

RURAL MUNICIPALITY OF RUDY NO. 284

Auditor's Report

Consolidated Financial Statements

December 31, 2023

MANAGEMENT'S RESPONSIBILITY

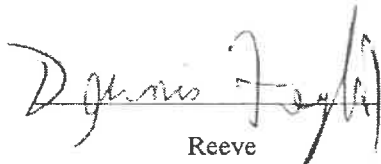
To the Ratepayers of
Rural Municipality of Rudy No. 284:

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

INDEPENDENT AUDITOR'S REPORT

To the **Reeve** and Council of the **Rural Municipality of Rudy No. 284**

Report on the Financial Statements

Opinion

We have audited the financial statements of the **Rural Municipality of Rudy No. 284**, which comprise the statement of financial position as at **December 31, 2023** and the statements of financial activities, changes in net financial assets, changes in financial position, and remeasurement gains and losses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Rural Municipality as at **December 31, 2023** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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
April 17, 2024


Chartered Professional Accountants

RURAL MUNICIPALITY OF RUDY NO. 284

Statement 1



STATEMENT OF FINANCIAL POSITION

December 31, 2023
with comparative figures for 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Financial assets:		
Cash and cash equivalents (Note 2)	\$ 1,994,568	2,359,546
Investments	-	-
Taxes receivable - Municipal (Note 3)	67,350	78,528
Other accounts receivable (Note 4)	120,298	79,018
Assets held for sale	-	-
Long-term receivables (Note 5)	110,313	102,155
Debt charges recoverable	-	-
Other	-	-
Total financial assets	2,292,529	2,619,247
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	46,688	15,055
Accrued liabilities payable	1,166	2,093
Deposits	3,000	3,000
Deferred revenue	-	-
Asset retirement obligations	-	-
Liability for contaminated sites	-	-
Other liabilities	1,950	3,375
Long-term debt (Note 6)	23,658	63,961
Lease obligations	-	-
Total liabilities	76,462	87,484
NET FINANCIAL ASSETS (DEBT)	2,216,067	2,531,763
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	3,371,572	2,899,484
Prepaid and deferred charges	184,618	73,845
Stock and supplies	60,035	72,823
Total non-financial assets	3,616,225	3,046,152
Accumulated surplus (deficit)	\$ 5,832,292	5,577,915
Accumulated surplus (deficit) is comprised of:		
Accumulated surplus (deficit) excluding remeasurement gains (losses) (Schedule 8)	5,832,292	5,577,915
Accumulated remeasurement gains (losses) (Statement 5)	-	-

Contingent liabilities (Note 7)

APPROVED ON BEHALF OF COUNCIL:

 Reeve
 Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284**Statement 2****STATEMENT OF FINANCIAL ACTIVITIES**

