

TOWN OF ROSTHERN

Auditor's Report

Financial Statements

December 31, 2021

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 Town of Rosthern**

Report on the Financial Statements

Opinion

We have audited the financial statements of **Town of Rosthern**, which comprise the statement of financial position as at **December 31, 2021** 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 Town as at **December 31, 2021** 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.

Other Matters

The financial statements of **Town of Rosthern** for the year ended December 31, 2020 were audited by another auditor who expressed a qualified opinion on those statements on June 24, 2021.

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 6, 2022

JENSEN STROMBERG

Chartered Professional Accountants

TOWN OF ROSTHERN

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u> (Restated - Note 11)
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 3,521,186	3,223,190
Taxes Receivable - Municipal (Note 3)	218,165	270,613
Other accounts receivable (Note 4)	412,512	378,142
Land for re-sale (Note 5)	-	-
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	4,151,863	3,871,945
<u>LIABILITIES</u>		
Bank indebtedness (Note 6)	-	-
Accounts payable	171,838	127,021
Accrued liabilities payable	-	-
Deposits	10,175	9,815
Deferred revenue	1,804	38,221
Accrued landfill costs (Note 7)	82,992	72,557
Liability for contaminated sites (Note 12)	-	-
Other liabilities	-	-
Long-term debt (Note 8)	3,494,717	3,947,586
Lease obligations	-	-
Total liabilities	3,761,526	4,195,200
NET FINANCIAL ASSETS (DEBT)	390,337	(323,255)
Non-financial assets:		
Tangible capital assets	16,766,125	15,933,714
Prepaid and deferred charges	8,786	17,430
Stock and supplies	-	-
Total non-financial assets	16,774,911	15,951,144
Accumulated Surplus (Deficit)	\$ 17,165,248	15,627,889

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, 2021
with comparative figures for 2020

		<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated - Note 11)
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,376,426	2,357,167	2,424,747
Fees and charges	(Schedule 4, 5)	2,127,231	2,382,856	2,006,087
Conditional grants	(Schedule 4, 5)	1,238,825	175,823	220,881
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	(25,466)
Land sales - gain	(Schedule 4, 5)	334,750	331,720	9,589
Investment income and commissions	(Schedule 4, 5)	20,000	23,140	30,910
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	<u>24,000</u>	<u>14,678</u>	<u>26,034</u>
Total Revenues		<u>6,121,232</u>	<u>5,285,384</u>	<u>4,692,782</u>
Expenditures:				
General government services	(Schedule 3)	695,789	708,478	634,977
Protective services	(Schedule 3)	412,882	387,635	343,195
Transportation services	(Schedule 3)	789,924	685,218	1,050,855
Environmental and public health services	(Schedule 3)	331,032	326,143	281,216
Planning and development services	(Schedule 3)	173,750	112,763	87,840
Recreation and cultural services	(Schedule 3)	883,258	822,810	813,201
Utility services	(Schedule 3)	1,053,268	917,983	927,789
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>4,339,903</u>	<u>3,961,030</u>	<u>4,139,073</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>1,781,329</u>	<u>1,324,354</u>	<u>553,709</u>
Provincial/Federal capital grants and contributions		<u>106,955</u>	<u>213,005</u>	<u>399,877</u>
Surplus (deficit) of revenues over expenditures		1,888,284	1,537,359	953,586
Accumulated surplus (deficit), beginning of year		<u>15,627,889</u>	<u>15,627,889</u>	<u>14,674,303</u>
Accumulated surplus (deficit), end of year		<u>\$ 17,516,173</u>	<u>17,165,248</u>	<u>15,627,889</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated - Note 11)
Surplus (deficit)	\$ <u>1,888,284</u>	<u>1,537,359</u>	<u>953,586</u>
(Acquisition) of tangible capital assets	-	(1,470,011)	(1,392,353)
Amortization of tangible capital assets	-	632,514	566,195
Proceeds on disposal of tangible capital assets	-	78,667	35,404
Loss (gain) on disposal of tangible capital assets	-	(73,582)	15,877
Loss (gain) on disposal of investments	-	-	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of capital expenses over expenditures	<u>-</u>	<u>(832,412)</u>	<u>(774,877)</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(8,785)	(17,430)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>17,430</u>	<u>5,366</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>8,645</u>	<u>(12,064)</u>
Increase (decrease) in Net Financial Assets	1,888,284	713,592	166,645
Net Financial Assets (Debt) - Beginning of the year	<u>(323,255)</u>	<u>(323,255)</u>	<u>(489,900)</u>
Net Financial Assets (Debt) - End of year	\$ <u>1,565,029</u>	<u>390,337</u>	<u>(323,255)</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2021
with comparative figures for 2020

