

RURAL MUNICIPALITY OF HARRIS NO. 316

Auditor's Report

Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

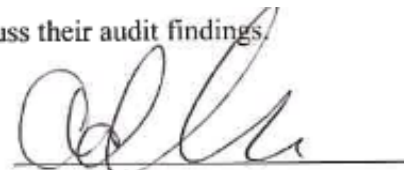
To the Ratepayers of
Rural Municipality of Harris No. 316 :

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 Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.


Reeve
Administrator



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

*denotes professional corporation

INDEPENDENT AUDITOR'S REPORT

To the **Reeve** and Council of **Rural Municipality of Harris No. 316**

Report on the Financial Statements

Opinion

We have audited the financial statements of **Rural Municipality of Harris No. 316**, which comprise the statement of financial position as at **December 31, 2022** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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



Saskatoon, Saskatchewan
May 10, 2023

Chartered Professional Accountants

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 3,850,114	3,447,767
Taxes receivable - Municipal (Note 3)	94,679	70,351
Other accounts receivable (Note 4)	50,804	108,891
Assets held for sale	-	-
Long-term investments (Note 5)	40,777	50,484
Other	<u>-</u>	<u>-</u>
Total financial assets	4,036,374	3,677,493
<u>LIABILITIES</u>		
Bank indebtedness (Note 6)	-	-
Accounts payable	70,460	68,419
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue	546	597
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 7)	-	-
Lease obligations (Note 8)	<u>1,573</u>	<u>2,916</u>
Total liabilities	<u>72,579</u>	<u>71,932</u>
NET FINANCIAL ASSETS (DEBT)	3,963,795	3,605,561
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	2,337,676	2,338,178
Prepaid and deferred charges	38,969	114
Stock and supplies	<u>93,472</u>	<u>129,573</u>
Total non-financial assets	<u>2,470,117</u>	<u>2,467,865</u>
Accumulated Surplus (Schedule 8)	<u>\$ 6,433,912</u>	<u>6,073,426</u>

Contingent Liabilities (Note 9)

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2022
with comparative figures for 2021

		<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,201,200	1,194,925	1,172,941
Fees and charges	(Schedule 4, 5)	74,800	62,178	51,622
Conditional grants	(Schedule 4, 5)	68,060	67,760	69,275
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	7,500	4,756
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	25,050	51,963	14,265
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	-	-	-
Total Revenues		<u>1,369,110</u>	<u>1,384,326</u>	<u>1,312,859</u>
Expenditures:				
General government services	(Schedule 3)	178,836	203,601	169,274
Protective services	(Schedule 3)	21,203	21,056	19,141
Transportation services	(Schedule 3)	924,861	741,208	717,540
Environmental and public health services	(Schedule 3)	51,720	55,166	24,535
Planning and development services	(Schedule 3)	-	-	64
Recreation and cultural services	(Schedule 3)	2,582	2,575	2,556
Utility services	(Schedule 3)	9,163	6,198	8,812
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>1,188,365</u>	<u>1,029,804</u>	<u>941,922</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>180,745</u>	<u>354,522</u>	<u>370,937</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>11,927</u>	<u>5,964</u>	<u>23,517</u>
Surplus (deficit) of revenues over expenditures		192,672	360,486	394,454
Accumulated surplus (deficit), beginning of year		<u>6,073,426</u>	<u>6,073,426</u>	<u>5,678,972</u>
Accumulated surplus (deficit), end of year		<u>\$ 6,266,098</u>	<u>6,433,912</u>	<u>6,073,426</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Surplus (deficit)	\$ 192,672	360,486	394,454
(Acquisition) of tangible capital assets	-	(149,512)	(230,654)
Amortization of tangible capital assets	174,346	150,013	160,632
Proceeds on disposal of tangible capital assets	-	7,500	10,000
Loss (gain) on disposal of tangible capital assets	-	(7,500)	(4,756)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>174,346</u>	<u>501</u>	<u>(64,778)</u>
(Acquisition) of supplies inventories	-	(2,138)	(2,862)
(Acquisition) of prepaid expenses	-	(38,969)	(115)
Consumption of supplies inventories	-	38,240	37,764
Use of prepaid expenses	-	114	2,254
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(2,753)</u>	<u>37,041</u>
Increase (decrease) in Net Financial Assets	367,018	358,234	366,717
Net Financial Assets (Debt) - Beginning of the year	<u>3,605,561</u>	<u>3,605,561</u>	<u>3,238,844</u>
Net Financial Assets (Debt) - End of year	<u>\$ 3,972,579</u>	<u>3,963,795</u>	<u>3,605,561</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