Year ended December 31, 2023
with comparative figures for 2022

		<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Revenues:				
Tax revenue	(Schedule 1)	\$ 1,547,000	1,529,158	1,355,895
Other unconditional revenue	(Schedule 1)	291,560	291,957	257,127
Fees and charges	(Schedule 4, 5)	66,660	90,173	61,154
Conditional grants	(Schedule 4, 5)	94,110	96,592	115,375
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	-
Land sales - gain (loss)	(Schedule 4, 5)	8,760	-	-
Investment income	(Schedule 4, 5)	61,340	71,919	8,140
Commissions	(Schedule 4, 5)	-	-	-
Restructurings	(Schedule 4, 5)	-	-	279,448
Other revenues	(Schedule 4, 5)	-	77,165	122,504
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>27,980</u>	<u>41,542</u>	<u>240,223</u>
Total Revenues		2,097,410	2,198,506	2,439,866
Expenditures:				
General government services	(Schedule 3)	356,570	400,629	364,130
Protective services	(Schedule 3)	82,810	151,526	116,646
Transportation services	(Schedule 3)	1,503,180	1,306,972	1,422,210
Environmental and public health services	(Schedule 3)	29,540	69,524	35,014
Planning and development services	(Schedule 3)	11,000	1,234	17,984
Recreation and cultural services	(Schedule 3)	19,800	14,244	15,670
Utility services	(Schedule 3)	-	-	-
Restructurings	(Schedule 3)	-	-	106,194
Total Expenditures		<u>2,002,900</u>	<u>1,944,129</u>	<u>2,077,848</u>
Surplus (deficit) of revenues over expenditures		94,510	254,377	362,018
Accumulated surplus (deficit) excluding remeasurement gains (losses), beginning of year		<u>5,577,915</u>	<u>5,577,915</u>	<u>5,215,897</u>
Accumulated surplus (deficit) excluding remeasurement gains (losses), end of year		\$ <u>5,672,425</u>	<u>5,832,292</u>	<u>5,577,915</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Surplus (deficit)	\$ 94,510	254,377	362,018
(Acquisition) of tangible capital assets	(17,600)	(663,372)	(15,900)
Amortization of tangible capital assets	208,000	191,284	224,268
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	(105,631)
Surplus (deficit) of capital expenses over expenditures	<u>190,400</u>	<u>(472,088)</u>	<u>102,737</u>
(Acquisition) of supplies inventories	-	(257,283)	39,587
(Acquisition) of prepaid expenses	-	(184,618)	(73,846)
Consumption of supplies inventories	-	270,071	-
Use of prepaid expenses	-	<u>73,845</u>	<u>6,764</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(97,985)</u>	<u>(27,495)</u>
Unrealized remeasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	284,910	(315,696)	437,260
Net Financial Assets (Debt) - Beginning of the year	<u>2,531,763</u>	<u>2,531,763</u>	<u>2,094,503</u>
Net Financial Assets (Debt) - End of year	\$ <u>2,816,673</u>	<u>2,216,067</u>	<u>2,531,763</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2023
with comparative figures for 2022

Cash provided by (used in) the following activities:	<u>2023</u>	<u>2022</u>
Operating:		
Surplus (deficit)	\$ 254,377	362,018
Amortization	191,284	224,269
Loss (gain) on disposal of tangible capital assets	-	-
Restructuring (surplus) deficit	<u>-</u>	<u>(105,631)</u>
	445,661	480,656
Change in assets/liabilities		
Taxes receivable - Municipal	11,178	(32,405)
Other accounts receivable	(41,280)	6,108
Assets held for sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	30,707	(145,630)
Deposits	-	(13,700)
Deferred revenue	-	(148)
Asset retirement obligations	-	-
Liability for contaminated sites	-	-
Other liabilities	(1,425)	3,225
Stock and supplies	12,788	39,587
Prepayments and deferred charges	(110,773)	(67,082)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>346,856</u>	<u>270,611</u>
Capital:		
Cash used to acquire tangible capital assets	(663,372)	(15,900)
Proceeds on disposal of tangible capital assets	-	-
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(663,372)</u>	<u>(15,900)</u>
Investing:		
Decrease (increase) in restricted cash	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	<u>(8,158)</u>	<u>(31,865)</u>
Net cash used for investing	<u>(8,158)</u>	<u>(31,865)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(40,304)	(40,756)
Other financing	<u>-</u>	<u>-</u>
Net cash used for financing	<u>(40,304)</u>	<u>(40,756)</u>
Change in cash and cash equivalents during the year	(364,978)	182,090
Cash and cash equivalents, beginning of year	<u>2,359,546</u>	<u>2,177,456</u>
Cash and cash equivalents, end of year (Note 2)	<u>\$ 1,994,568</u>	<u>2,359,546</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

Statement 5

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Accumulated remeasurement gains (losses), beginning of year	\$ -	-
Unrealized gains (losses)		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Reclassified to the Statement of Financial Activities		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses)	-	-
Accumulated remeasurement gains (losses), end of year	\$ -	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

The 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.

These consolidated financial statements contain the following partnerships:

Partnership

Outlook & Rudy Joint Protective Services (consolidated 50%) (2022 - consolidated 50%) - (proportionate consolidation)

Outlook & District Joint Health Committee (consolidated 33.3%) (2022 - consolidated 33.3%) - (proportionate consolidation)

All inter-organizational transactions and balances have been eliminated.

(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.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(h) **Net Financial Assets**

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

(i) **Non-Financial Assets**

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

(j) **Appropriated Reserves**

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

(k) **Property Tax Revenue**

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

(l) **Financial Instruments**

Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost or amortized cost. Financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of financial activities when there is an other than temporary decline in value.

