

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**  
**Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**  
**Index to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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## Management's Responsibility

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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 are 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.

Grant Thornton LLP, 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.

  
Ms. Karen Baynton, Administrator

  
Mr. Remi Martin, Reeve

Duck Lake, SK

Date: June 8, 2022

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## INDEPENDENT AUDITOR'S REPORT

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To the Council of the Rural Municipality of Duck Lake No. 463

### *Qualified Opinion*

We have audited the consolidated financial statements of the Rural Municipality of Duck Lake No. 463 (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations and accumulated surplus and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

As outlined in Note 10 to the financial statements, the Municipality maintains a solid waste landfill site for which it has recorded an estimate of its closure and post-closure liabilities, but in a manner that is not consistent with Canadian public sector accounting standards. This constitutes a departure from Canadian public sector accounting standards, which require the closure and post-closure liabilities to be recognized on a volumetric basis as the landfill site capacity is used, beginning when the site first accepts waste. This is the result of a cost-benefit decision taken by management not to engage a third party to determine the liability until the site is closed. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were not able to determine whether any adjustments might be necessary to the surplus of revenues over expenses and cash flows for the year ended December 31, 2021, landfill closure and post-closure liabilities as at December 31, 2021 and net financial assets as at January 1 and December 31, 2021.

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 Consolidated Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 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 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 consolidated 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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Prince Albert, SK  
June 8, 2022

*Grant Thornton LLP*

Chartered Professional Accountants

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463****Consolidated Statement of Financial Position****As at December 31, 2021****Statement 1**

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	\$ 1,333,742	\$ 1,265,284
Taxes Receivable - Municipal (Note 3)	282,516	226,876
Other Accounts Receivable (Note 4)	163,393	182,530
Land for Resale	-	-
Long-Term Investments (Note 5)	74,386	69,283
Debt Charges Recoverable	-	-
Other	-	-
<b>Total financial assets</b>	<b>1,854,037</b>	<b>1,743,973</b>
<b>LIABILITIES</b>		
Bank indebtedness (Note 6)	-	-
Accounts Payable	77,553	16,039
Accrued Liabilities Payable	-	-
Deposits	1,380	696
Deferred Revenue (Note 7)	71,390	-
Accrued Landfill Costs (Note 8)	100,000	100,000
Liability for Contaminated Sites (Note 9)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 10)	231,899	333,004
Lease Obligations	-	-
<b>Total liabilities</b>	<b>482,222</b>	<b>449,739</b>
<b>NET FINANCIAL ASSETS</b>	<b>1,371,815</b>	<b>1,294,234</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets(Schedule 6, 7)	1,541,840	1,656,236
Prepayments and Deferred Charges	865	1,338
Stock and Supplies	5,179	3,992
Other	-	-
<b>Total Non-Financial Assets</b>	<b>1,547,884</b>	<b>1,661,566</b>
<b>ACCUMULATED SURPLUS (Schedule 8)</b>	<b>\$ 2,919,699</b>	<b>\$ 2,955,800</b>

See notes to financial statements

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463****Consolidated Statement of Operations and Accumulated Surplus****Year Ended December 31, 2021****Statement 2**

	Budget	2021	2020
<b>REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS</b>			
Taxes and Other Unconditional Revenue			
(Schedule 1)	\$ 1,258,115	\$ 1,263,123	\$ 1,315,335
Fees and Charges (Schedule 4, 5)	40,550	186,355	152,071
Conditional Grants (Schedule 4, 5)	6,700	10,482	12,496
Tangible Capital Assets Sales - Gain (Loss)			
(Schedule 4, 5)	-	-	6,050
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions			
(Schedule 4, 5)	3,325	7,320	7,428
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
<b>Total Revenues other than Provincial/Federal Capital Grants and Contributions</b>	<b>1,308,690</b>	<b>1,467,280</b>	<b>1,493,380</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	222,325	209,057	228,447
Protective Services (Schedule 3)	109,300	108,425	110,242
Transportation Services (Schedule 3)	789,051	1,024,951	999,530
Environmental and Public Health Services			
(Schedule 3)	111,550	85,317	103,718
Planning and Development Services (Schedule 3)	-	2,500	2,050
Recreation and Cultural Services (Schedule 3)	24,275	29,994	29,442
Utility Services (Schedule 3)	-	94,084	97,403
Restructurings (Schedule 3)	-	-	-
<b>Total Expenses</b>	<b>1,256,501</b>	<b>1,554,328</b>	<b>1,570,832</b>
<b>Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions</b>	<b>52,189</b>	<b>(87,048)</b>	<b>(77,452)</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	65,736	50,947	318,462
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>117,925</b>	<b>(36,101)</b>	<b>241,010</b>
Accumulated Surplus (Deficit), Beginning of Year, As Previously Reported	2,770,437	2,955,800	2,714,790
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	<b>\$ 2,888,362</b>	<b>\$ 2,919,699</b>	<b>\$ 2,955,800</b>