Cash provided by (used in) the following activities:	<u>2022</u>	<u>2021</u>
Operating:		
Surplus (deficit)	\$ 360,486	394,454
Amortization	150,013	160,632
Loss (gain) on disposal of tangible capital assets	<u>(7,500)</u>	<u>(4,756)</u>
	502,999	550,330
Change in assets/liabilities		
Taxes receivable - Municipal	(24,328)	(21,092)
Other accounts receivable	58,087	(40,716)
Assets held for sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	2,043	(19,298)
Deposits	-	-
Deferred revenue	(52)	(37)
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	36,101	34,902
Prepayments and deferred charges	(38,855)	2,139
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>535,995</u>	<u>506,228</u>
Capital:		
Cash used to acquire tangible capital assets	(149,512)	(230,654)
Proceeds on sale of tangible capital assets	7,500	10,000
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(142,012)</u>	<u>(220,654)</u>
Investing:		
Proceeds on disposal of investments	9,707	(2,954)
Acquisition in investment	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>9,707</u>	<u>(2,954)</u>
Financing activities:		
Debt charges recovered	-	-
Proceeds from debt issues	-	-
Debt repayment	(1,343)	(1,146)
Other financing	<u>-</u>	<u>-</u>
Net cash used for financing	<u>(1,343)</u>	<u>(1,146)</u>
Increase (decrease) in cash resources	402,347	281,474
Cash and temporary investments, beginning of year	<u>3,447,767</u>	<u>3,166,293</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 3,850,114</u>	<u>3,447,767</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) Reporting Entity

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

Partnerships

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

(c) Collection of funds for other authorities

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

(d) Government Transfers

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

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

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

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

(e) Other (Non-Government Transfer) Contributions

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

(f) Deferred Revenue - Fees and Charges

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

(g) Local Improvement Charges

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

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Net-Financial Assets

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

(i) Non-Financial Assets

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

(j) Appropriated Reserves

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

(k) Property Tax Revenue

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

(l) 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.

(m) Inventories

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

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Tangible Capital Assets

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	15 years
Buildings	50 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	10 to 15 years
<i>Infrastructure Assets</i>	
Water and sewer	40 years
Road network assets	15 to 40 years

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

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

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

(o) Landfill liability

The Rural Municipality of Harris No. 316 jointly maintains a waste disposal site with the Village of Harris. The Municipality is in the process of obtaining and assessment of closure and post closure costs. No amount has been recorded as an asset or liability. The Municipality maintains a reserve for the potential closure costs (2022 - \$85,458; 2021 - \$75,458).

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

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

(p) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the 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.

(q) 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 its contributions.

(r) Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. 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.

(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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Municipality.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

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 Municipality.

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(t) **Budget Information**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 27, 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 reasonable anticipated to be completed within one year of the financial statement date.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2022</u>	<u>2021</u>
Cash	\$ 3,850,114	3,447,767
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 3,850,114</u>	<u>3,447,767</u>

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

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2022</u>	<u>2021</u>
Municipal: - Current	\$ 81,865	67,314
- Arrears	<u>14,814</u>	<u>5,037</u>
	96,679	72,351
Less: allowance for uncollectibles	<u>(2,000)</u>	<u>(2,000)</u>
Total municipal taxes receivable	<u>94,679</u>	<u>70,351</u>
School: - Current	19,306	14,847
- Arrears	<u>3,921</u>	<u>1,675</u>
Total school taxes receivable	<u>23,227</u>	<u>16,522</u>
Other: - Current	26,741	14,484
- Arrears	<u>1,692</u>	<u>7</u>
Total other collections receivable	<u>28,433</u>	<u>14,491</u>
Total taxes and grants in lieu receivable	146,339	101,364
Deduct taxes receivable to be collected on behalf of other organizations	<u>(51,659)</u>	<u>(31,013)</u>
Total taxes receivable - Municipal	<u>\$ 94,679</u>	<u>70,351</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Federal government	\$ 25,410	30,062
Provincial government	10,136	75,632
Local government	-	-
Utility	-	-
Trade	15,258	3,197
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	50,804	108,891
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 50,804</u>	<u>108,891</u>

