8,292	1,555,454	83,946	-	394,767	2,042,459

<b>MILL RATES:</b>	<b>MILLS</b>
Average Municipal*	15.407
Average School*	4.820
Potash Mill Rate	-
Uniform Municipal Mill Rate	8.800

\* 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.



**TOWN OF ROSTHERN**  
**SCHEDULE OF COUNCIL REMUNERATION**

**Year ended December 31, 2023**  
with comparative figures for 2022

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Mayor	Dennis Helmuth	\$ 24,310	1,278	25,588
Councillor	Blaine Krentz	9,610	163	9,773
Councillor	Brett Knoll	4,590	-	4,590
Councillor	Colin Aebig	12,350	975	13,325
Councillor	Emily Hand	6,310	-	6,310
Councillor	James Crouch	4,910	255	5,165
Councillor	Kevin Graham	<u>5,050</u>	<u>-</u>	<u>5,050</u>
Total		<u>\$ 67,130</u>	<u>2,671</u>	<u>69,801</u>

See accompanying notes to the financial statements.

**TOWN OF ROSTHERN**  
**SCHEDULE OF RESTRUCTURING**  
**Year ended December 31, 2023**

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

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

See accompanying notes to the financial statements.