

RURAL MUNICIPALITY OF FRENCHMAN'S BUTTE NO 501

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

December 31, 2022

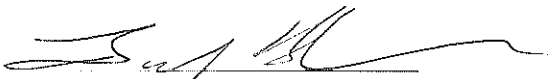
Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). 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 consolidated 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 consolidated financial statements.

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

Pinnacle Business Solutions, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated 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 management to discuss their audit findings.


Reeve


CAO

Date: *MARCH 22, 2023*

Pinnacle Business Solutions

Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Rural Municipality of Frenchman's Butte No 501

Opinion

We have audited the financial statements of Rural Municipality of Frenchman's Butte No 501 (the organization), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and accumulated deficit, changes in net financial assets and cash flows 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 organization as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS)

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 organization in accordance with 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 the financial statements in accordance with PSAS, 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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.



Independent Auditor's Report to the Members of Rural Municipality of Frenchman's Butte No 501
(continued)

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 organization'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 organization'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 organization 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.

Meadow Lake, Saskatchewan
March 22, 2023

Pinnacle Business Solutions
Chartered Professional Accountants

Rural Municipality of Frenchman Butte No. 501
 Consolidated Statement of Financial Position
 As at December 31, 2022

Statement 1

	2022	2021
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 11,533,389	\$ 2,499,557
Taxes Receivable - Municipal (Note 3)	671,711	940,959
Other Accounts Receivable (Note 4)	285,015	762,005
Assets Held for Sale (Note 5)	20,507	21,034
Long-Term Investments (Note 6)	1,268,735	9,914,242
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)		
Total Financial Assets	\$ 13,779,357	\$ 14,137,797

LIABILITIES		
Bank Indebtedness (Note 8)		
Accounts Payable	\$ 389,864	\$ 1,520,940
Accrued Liabilities Payable	339,073	278,862
Deposits	300	300
Deferred Revenue (Note 9)		
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)		
Other Liabilities		
Long-Term Debt (Note 12)		
Lease Obligations (Note 13)		
Total Liabilities	\$ 729,237	\$ 1,800,102

NET FINANCIAL ASSETS (DEBT)	\$ 13,050,120	\$ 12,337,695
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	\$ 77,434,538	\$ 73,327,054
Prepayments and Deferred Charges	37,691	56,992
Stock and Supplies	2,004,289	1,942,018
Other (Note 14)		
Total Non-Financial Assets	\$ 79,476,518	\$ 75,326,064

ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	\$ 92,526,638	\$ 87,663,759
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Unrecognized Assets (Note 11))
 Contingent Assets (Note 20)
 Contractual Rights (Note 21)
 Contingent Liabilities (Note 15)
 Contractual Obligations and Commitments (Note 22)

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Frenchman Butte No. 501
 Consolidated Statement of Operations
 As at December 31, 2022

Statement 2

	2022 Budget	2022	2021
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 11,372,310	\$ 11,157,440	\$ 11,396,464
Fees and Charges (Schedule 4, 5)	227,850	417,941	338,880
Conditional Grants (Schedule 4, 5)	47,410	38,111	46,105
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	(15,143)	27,660
Land Sales - Gain (Schedule 4, 5)	-	3,106	1,942
Investment Income and Commissions (Schedule 4, 5)	141,900	290,084	262,744
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues	\$ 11,789,470	\$ 11,891,539	\$ 12,073,795
EXPENSES			
General Government Services (Schedule 3)	\$ 2,114,320	\$ 1,010,587	\$ 729,351
Protective Services (Schedule 3)	334,150	249,340	300,581
Transportation Services (Schedule 3)	9,012,280	5,515,288	9,969,636
Environmental and Public Health Services (Schedule 3)	184,050	169,035	161,629
Planning and Development Services (Schedule 3)	11,000	5,788	6,716
Recreation and Cultural Services (Schedule 3)	101,330	101,059	104,632
Utility Services (Schedule 3)	73,245	65,957	910,257
Restructurings (Schedule 3)	-	-	-
Total Expenses	\$ 11,830,375	\$ 7,117,054	\$ 12,182,802
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	\$ (40,905)	\$ 4,774,485	\$ (109,007)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	108,820	88,394	1,219,942
Surplus (Deficit) of Revenues over Expenses	\$ 67,915	\$ 4,862,879	\$ 1,110,935
Accumulated Surplus (Deficit), Beginning of Year	87,663,759	87,663,759	86,552,824
Accumulated Surplus (Deficit), End of Year	\$ 87,731,674	\$ 92,526,638	\$ 87,663,759

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Frenchman Butte No. 501
 Consolidated Statement of Change in Net Financial Assets
 As at December 31, 2022