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

5. LONG-TERM INVESTMENTS

	<u>2022</u>	<u>2021</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ 40,672	50,379
Other long term investments:		
Co-op shares	100	100
Credit Union shares	<u>5</u>	<u>5</u>
Total long term investments	<u>\$ 40,777</u>	<u>50,484</u>

6. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2022, the Municipality had a line of credit totaling \$150,000, none of which was drawn.

7. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$760,024. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

8. LEASE OBLIGATIONS

Capital lease obligation for Success Office Systems photocopier, repayable in quarterly payments of \$434.

Future minimum lease payments under the capital leases together with the balance of the obligation due under capital leases are as follows:

2023	\$ 1,734
Total future minimum lease payments	1,734
Amounts representing interest at a weighted average rate of 15%	<u>(161)</u>
Capital lease liability	<u>\$ 1,573</u>

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

9. 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.

10. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2022 was \$27,718 (2021 - \$28,335). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Total current service contributions by the municipality to MEPP in 2022 were \$27,718 (2021 - \$28,335). Total current service contributions by the employees of the municipality to MEPP in 2022 were \$27,718 (2021 - \$28,335).

Based on the latest information available (December 31, 2022 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,021,301,000. This is based on the most recent actuarial valuation, completed December 31, 2021. The Rural Municipality's portion of this is not readily determinable.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