Interest and dividends attributable to financial instruments are reported in the statement of financial activities. Unrealized gains and losses are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of financial activities.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Long-term debt: Long-term debt is initially recognized net of premiums, discounts, and transaction costs and is measured at amortized cost with interest expense recognized using the effective interest rate method.

Long-term receivables: Receivables with terms longer than one year have been classified as other long-term receivables.

Measurement of Financial Instruments:

The Municipality's financial assets and liabilities are measured as follows:

Cash and cash equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other accounts receivable	Cost and amortized cost
Long-term receivables	Amortized cost
Debt charges recoverable	Amortized cost
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-term debt	Amortized cost

(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.

(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>
General Assets	
Land	Indefinite
Buildings	50 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	5 to 25 years
Infrastructure Assets	
Infrastructure assets	35 to 60 years

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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) **Asset Retirement Obligations**

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that results from its acquisition, construction, development, or normal use. The tangible capital assets include but are not limited to assets in productive use, assets no longer in productive use, and leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Municipality to incur costs in relation to a specific tangible capital asset, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using the present value method.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of financial activities.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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.

The Municipality does not have any contaminated sites.

(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.

Measurement uncertainty impacts the following financial statement areas:

- a) Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.
- b) The measurement of materials and supplies are based on estimates of volume and quality.
- c) The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available.
- d) Amortization is based on the estimated useful lives of tangible capital assets.
- e) The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.
- f) Measurement of financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

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) **Assets Held for Sale**

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

(u) **Loan Guarantees**

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

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

- (v) **New Standards and Amendments to Standards: effective for fiscal years beginning on or after April 1, 2023**

PS 3160, Public Private Partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard applies to fiscal years beginning on or after April 1, 2023.

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer. The standard is mandatory for fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted. The standard may be adopted retroactively or prospectively.

PSG-8, Purchased Intangibles, provides guidance on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. The standard may be adopted retroactively or prospectively.

- (w) **New Accounting Policies Adopted During the Year**

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

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

2. CASH AND CASH EQUIVALENTS

	<u>2023</u>	<u>2022</u>
Cash	\$ 1,994,568	2,346,124
Short-term investments	-	13,422
Restricted cash	-	-
	<u>\$ 1,994,568</u>	<u>2,359,546</u>

Cash and cash equivalents include balances with banks, less outstanding cheques and plus outstanding deposits, and short-term deposits with maturities of three months or less.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2023</u>	<u>2022</u>
Municipal: - Current	\$ 56,121	77,534
- Arrears	<u>11,229</u>	<u>994</u>
	67,350	78,528
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>67,350</u>	<u>78,528</u>
School: - Current	15,700	15,941
- Arrears	<u>2,854</u>	<u>266</u>
Total taxes to be collected on behalf of School Divisions	<u>18,554</u>	<u>16,207</u>
Other: - Current	10,923	9,943
- Arrears	<u>5,035</u>	<u>-</u>
Total other collections receivable	<u>15,958</u>	<u>9,943</u>
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	101,862	104,678
Deduct taxes receivable to be collected on behalf of other organizations	<u>(34,512)</u>	<u>(26,150)</u>
Total taxes receivable - Municipal	<u>\$ 67,350</u>	<u>78,528</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Federal government	\$ 95,438	53,427
Provincial government	-	-
Local government	-	-
Utility	-	-
Trade	13,519	4,468
Other (Rudy Landing Public Utility Board)	<u>11,341</u>	<u>21,123</u>
Total other accounts receivable	120,298	79,018
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 120,298</u>	<u>79,018</u>

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

5. LONG-TERM RECEIVABLES

	<u>2023</u>	<u>2022</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ 62,362	54,727
Other long term investments:		
Equity in co-operatives	500	500
Credit Union shares	5	5
Term deposits - Outlook & District Joint Health Committee	<u>47,446</u>	<u>46,923</u>
Total long term investments	\$ <u>110,313</u>	<u>102,155</u>

6. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$1,641,819. 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.