Statement 3

	2022 Budget	2022	2021
Surplus (Deficit)		\$ 4,862,879	\$ 1,110,935
(Acquisition) of tangible capital assets		\$ (6,784,437)	\$ (27,666,163)
Amortization of tangible capital assets		2,449,808	1,823,495
Proceeds on disposal of tangible capital assets		212,000	19,000,808
Loss (gain) on the disposal of tangible capital assets		15,143	(27,660)
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures		\$ (4,107,486)	\$ (6,869,520)
(Acquisition) of supplies inventories		\$ (62,270)	\$ (242,746)
(Acquisition) of prepaid expense			
Consumption of supplies inventory			
Use of prepaid expense		19,303	1,442
Surplus (Deficit) of expenses of other non-financial over expenditures		\$ (42,967)	\$ (241,304)
Increase/Decrease in Net Financial Assets		\$ 712,426	\$ (5,999,889)
Net Financial Assets (Debt) - Beginning of Year		12,337,694	18,337,583
Net Financial Assets (Debt) - End of Year		\$ 13,050,120	\$ 12,337,694

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Frenchman Butte No. 501
 Consolidated Statement of Cash Flow
 As at December 31, 2022

Statement 4

	2022	2021
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 4,862,879	\$ 1,110,935
Amortization	2,451,778	1,823,495
Loss (gain) on disposal of tangible capital assets	15,143	(27,660)
	<u>\$ 7,329,800</u>	<u>\$ 2,906,770</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	\$ 269,248	\$ (249,647)
Other Receivables	476,990	31,637
Assets Held for Sale	527	
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	(1,070,865)	(2,750,194)
Deposits	-	(5,000)
Deferred Revenue	-	
Accrued Landfill Costs	-	
Liability for Contaminated Sites	-	
Other Liabilities	-	
Stock and Supplies	(62,271)	(242,745)
Prepayments and Deferred Charges	19,301	1,442
Other (Specify)	-	
Cash provided by operating transactions	\$ 6,962,730	\$ (307,737)
Capital:		
Cash used to acquire tangible capital assets	\$ (6,784,437)	\$ (27,666,163)
Proceeds on sale of tangible capital assets	212,000	19,000,808
Cash applied to capital transactions	(6,572,437)	(8,665,355)
Investing:		
Proceeds on disposal of investments		
Acquisition in investment	\$ 8,643,539	\$ 286,825
Cash provided by (applied to) investing transactions	\$ 8,643,539	\$ 286,825
Financing:		
Debt charges recovered		
Proceeds from debt issues		
Debt repayment		
Other financing (please specify)		
Cash provided by (applied to) financing transactions	-	-
Change in Cash and Temporary Investments during the year	\$ 9,033,832	\$ (8,686,267)
Cash and Temporary Investments - Beginning of Year	2,499,557	11,185,824
Cash and Temporary Investments - End of Year	\$ 11,533,389	\$ 2,499,557

The accompanying notes and schedules are an integral part of these statements.

I. Significant Accounting Policies

The consolidated financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

Basis of Accounting: The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and 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.

- a) **Reporting Entity:** The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Entity
Organized Hamlet of Frenchman Butte

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

No partnerships

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **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 revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.

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

- d) **Other (Non-Government Transfer) Contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. 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.
- 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.
- 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 Public Sector Entity because they can be used to provide Public Sector Entity services in future periods. These assets do not normally provide resources to discharge the liabilities of the Public Sector Entity 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 so 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. The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis.

1. Significant Accounting Policies - continued

- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- 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 deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	40 Yrs
Water & Sewer	40 Yrs
Road Network Assets	40 Yrs

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

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

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

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. 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. 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 municipality does not maintain a waste disposal site.
- o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- p) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

1. Significant Accounting Policies - continued

- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount 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 periods in which they become known.

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *March 30, 2022*.

- u) **Assets Held for Sale:** the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

- v) **New Standards and Amendments to Standards:
Effective for Fiscal Years Beginning 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 entity's proportionate share of other comprehensive income that arises when an entity 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, 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 entity. 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, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by an entity or public sector 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.

Effective for 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 extent of the impact on adoption of these future standards is not known at this time.

Rural Municipality of Frenchman Butte No. 501
Notes to the Consolidated Financial Statements
As at December 31, 2022

2. Cash and Temporary Investments

	2022	2021
Cash	\$ 10,960,683	\$ 1,838,550
Synergy Credit Union 3.45% 31-Jan-23	572,706	553,607
Synergy Credit Union		107,400
Restricted Cash		
Total Cash and Temporary Investments	\$ 11,533,389	\$ 2,499,557

Cash and Temporary Investments includes balances with banks and short-term deposits with maturities of three months or less. [Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Taxes Receivable - Municipal