11. RECENT ACCOUNTING PRONOUNCEMENTS

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

Standards Effective On Or After April 1, 2022

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

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

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

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

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

Standards Effective On Or After April 1, 2023

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

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

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 759,604	759,696	772,344
Abatements and adjustments	-	-	(880)
Discount on current year taxes	<u>(25,000)</u>	<u>(32,934)</u>	<u>(34,547)</u>
Net municipal taxes	734,604	726,762	736,917
Potash tax share	46,445	46,445	47,968
Trailer license fees	-	-	-
Penalties on tax arrears	3,000	4,039	3,455
Special tax levy	124,884	125,514	127,488
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Taxes	<u>908,933</u>	<u>902,760</u>	<u>915,828</u>
UNCONDITIONAL GRANTS			
Revenue sharing	241,278	241,417	252,047
Organized Hamlet	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Unconditional Grants	<u>241,278</u>	<u>241,417</u>	<u>252,047</u>
GRANTS IN LIEU OF TAXES			
Federal	1,815	1,625	1,815
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	47,009	47,009	1,088
Central Services	-	-	-
Sasktel	2,165	2,114	2,163
Other	<u>-</u>	<u>-</u>	<u>-</u>
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants in Lieu of Taxes	<u>50,989</u>	<u>50,748</u>	<u>5,066</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,201,200</u>	<u>1,194,925</u>	<u>1,172,941</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	2,200	1,977	878
Other	100	-	-
Total Fees and Charges	<u>2,300</u>	<u>1,977</u>	<u>878</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	25,050	51,963	14,265
Other	-	-	-
Total other segmented revenue	<u>27,350</u>	<u>53,940</u>	<u>15,143</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>27,350</u>	<u>53,940</u>	<u>15,143</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>27,350</u>	<u>53,940</u>	<u>15,143</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Fire Fees	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>-</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 17,000	3,937	11,356
Sales of supplies	25,000	7,025	20,789
Road Maintenance and Restoration Agreements	10,000	24,481	11,845
Frontage	-	-	-
Other	-	-	-
Total Fees and Charges	<u>52,000</u>	<u>35,443</u>	<u>43,990</u>
Tangible capital asset sales - gain (loss)	-	7,500	4,756
Other	-	-	-
Total other segmented revenue	<u>52,000</u>	<u>42,943</u>	<u>48,746</u>
Conditional Grants			
Primary Weight Corridor	64,080	64,080	64,080
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>64,080</u>	<u>64,080</u>	<u>64,080</u>
Total Operating	<u>116,080</u>	<u>107,023</u>	<u>112,826</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	11,927	5,964	23,517
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>11,927</u>	<u>5,964</u>	<u>23,517</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>128,007</u>	<u>112,987</u>	<u>136,343</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	17,400	19,939	353
Other (Sale of Pest Control Products)	<u>50</u>	<u>78</u>	<u>-</u>
Total Fees and Charges	17,450	20,017	353
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>17,450</u>	<u>20,017</u>	<u>353</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	300	-	300
Other (Rat Rebate Program)	<u>3,680</u>	<u>3,680</u>	<u>4,895</u>
Total Conditional Grants	<u>3,980</u>	<u>3,680</u>	<u>5,195</u>
Total Operating	<u>21,430</u>	<u>23,697</u>	<u>5,548</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>21,430</u>	<u>23,697</u>	<u>5,548</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ 2,900	4,731	3,845
Other	-	-	-
Total Fees and Charges	<u>2,900</u>	<u>4,731</u>	<u>3,845</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>2,900</u>	<u>4,731</u>	<u>3,845</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>2,900</u>	<u>4,731</u>	<u>3,845</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>2,900</u>	<u>4,731</u>	<u>3,845</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Sales of supplies	-	-	-
Other	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>-</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other (Water - Well Key Sales)	150	10	2,556
Total Fees and Charges	<u>150</u>	<u>10</u>	<u>2,556</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>150</u>	<u>10</u>	<u>2,556</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>150</u>	<u>10</u>	<u>2,556</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>150</u>	<u>10</u>	<u>2,556</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 179,837</u>	<u>195,365</u>	<u>163,435</u>
SUMMARY			
Total Other Segmented Revenue	\$ 99,850	121,641	70,643
Total Conditional Grants	68,060	67,760	69,275
Total Capital Grants and Contributions	11,927	5,964	23,517
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 179,837</u>	<u>195,365</u>	<u>163,435</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 27,525	32,096	20,747
Wages and benefits	101,938	101,119	97,242
Professional/Contractual services	21,573	29,519	24,198
Utilities	5,600	5,670	6,078
Maintenance, materials, and supplies	16,400	27,841	13,200
Grants and contributions	500	315	5,020
	-operating		
	-capital	-	-
Amortization	-	1,028	1,028
Interest	1,500	1,007	1,320
Allowance for uncollectibles	-	-	-
Other (Election, Tax Enforcement Costs, and Misc)	3,800	5,006	441
General Government Services	<u>178,836</u>	<u>203,601</u>	<u>169,274</u>
Restructuring	-	-	-
Total General Government Services	<u>178,836</u>	<u>203,601</u>	<u>169,274</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	10,863	10,863	9,545
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
	-operating		
	-capital	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	10,340	10,193	9,596
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
	-operating		
	-capital	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	<u>21,203</u>	<u>21,056</u>	<u>19,141</u>
Restructuring	-	-	-
Total Protective Services	<u>21,203</u>	<u>21,056</u>	<u>19,141</u>
TRANSPORTATION SERVICES			
Council remuneration and travel	8,700	6,667	7,000
Wages and benefits	302,750	287,790	292,782
Professional/Contractual services	88,125	59,835	40,893
Utilities	8,800	7,654	7,010
Maintenance, materials, and supplies	271,253	204,124	178,433
Gravel	75,000	30,266	35,932
Grants and contributions	-	-	-
	-operating		
	-capital	-	-
Amortization	170,233	144,872	155,490
Interest	-	-	-
Other	-	-	-
Transportation Services	<u>924,861</u>	<u>741,208</u>	<u>717,540</u>
Restructuring	-	-	-
Total Transportation Services	<u>924,861</u>	<u>741,208</u>	<u>717,540</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 5,700	3,518	5,369
Professional/Contractual services	38,100	42,797	12,520
Utilities	-	-	-
Maintenance, materials, and supplies	6,000	6,931	4,476
Grants and contributions			
-operating			
Waste disposal	1,120	1,120	1,370
Public health	800	800	800
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>51,720</u>	<u>55,166</u>	<u>24,535</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>51,720</u>	<u>55,166</u>	<u>24,535</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Joint Harris Website)	-	-	64
Planning and Development Services	<u>-</u>	<u>-</u>	<u>64</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>-</u>	<u>-</u>	<u>64</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	652	652	652
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating	1,910	1,903	1,884
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other (Rivers West Membership)	20	20	20
Recreation and Cultural Services	<u>2,582</u>	<u>2,575</u>	<u>2,556</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>2,582</u>	<u>2,575</u>	<u>2,556</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	\$ -	-	-
Professional/Contractual services	2,250	694	2,736
Utilities	1,900	1,391	1,724
Maintenance, materials, and supplies	900	-	239
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	4,113	4,113	4,113
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>9,163</u>	<u>6,198</u>	<u>8,812</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>9,163</u>	<u>6,198</u>	<u>8,812</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 1,188,365</u>	<u>1,029,804</u>	<u>941,922</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Schedule 4