See notes to financial statements

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

	Budget	2021	2020
<b>Surplus (Deficit)</b>	\$ 4,926	\$ (36,100)	\$ 241,009
(Acquisition) of tangible capital assets	-	(181,707)	(198,804)
Amortization of tangible capital assets	-	296,104	270,748
Proceeds on disposal of tangible capital assets	-	-	6,900
Loss (gain) on the disposal of tangible capital assets	-	-	(6,050)
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (Deficit) of capital expenses over expenditures</b>	-	114,397	72,794
(Acquisition) of supplies inventories	-	(5,180)	(3,992)
(Acquisition) of prepaid expense	-	(866)	(1,338)
Consumption of supplies inventory	-	3,992	4,620
Use of prepaid expense	-	1,338	1,900
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	-	(716)	1,190
<b>Increase/Decrease in Net Financial Assets</b>	4,926	77,581	314,993
<b>Net Financial Assets (Debt) - Beginning of Year</b>	1,294,234	1,294,234	979,241
<b>Net Financial Assets (Debt) - End of Year</b>	\$ 1,299,160	\$ 1,371,815	\$ 1,294,234



**RURAL MUNICIPALITY OF DUCK LAKE NO. 463****Consolidated Statement of Cash Flows****For the Year Ended December 31, 2021****Statement 4****Cash provided by (used for) the following activities**

	<b>2021</b>	<b>2020</b>
<b>Operating:</b>		
Surplus (Deficit)	\$ (36,101)	\$ 241,010
Amortization	296,104	270,748
Loss (gain) on disposal of tangible capital assets	-	(6,050)
	<u>260,003</u>	<u>505,708</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(55,640)	4,209
Other Receivables	19,137	(61,089)
Accounts Payable	61,520	9,275
Deferred Revenue	71,390	(717,860)
Prepayments and Deferred Charges	474	561
Stock and Supplies	(1,187)	628
Deposits	684	85
	<u>96,378</u>	<u>(764,191)</u>
<b>Cash provided by operating transactions</b>	<u>356,381</u>	<u>(258,483)</u>
<b>Capital:</b>		
Acquisition of capital assets	(181,707)	(198,804)
Proceeds from the disposal of capital assets	-	6,900
	<u>(181,707)</u>	<u>(191,904)</u>
<b>Cash applied to capital transactions</b>	<u>(181,707)</u>	<u>(191,904)</u>
<b>Investing:</b>		
Long-Term Investments	(5,107)	(4,070)
Other	-	-
	<u>(5,107)</u>	<u>(4,070)</u>
<b>Cash provided by (applied to) investing transactions</b>	<u>(5,107)</u>	<u>(4,070)</u>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(101,110)	(97,180)
Other financing	-	-
	<u>(101,110)</u>	<u>(97,180)</u>
<b>Cash provided by (applied to) financing transactions</b>	<u>(101,110)</u>	<u>(97,180)</u>
<b>Change in Cash and Temporary Investments during the year</b>	<u>68,457</u>	<u>(551,637)</u>
Cash and Temporary Investments - Beginning of Year	<u>1,265,285</u>	<u>1,816,921</u>
<b>Cash and Temporary Investments - End of Year (Note 2)</b>	<u>\$ 1,333,742</u>	<u>\$ 1,265,284</u>

See notes to financial statements

1. **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. There are no organizations owned or controlled by the municipality.

Membership in government partnerships are recorded using proportional consolidation based on the membership percentage held. Financial assets, financial liabilities, non-financial assets, accumulated surplus, revenues, and expenses of the government partnership are proportionally consolidated into the financial statement line items that represent the nature of the amounts in the government partnership. Government partnerships included in these financial statements are as follows:

Entity: Prince Albert Rural Water Utility (5.34%)

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 and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

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

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) **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. Resources restricted by agreement with an external party are recognized as revenue in the municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

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

(f) **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.

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1. **Significant accounting policies** *(continued)*

(g) **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.

(h) **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.

(i) **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, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and 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. The balance represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

(k) **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.

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1. **Significant accounting policies** *(continued)*

(l) **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 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>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	5 to 20 Years
Buildings	10 to 50 Years
<b>Vehicles &amp; Equipment</b>	
Vehicles	5 to 10 Years
Machinery and Equipment	5 to 10 Years
<b>Infrastructure Assets</b>	
Infrastructure Assets	30 to 75 Years
Water & Sewer	30 to 75 Years
Road Network Assets	30 to 75 Years

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

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

**Capitalization of Interest:** The 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 a tangible capital asset. 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 lease 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.

(m) **Landfill liability:**

The municipality maintains a waste disposal site. The costs to close and maintain solid waste landfill sites are based on estimated future expenses, adjusted for inflation and discounted to current dollars. The annual provision is reported as an expense and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position. Recommended disclosure is provided in Note 8.

(n) **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.

(o) **Employee benefit plans:**

Contributions to the municipality's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

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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.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(q) **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.

(r) **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.

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 9, 2021.