	2022	2021
Municipal - Current	\$ 498,508	\$ 437,125
- Arrears	432,202	562,833
	\$ 930,710	\$ 999,958
- Less Allowance for Uncollectible	(258,999)	(58,999)
Total municipal taxes receivable	\$ 671,711	\$ 940,959
School - Current	\$ 154,188	\$ 106,924
- Arrears	96,523	137,101
Total school taxes receivable	\$ 250,711	\$ 244,025
Other		
Total taxes and grants in lieu receivable	\$ 922,422	\$ 1,184,984
Deduct taxes receivable to be collected on behalf of other organizations	(250,711)	(244,025)
Total Taxes Receivable - Municipal	\$ 671,711	\$ 940,959

Rural Municipality of Frenchman Butte No. 501
Notes to the Consolidated Financial Statements
As at December 31, 2022

4. Other Accounts Receivable

	2022	2021
Federal Government	\$ 165,514	\$ 519,026
Provincial Government		
Local Government		
Utility		
Trade	75,228	125,494
Other (Specify)	46,424	120,288
Total Other Accounts Receivable	\$ 287,166	\$ 764,808
Less: Allowance for Uncollectible	(2,151)	(2,803)
Net Other Accounts Receivable	\$ 285,015	\$ 762,005

5. Assets Held for Sale

	2022	2021
Tax Title Property	\$ 20,645	\$ 21,172
Allowance for market value adjustment	(138)	(138)
Net Tax Title Property	\$ 20,507	\$ 21,034
Other Land		
Allowance for market value adjustment		
Net Other Land	-	-
Total Land for Sale	\$ 20,507	\$ 21,034
Other (Describe)		
Total Assets Held for Sale	\$ 20,507	\$ 21,034

6. Long-Term Investments

	2022	2021
Sask Assoc. of Rural Municipalities - Self Insurance Fund	\$ 56,087	\$ 79,145
Sask Assoc. of Rural Municipalities - Property Insurance Fund	40,685	50,342
Synergy Credit Union Equity	30,005	30,005
Synergy Credit Union GIC 2.75%	1,126,328	1,096,183
Synergy Credit Union GIC 3.45%		553,606
Synergy Credit Union GIC 0.95%		8,096,727
Turtleford Co-op Equity	15,630	8,234
Other (Specify)		
Total Long-Term Investments	\$ 1,268,735	\$ 9,914,242

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

7. Debt Charges Recoverable

The Municipality has no debt charges recoverable

Rural Municipality of Frenchman Butte No. 501

Notes to the Consolidated Financial Statements

As at December 31, 2022

8. Bank Indebtedness

The Municipality has a credit facility with its financial institution that consists of credit cards with a limit totaling \$16,000

Credit Arrangements

At December 31, 2022, the Municipality had lines of credit totaling \$9,820,000.00, none of which were drawn.

The following has been collateralized in connection with this line of credit:

- General security agreement

9. Deferred Revenue

The Municipality does not have any deferred revenue

10. Accrued Other Liabilities

	<u>2022</u>	<u>2021</u>
Gravel Pit Reclamation	<u>\$ 339,073</u>	<u>\$ 278,862</u>

11. Liability for Contaminated Sites

The Municipality does not have any liability for contaminated sites

Rural Municipality of Frenchman Butte No. 501
Notes to the Consolidated Financial Statements
As at December 31, 2022

12. Long-Term Debt

a) The debt limit of the municipality is \$10,244,736. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

b) The Municipality does not have any long-term debt.

13. Lease Obligations

The Municipality does not have any lease obligations.

Rural Municipality of Frenchman Butte No. 501
Notes to the Consolidated Financial Statements
As at December 31, 2022

14. Other Non-financial Assets

The Municipality does not have any other non-financial assets.

15. Contingent Liabilities

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

The municipality has a dispute with one of its contractors for a project that the contractor completed in 2019. The contractor has disagreed with the final payment and has filed a statement of claim against the municipality. At the time of audit the amount of the settlement was not readily determinable and as such no amount has been set up as a contingent liability. Any amount determined to be payable will be recorded in the 2023 fiscal period.

16. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2022 was \$127,569. The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Total current service contributions by the municipality to the MEPP in 2022 were \$127,569 (2021 - \$119,727). Total current service contributions by the employees of the municipality to the MEPP in 2022 were \$127,569 (2021 - \$119,727).

At December 31, 2022, the MEPP disclosed an actuarial deficiency/surplus of \$ _____. At the time these consolidated financial statements were approved the 2022 actuarial report was not available.

For further information of the amount of MEPP deficiency/surplus information see:
<https://mepp.peba.ca/fund-information/plan-reporting>

Defined Contribution Plans : The municipality's employee's participate in a defined contribution pension plan. The municipality's contributions to the plan are expensed when due.

17. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

18. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

Health Fund Trust

	<u>Current Year Total</u>	<u>Prior Year Total</u>
Balance - Beginning of Year	\$ 10,292	\$ 10,277
Revenue (<i>Specify</i>)		
Interest revenue	49	15
Expenditure (<i>Specify</i>)		
Balance - End of Year	<u>\$ 10,341</u>	<u>\$ 10,292</u>

19. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to *the Reeve and Councillors* under the common control of the Council.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

20. Contingent Assets

The Municipality does not have any contingent assets.

21. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. The Municipality does not have any contractual rights.

22. Contractual Obligations and Commitments

The municipality does not have any contractual obligations.

Rural Municipality of Frenchman Butte No. 501
Notes to the Consolidated Financial Statements
As at December 31, 2022

23. Restructuring Transactions

The Municipality does not have any restructuring transactions.

Rural Municipality of Frenchman Butte No. 501
Notes to the Consolidated Financial Statements
As at December 31, 2022

24. Correction of Prior Period Error

The municipality does not have any prior period errors.

25. Subsequent Events

The municipality does not have any subsequent events.

26. Loan Guarantees

The municipality currently guarantees a line of credit with Synergy Credit Union. The municipality monitors the status of these lines of credit and the financial position of the organization. As at December 31, 2022 all lines of credit are in good standing and no provision has been recorded [2021 – \$nil]. Organizations that have received a guarantee from the municipality of a general security agreement.

Rural Municipality of Frenchman Butte No. 501
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2022

Schedule 1

	2022 Budget	2022	2021
TAXES			
General municipal tax levy	\$ 11,334,070	\$ 11,081,297	\$ 11,334,071
Abatements and adjustments	(160,000)	(161,940)	(159,980)
Discount on current year taxes	(311,040)	(300,149)	(311,037)
Net Municipal Taxes	\$ 10,863,030	\$ 10,619,208	\$ 10,863,054
Potash tax share			
Trailer license fees			
Penalties on tax arrears	71,220	97,491	71,219
Special tax levy			
Other (Specify)			
Total Taxes	\$ 10,934,250	\$ 10,716,699	\$ 10,934,273
UNCONDITIONAL GRANTS			
Revenue Sharing	\$ 332,610	\$ 332,785	\$ 356,193
(Organized Hamlet)	7,800	7,803	8,349
Other (Specify)			
Total Unconditional Grants	\$ 340,410	\$ 340,588	\$ 364,542
GRANTS IN LIEU OF TAXES			
Federal	\$ 47,000	\$ 46,700	\$ 46,997
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
SPSA		\$ 1,432	
Central Services	\$ 12,554	13,430	\$ 12,554
SaskTel	22,587	23,038	22,587
Other Fisheries & Wildlife	1,109	1,109	1,109
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	14,400	14,444	14,402
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	\$ 97,650	\$ 100,153	\$ 97,649
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 11,372,310	\$ 11,157,440	\$ 11,396,464

Rural Municipality of Frenchman Butte No. 501
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 1

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 2,000	\$ 2,483	\$ 3,037
- Sales of supplies	1,350	1,850	1,349
- Rental Income	2,390	2,387	2,387
- Other Oil Well & Access Approach	16,500	29,150	20,400
Total Fees and Charges	\$ 22,240	\$ 35,870	\$ 27,173
- Tangible capital asset sales - gain (loss)			
- Land sales - gain	-	3,106	1,942
- Investment income and commissions	141,900	290,084	262,744
- Other (Specify)			
Total Other Segmented Revenue	\$ 164,140	\$ 329,060	\$ 291,859
Conditional Grants			
- Student Employment			
- MEEP			
- Other Targeted Sector Support			2,125
Total Conditional Grants	-	-	2,125
Total Operating	\$ 164,140	\$ 329,060	\$ 293,984
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total General Government Services	\$ 164,140	\$ 329,060	\$ 293,984

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Protective Services	-	-	-

Rural Municipality of Frenchman Butte No. 501
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 2

	2022 Budget	2022	2021
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 16,500	\$ 31,326	\$ 16,566
- Sales of supplies	27,500	43,806	111,647
- Road Maintenance and Restoration Agreements	71,880	204,105	72,989
- Insurance Proceeds		1,595	6,778
- Other Overweight Permits	30,000	41,400	38,600
Total Fees and Charges	\$ 145,880	\$ 322,232	\$ 246,580
- Tangible capital asset sales - gain (loss)		(15,143)	27,660
- Other (Specify)			
Total Other Segmented Revenue	\$ 145,880	\$ 307,089	\$ 274,240
Conditional Grants			
- RIRG (CTP)			
- Student Employment	9,800	6,620	7,366
- MEEP			
- Other (Specify)			
Total Conditional Grants	\$ 9,800	\$ 6,620	\$ 7,366
Total Operating	\$ 155,680	\$ 313,709	\$ 281,606
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	\$ 92,330	\$ 46,165	\$ 182,044
- SGI Traffic Safety	7,000	7,035	9,250
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			1,000,000
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)		23,200	
Total Capital	\$ 99,330	\$ 76,400	\$ 1,191,294
Restructuring Revenue (Specify, if any)			
Total Transportation Services	\$ 255,010	\$ 390,109	\$ 1,472,900