Cash provided by (used in) the following activities:	<u>2021</u>	<u>2020</u> (Restated - Note 11)
Operating:		
Surplus (deficit)	\$ 1,537,359	953,586
Amortization	632,514	566,195
Loss (gain) on disposal of tangible capital assets	<u>(73,582)</u>	<u>15,877</u>
	2,096,291	1,535,658
Change in assets/liabilities		
Taxes receivable - Municipal	52,448	(47,026)
Other accounts receivable	(34,370)	220,829
Land for re-sale	-	36,368
Other financial assets	-	-
Accounts and accrued liabilities payable	44,819	79,100
Deposits	360	(41)
Deferred revenue	(36,418)	35,574
Accrued landfill costs	10,435	10,522
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	-	-
Prepayments and deferred charges	8,644	(12,065)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>2,142,209</u>	<u>1,858,919</u>
Capital:		
Acquisition of capital assets	(1,470,011)	(1,392,353)
Proceeds from the disposal of capital assets	78,667	35,404
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(1,391,344)</u>	<u>(1,356,949)</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Long-term debt issued	-	1,147,365
Long-term debt repaid	(452,869)	(263,078)
Lease obligations repaid	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>(452,869)</u>	<u>884,287</u>
Increase (decrease) in cash resources	297,996	1,386,257
Cash and temporary investments, beginning of year	<u>3,223,190</u>	<u>1,836,933</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 3,521,186</u>	<u>3,223,190</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated 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.

(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.

(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) Deferred Revenue - Fees and Charges

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

(f) Local Improvement Charges

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

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Net-Financial Assets

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

(h) Non-Financial Assets

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

(i) Appropriated Reserves

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

(j) Property Tax Revenue

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

(k) Investments

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

Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

(l) 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.

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Tangible Capital Assets

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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:

<i>General Assets</i>	<u>Asset</u>	<u>Useful Life</u>
	Land	Indefinite
	Land improvements	15 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.

(n) Landfill liability

The Town of Rosthern does not maintain an active waste disposal site. The previous waste disposal site is in the process of being decommissioned. Accrued decommissioning costs are disclosed in Note 7.

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 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.

(p) 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.

(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 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.

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

(s) Budget Information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 19, 2021.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2021</u>	<u>2020</u>
Cash	\$ 3,521,186	3,223,190
Temporary investments	<u> -</u>	<u> -</u>
	<u>\$ 3,521,186</u>	<u>3,223,190</u>

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

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 67,283	118,805
- Arrears	<u>152,003</u>	<u>152,929</u>
	219,286	271,734
Less: allowance for uncollectibles	<u>(1,121)</u>	<u>(1,121)</u>
Total municipal taxes receivable	<u>218,165</u>	<u>270,613</u>
School: - Current	18,815	23,237
- Arrears	<u>24,344</u>	<u>26,637</u>
Total school taxes receivable	<u>43,159</u>	<u>49,874</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	261,324	320,487
Deduct taxes receivable to be collected on behalf of other organizations	<u>(43,159)</u>	<u>(49,874)</u>
Total taxes receivable - Municipal	<u>\$ 218,165</u>	<u>270,613</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Federal government GST rebate	\$ 59,524	43,888
Provincial government	15,926	14,511
Local government	166,628	136,923
Utility	145,472	147,417
Trade	24,962	35,403
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	412,512	378,142
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 412,512</u>	<u>378,142</u>

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

5. LAND FOR RESALE

	<u>2021</u>	<u>2020</u>
Tax title property	\$ 13,276	13,911
Less: - allowance for market value adjustment	-	-
Less: due to other taxing authorities	<u>(13,276)</u>	<u>(13,911)</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, 2021, the Town had a line of credit totaling \$300,000, none of which was drawn.