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1. Significant accounting policies (continued)

(t) **New Accounting Standards and Amendments to Standards:**

**Future Accounting 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 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. 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 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**, 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.

**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.

2. **Cash and Temporary Investments**

	<b>2021</b>	<b>2020</b>
Cash and Temporary Investments	<b>\$ 1,311,284</b>	\$ 1,184,018
Temporary Investments	-	15,630
Restricted Cash	<b>22,458</b>	65,636
<b>Total Cash and Temporary Investments</b>	<b>\$ 1,333,742</b>	<b>\$ 1,265,284</b>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for other than specific current purposes is included in restricted cash.

Restricted cash represents the municipality's share of cash held by reporting entities.

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Notes to Consolidated Financial Statements

Year Ended December 31, 2021

3. Taxes Receivable - Municipal

	2021	2020
<u>Municipal</u>		
- current	\$ 118,832	\$ 6,174
- arrears	164,031	221,156
	<u>282,863</u>	<u>227,330</u>
Less - allowance for uncollectibles	(1,345)	(1,345)
Total municipal taxes receivable	<u>281,518</u>	<u>225,985</u>
<u>School</u>		
- current	99,902	79,567
- arrears	-	-
Total school taxes receivable	<u>99,902</u>	<u>79,567</u>
Other (Hail and local Fire Department Levies)	<u>22,486</u>	15,872
Total taxes and grants in lieu receivable	<u>403,906</u>	<u>321,424</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(121,390)</u>	<u>(94,548)</u>
<b>Total Taxes Receivable - Municipal</b>	<b>\$ 282,516</b>	<b>\$ 226,876</b>

4. Other Accounts Receivable

	2021	2020
Federal Government	\$ 38,178	\$ 53,525
Provincial Government	102,080	104,287
Local Government	-	-
Utility	-	-
Trade	4,592	7,794
Other (share of Prince Albert Rural Water Utility)	<u>20,749</u>	<u>19,130</u>
Total Other Accounts Receivable	<u>165,599</u>	<u>184,736</u>
Less: allowance for uncollectibles	<u>(2,206)</u>	<u>(2,206)</u>
<b>Net Other Accounts Receivable</b>	<b>\$ 163,393</b>	<b>\$ 182,530</b>

5. Investments

	2021	2020
S.A.R.M. Liability Insurance Investment	\$ 56,488	\$ 53,309
SARM Property Self Ins. Program	<u>17,898</u>	<u>15,974</u>
<b>Total Investments</b>	<b>\$ 74,386</b>	<b>\$ 69,283</b>

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis. The balance represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

6. Bank Indebtedness

**Credit Arrangements**

At December 31, 2021, the municipality had lines of credit totaling \$200,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**

**Notes to Consolidated Financial Statements**

**Year Ended December 31, 2021**

**7. Deferred Revenue**

	<u>2021</u>	<u>2020</u>
<u>PDAP Funding</u>		
Balance - Beginning of Year	\$ -	\$ 717,860
Additions during the year	-	-
Reductions during the year	-	(717,860)
Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>
<u>Canada Community-Building Fund</u>		
Balance - Beginning of Year	\$ -	\$ -
Additions during the year	71,390	-
Reductions during the year	-	-
Balance - End of Year	<u>\$ 71,390</u>	<u>\$ -</u>
<u>Prepaid revenue</u>		
Balance - Beginning of Year	\$ 696	\$ 611
Additions during the year	1,380	696
Reductions during the year	(696)	(611)
Balance - End of Year	<u>\$ 1,380</u>	<u>\$ 696</u>

**8. Accrued Landfill Costs**

	<u>2021</u>	<u>2020</u>
Environmental Liabilities	<u>\$ 100,000</u>	<u>\$ 100,000</u>

In 2021 the municipality has accrued an overall liability for environmental matters in the amount of \$100,000 (prior year - \$100,000) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

**9. Liability for Contaminated Sites**

The municipality does not currently have a liability for any contaminated sites in the community. All properties that have environmentally risky histories are still under the ownership of the corporation or individual that operated on the property and all property tax and/or other liabilities to the municipality are current. There is currently no risk that any of these properties will become the responsibility of the municipality.

**10. Long-term Debt**

The debt limit of the municipality is \$945,089. 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)).

Bank loan of \$58,084 is repayable at Affinity Credit Union in monthly blended payments of \$4,242 bearing interest at 3.99% per annum, is secured by a general security agreement over various pieces of equipment. The loan is callable on demand.

Finance loan of \$173,815 is repayable to CAT Financial in semi-annual blended payments of \$31,004 on May 26 and November 26. The loan bears interest at a rate of 3.95% per annum, is secured by a general security agreement over a grader. The loan is callable on demand.