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	\$ 5,380	\$ 5,040	\$ 5,376
- Cemetery Fees		10	30
- Donations		2,642	448
- Weed Spraying			2,225
- Other Gopher Poison	1,380	1,379	3,812
Total Fees and Charges	\$ 6,760	\$ 9,071	\$ 11,891
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	\$ 6,760	\$ 9,071	\$ 11,891
Conditional Grants			
- Other Sask Health Monthly Payment	28,000	28,000	28,000
- Other Sask Health Administration Fee	3,400	2,400	2,400
- Local government			
- MEEP			
- Other Beaver Control	6,210	1,091	6,214
Total Conditional Grants	\$ 37,610	\$ 31,491	\$ 36,614
Total Operating	\$ 44,370	\$ 40,562	\$ 48,505
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	\$ 44,370	\$ 40,562	\$ 48,505

Rural Municipality of Frenchman Butte No. 501
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 3

PLANNING AND DEVELOPMENT SERVICES

2022 Budget 2022 2021

Operating

Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other Development & Building Permits	\$ 7,500	\$ 7,685	\$ 8,668
Total Fees and Charges	\$ 7,500	\$ 7,685	\$ 8,668
- Tangible capital asset sales - gain (loss)			
- <i>Other (Specify)</i>			
Total Other Segmented Revenue	\$ 7,500	\$ 7,685	\$ 8,668
Conditional Grants			
- Student Employment			
- MEEP			
- <i>Other (Specify)</i>			
Total Conditional Grants	-	-	-
Total Operating	\$ 7,500	\$ 7,685	\$ 8,668

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- <i>Other (Specify)</i>			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services	\$ 7,500	\$ 7,685	\$ 8,668

RECREATION AND CULTURAL SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- <i>Other (Specify)</i>			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- <i>Other (Specify)</i>			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- <i>Other (Specify)</i>			
Total Conditional Grants	-	-	-
Total Operating	-	-	-

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- CIF & Sask Lotteries	\$ 9,490	\$ 9,487	\$ 9,487
- <i>Other (Specify)</i>			
Total Capital	\$ 9,490	\$ 9,487	\$ 9,487
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	\$ 9,490	\$ 9,487	\$ 9,487

Rural Municipality of Frenchman Butte No. 501
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2022

Schedule 2 - 4

	2022 Budget	2022	2021
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 33,870	\$ 34,265	\$ 33,865
- Sewer	11,600	8,818	10,703
- Other (Specify)			
Total Fees and Charges	\$ 45,470	\$ 43,083	\$ 44,568
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	\$ 45,470	\$ 43,083	\$ 44,568
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	\$ 45,470	\$ 43,083	\$ 44,568
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)		\$ 2,507	\$ 19,161
Total Capital	-	2,507	19,161
Restructuring Revenue (Specify, if any)			
Total Utility Services	\$ 45,470	\$ 45,590	\$ 63,729
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 525,980	\$ 822,493	\$ 1,897,273

SUMMARY

Total Other Segmented Revenue	\$ 369,750	\$ 695,988	\$ 631,226
Total Conditional Grants	47,410	38,111	46,105
Total Capital Grants and Contributions	108,820	88,394	1,219,942
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	\$ 525,980	\$ 822,493	\$ 1,897,273

Rural Municipality of Frenchman Butte No. 501
 Total Expenses by Function
 As at December 31, 2022

Schedule 3 - I

	2022 Budget	2022	2021
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 116,930	\$ 80,124	\$ 78,498
Wages and benefits	367,490	377,957	348,824
Professional/Contractual services	329,510	285,910	193,803
Utilities	24,700	26,715	23,096
Maintenance, materials and supplies	40,600	31,459	28,190
Grants and contributions - operating	2,990	2,500	2,988
- capital			
Amortization	1,032,100	5,922	3,952
Interest			
Allowance for uncollectible	200,000	200,000	50,000
Other (Specify)			
General Government Services	\$ 2,114,320	\$ 1,010,587	\$ 729,351
Restructuring (Specify, if any)			
Total General Government Services	\$ 2,114,320	\$ 1,010,587	\$ 729,351

PROTECTIVE SERVICES

Police protection

Wages and benefits	\$ 73,890	\$ 70,180	\$ 73,890
Professional/Contractual services	180,000	105,152	138,500
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	200	200	200
- capital			
Other (Specify)			

Fire protection

Wages and benefits			
Professional/Contractual services	15,060	5,358	19,166
Utilities			
Maintenance, material and supplies			375
Grants and contributions - operating	65,000	65,000	65,000
- capital			
Amortization		3,450	3,450
Interest			
Other (Specify)			