Bank loans:

	<u>2023</u>	<u>2022</u>
Prairie Centre Credit Union loan payable in annual instalments of \$44,807 including variable rate interest at 8.45% as of December 31, 2023, with a final payment of \$25,662.	\$ <u>23,658</u>	<u>63,961</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2024	\$ 23,658	2,004	25,662
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
Balance	\$ <u>23,658</u>	<u>2,004</u>	<u>25,662</u>

7. 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.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

8. 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's pension expense in 2023 was \$42,406 (2022 - \$31,088). 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 2023 were \$42,406 (2022 - \$31,088). Total current service contributions by the employees of the Municipality to MEPP in 2023 were \$42,406 (2022 - \$31,088).

Based on the latest information available (December 31, 2023 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,161,337,000. This is based on the most recent actuarial valuation, completed December 31, 2022. The Rural Municipality's portion of this is not readily determinable.

9. BUDGET

The Financial Plan (Budget) adopted by Council on June 15, 2023 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget includes repayment of long-term debt as an expense. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2023</u>
Budget net surplus	\$ 31,910
Add: Long-term debt repaid (principal portion)	45,000
Expenditures - capital asset	<u>17,600</u>
Budget surplus per statement of financial activities	\$ <u>94,510</u>

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

10. RISK MANAGEMENT

Through its financial assets and liabilities, the Municipality is exposed to various risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The Municipality is mainly exposed to credit risk with respect to its cash and taxes and other accounts receivable. It is management's opinion that the Municipality is not exposed to significant credit risk as its cash is held by financial institutions with high credit ratings, and a significant portion of its taxes and other accounts receivable can be collected through tax enforcement procedures.

Liquidity Risk

Liquidity risk is the risk that the Municipality will encounter difficulty in meeting financial obligations as they fall due. The Municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The Municipality is mainly exposed to liquidity risk with respect to its accounts payable and accrued liabilities and long-term debt.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk.

- Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the Municipality to interest rate risk consist of long-term debt.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Municipality is not subject to significant currency risk.
- Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the fair value of equity investments. The Municipality is not subject to significant other price risk.

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

11. INVESTMENT IN A GOVERNMENT PARTNERSHIP - OUTLOOK-RUDY JOINT PROTECTIVE SERVICES

The following summarizes the financial information of the government partnership in the Outlook-Rudy Joint Protective Services. As at December 31, 2023, the Rural Municipality had a proportionate share of 50% of the following:

Statement of Financial Position	<u>2023</u>	<u>2022</u>
Cash	\$ 93,847	36,986
Accounts receivable	<u>3,645</u>	<u>4,554</u>
Total financial assets	97,492	41,540
Accounts payable and accrued liabilities	<u>43,186</u>	<u>2,076</u>
Net financial assets	<u>54,306</u>	<u>39,464</u>
Tangible capital assets	351,116	388,548
Prepaid expenses	<u>215,749</u>	<u>147,538</u>
Accumulated surplus	<u>\$ 621,171</u>	<u>575,550</u>

	Budget	Actual	Actual
Statement of Operations	<u>2023</u>	<u>2023</u>	<u>2022</u>
Revenues	\$ 180,760	\$ 206,266	198,336
Capital contribution	-	70,296	140,782
Restructuring	-	-	423,649
Total revenues	<u>180,760</u>	<u>276,562</u>	<u>762,767</u>
Expenditures	193,360	193,509	149,995
Amortization of tangible capital assets	<u>14,700</u>	<u>37,432</u>	<u>37,220</u>
Total expenditures	<u>208,060</u>	<u>230,941</u>	<u>187,215</u>
Current surplus	<u>\$ (27,300)</u>	<u>\$ 45,621</u>	<u>575,552</u>

RURAL MUNICIPALITY OF RUDY NO. 284

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

12. INVESTMENT IN A GOVERNMENT PARTNERSHIP - OUTLOOK & DISTRICT JOINT HEALTH COMMITTEE

The following summarizes the financial information of the government partnership in the Outlook & District Joint Health Committee. As at December 31, 2023, the Rural Municipality had a proportionate share of 33.3% of the following:

Statement of Financial Position

	<u>2023</u>	<u>2022</u>
Cash	\$ 47,749	39,830
Accounts receivable	1,555	3,271
Short-term investments	-	40,266
Long-term investments	<u>142,339</u>	<u>140,768</u>
Total financial assets	191,643	224,135
Accounts payable and accrued liabilities	<u>7,674</u>	<u>1,577</u>
Net financial assets	<u>183,969</u>	<u>222,558</u>
Prepaid expenses	-	225
Accumulated surplus	<u>\$ 183,969</u>	<u>222,783</u>

	Budget	Actual	Actual
Statement of Operations	<u>2023</u>	<u>2023</u>	<u>2022</u>
Revenues	\$ 49,000	\$ 54,848	44,102
Restructuring	<u>-</u>	<u>-</u>	<u>202,869</u>
Total revenues	<u>49,000</u>	<u>54,848</u>	<u>246,971</u>
Expenditures	<u>87,700</u>	<u>93,661</u>	<u>24,188</u>
Current surplus	<u>\$ (38,700)</u>	<u>\$ (38,813)</u>	<u>222,783</u>

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 1,606,600	1,596,317	1,416,365
Abatements and adjustments	-	(1,141)	(3,713)
Discount on current year taxes	<u>(64,560)</u>	<u>(71,929)</u>	<u>(61,481)</u>
Net municipal taxes	1,542,040	1,523,247	1,351,171
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	4,960	5,911	4,724
Special tax levy	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Taxes	<u>1,547,000</u>	<u>1,529,158</u>	<u>1,355,895</u>
UNCONDITIONAL GRANTS			
Revenue sharing	286,480	286,467	252,143
Organized Hamlet	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Unconditional Grants	<u>286,480</u>	<u>286,467</u>	<u>252,143</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
Sask. Energy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
Sasktel	3,900	4,210	1,783
Other	-	-	2,081
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	1,180	1,280	1,120
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants in Lieu of Taxes	<u>5,080</u>	<u>5,490</u>	<u>4,984</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,838,560</u>	<u>1,821,115</u>	<u>1,613,022</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023

with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 2,000	2,280	1,970
Sales of supplies	2,850	5,697	2,327
Other (permits, licenses)	-	-	-
Total Fees and Charges	4,850	7,977	4,297
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	8,760	-	-
Investment income	61,340	71,919	8,140
Commissions	-	-	-
Other	-	-	-
Total other segmented revenue	74,950	79,896	12,437
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	74,950	79,896	12,437
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	74,950	79,896	12,437
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (bylaw enforcement)	3,000	1,000	3,000
Total Fees and Charges	3,000	1,000	3,000
Tangible capital asset sales - gain (loss)	-	-	-
Other (Outlook-Rudy Joint Protective Services)	-	58,883	107,803
Total other segmented revenue	3,000	59,883	110,803
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	3,000	59,883	110,803
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	211,825
Total Protective Services	3,000	59,883	322,628

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 45,300	52,823	37,722
Sale of gravel and supplies	-	-	1,170
Road Maintenance and Restoration Agreements	1,360	6,500	1,360
Other	2,600	13,400	7,008
Total Fees and Charges	49,260	72,723	47,260
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	49,260	72,723	47,260
Conditional Grants			
Primary Weight Corridor	81,500	81,572	108,144
Student employment	-	-	-
Other (Prov-TSS)	1,750	1,750	-
Total Conditional Grants	83,250	83,322	108,144
Total Operating	132,510	156,045	155,404
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	27,980	16,450	14,399
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Rural Integrated Roads for Growth)	-	25,092	225,824
Total Capital	27,980	41,542	240,223
Restructuring Revenue	-	-	-
Total Transportation Services	160,490	197,587	395,627
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 4,500	(60)	60
Waste and Disposal Fees	-	-	-
Other	1,100	2,609	1,892
Total Fees and Charges	5,600	2,549	1,952
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	18,282	14,701
Total other segmented revenue	5,600	20,831	16,653
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (pest/weed control)	7,860	10,311	4,272
Total Conditional Grants	7,860	10,311	4,272
Total Operating	13,460	31,142	20,925
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	67,623
Total Environmental and Public Health Services Services	13,460	31,142	88,548