*(continues)*



RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Notes to Consolidated Financial Statements

Year Ended December 31, 2021

10. Long-term Debt (continued)

Future principal and interest payments are as follows:

Year	Principal	Interest	2021	2020
2021	\$ -	\$ -	\$ -	\$ 112,912
2022	105,170	7,740	<b>112,910</b>	112,910
2023	66,513	4,143	<b>70,656</b>	70,656
2024	60,216	1,790	<b>62,006</b>	62,008
	<b>\$ 231,899</b>	<b>\$ 13,673</b>	<b>\$ 245,572</b>	<b>\$ 358,486</b>

11. 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.

12. 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 2021 was \$24,627. 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these consolidated financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	2021	2020
<u>Details of MEPP</u>		
Number of active members	7	10
Member contribution rates (percentage of salary):		
Employee contribution - general members	9.00%	9.00%
Employer contribution - general members	9.00%	9.00%
Employee contribution - designated members (police officers and firefighters)	12.50%	12.50%
Employer contribution - designated members (police officers and fire fighters)	12.50%	12.50%
Member contributions for the year	21,322	24,627
Employer contributions for the year	21,322	24,627
Financial position of the plan:		
Plan assets	3,568,400,000	3,221,426,000
Plan liabilities	2,424,014,000	2,382,526,000
Accounting pension surplus	<b>\$1,144,386,000</b>	\$ -

2021 year's maximum pensionable amount (YMPE) \$61,600 (2020 - \$58,700)

**13. Impacts of COVID-19**

The outbreak of a novel strain of coronavirus (“COVID-19”) was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

- General impact on operations and business practices - Office Access by appointment only, change in council meeting set up, daily sanitizing.
  - Going concern considerations – the municipality doesn't see any implications aside from what they are already doing.
- 

**14. Related Parties**

The consolidated financial statements include transactions with related parties. The municipality is related to Prince Albert Rural Water Utility 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.

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**15. Contingent Assets**

Contingent assets are not recorded in the financial statements.

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**16. Budget Data**

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	<u>2021</u>
Budget surplus per Statement of Operations	<u>117,925</u>
Add: Amortization not budgeted	<u>296,103</u>
	<u>\$ 414,028</u>

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RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Notes to Consolidated Financial Statements

Year Ended December 31, 2021

17. Government Partnerships

The Rural Municipality of Duck Lake No. 463, the Rural Municipality of Buckland, and the Rural Municipality of Prince Albert (the "members") jointly share control of the Prince Albert Rural Water Utility (the "Utility"), a public utility board created under the authority of The Municipalities Act of the Province of Saskatchewan by bylaw of the members. The Utility constitutes a government partnership under Canadian Public Sector Accounting Standards and as such the municipality is required to include in its financial statements its proportionate share of the financial position and results of operations of the Utility.

The following is 100% of the financial position and results of operations of the Utility, a non-business government partnership, of which 5.34% has been proportionately consolidated into the financial statements of the R.M.

	Prince Albert Rural Water Utility (100%) 2021	<b>Prince Albert Rural Water Utility (5.34%) 2021</b>	Prince Albert Rural Water Utility (100%) 2020	Prince Albert Rural Water Utility (5.34%) 2020
<b><u>Statement of Financial Position:</u></b>				
<b>Financial Assets</b>				
Cash and temporary investments	\$ 581,661	\$ <b>31,061</b>	\$ 1,229,133	\$ 65,636
Other receivables	388,559	<b>20,749</b>	358,231	19,130
<b>Total Financial Assets</b>	<b>970,220</b>	<b>51,810</b>	<b>1,587,364</b>	<b>84,766</b>
<b>Liabilities</b>				
Accounts payable	196,251	<b>10,480</b>	(34,904)	(1,864)
Accrued liabilities payable	8,750	<b>467</b>	(8,750)	(467)
Deposits	25,834	<b>1,380</b>	(13,034)	(696)
<b>Total Liabilities</b>	<b>230,835</b>	<b>12,327</b>	<b>(56,688)</b>	<b>(3,027)</b>
<b>Non-Financial Assets</b>				
Tangible capital assets	8,693,943	<b>464,257</b>	7,533,639	402,296
Stock and supplies	76,282	<b>4,073</b>	48,707	2,601
<b>Total Non-Financial Assets</b>	<b>8,770,225</b>	<b>468,330</b>	<b>7,582,346</b>	<b>404,897</b>
<b>Accumulated Surplus</b>	<b>\$ 9,509,610</b>	<b>\$ 507,813</b>	<b>\$ 9,113,022</b>	<b>\$ 486,636</b>
<b><u>Statement of Operations and Accumulated Surplus:</u></b>				
Total Revenues	\$ 2,219,835	\$ <b>118,539</b>	\$ 1,997,357	\$ 106,659
Total Expenses	(1,823,341)	<b>(97,366)</b>	(1,824,041)	(97,404)
<b>Surplus of revenues over expenses</b>	<b>\$ 396,494</b>	<b>\$ 21,173</b>	<b>\$ 173,316</b>	<b>\$ 9,255</b>