Protective Services	\$ 334,150	\$ 249,340	\$ 300,581
Restructuring (Specify, if any)			
Total Protective Services	\$ 334,150	\$ 249,340	\$ 300,581

TRANSPORTATION SERVICES

Wages and benefits	\$ 1,472,580	\$ 1,389,800	\$ 1,282,931
Professional/Contractual Services	5,879,690	278,929	5,968,074
Utilities	21,700	19,840	15,356
Maintenance, materials, and supplies	1,193,310	1,024,570	813,962
Gravel	445,000	381,411	94,888
Grants and contributions - operating			
- capital			
Amortization		2,420,738	1,794,425
Interest			
Other (Specify)			

Transportation Services	\$ 9,012,280	\$ 5,515,288	\$ 9,969,636
Restructuring (Specify, if any)			
Total Transportation Services	\$ 9,012,280	\$ 5,515,288	\$ 9,969,636

Rural Municipality of Frenchman Butte No. 501

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 2

	2022 Budget	2022	2021
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 39,240	\$ 36,970	\$ 30,916
Professional/Contractual services	98,100	87,737	79,820
Utilities	2,710	2,529	2,508
Maintenance, materials and supplies	3,000	3,049	2,572
Grants and contributions - operating			
o Waste disposal			
o Public Health	25,000	25,000	30,000
- capital			
o Waste disposal			
o Public Health	16,000	13,750	15,813
Amortization			
Interest			
Other (<i>Specify</i>)			
Environmental and Public Health Services	\$ 184,050	\$ 169,035	\$ 161,629
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	\$ 184,050	\$ 169,035	\$ 161,629

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	\$ 11,000	\$ 5,788	\$ 6,716
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (<i>Specify</i>)			
Planning and Development Services	\$ 11,000	\$ 5,788	\$ 6,716
Restructuring (Specify, if any)			
Total Planning and Development Services	\$ 11,000	\$ 5,788	\$ 6,716

RECREATION AND CULTURAL SERVICES

Wages and benefits	\$ 21,340	\$ 21,339	\$ 21,339
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	79,990	75,096	78,669
- capital			
Amortization		4,624	4,624
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)			
Recreation and Cultural Services	\$ 101,330	\$ 101,059	\$ 104,632
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	\$ 101,330	\$ 101,059	\$ 104,632

Rural Municipality of Frenchman Butte No. 501
 Total Expenses by Function
 As at December 31, 2022

Schedule 3 - 3

	2022 Budget	2022	2021
UTILITY SERVICES			
Wages and benefits	\$ 140	\$ 173	\$ 139
Professional/Contractual services	54,325	32,001	874,856
Utilities	6,520	8,064	6,505
Maintenance, materials and supplies	6,130	3,339	5,583
Grants and contributions - operating			
- capital	6,130	5,336	6,130
Amortization		17,044	17,044
Interest			
Allowance for Uncollectible			
Other (<i>Specify</i>)			
Utility Services	\$ 73,245	\$ 65,957	\$ 910,257
Restructuring (Specify, if any)			
Total Utility Services	\$ 73,245	\$ 65,957	\$ 910,257
 TOTAL EXPENSES BY FUNCTION	 \$ 11,830,375	 \$ 7,117,054	 \$ 12,182,802

Rural Municipality of Frenchman Butte No. 501
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2022

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	\$ 35,870	\$ -	\$ 322,232	\$ 9,071	\$ 7,685	\$ -	\$ 43,083	\$ 417,941
Tangible Capital Asset Sales - Gain	-	-	(15,143)	-	-	-	-	(15,143)
Land Sales - Gain	3,106	-	-	-	-	-	-	3,106
Investment Income and Commissions	290,084	-	-	-	-	-	-	290,084
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	6,620	31,491	-	-	-	38,111
- Capital	-	-	76,400	-	-	9,487	2,507	88,394
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	\$ 329,060	\$ -	\$ 390,109	\$ 40,562	\$ 7,685	\$ 9,487	\$ 45,590	\$ 822,493
Expenses (Schedule 3)								
Wages & Benefits	\$ 458,081	\$ 70,180	\$ 1,389,800	\$ 36,970	\$ -	\$ 21,339	\$ 173	\$ 1,976,543
Professional/ Contractual Services	285,910	110,510	278,929	87,737	5,788	-	32,001	800,875
Utilities	26,715	-	19,840	2,529	-	-	8,064	57,148
Maintenance Materials and Supplies	31,459	-	1,405,981	3,049	-	-	3,339	1,443,828
Grants and Contributions	2,500	65,200	-	38,730	-	75,096	5,336	186,882
Amortization	5,922	3,450	2,420,738	-	-	4,624	17,044	2,451,778
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	200,000	-	-	-	-	-	-	200,000
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	\$ 1,010,587	\$ 249,340	\$ 5,515,288	\$ 169,035	\$ 5,788	\$ 101,059	\$ 65,957	\$ 7,117,054
Surplus (Deficit) by Function	\$ (681,527)	\$ (249,340)	\$ (5,125,179)	\$ (128,473)	\$ 1,897	\$ (91,572)	\$ (20,367)	\$ (6,294,561)
Taxes and other unconditional revenue (Schedule 1)								11,157,440
Net Surplus (Deficit)								\$ 4,862,879