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2022

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 1,977	-	35,443	20,017	4,731	-	10	62,178
Tangible capital asset sales - Gain (loss)	-	-	7,500	-	-	-	-	7,500
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	51,963	-	-	-	-	-	-	51,963
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	64,080	3,680	-	-	-	67,760
Grants - Capital	-	-	5,964	-	-	-	-	5,964
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>53,940</u>	<u>-</u>	<u>112,987</u>	<u>23,697</u>	<u>4,731</u>	<u>-</u>	<u>10</u>	<u>195,365</u>
Expenses (Schedule 3)								
Wages & Benefits	133,215	-	294,457	3,518	-	-	-	431,190
Professional/Contractual Services	29,519	21,056	59,835	42,797	-	652	694	154,553
Utilities	5,670	-	7,654	-	-	-	1,391	14,715
Maintenance, materials and supplies	27,841	-	234,390	6,931	-	20	-	269,182
Grants and contributions	315	-	-	1,920	-	1,903	-	4,138
Amortization	1,028	-	144,872	-	-	-	4,113	150,013
Interest	1,007	-	-	-	-	-	-	1,007
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	5,006	-	-	-	-	-	-	5,006
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>203,601</u>	<u>21,056</u>	<u>741,208</u>	<u>55,166</u>	<u>-</u>	<u>2,575</u>	<u>6,198</u>	<u>1,029,804</u>
Surplus (deficit) by function	(149,661)	(21,056)	(628,221)	(31,469)	4,731	(2,575)	(6,188)	(834,439)
Taxation and other unconditional revenue (Schedule 1)								<u>1,194,925</u>
Net Surplus (Deficit)								<u>\$ 360,486</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Schedule 5

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 878	-	43,990	353	3,845	-	2,556	51,622
Tangible capital asset sales - Gain (loss)	-	-	4,756	-	-	-	-	4,756
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	14,265	-	-	-	-	-	-	14,265
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	64,080	5,195	-	-	-	69,275
Grants - Capital	-	-	23,517	-	-	-	-	23,517
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>15,143</u>	<u>-</u>	<u>136,343</u>	<u>5,548</u>	<u>3,845</u>	<u>-</u>	<u>2,556</u>	<u>163,435</u>
Expenses (Schedule 3)								
Wages & Benefits	117,989	-	299,782	5,369	-	-	-	423,140
Professional/Contractual Services	24,198	19,141	40,893	12,520	-	652	2,736	100,140
Utilities	6,078	-	7,010	-	-	-	1,724	14,812
Maintenance, materials and supplies	13,200	-	214,365	4,476	-	20	239	232,300
Grants and contributions	5,020	-	-	2,170	-	1,884	-	9,074
Amortization	1,028	-	155,490	-	-	-	4,113	160,631
Interest	1,320	-	-	-	-	-	-	1,320
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	441	-	-	-	64	-	-	505
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>169,274</u>	<u>19,141</u>	<u>717,540</u>	<u>24,535</u>	<u>64</u>	<u>2,556</u>	<u>8,812</u>	<u>941,922</u>
Surplus (deficit) by function	(154,131)	(19,141)	(581,197)	(18,987)	3,781	(2,556)	(6,256)	(778,487)
Taxation and other unconditional revenue (Schedule 1)								<u>1,172,941</u>
Net Surplus (Deficit)								<u>\$ 394,454</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2022
with comparative figures for 2021