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Sales of supplies	3,950	974	4,645
Other	-	-	-
Total Fees and Charges	<u>3,950</u>	<u>974</u>	<u>4,645</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>3,950</u>	<u>974</u>	<u>4,645</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>3,950</u>	<u>974</u>	<u>4,645</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>3,950</u>	<u>974</u>	<u>4,645</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
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 (Sask lotteries)	3,000	2,959	2,959
Total Conditional Grants	<u>3,000</u>	<u>2,959</u>	<u>2,959</u>
Total Operating	<u>3,000</u>	<u>2,959</u>	<u>2,959</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>3,000</u>	<u>2,959</u>	<u>2,959</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	4,950	-
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	4,950	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	4,950	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	4,950	-
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	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	-	4,950	-
 TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	 \$ 258,850	 377,391	 826,844
 SUMMARY			
Total Other Segmented Revenue	\$ 136,760	239,257	191,798
Total Conditional Grants	94,110	96,592	115,375
Total Capital Grants and Contributions	27,980	41,542	240,223
Restructuring Revenue	-	-	279,448
TOTAL REVENUE BY FUNCTION	\$ 258,850	377,391	826,844

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 37,920	34,908	41,033
Wages and benefits	230,650	244,764	204,114
Professional/Contractual services	67,490	66,503	70,580
Utilities	8,530	8,873	10,663
Maintenance, materials, and supplies	11,980	37,548	26,738
Grants and contributions -operating	-	-	2,969
-capital	-	-	-
Amortization	-	8,033	8,033
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
General Government Services	<u>356,570</u>	<u>400,629</u>	<u>364,130</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>356,570</u>	<u>400,629</u>	<u>364,130</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	26,670	27,310	25,404
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	1,690	998	1,607
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	8,000	26,463	10,863
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	2,200	-	1,550
Other (Outlook-Rudy Joint Protective Services)	<u>44,250</u>	<u>96,755</u>	<u>77,222</u>
Protective Services	<u>82,810</u>	<u>151,526</u>	<u>116,646</u>
Restructuring	<u>-</u>	<u>-</u>	<u>106,194</u>
Total Protective Services	<u>82,810</u>	<u>151,526</u>	<u>222,840</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Wages and benefits	\$ 469,620	428,004	419,940
Professional/Contractual services	77,420	87,746	240,718
Utilities	9,310	9,216	8,464
Maintenance, materials, and supplies	360,230	292,440	361,088
Gravel	386,600	329,202	173,488
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	200,000	156,788	205,373
Accretion of asset retirement obligations	-	-	-
Interest	-	3,576	3,841
Other (Grader rental)	-	-	9,298
Transportation Services	<u>1,503,180</u>	<u>1,306,972</u>	<u>1,422,210</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>1,503,180</u>	<u>1,306,972</u>	<u>1,422,210</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	28,440	35,693	23,007
Utilities	-	-	-
Maintenance, materials, and supplies	1,100	2,610	3,944
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other (Outlook & District Joint Health Committee)	-	31,221	8,063
Environmental and Public Health Services	<u>29,540</u>	<u>69,524</u>	<u>35,014</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>29,540</u>	<u>69,524</u>	<u>35,014</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	11,000	1,234	17,984
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>11,000</u>	<u>1,234</u>	<u>17,984</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>11,000</u>	<u>1,234</u>	<u>17,984</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	-	1,817
Professional/Contractual services	-	-	50
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	19,800	14,244	13,803
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>19,800</u>	<u>14,244</u>	<u>15,670</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>19,800</u>	<u>14,244</u>	<u>15,670</u>
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Accretion of asset retirement obligations	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 2,002,900</u>	<u>1,944,129</u>	<u>2,077,848</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 4