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2021

Schedule 1

	Budget 2021	2021	2020
<b>TAXES</b>			
General municipal tax levy	\$ 866,032	\$ 864,054	\$ 866,286
Abatements and adjustments	(37,969)	(35,349)	(47,249)
Discount on current year taxes	(27,116)	(28,441)	(27,072)
<b>Net Municipal Taxes</b>	800,947	800,264	791,965
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	13,500	21,345	20,713
Special tax levy	89,450	89,786	89,450
Other	-	-	-
<b>Total Taxes</b>	903,897	911,395	902,128
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	301,295	301,295	301,138
Organized Hamlet	20,041	19,091	20,745
Other (Safe Restart Program)	-	-	59,893
<b>Total Unconditional Grants</b>	321,336	320,386	381,776
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	1,680	-	1,734
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other - Grants	19,519	19,580	18,014
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	11,683	11,762	11,683
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	32,882	31,342	31,431
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,258,115</b>	<b>\$ 1,263,123</b>	<b>\$ 1,315,335</b>

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 1

	Budget 2021	2021	2020
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges	\$ 600	\$ 1,405	\$ 766
- Custom work	-	-	-
- Sales of supplies	2,200	1,884	5,851
- Other (Hamlet)	-	12,435	21,171
Total Fees and Charges	2,800	15,724	27,788
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	-	-
- Investment income and commissions	3,325	7,320	7,428
- Other	-	-	-
Total Other Segmented Revenue	6,125	23,044	35,216
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>6,125</b>	<b>23,044</b>	<b>35,216</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>6,125</b>	<b>23,044</b>	<b>35,216</b>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges	5,650	26,983	2,831
- Other	-	-	-
Total Fees and Charges	5,650	26,983	2,831
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	5,650	26,983	2,831
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>5,650</b>	<b>26,983</b>	<b>2,831</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>\$ 5,650</b>	<b>\$ 26,983</b>	<b>\$ 2,831</b>

See notes to financial statements

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 2

	Budget 2021	2021	2020
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	12,900	9,700	8,536
- Sales of supplies	-	-	-
- Road Maintenance and Restoration			
Agreements	10,000	7,260	892
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	22,900	16,960	9,428
- Tangible capital asset sales - gain (loss)	-	-	6,050
- Other	-	-	-
Total Other Segmented Revenue	22,900	16,960	15,478
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>22,900</b>	<b>16,960</b>	<b>15,478</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	59,236	50,947	174,119
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (MEEP)	6,500	-	144,343
<b>Total Capital</b>	<b>65,736</b>	<b>50,947</b>	<b>318,462</b>
<b>Total Transportation Services</b>	<b>88,636</b>	<b>67,907</b>	<b>333,940</b>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Waste and Disposal Fees	-	-	-
- Other - Landfill fees	500	932	-
Total Fees and Charges	500	932	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	500	932	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other - Pest control	6,700	4,107	6,121
Total Conditional Grants	6,700	4,107	6,121
<b>Total Operating</b>	<b>7,200</b>	<b>5,039</b>	<b>6,121</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>\$ 7,200</b>	<b>\$ 5,039</b>	<b>\$ 6,121</b>

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**

**Schedule of Operating and Capital Revenue by Function**

**As at December 31, 2021**

**Schedule 2 - 3**

	Budget 2021	2021	2020
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	-	-	-
- Other - Permits and licenses	8,700	7,216	5,365
Total Fees and Charges	8,700	7,216	5,365
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	8,700	7,216	5,365
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>8,700</b>	<b>7,216</b>	<b>5,365</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Planning and Development Services</b>	<b>8,700</b>	<b>7,216</b>	<b>5,365</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenues			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other	-	6,375	6,375
Total Conditional Grants	-	6,375	6,375
<b>Total Operating</b>	<b>-</b>	<b>6,375</b>	<b>6,375</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Recreation and Cultural Services</b>	<b>\$ -</b>	<b>\$ 6,375</b>	<b>\$ 6,375</b>

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 4

	Budget 2021	2021	2020
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	-	-	-
- Sewer	-	-	-
- Other (share of PARWU)	-	<b>118,540</b>	106,659
Total Fees and Charges	-	<b>118,540</b>	106,659
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	<b>118,540</b>	106,659
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	<b>118,540</b>	106,659
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Utility Services</b>	-	<b>118,540</b>	106,659
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 116,311</b>	<b>\$ 255,104</b>	<b>\$ 496,507</b>

**SUMMARY**

Total Other Segmented Revenue	\$ 43,875	\$ 193,675	\$ 165,549
Total Conditional Grants	6,700	<b>10,482</b>	12,496
Total Capital Grants and Contributions	65,736	<b>50,947</b>	318,462
Restructuring Revenue	-	-	-
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 116,311</b>	<b>\$ 255,104</b>	<b>\$ 496,507</b>



RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 1

	Budget 2021	2021	2020
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 21,440	\$ 19,262	\$ 21,155
Wages and benefits	103,865	109,014	101,609
Professional/Contractual services	73,700	57,981	61,421
Utilities	9,000	6,004	6,373
Maintenance, materials and supplies	13,320	13,805	19,019
Grants and contributions			
- operating	1,000	100	1,275
- capital	-	-	-
Amortization	-	1,604	521
Interest	-	-	-
Allowance For Uncollectibles	-	1,287	17,074
Other	-	-	-
<b>General Government Services</b>	<b>222,325</b>	<b>209,057</b>	<b>228,447</b>
	-	-	-
<b>Total General Government Services</b>	<b>222,325</b>	<b>209,057</b>	<b>228,447</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police Protection</b>			
Wages and benefits	-	-	-
Professional/Contractual Services	64,500	57,867	55,998
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Other	-	-	-
<b>Fire Protection</b>			
Wages and benefits	6,000	4,967	5,695
Professional/Contractual Services	5,200	10,421	19,781
Utilities	8,600	6,513	7,384
Maintenance, Materials and Supplies	6,700	7,934	2,276
Grants and contributions			
- operating	18,300	18,300	18,300
- capital	-	-	-
Amortization	-	2,423	808
Interest	-	-	-
Other	-	-	-
<b>Protective Services</b>	<b>109,300</b>	<b>108,425</b>	<b>110,242</b>
	-	-	-
<b>Total Protective Services</b>	<b>109,300</b>	<b>108,425</b>	<b>110,242</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and Benefits	262,450	268,848	258,247
Professional/Contractual Services	64,300	27,540	33,181
Utilities	13,100	11,491	19,186
Maintenance, Materials and Supplies	232,501	231,615	178,162
Gravel	212,500	202,328	243,346
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	-	274,274	251,673
Interest	4,200	8,855	15,735
Other	-	-	-
<b>Transportation Services</b>	<b>789,051</b>	<b>1,024,951</b>	<b>999,530</b>
	-	-	-
<b>Total Transportation Services</b>	<b>\$ 789,051</b>	<b>\$ 1,024,951</b>	<b>\$ 999,530</b>

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Total Expenses by Function

As at December 31, 2021  
Schedule 3 - 2

	Budget 2021	2021	2020
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and Benefits	\$ -	\$ 353	\$ 120
Professional/Contractual Services	82,000	84,964	103,598
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
- Operating	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
- capital	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Landfill Liability	29,550	-	-
<b>Environmental and Public Health Services</b>	<b>111,550</b>	<b>85,317</b>	<b>103,718</b>
	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>111,550</b>	<b>85,317</b>	<b>103,718</b>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and Benefits	-	-	-
Professional/Contractual Services	-	2,500	2,050
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Planning and Development Services</b>	<b>-</b>	<b>2,500</b>	<b>2,050</b>
	-	-	-
<b>Total Planning and Development Services</b>	<b>-</b>	<b>2,500</b>	<b>2,050</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and Benefits	-	-	-
Professional/Contractual Services	17,000	17,369	16,867
Utilities	900	561	511
Maintenance, Materials, and Supplies	-	-	-
Grants and contributions			
- operating	6,375	6,375	6,375
- capital	-	-	-
Amortization	-	5,689	5,689
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<b>24,275</b>	<b>29,994</b>	<b>29,442</b>
	-	-	-
<b>Total Recreation and Cultural Services</b>	<b>\$ 24,275</b>	<b>\$ 29,994</b>	<b>\$ 29,442</b>

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

	Budget 2021	2021	2020
<b>UTILITY SERVICES</b>			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	-	-	-
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization (share of PARWU)	-	12,114	12,057
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other (share of PARWU)	-	81,970	85,346
<b>Utility Services</b>	-	94,084	97,403
	-	-	-
<b>Total Utility Services</b>	-	94,084	97,403
<b>TOTAL EXPENSES BY FUNCTION</b>	\$ 1,256,501	\$ 1,554,328	\$ 1,570,832

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**

**Consolidated Schedule of Segment Disclosure by Function**

**As at December 31, 2021**

**Schedule 4**

	<b>General Government</b>	<b>Protective Services</b>	<b>Transportation Services</b>	<b>Environmental &amp; Public Health</b>	<b>Planning and Development</b>	<b>Recreation and Culture</b>	<b>Utility Services</b>	<b>Total</b>
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 15,724	\$ 26,983	\$ 16,960	\$ 932	\$ 7,216	\$ -	\$ 118,540	\$ 186,355
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	7,320	-	-	-	-	-	-	7,320
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	4,107	-	6,375	-	10,482
- Capital	-	-	50,947	-	-	-	-	50,947
Restructurings	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>23,044</b>	<b>26,983</b>	<b>67,907</b>	<b>5,039</b>	<b>7,216</b>	<b>6,375</b>	<b>118,540</b>	<b>255,104</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	128,276	4,967	268,848	353	-	-	-	402,444
Professional/Contractual Services	57,981	68,288	27,540	84,964	2,500	17,369	-	258,642
Utilities	6,004	6,513	11,491	-	-	561	-	24,569
Maintenance Material and Supplies	13,805	7,934	433,943	-	-	-	-	455,682
Grants and Contributions	100	18,300	-	-	-	6,375	-	24,775
Amortization	1,604	2,423	274,274	-	-	5,689	12,114	296,104
Interest	-	-	8,855	-	-	-	-	8,855
Allowance for Uncollectibles	1,287	-	-	-	-	-	-	1,287
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	81,970	81,970
<b>Total Expenses</b>	<b>209,057</b>	<b>108,425</b>	<b>1,024,951</b>	<b>85,317</b>	<b>2,500</b>	<b>29,994</b>	<b>94,084</b>	<b>1,554,328</b>
<b>Surplus (Deficit) by Function</b>	<b>(186,013)</b>	<b>(81,442)</b>	<b>(957,044)</b>	<b>(80,278)</b>	<b>4,716</b>	<b>(23,619)</b>	<b>24,456</b>	<b>(1,299,224)</b>
Taxes and other unconditional revenue (Schedule 1)								<u>1,263,123</u>
<b>Net Surplus (Deficit)</b>								<u>\$ (36,101)</u>