Rural Municipality of Frenchman Butte No. 501
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2021

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 27,173	\$ -	\$ 246,580	\$ 11,891	\$ 8,668	\$ -	\$ 44,568	\$ 338,880
Tangible Capital Asset Sales - Gain	-	-	27,660	-	-	-	-	27,660
Land Sales - Gain	1,942	-	-	-	-	-	-	1,942
Investment Income and Commissions	262,744	-	-	-	-	-	-	262,744
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	2,125	-	7,366	36,614	-	-	-	46,105
- Capital	-	-	1,191,294	-	-	9,487	19,161	1,219,942
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	\$ 293,984	\$ -	\$ 1,472,900	\$ 48,505	\$ 8,668	\$ 9,487	\$ 63,729	\$ 1,897,273
Expenses (Schedule 3)								
Wages & Benefits	427,322	73,890	1,282,931	30,916	-	21,339	139	1,836,537
Professional/ Contractual Services	193,803	157,666	5,968,074	79,820	6,716	-	874,856	7,280,935
Utilities	23,096	-	15,356	2,508	-	-	6,505	47,465
Maintenance Materials and Supplies	28,190	375	908,850	2,572	-	-	5,583	945,570
Grants and Contributions	2,988	65,200	-	45,813	-	78,669	6,130	198,800
Amortization	3,932	3,450	1,794,425	-	-	4,624	17,044	1,823,495
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	50,000	-	-	-	-	-	-	50,000
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	\$ 729,351	\$ 300,581	\$ 9,969,636	\$ 161,629	\$ 6,716	\$ 104,632	\$ 910,257	\$ 12,182,802
Surplus (Deficit) by Function	\$ (435,367)	\$ (300,581)	\$ (8,496,736)	\$ (113,124)	\$ 1,952	\$ (95,145)	\$ (846,528)	\$ (10,285,529)
Taxes and other unconditional revenue (Schedule 1)								11,396,464
Net Surplus (Deficit)								\$ 1,110,935

Rural Municipality of Frenchman Butte No. 501
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2022

Schedule 6

Assets	2022							2021	
	General Assets				Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
Asset cost									
Opening Asset costs	\$ 260,373	\$ 687,249	\$ 667,052	\$ 386,797	\$ 5,596,087	\$ 69,064,783	\$ 13,824,305	\$ 90,486,646	\$ 81,859,732
Additions during the year			409,862	46,106	542,168		5,786,301	6,784,437	27,666,163
Disposals and write-downs during the year					(252,381)			(252,381)	(96,847)
Transfers (from) assets under construction									
Transfer of Capital Assets related to restructuring (Schedule 11)									(18,942,402)
Closing Asset Costs	\$ 260,373	\$ 687,249	\$ 1,076,914	\$ 432,903	\$ 5,885,874	\$ 69,064,783	\$ 19,610,606	\$ 97,018,702	\$ 90,486,646
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	\$ -	\$ 97,086	\$ 276,376	\$ 244,688	\$ 2,352,266	\$ 14,189,176		\$ 17,159,592	\$ 15,402,198
Add: Amortization taken		12,483	13,490	31,499	424,968	1,967,368		2,449,808	1,823,495
Less: Accumulated amortization on disposals					(25,236)			(25,236)	(66,101)
Transfer of Capital Assets related to restructuring (Schedule 11)									
Closing Accumulated	\$ -	\$ 109,569	\$ 289,866	\$ 276,187	\$ 2,751,998	\$ 16,156,544	\$ -	\$ 19,584,164	\$ 17,159,592
Net Book Value	\$ 260,373	\$ 577,680	\$ 787,048	\$ 156,716	\$ 3,133,876	\$ 52,908,239	\$ 19,610,606	\$ 77,434,538	\$ 73,327,054

1. Total contributed/donated assets received in 2022

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

- Infrastructure Assets	\$ -
- Vehicles	\$ -
- Machinery and Equipment	\$ -
3. Amount of interest capitalized in Schedule 6	\$ -

Rural Municipality of Frenchman Butte No. 501
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2022