Year ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 7,977	1,000	72,723	2,549	974	-	4,950	90,173
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income	71,919	-	-	-	-	-	-	71,919
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	58,883	-	18,282	-	-	-	77,165
Grants - Conditional	-	-	83,322	10,311	-	2,959	-	96,592
Grants - Capital	-	-	41,542	-	-	-	-	41,542
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>79,896</u>	<u>59,883</u>	<u>197,587</u>	<u>31,142</u>	<u>974</u>	<u>2,959</u>	<u>4,950</u>	<u>377,391</u>
Expenses (Schedule 3)								
Wages & Benefits	279,672	-	428,004	-	-	-	-	707,676
Professional/Contractual Services	66,503	28,308	87,746	35,693	1,234	-	-	219,484
Utilities	8,873	-	9,216	-	-	-	-	18,089
Maintenance, materials and supplies	37,548	-	621,642	2,610	-	-	-	661,800
Grants and contributions	-	-	-	-	-	14,244	-	14,244
Amortization	8,033	26,463	156,788	-	-	-	-	191,284
Accretion of asset retirement obligations	-	-	-	-	-	-	-	-
Interest	-	-	3,576	-	-	-	-	3,576
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	96,755	-	31,221	-	-	-	127,976
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>400,629</u>	<u>151,526</u>	<u>1,306,972</u>	<u>69,524</u>	<u>1,234</u>	<u>14,244</u>	<u>-</u>	<u>1,944,129</u>
Surplus (deficit) by function	<u>(320,733)</u>	<u>(91,643)</u>	<u>(1,109,385)</u>	<u>(38,382)</u>	<u>(260)</u>	<u>(11,285)</u>	<u>4,950</u>	<u>(1,566,738)</u>
Taxation and other unconditional revenue (Schedule 1)								<u>1,821,115</u>
Net surplus (deficit)								<u>\$ 254,377</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Schedule 5

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	\$ 4,297	3,000	47,260	1,952	4,645	-	-	61,154
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income	8,140	-	-	-	-	-	-	8,140
Commissions	-	-	-	-	-	-	-	-
Other revenues	-	107,803	-	14,701	-	-	-	122,504
Grants - Conditional	-	-	108,144	4,272	-	2,959	-	115,375
Grants - Capital	-	-	240,223	-	-	-	-	240,223
Restructurings	-	211,825	-	67,623	-	-	-	279,448
Total revenues	<u>12,437</u>	<u>322,628</u>	<u>395,627</u>	<u>88,548</u>	<u>4,645</u>	<u>2,959</u>	<u>-</u>	<u>826,844</u>
Expenses (Schedule 3)								
Wages & Benefits	245,147	-	419,940	-	-	1,817	-	666,904
Professional/Contractual Services	70,580	27,011	240,718	23,007	17,984	50	-	379,350
Utilities	10,663	-	8,464	-	-	-	-	19,127
Maintenance, materials and supplies	26,738	-	534,576	3,944	-	-	-	565,258
Grants and contributions	2,969	-	-	-	-	13,803	-	16,772
Amortization	8,033	10,863	205,373	-	-	-	-	224,269
Accretion of asset retirement obligations	-	-	-	-	-	-	-	-
Interest	-	-	3,841	-	-	-	-	3,841
Allowance for uncollectibles	-	1,550	-	-	-	-	-	1,550
Other	-	77,222	9,298	8,063	-	-	-	94,583
Restructurings	-	106,194	-	-	-	-	-	106,194
Total expenses	<u>364,130</u>	<u>222,840</u>	<u>1,422,210</u>	<u>35,014</u>	<u>17,984</u>	<u>15,670</u>	<u>-</u>	<u>2,077,848</u>
Surplus (deficit) by function	(351,693)	99,788	(1,026,583)	53,534	(13,339)	(12,711)	-	(1,251,004)
Taxation and other unconditional revenue (Schedule 1)								<u>1,613,022</u>
Net surplus (deficit)								<u>\$ 362,018</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284 **SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**