See notes to financial statements

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**

**Consolidated Schedule of Segment Disclosure by Function**

**As at December 31, 2020**

**Schedule 5**

	<b>General Government</b>	<b>Protective Services</b>	<b>Transportation Services</b>	<b>Environmental &amp; Public</b>	<b>Planning and Development</b>	<b>Recreation and Culture</b>	<b>Utility Services</b>	<b>Total</b>
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 27,788	\$ 2,831	\$ 9,428	\$ -	\$ 5,365	\$ -	\$ 106,659	\$ 152,071
Tangible Capital Asset Sales - Gain (Loss)	-	-	6,050	-	-	-	-	6,050
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	7,428	-	-	-	-	-	-	7,428
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	6,121	-	6,375	-	12,496
- Capital	-	-	318,462	-	-	-	-	318,462
Restructurings	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>35,216</b>	<b>2,831</b>	<b>333,940</b>	<b>6,121</b>	<b>5,365</b>	<b>6,375</b>	<b>106,659</b>	<b>496,507</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	122,764	5,695	258,247	120	-	-	-	386,826
Professional/ Contractual Services	61,421	75,779	33,181	103,598	2,050	16,867	-	292,896
Utilities	6,373	7,384	19,186	-	-	511	-	33,454
Maintenance Material and Supplies	19,019	2,276	421,508	-	-	-	-	442,803
Grants and Contributions	1,275	18,300	-	-	-	6,375	-	25,950
Amortization	521	808	251,673	-	-	5,689	12,057	270,748
Interest	-	-	15,735	-	-	-	-	15,735
Allowance for Uncollectibles	17,074	-	-	-	-	-	-	17,074
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	85,346	85,346
<b>Total Expenses</b>	<b>228,447</b>	<b>110,242</b>	<b>999,530</b>	<b>103,718</b>	<b>2,050</b>	<b>29,442</b>	<b>97,403</b>	<b>1,570,832</b>
<b>Surplus (Deficit) by Function</b>	<b>(193,231)</b>	<b>(107,411)</b>	<b>(665,590)</b>	<b>(97,597)</b>	<b>3,315</b>	<b>(23,067)</b>	<b>9,256</b>	<b>(1,074,325)</b>
Taxes and other unconditional revenue (Schedule 1)								<u>1,315,335</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 241,010</u>

See notes to financial statements

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Consolidated Schedule of Tangible Capital Assets by Object

As at December 31, 2021

Schedule 6

	2021							2021 Total	2020 Total
	General Assets					Infrastructure Assets	General/ Infrastructure		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction		
<b>Asset cost</b>									
Opening Asset costs	\$ 27,100	\$ -	\$ 46,673	\$ 138,468	\$ 1,058,856	\$ 2,387,249	\$ 122,102	\$ 3,780,448	\$ 3,600,944
Additions during the year	-	-	-	-	98,215	74,074	9,418	181,707	198,804
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(19,300)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing Asset Costs</b>	<b>27,100</b>	<b>-</b>	<b>46,673</b>	<b>138,468</b>	<b>1,157,071</b>	<b>2,461,323</b>	<b>131,520</b>	<b>3,962,155</b>	<b>3,780,448</b>
<b>Accumulated Amortization Cost</b>									
Opening Accumulated Amortization Costs	-	-	9,297	88,769	377,447	1,648,700	-	2,124,213	1,871,914
Add: Amortization taken	-	-	1,604	14,208	208,907	71,383	-	296,102	279,155
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(18,450)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>-</b>	<b>10,901</b>	<b>102,977</b>	<b>586,354</b>	<b>1,720,083</b>	<b>-</b>	<b>2,420,315</b>	<b>2,132,619</b>
<b>Net Book Value</b>	<b>\$ 27,100</b>	<b>\$ -</b>	<b>\$ 35,772</b>	<b>\$ 35,491</b>	<b>\$ 570,717</b>	<b>\$ 741,240</b>	<b>\$ 131,520</b>	<b>\$ 1,541,840</b>	<b>\$ 1,647,829</b>