7. ACCRUED LANDFILL COSTS

In 2021 the Town has accrued an overall liability for environmental matters which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Included in accrued landfill costs is \$82,992 (2020 - \$72,557) of the estimated total post-closure care expenditures.

TOWN OF ROSTHERN

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

8. LONG-TERM DEBT

The authorized debt limit for the Town is \$4,106,168. 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 and bank loans:

	<u>2021</u>	<u>2020</u>
Debenture, repayable in annual payments of \$112,830; including interest at 4.25%; matures in 2033.	\$ <u>1,043,720</u>	<u>1,109,400</u>

Future principal and interest payments are as follows:

	Year	Principal	Interest	Current Total
	2022	\$ 68,472	44,358	112,830
	2023	71,382	41,448	112,830
	2024	74,415	38,414	112,829
	2025	77,578	35,252	112,830
	2026	80,875	31,955	112,830
	Thereafter	<u>670,998</u>	<u>118,811</u>	<u>789,809</u>
	Balance	\$ <u>1,043,720</u>	<u>213,035</u>	<u>1,353,958</u>

Bank loans:

	<u>2021</u>	<u>2020</u>
CIBC loan, repayable in annual principal payments of \$53,333 plus monthly interest payments at 5.64%, matures in 2024.	\$ 160,000	213,333
CIBC loan, repayable in annual principal payments of \$107,355 plus monthly interest payments at prime, matures in 2030.	966,193	1,073,548
CIBC loan, repayable in annual principal payments of \$147,201 plus monthly interest payments at prime, matures in 2030.	<u>1,324,804</u>	<u>1,472,005</u>
	\$ <u>2,450,997</u>	<u>2,758,886</u>

Future principal and interest payments are as follows:

	Year	Principal	Interest	Current Total
	2022	\$ 307,889	65,788	373,677
	2023	307,889	56,473	364,362
	2024	307,889	47,158	355,047
	2025	254,555	37,843	292,398
	2026	254,555	31,536	286,091
	Thereafter	<u>1,018,220</u>	<u>63,071</u>	<u>1,081,291</u>
	Balance	\$ <u>2,450,997</u>	<u>301,869</u>	<u>2,752,866</u>

TOWN OF ROSTHERN

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

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 pension expense in 2021 was \$77,367 (2020 - \$73,512). 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.

Based on the latest information available (December 31, 2020 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$838,900,000. This is based on the most recent actuarial valuation, completed December 31, 2019. The Town's portion of this is not readily determinable.

10. COMPARATIVE FIGURES

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

11. CORRECTION OF AN ERROR

During the year, the Town determined that the Canada Community-Building Fund (CCBF) funding was recorded as deferred revenue in the 2020 year and all criteria for this funding had been met to be recorded as a government transfer. As a result, deferred revenue decreased by \$249,702, provincial grant revenue decreased by \$70,443, and accumulated surplus increased by \$320,144.

TOWN OF ROSTHERN
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

12. RECENT ACCOUNTING PRONOUNCEMENTS

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

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 Town 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.