Year ended December 31, 2023
with comparative figures for 2022

	2023						2022	
	General Assets			Infrastructure Assets		General / Infrastructure Assets Under Construction	Total	Total
	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset cost								
Opening asset costs	\$ 94,492	15,819	718,630	334,602	1,766,822	2,381,518	5,311,883	5,036,848
Additions during the year	-	-	-	663,372	-	-	663,372	15,900
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	259,135
Closing asset costs	<u>94,492</u>	<u>15,819</u>	<u>718,630</u>	<u>334,602</u>	<u>2,430,194</u>	<u>2,381,518</u>	<u>5,975,255</u>	<u>5,311,883</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	2,689	110,071	153,643	860,078	1,285,918	2,412,399	2,034,626
Add: Amortization taken	-	633	17,731	23,276	94,704	54,940	191,284	224,268
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	153,505
Closing accumulated amortization costs	<u>-</u>	<u>3,322</u>	<u>127,802</u>	<u>176,919</u>	<u>954,782</u>	<u>1,340,858</u>	<u>2,603,683</u>	<u>2,412,399</u>
Net book value	<u>\$ 94,492</u>	<u>12,497</u>	<u>590,828</u>	<u>157,683</u>	<u>1,475,412</u>	<u>1,040,660</u>	<u>3,371,572</u>	<u>2,899,484</u>
1. Total contributed/donated assets received in 2023:	\$ -	-	-	-	-	-	-	-
2. List of assets recognized at nominal value in 2023 are:								
-Infrastructure Assets	\$ -	-	-	-	-	-	-	-
-Vehicles	\$ -	-	-	-	-	-	-	-
-Machinery and Equipment	\$ -	-	-	-	-	-	-	-
3. Amount of interest capitalized in 2023:	\$ -	-	-	-	-	-	-	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2023
with comparative figures for 2022

	General Government	2023					2022
		Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer
							Total
Asset cost							
Opening asset costs	\$ 249,914	383,114	4,678,855	-	-	-	5,311,883
Additions during the year	-	-	663,372	-	-	-	663,372
Disposals and write-downs during the year	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing asset costs	<u>249,914</u>	<u>383,114</u>	<u>5,342,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,975,255</u>
							<u>259,135</u>
Accumulated amortization cost							
Opening accumulated amortization costs	23,920	181,092	2,207,387	-	-	-	2,412,399
Add: Amortization taken	8,033	26,463	156,788	-	-	-	191,284
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>31,953</u>	<u>207,555</u>	<u>2,364,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,603,683</u>
							<u>153,505</u>
Net book value	<u>\$ 217,961</u>	<u>175,559</u>	<u>2,978,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,371,572</u>
							<u>2,899,484</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2023

	<u>2022</u>	<u>Changes</u>	<u>2023</u>
UNAPPROPRIATED SURPLUS	\$ <u>1,735,722</u>	<u>(258,708)</u>	<u>1,477,014</u>
APPROPRIATED RESERVES			
Machinery and equipment	894,187	694	894,881
Public lands reserve	-	-	-
Capital trust	-	-	-
Utility	-	-	-
Other	<u>112,483</u>	<u>-</u>	<u>112,483</u>
Total Appropriated	<u>1,006,670</u>	<u>694</u>	<u>1,007,364</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,899,484	472,088	3,371,572
Less: Related debt	<u>(63,961)</u>	<u>40,303</u>	<u>(23,658)</u>
Net Investment in Tangible Capital Assets	<u>2,835,523</u>	<u>512,391</u>	<u>3,347,914</u>
Accumulated Surplus excluding remeasurement gains (losses)	\$ <u>5,577,915</u>	<u>254,377</u>	<u>5,832,292</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2023
 with comparative figures for 2022

	PROPERTY CLASS					Potash Mine(s)	Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial		
Taxable Assessment	\$ 117,946,955	18,095,035	-	23,040	12,499,335	-	148,564,365
Regional Park Assessment							
Total Assessment	1,0000	1,1200	-	1,1200	1,4000		148,564,365
Mill Rate Factor(s)							
Total Base/Minimum Tax (generated for each property class)							
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,208,956	207,731	-	264	179,366		1,596,317

MILL RATES:

Average Municipal*	10.745
Average School*	2.258
Potash Mill Rate	-
Uniform Municipal Mill Rate	10.250

* 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 RUDY NO. 284

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2023
with comparative figures for 2022

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Dennis Fuglerud	\$ 6,695	1,235	7,930
Councillor	Bree Campbell	3,220	174	3,394
Councillor	Ryan Grunerud	4,130	360	4,490
Councillor	Kent Harrington	3,825	131	3,956
Councillor	Lyle Leverton	3,095	294	3,389
Councillor	Grant McIntosh	3,770	354	4,124
Councillor	Marcel Vermette	3,760	864	4,624
Total		<u>\$ 28,495</u>	<u>3,412</u>	<u>31,907</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

SCHEDULE OF RESTRUCTURING

Year ended December 31, 2023

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

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

See accompanying notes to the financial statements.