	2022							2021	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset cost									
Opening asset costs	\$ 50,135	-	88,542	148,780	907,243	4,374,217	-	5,568,917	5,349,007
Additions during the year	-	-	-	-	80,072	69,440	-	149,512	230,654
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(10,744)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>50,135</u>	<u>-</u>	<u>88,542</u>	<u>148,780</u>	<u>987,315</u>	<u>4,443,657</u>	<u>-</u>	<u>5,718,429</u>	<u>5,568,917</u>
Accumulated amortization cost									
Opening accumulated amortization costs	-	-	60,430	100,527	540,012	2,529,771	-	3,230,740	3,075,608
Add: Amortization taken	-	-	1,563	10,730	39,198	98,522	-	150,013	160,632
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(5,500)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>-</u>	<u>61,993</u>	<u>111,257</u>	<u>579,210</u>	<u>2,628,293</u>	<u>-</u>	<u>3,380,753</u>	<u>3,230,740</u>
Net book value	<u>\$ 50,135</u>	<u>-</u>	<u>26,549</u>	<u>37,523</u>	<u>408,105</u>	<u>1,815,364</u>	<u>-</u>	<u>2,337,676</u>	<u>2,338,177</u>

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

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

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

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION
Year ended December 31, 2022
with comparative figures for 2021

	2022							2021	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening asset costs	\$ 15,989	-	5,448,992	-	-	-	103,936	5,568,917	5,349,007
Additions during the year	-	-	149,512	-	-	-	-	149,512	230,654
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(10,744)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>15,989</u>	<u>-</u>	<u>5,598,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,936</u>	<u>5,718,429</u>	<u>5,568,917</u>
Accumulated amortization cost									
Opening accumulated amortization costs	13,485	-	3,167,893	-	-	-	49,362	3,230,740	3,075,608
Add: Amortization taken	1,028	-	144,872	-	-	-	4,113	150,013	160,632
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(5,500)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>14,513</u>	<u>-</u>	<u>3,312,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,475</u>	<u>3,380,753</u>	<u>3,230,740</u>
Net book value	<u>\$ 1,476</u>	<u>-</u>	<u>2,285,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,461</u>	<u>2,337,676</u>	<u>2,338,177</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2022

	<u>2021</u>	<u>Changes</u>	<u>2022</u>
UNAPPROPRIATED SURPLUS	\$ <u>1,869,141</u>	<u>124,052</u>	<u>1,993,193</u>
APPROPRIATED RESERVES			
Machinery and equipment	30,659	2,000	32,659
Public reserve	11,030	-	11,030
Capital trust	497,830	(2,572)	495,258
Utility	-	-	-
Other	<u>1,326,589</u>	<u>237,507</u>	<u>1,564,096</u>
Total Appropriated	<u>1,866,108</u>	<u>236,935</u>	<u>2,103,043</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,338,177	(501)	2,337,676
Less: Related debt	<u>-</u>	<u>-</u>	<u>-</u>
Net Investment in Tangible Capital Assets	<u>2,338,177</u>	<u>(501)</u>	<u>2,337,676</u>
Total Accumulated Surplus	\$ <u><u>6,073,426</u></u>	<u><u>360,486</u></u>	<u><u>6,433,912</u></u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2022

	PROPERTY CLASS						Total
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	
Taxable Assessment	\$ 113,505,690	5,091,385	-	-	4,385,575	-	\$ 122,982,650
Regional Park Assessment							-
Total Assessment							\$ 122,982,650
Mill Rate Factor(s)	0.9400	1.7500	1.0000	1.0000	3.0000		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-		-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 629,502	52,569	-	-	77,625		759,696

<u>MILL RATES:</u>	<u>MILLS</u>
Average Municipal*	6.177
Average School*	1.758
Potash Mill Rate	-
Uniform Municipal Mill Rate	5.900

* 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.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2022

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Dan Mireau	\$ 7,100	260	7,360
Councillor	Russell Gordon	3,200	-	3,200
Councillor	Marty Sigstad	3,000	60	3,060
Councillor	Bryce McKenzie	700	14	714
Councillor	Rebecca Longworth	767	70	837
Councillor	Jim Richardson	3,200	723	3,923
Councillor	Brent Genest	3,900	-	3,900
Councillor	Kevin Genest	3,500	367	3,867
Total		<u>\$ 25,367</u>	<u>1,494</u>	<u>26,861</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF RESTRUCTURING

Year ended December 31, 2022

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

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

See accompanying notes to the financial statements.