TOWN OF ROSTHERN

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 1,817,870	1,801,565	1,789,888
Abatements and adjustments	(12,950)	(13,753)	(26,888)
Discount on current year taxes	-	-	-
Net municipal taxes	<u>1,804,920</u>	<u>1,787,812</u>	<u>1,763,000</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	35,000	39,319	24,391
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>1,839,920</u>	<u>1,827,131</u>	<u>1,787,391</u>
UNCONDITIONAL GRANTS			
Revenue sharing	384,180	380,728	384,180
Organized Hamlet	-	-	-
Other - Safe Restart	-	-	100,696
Total Unconditional Grants	<u>384,180</u>	<u>380,728</u>	<u>484,876</u>
GRANTS IN LIEU OF TAXES			
Federal	3,644	3,525	3,644
Provincial			
Provincial - S.P.C. Electrical	-	-	-
Provincial - Sask. Energy Gas	44,000	41,148	44,324
TransGas	-	-	-
Provincial - SPMC - Municipal Share	-	-	-
Provincial - Sasktel	-	-	-
Provincial - other	7,682	7,614	7,728
Local/Other			
Local/Other - Housing Authority	-	-	-
Local/Other - C.P.R. Mainline	-	-	-
Local/Other - Treaty Land Entitlement	-	-	-
Local/Other	-	-	-
Other Government Transfers			
Other Government Transfers - S.P.C. Surcharge	97,000	97,021	96,784
Other Government Transfer	-	-	-
Total Grants in Lieu of Taxes	<u>152,326</u>	<u>149,308</u>	<u>152,480</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 2,376,426</u>	<u>2,357,167</u>	<u>2,424,747</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sale of supplies	-	-	-
Other (permits and rentals)	218,561	292,817	131,999
Total Fees and Charges	218,561	292,817	131,999
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	334,750	331,720	9,589
Investment income and commissions	20,000	19,055	27,393
Other Segmented Revenue (donations)	-	980	2,500
Total other segmented revenue	573,311	644,572	171,481
Conditional Grants			
Federal - Student Employment	-	-	-
Other (FCM)	-	-	50,000
Total Conditional Grants	-	-	50,000
Total Operating	<u>573,311</u>	<u>644,572</u>	<u>221,481</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>573,311</u>	<u>644,572</u>	<u>221,481</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (fines)	103,600	128,444	93,113
Total Fees and Charges	103,600	128,444	93,113
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	809	851
Other Segmented Revenue (donations)	-	-	12,666
Total other segmented revenue	103,600	129,253	106,630
Conditional Grants			
Federal - Student Employment	-	-	-
Local government-Operating	53,392	46,334	47,104
Other	-	-	-
Total Conditional Grants	53,392	46,334	47,104
Total Operating	<u>156,992</u>	<u>175,587</u>	<u>153,734</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Local Government-Capital	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>156,992</u>	<u>175,587</u>	<u>153,734</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated - Note 11)
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 3,000	6,720	10,957
Sale of supplies	-	1,857	-
Road maintenance and restoration agreements	-	-	-
Other (rental)	-	2,795	300
Total Fees and Charges	<u>3,000</u>	<u>11,372</u>	<u>11,257</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	<u>3,000</u>	<u>11,372</u>	<u>11,257</u>
Conditional Grants			
Federal - Primary Weight Corridor	1,087,420	-	-
Federal - Student Employment	-	-	-
Total Conditional Grants	<u>1,087,420</u>	<u>-</u>	<u>-</u>
Total Operating	<u>1,090,420</u>	<u>11,372</u>	<u>11,257</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (traffic safety)	-	7,322	7,875
Total Capital	<u>-</u>	<u>7,322</u>	<u>7,875</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>1,090,420</u>	<u>18,694</u>	<u>19,132</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Transit fees	\$ -	6,107	4,324
Cemetery Fees	-	35,214	18,556
Waste and Disposal Charges	204,700	222,447	254,829
Total Fees and Charges	204,700	263,768	277,709
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	435	522
Other Segmented Revenue	18,000	-	-
Total other segmented revenue	<u>222,700</u>	<u>264,203</u>	<u>278,231</u>
Conditional Grants			
Federal - Student Employment	-	-	-
TAPD	-	2,757	1,163
Local government-Operating	-	-	-
Other (Multi Material Stewardship Western)	19,900	21,590	28,329
Total Conditional Grants	<u>19,900</u>	<u>24,347</u>	<u>29,492</u>