Schedule 7

Assets	2022						2021	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening Asset costs	\$ 273,067	\$ 106,502	\$ 80,851,545	\$ 240		\$ 75,819	\$ 9,179,473	\$ 81,859,732
Additions during the year			6,784,437					27,666,163
Disposals and write-downs during the year			(252,381)					(19,039,249)
Transfer of Capital Assets related to restructuring (Schedule 11)								
Closing Asset Costs	\$ 273,067	\$ 106,502	\$ 87,383,601	\$ 240	\$ -	\$ 75,819	\$ 9,179,473	\$ 90,486,646
Amortization								
Opening Accumulated Amortization Costs	\$ 67,818	\$ 38,400	\$ 16,745,855			\$ 18,496	\$ 289,023	\$ 15,402,198
Add: Amortization taken	\$ 3,952	\$ 3,450	\$ 2,420,738			\$ 4,624	\$ 17,044	\$ 1,823,495
Less: Accumulated amortization on disposals			(25,236)					(66,101)
Transfer of Capital Assets related to restructuring (Schedule 11)								
Closing Accumulated Amortization Costs	\$ 71,770	\$ 41,850	\$ 19,141,357	\$ -	\$ -	\$ 23,120	\$ 306,067	\$ 17,159,592
Net Book Value	\$ 201,297	\$ 64,652	\$ 68,242,244	\$ 240	\$ -	\$ 52,699	\$ 8,873,406	\$ 73,327,054

Rural Municipality of Frenchman Butte No. 501
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2022

Schedule 8

	2021	Changes	2022
UNAPPROPRIATED SURPLUS	\$ 4,891,106	\$ 116,731	\$ 5,007,837

APPROPRIATED RESERVES

Dust Control	\$ 40,000		\$ 40,000
Future Expenditures	1,000,000		1,000,000
EMO	20,000		20,000
Fire	450,000		450,000
Ft Pitt Fire Department	10,000		10,000
Health Care/SHA	424,486	(17,308)	407,178
Machinery and Equipment	1,242,034		1,242,034
Public Reserve	8,881		8,881
Rail Line Discontinuation	106,169	(106,169)	-
Recreation	8,040		8,040
Residential Road Allowance	100,000		100,000
Road Construction	5,859,578	750,000	6,609,578
Total Appropriated	\$ 9,269,188	\$ 626,523	\$ 9,895,711

ORGANIZED HAMLETS (add lines if required)

Organized Hamlet of Frenchman Butte	\$ 176,411	\$ 12,141	\$ 188,552
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Total Organized Hamlets	\$ 176,411	\$ 12,141	\$ 188,552

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	\$ 73,327,054	\$ 4,107,484	\$ 77,434,538
Less: Related debt			-
Net Investment in Tangible Capital Assets	\$ 73,327,054	\$ 4,107,484	\$ 77,434,538

Total Accumulated Surplus	\$ 87,663,759	\$ 4,862,879	\$ 92,526,638
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Rural Municipality of Frenchman Butte No. 501
 Schedule of Mill Rates and Assessments
 As at December 31, 2022

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 184,799,360	\$ 47,379,345		\$ 22,553,360	\$ 235,203,055		\$ 489,935,120
Regional Park Assessment							
Total Assessment							489,935,120
Mill Rate Factor(s)	1.5000	0.8200		0.8200	7.3800		
Total Base/Minimum Tax (generated for each property class)	50	14,420			2,062,775		2,077,245
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,205,866	\$ 183,422		\$ 80,448	\$ 9,611,561		\$ 11,081,297

MILL RATES: MILLS

Average Municipal*	22.62
Average School*	5.88
Potash Mill Rate	
Uniform Municipal Mill Rate	4.35

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

Rural Municipality of Frenchman Butte No. 501
Schedule of Council Remuneration
As at December 31, 2022

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Hougham, Tom S.	\$ 11,038	\$ 589	\$ 11,627
Councillor	Fischer, Owen	8,700	377	9,077
Councillor	Gory, Ronald	9,725	1,100	10,825
Councillor	Hritzuk, Daniel	6,925	1,242	8,167
Councillor	Larre, Leonard	6,863	1,153	8,016
Councillor	Noeth, Gay	12,285	1,612	13,897
Councillor	Young, Claus	5,500	1,227	6,727
Councillor	Priest, Evan	1,938	875	2,813
Councillor	Zeller, Carri	1,825	175	2,000
Total		\$ 64,799	\$ 8,350	\$ 73,149

Rural Municipality of Frenchman Butte No. 501
 Schedule of Restructuring
 As at December 31, 2022

Schedule 11

	2022
Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date:	
Cash and Temporary Investments	-
Taxes Receivable - Municipal	-
Other Accounts Receivable	-
Assets Held for Sale	-
Long-Term Investments	-
Debt Charges Recoverable	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Deposits	-
Deferred Revenue	-
Accrued Landfill Costs	-
Liability for Contaminated Sites	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	-