1. Total contributed donated assets received in 2021: \$ -
2. List of assets recognized at nominal value in 2021 are:
  - a) Infrastructure Assets \$ -
  - b) Vehicles \$ -
  - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2021: \$ -

See notes to financial statements

RURAL MUNICIPALITY OF DUCK LAKE NO. 463

Consolidated Schedule of Tangible Capital Assets by Function

As at December 31, 2021

Schedule 7

	2021							2021	2020
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Asset cost</b>									
Opening Asset costs	\$ 34,516	\$ 181,430	\$ 2,926,950	\$ -	\$ -	\$ 28,444	\$ 609,108	\$ 3,780,448	\$ 3,600,944
Additions during the year	-	9,418	98,215	-	-	-	74,074	181,707	198,804
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(19,300)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing Asset Costs</b>	<b>34,516</b>	<b>190,848</b>	<b>3,025,165</b>	<b>-</b>	<b>-</b>	<b>28,444</b>	<b>683,182</b>	<b>3,962,155</b>	<b>3,780,448</b>
<b>Accumulated Amortization Cost</b>									
Opening Accumulated Amortization Costs	5,049	47,070	1,863,860	-	-	1,422	206,812	2,124,213	1,871,914
Add: Amortization taken	377	242	282,659	-	-	711	12,113	296,102	279,155
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(18,450)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Amortization Costs</b>	<b>5,426</b>	<b>47,312</b>	<b>2,146,519</b>	<b>-</b>	<b>-</b>	<b>2,133</b>	<b>218,925</b>	<b>2,420,315</b>	<b>2,132,619</b>
<b>Net Book Value</b>	<b>\$ 29,090</b>	<b>\$ 143,536</b>	<b>\$ 878,646</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,311</b>	<b>\$ 464,257</b>	<b>\$ 1,541,840</b>	<b>\$ 1,647,829</b>

See notes to financial statements

**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**

**Consolidated Schedule of Accumulated Surplus**

**As at December 31, 2021**

**Schedule 8**

	2020	Changes	2021
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 1,287,456</b>	<b>\$ (94,207)</b>	<b>\$ 1,193,249</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	33,087	-	33,087
Public Reserve	71,735	-	71,735
Capital Trust	5	-	5
Utility	-	-	-
Other (New Deal Gas Tax Reserve)	61,006	-	61,006
<b>Total Appropriated</b>	<b>165,833</b>	<b>-</b>	<b>165,833</b>
<b>ORGANIZED HAMLETS</b>			
Organized Hamlet of MacDowall	187,686	62,990	250,676
<b>Total Organized Hamlets</b>	<b>187,686</b>	<b>62,990</b>	<b>250,676</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6, 7)	1,647,829	(105,989)	1,541,840
Less: Related debt	(333,004)	101,105	(231,899)
<b>Net Investment in Tangible Capital Assets</b>	<b>1,314,825</b>	<b>(4,884)</b>	<b>1,309,941</b>
<b>Total Accumulated Surplus</b>	<b>\$ 2,955,800</b>	<b>\$ (36,101)</b>	<b>\$ 2,919,699</b>



**RURAL MUNICIPALITY OF DUCK LAKE NO. 463**

**Schedule of Mill Rates and Assessments**

As at December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
<b>Taxable Assessment</b>	\$ 60,065,335	\$ 49,888,811	\$ -	\$ -	\$ 591,175	\$ -	<b>\$110,545,321</b>
<b>Regional Park Assessment</b>	-	-	-	-	-	-	-
<b>Total Assessment</b>	60,065,335	49,888,811	-	-	591,175	-	<b>110,545,321</b>
<b>Mill Rate Factor(s)</b>	1.0000	0.9300	-	-	4.5000	-	-
<b>Total Base/Minimum Tax (generated for each property class)</b>	-	316,900	-	-	3,160	-	<b>320,060</b>
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	<b>\$ 300,326</b>	<b>\$ 547,267</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,461</b>	<b>\$ -</b>	<b>\$ 864,054</b>

**MILL RATES:**

Average Municipal \*  
 Average School  
 Potash Mill Rate  
 Uniform Municipal Mill Rate

MILLS
7.8163
3.0184
-
5.0000

\* 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 DUCK LAKE NO. 463**

**Schedule of Council Remuneration**

**As at December 31, 2021**

**Schedule 10**

	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
<b>Position</b>				
<b>Reeve</b>	Remi Martin	\$ 3,535	\$ 438	\$ <b>3,973</b>
Councillor	Allan Lanovaz	1,900	1,485	<b>3,385</b>
Councillor	Tyler Smith	1,600	534	<b>2,134</b>
Councillor	Lois McCormick	2,530	1,447	<b>3,977</b>
Councillor	Stan Neufeld	1,975	242	<b>2,217</b>
Councillor	Paul Allman	2,670	220	<b>2,890</b>
<b>Total</b>		<b>\$ 14,210</b>	<b>\$ 4,366</b>	<b>\$ 18,576</b>