Total Operating	<u>242,600</u>	<u>288,550</u>	<u>307,723</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>242,600</u>	<u>288,550</u>	<u>307,723</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ 5,000	4,528	4,476
Other	9,500	17,737	10,443
Total Fees and Charges	<u>14,500</u>	<u>22,265</u>	<u>14,919</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	<u>14,500</u>	<u>22,265</u>	<u>14,919</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>14,500</u>	<u>22,265</u>	<u>14,919</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>14,500</u>	<u>22,265</u>	<u>14,919</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (rec centre, CMC, curling)	153,870	141,362	164,095
Total Fees and Charges	<u>153,870</u>	<u>141,362</u>	<u>164,095</u>
Tangible capital asset sales - gain (loss)	-	-	815
Investment income and commissions	-	166	130
Other Segmented Revenue (donations)	6,000	13,698	10,868
Total other segmented revenue	<u>159,870</u>	<u>155,226</u>	<u>175,908</u>
Conditional Grants			
Student Employment	7,800	14,191	14,812
Local government-Operating	39,621	42,562	42,504
Donations	-	-	-
Other (Sask Lotteries)	30,692	48,389	36,969
Total Conditional Grants	<u>78,113</u>	<u>105,142</u>	<u>94,285</u>
Total Operating	<u>237,983</u>	<u>260,368</u>	<u>270,193</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local Government-Capital	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (Saskatchewan parks and rec association)	5,000	-	-
Total Capital	<u>5,000</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>242,983</u>	<u>260,368</u>	<u>270,193</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated - Note 11)
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 1,114,000	1,201,633	1,026,350
Sewer	315,000	321,195	286,645
Other (Fee adjustments)	-	-	-
Total Fees and Charges	<u>1,429,000</u>	<u>1,522,828</u>	<u>1,312,995</u>
Tangible capital asset sales - gain (loss)	-	-	(26,281)
Investment income and commissions	-	2,675	2,014
Other Segmented Revenue	-	-	-
Total other segmented revenue	<u>1,429,000</u>	<u>1,525,503</u>	<u>1,288,728</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>1,429,000</u>	<u>1,525,503</u>	<u>1,288,728</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	101,955	205,683	149,388
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (MEEP)	-	-	242,614
Total Capital	<u>101,955</u>	<u>205,683</u>	<u>392,002</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>1,530,955</u>	<u>1,731,186</u>	<u>1,680,730</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 3,851,761</u>	<u>3,141,222</u>	<u>2,667,912</u>
 SUMMARY			
Total Other Segmented Revenue	\$ 2,505,981	2,752,394	2,047,154
Total Conditional Grants	1,238,825	175,823	220,881
Total Capital Grants and Contributions	106,955	213,005	399,877
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 3,851,761</u>	<u>3,141,222</u>	<u>2,667,912</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 77,020	65,261	68,923
Wages and benefits	220,195	223,992	224,983
Professional/Contractual services	283,564	301,716	263,180
Utilities	26,430	25,034	26,670
Maintenance, materials, and supplies	22,100	23,795	25,085
Grants and contributions	3,000	5,200	1,680
	-operating		
	-capital	-	-
Amortization	63,480	63,475	22,794
Interest	-	5	1,662
Allowance for uncollectibles	-	-	-
General Government Services	<u>695,789</u>	<u>708,478</u>	<u>634,977</u>
Restructuring	-	-	-
Total General Government Services	<u>695,789</u>	<u>708,478</u>	<u>634,977</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	84,862	83,598	48,140
Professional/Contractual services	142,440	142,619	134,874
Maintenance, materials, and supplies	4,400	5,594	3,445
Amortization	3,730	3,733	3,733
Other	-	-	-
Fire protection			
Wages and benefits	38,600	21,512	25,250
Professional/Contractual services	38,610	23,614	27,781
Utilities	14,200	12,788	13,050
Maintenance, materials, and supplies	25,380	19,036	11,007
Grants and contributions	-	-	-
	-operating		
	-capital	-	-
Amortization	58,160	58,163	57,620
Interest	2,500	16,978	18,295
Other	-	-	-
Protective Services	<u>412,882</u>	<u>387,635</u>	<u>343,195</u>
Restructuring	-	-	-
Total Protective Services	<u>412,882</u>	<u>387,635</u>	<u>343,195</u>
TRANSPORTATION SERVICES			
Wages and benefits	153,524	138,936	151,255
Professional/Contractual services	183,450	156,591	473,153
Utilities	53,200	44,940	53,830
Maintenance, materials, and supplies	119,700	68,190	123,426
Gravel	20,000	16,504	3,837
Grants and contributions	-	-	-
	-operating		
	-capital	-	-
Amortization	212,900	212,904	194,141
Interest	47,150	47,153	51,213
Other	-	-	-
Transportation Services	<u>789,924</u>	<u>685,218</u>	<u>1,050,855</u>
Restructuring	-	-	-
Total Transportation Services	<u>789,924</u>	<u>685,218</u>	<u>1,050,855</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
ENVIRONMENTAL SERVICES			
Wages and benefits	\$ 33,679	43,409	33,181
Contractual services	263,500	255,897	200,415
Utilities	1,320	1,170	1,191
Maintenance, materials, and supplies	11,550	6,901	5,082
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public health	-	-	-
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	7,783	7,783	7,783
Interest	-	-	-
Other (landfill decommissioning & cemetery)	13,200	10,983	33,564
Environmental and Public Health Services	<u>331,032</u>	<u>326,143</u>	<u>281,216</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>331,032</u>	<u>326,143</u>	<u>281,216</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	35,200	8,462	-
Contractual services	37,250	33,299	36,636
Maintenance, materials, and supplies	500	976	82
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	100,800	70,026	51,122
Other	-	-	-
Planning and Development Services	<u>173,750</u>	<u>112,763</u>	<u>87,840</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>173,750</u>	<u>112,763</u>	<u>87,840</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	353,246	371,587	354,681
Contractual services	180,800	144,872	128,928
Utilities	110,700	67,945	83,077
Maintenance, materials, and supplies	106,950	78,469	88,693
Grants and contributions			
-operating	42,692	42,692	40,650
-capital	-	-	-
Amortization	71,270	101,265	98,116
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	17,600	15,980	19,056
Recreation and Cultural Services	<u>883,258</u>	<u>822,810</u>	<u>813,201</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>883,258</u>	<u>822,810</u>	<u>813,201</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	\$ 396,088	364,850	385,909
Contractual services	207,780	144,398	156,882
Utilities	100,400	82,482	97,025
Maintenance, materials, and supplies	163,800	141,062	105,965
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	185,200	185,191	182,008
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>1,053,268</u>	<u>917,983</u>	<u>927,789</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>1,053,268</u>	<u>917,983</u>	<u>927,789</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 4,339,903</u>	<u>3,961,030</u>	<u>4,139,073</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
Year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 292,817	128,444	11,372	263,768	22,265	141,362	1,522,828	2,382,856
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	331,720	-	-	-	-	-	-	331,720
Investment income and commissions	19,055	809	-	435	-	166	2,675	23,140
Other revenues	980	-	-	-	-	13,698	-	14,678
Grants - Conditional	-	46,334	-	24,347	-	105,142	-	175,823
Grants - Capital	-	-	7,322	-	-	-	205,683	213,005
Restructurings	-	-	-	-	-	-	-	-
Total revenues	644,572	175,587	18,694	288,550	22,265	260,368	1,731,186	3,141,222
Expenses (Schedule 3)								
Wages & Benefits	289,253	105,110	138,936	43,409	8,462	371,587	364,850	1,321,607
Professional/Contractual Services	301,716	166,233	156,591	255,897	33,299	144,872	144,398	1,203,006
Utilities	25,034	12,788	44,940	1,170	-	67,945	82,482	234,359
Maintenance, materials and supplies	23,795	24,630	84,694	6,901	976	94,449	141,062	376,507
Grants and contributions	5,200	-	-	-	-	42,692	-	47,892
Amortization	63,475	61,896	212,904	7,783	-	101,265	185,191	632,514
Interest	5	16,978	47,153	-	70,026	-	-	134,162
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	10,983	-	-	-	10,983
Restructurings	-	-	-	-	-	-	-	-
Total expenses	708,478	387,635	685,218	326,143	112,763	822,810	917,983	3,961,030
Surplus (deficit) by function	(63,906)	(212,048)	(666,524)	(37,593)	(90,498)	(562,442)	813,203	(819,808)
Taxation and other unconditional revenue (Schedule 1)								<u>2,357,167</u>
Net Surplus (Deficit)								\$ 1,537,359

See accompanying notes to the financial statements.

TOWN OF ROSTHERN

Schedule 5

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020 (Restated -Note 11)

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 131,999	93,113	11,257	277,709	14,919	164,095	1,312,995	2,006,087
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	815	(26,281)	(25,466)
Land sales - Gain (loss)	9,589	-	-	-	-	-	-	9,589
Investment income and commissions	27,393	851	-	522	-	130	2,014	30,910
Other revenues	2,500	12,666	-	-	-	10,868	-	26,034
Grants - Conditional	50,000	47,104	-	29,492	-	94,285	-	220,881
Grants - Capital	-	-	7,875	-	-	-	392,002	399,877
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>221,481</u>	<u>153,734</u>	<u>19,132</u>	<u>307,723</u>	<u>14,919</u>	<u>270,193</u>	<u>1,680,730</u>	<u>2,667,912</u>
Expenses (Schedule 3)								
Wages & Benefits	293,906	73,390	151,255	33,181	-	354,681	385,909	1,292,322
Professional/Contractual Services	263,180	162,655	473,153	200,415	36,636	128,928	156,882	1,421,849
Utilities	26,670	13,050	53,830	1,191	-	83,077	97,025	274,843
Maintenance, materials and supplies	25,085	14,452	127,263	5,082	82	107,749	105,965	385,678
Grants and contributions	1,680	-	-	-	-	40,650	-	42,330
Amortization	22,794	61,353	194,141	7,783	-	98,116	182,008	566,195
Interest	1,662	18,295	51,213	-	51,122	-	-	122,292
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	33,564	-	-	-	33,564
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>634,977</u>	<u>343,195</u>	<u>1,050,855</u>	<u>281,216</u>	<u>87,840</u>	<u>813,201</u>	<u>927,789</u>	<u>4,139,073</u>
Surplus (deficit) by function	(413,496)	(189,461)	(1,031,723)	26,507	(72,921)	(543,008)	752,941	(1,471,161)
Taxation and other unconditional revenue (Schedule 1)								<u>2,424,747</u>
Net Surplus (Deficit)								<u>\$ 953,586</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2021
with comparative figures for 2020

	2021							Restated (Note 11) 2020
	General Assets			Infrastructure Assets		General / Infrastructure Assets Under Construction		
	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Total	Total	
Asset cost								
Opening asset costs	\$ 707,443	10,642,748	286,728	1,808,647	14,784,947	1,342,559	29,634,370	28,300,103
Additions during the year	197,053	17,611	-	8,188	470,037	777,121	1,470,010	1,392,353
Disposals and write-downs during the year	(5,085)	-	-	-	-	-	(5,085)	(58,086)
Transfers (from) assets under construction	-	-	-	-	929,525	(929,525)	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>\$ 899,411</u>	<u>10,660,359</u>	<u>286,728</u>	<u>1,816,835</u>	<u>16,184,509</u>	<u>1,190,155</u>	<u>31,099,295</u>	<u>29,634,370</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	3,640,818	107,717	784,291	9,154,428	-	13,700,656	13,141,266
Add: Amortization taken	-	277,898	23,296	112,137	217,163	-	632,514	566,195
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>\$ -</u>	<u>3,918,716</u>	<u>131,013</u>	<u>896,428</u>	<u>9,371,591</u>	<u>-</u>	<u>14,333,170</u>	<u>13,700,656</u>
Net book value	<u>\$ 899,411</u>	<u>6,741,643</u>	<u>155,715</u>	<u>920,407</u>	<u>6,812,918</u>	<u>1,190,155</u>	<u>16,766,125</u>	<u>15,933,714</u>

1. Total contributed/donated assets received in 2021:

2. List of assets recognized at nominal value in 2021 are:

- Infrastructure Assets
- Vehicles
- Machinery and Equipment

3. Amount of interest capitalized in 2021:

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	2021						Restated (Note 11) 2020		
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture		Water & Sewer	Total
Asset cost									
Opening asset costs	\$ 2,099,211	1,854,007	10,679,157	12,989	-	3,786,992	11,202,014	29,634,370	28,300,103
Additions during the year	-	-	35,252	197,053	-	633,026	604,679	1,470,010	1,392,353
Disposals and write-downs during the year	-	-	-	(5,085)	-	-	-	(5,085)	(58,086)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>2,099,211</u>	<u>1,854,007</u>	<u>10,714,409</u>	<u>204,957</u>	<u>-</u>	<u>4,420,018</u>	<u>11,806,693</u>	<u>31,099,295</u>	<u>29,634,370</u>
Accumulated amortization cost									
Opening accumulated amortization costs	230,547	523,324	6,626,525	-	-	2,640,462	3,679,798	13,700,656	13,141,266
Add: Amortization taken	63,475	61,896	212,904	7,783	-	101,265	185,191	632,514	566,195
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(6,805)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>294,022</u>	<u>585,220</u>	<u>6,839,429</u>	<u>7,783</u>	<u>-</u>	<u>2,741,727</u>	<u>3,864,989</u>	<u>14,333,170</u>	<u>13,700,656</u>
Net book value	<u>\$ 1,805,189</u>	<u>1,268,787</u>	<u>3,874,980</u>	<u>197,174</u>	<u>-</u>	<u>1,678,291</u>	<u>7,941,704</u>	<u>16,766,125</u>	<u>15,933,714</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2021

	<u>2020</u> (Restated - Note 11)	<u>Changes</u>	<u>2021</u>
UNAPPROPRIATED SURPLUS	\$ <u>1,583,516</u>	<u>(318,045)</u>	<u>1,265,471</u>
APPROPRIATED RESERVES			
Public reserve	1,443,634	126,730	1,570,364
Utility reserve	497,386	280,201	777,587
Rescue reserve	125,440	45,114	170,554
Recreation reserve	30,984	166	31,150
Offsite levy reserve	57,161	-	57,161
Bylaw enforcement reserve	15,479	5,083	20,562
Capital trust fund	991	-	991
Total Appropriated	<u>2,171,075</u>	<u>457,294</u>	<u>2,628,369</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	15,933,714	832,411	16,766,125
Less: Related debt	<u>(4,060,416)</u>	<u>565,699</u>	<u>(3,494,717)</u>
Net Investment in Tangible Capital Assets	<u>11,873,298</u>	<u>1,398,110</u>	<u>13,271,408</u>
Total Accumulated Surplus	<u>\$ 15,627,889</u>	<u>1,537,359</u>	<u>17,165,248</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
SCHEDULE OF MILL RATES AND ASSESSMENTS
 Year ended December 31, 2021

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	\$ 573,045	100,506,880	11,768,720	-	12,728,835	\$ 125,577,480
Regional Park Assessment						
Total Assessment	1,000	0.7740	0.7740	-	1.7380	\$ 125,577,480
Mill Rate Factor(s)						
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-	-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 7,443	1,416,933	80,159	-	297,030	1,801,565

MILL RATES:

Average Municipal*	14.346
Average School*	4.670
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, 2021

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Dennis Helmuth	\$ 19,730	1,200	20,930
Councillor	Blaine Krentz	6,740	-	6,740
Councillor	Brett Knoll	930	-	930
Councillor	Colin Aebig	12,800	-	12,800
Councillor	Emily Hand	6,050	-	6,050
Councillor	James Crouch	6,490	-	6,490
Councillor	Kevin Graham	5,230	-	5,230
Councillor	Neal Isfeld	2,710	-	2,710
Total		<u>\$ 60,680</u>	<u>1,200</u>	<u>61,880</u>

See accompanying notes to the financial statements.

TOWN OF ROSTHERN
SCHEDULE OF RESTRUCTURING
Year ended December 31, 2021

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

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
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)	\$ <u>-</u>

See accompanying notes to the financial statements.