

**Annual Financial Statements**  
**And Supporting Schedules**  
  
**For The**  
  
**Rural Municipality of Hillsdale No. 440**  
  
**As at December 31, 2022**

### **Management's Responsibility for Financial Reporting**

The financial statements of Rural Municipality of Hillsdale No. 440 have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Rural Municipality of Hillsdale No. 440's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

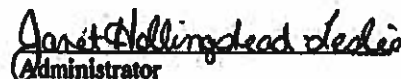
The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council is composed of elected officials, who are not employees of the municipality, and meets periodically with management to review significant accounting, reporting and internal control matters. The Council is also responsible for the approval of the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by HRO Chartered Professional Accountants, in accordance with Canadian public sector accounting standards.

June 8, 2023

Date

  
Reeve

  
Administrator



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Rural Municipality of Hillsdale No. 440

### *Qualified Opinion*

We have audited the financial statements of Rural Municipality of Hillsdale No. 440 (the Municipality), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net financial assets, changes in accumulated surplus and cash flows for the year then ended, and notes to the 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 financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, 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*

The municipality has interests in Cut Knife & District Fire Association, Maidstone Waseca & District Fire Board, Neilburg Fire Board, R.M. of Manitou Lake Fire & Rescue Co-operative Ltd., and Highway 40 Health Holdings Board (Note 1a). The municipality has not recorded these interests in its financial statements using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. The effect on the financial statements has not been determined for the fiscal 2022 and 2021 years. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

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 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 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 Financial Statements*

Management is responsible for the preparation and fair presentation of the 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 Municipality's ability to continue

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Independent Auditor's Report to the Members of Rural Municipality of Hillsdale No. 440 (continued)

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.

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

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

*HRO*

North Battleford, Saskatchewan  
June 8, 2023

Chartered Professional Accountants

**Rural Municipality of Hillsdale No. 440**  
**Statement of Financial Position**  
**As at December 31, 2022**

Statement 1

	2022	2021
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	\$ 7,303,925	\$ 7,340,246
Taxes Receivable - Municipal (Note 3)	113,387	153,149
Other Accounts Receivable (Note 4)	211,298	256,977
Assets Held for Sale (Note 5)	29,108	29,108
Long-term Investments (Note 6)	2,329,680	352,198
Debt Charges Recoverable		
Other (Deposit)		
<b>Total Financial Assets</b>	<b>9,987,398</b>	<b>8,131,678</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 7)		
Accounts Payable	538,465	52,238
Accrued Liabilities Payable	9,922	159,573
Deposits		
Deferred Revenue (Note 8)	8,750	8,750
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 9)	7,315,861	9,000,000
Lease Obligations		
<b>Total Liabilities</b>	<b>7,872,998</b>	<b>9,220,561</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>2,114,400</b>	<b>(1,088,883)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6. 7)	27,930,493	28,536,462
Prepayments and Deferred Charges	6,636	6,437
Stock and Supplies	316,080	530,932
Other (Gravel pit)	9,406,182	9,406,182
<b>Total Non-Financial Assets</b>	<b>37,659,391</b>	<b>38,480,013</b>
<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 39,773,791</b>	<b>\$ 37,391,130</b>

Contingent Liabilities (Note 11)

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

**Rural Municipality of Hillsdale No. 440**  
**Statement of Operations**  
**As at December 31, 2022**

Statement 2

	2022 Budget	2022	2021
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 5,018,906	\$ 6,120,980	\$ 5,348,365
Fees and Charges (Schedule 4. 5)	230,900	255,615	243,348
Conditional Grants (Schedule 4. 5)	68,769	83,906	73,044
Tangible Capital Asset Sales - Gain (loss) (Schedule 4. 5)		(23,161)	(20,289)
Land Sales - Gain (loss) (Schedule 4. 5)			
Investment Income and Commissions (Schedule 4. 5)	60,000	147,651	62,300
Restructurings (Schedule 4. 5)			
Other Revenues (Schedule 4. 5)	6,270	19,303	27,296
<b>Total Revenues</b>	<b>5,384,845</b>	<b>6,604,294</b>	<b>5,734,064</b>
<b>Expenses</b>			
General Government Services (Schedule 3)	676,874	604,167	1,022,624
Protective Services (Schedule 3)	196,391	203,656	187,467
Transportation Services (Schedule 3)	3,898,623	3,669,987	3,867,650
Environmental and Public Health Services (Schedule 3)	100,648	73,096	97,956
Planning and Development Services (Schedule 3)	17,575	15,682	16,461
Recreation and Cultural Services (Schedule 3)	101,973	107,554	140,695
Utility Services (Schedule 3)			
Restructurings (Schedule 3)			
<b>Total Expenses</b>	<b>4,992,084</b>	<b>4,674,142</b>	<b>5,332,853</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>392,761</b>	<b>1,930,152</b>	<b>401,211</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4. 5)	63,480	452,509	67,383
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>\$ 456,241</b>	<b>2,382,661</b>	<b>468,594</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>		<b>37,391,130</b>	<b>36,922,536</b>
<b>Accumulated Surplus (Deficit), End of Year</b>		<b>\$ 39,773,791</b>	<b>\$ 37,391,130</b>

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

Rural Municipality of Hillsdale No. 440  
Statement of Change in Net Financial Assets  
As at December 31, 2022

Statement 3

	2022 Budget	2022	2021
<b>Surplus (Deficit)</b>	<b>\$ 456,241</b>	<b>\$ 2,382,661</b>	<b>\$ 468,594</b>
(Acquisition) of tangible capital assets		(1,708,010)	(2,093,370)
Amortization of tangible capital assets		2,145,818	2,085,542
Proceeds on disposal of tangible capital assets		145,000	15,901
Loss (gain) on the disposal of tangible capital assets		23,161	20,289
Transfer of Assets/Liabilities in Restructuring Transactions			
<b>Surplus (Deficit) of capital revenue over expenditures</b>		<b>605,969</b>	<b>28,362</b>
(Acquisition) of supplies inventories			(9,687,179)
(Acquisition) of prepaid expense		(199)	(567)
Consumption of supplies inventories		214,852	
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>214,653</b>	<b>(9,687,746)</b>
<b>Increase (Decrease) in Net Financial Assets</b>	<b>\$ 456,241</b>	<b>3,203,283</b>	<b>(9,190,790)</b>
<b>Net Financial Assets - Beginning of Year</b>		<b>(1,088,883)</b>	<b>8,101,907</b>
<b>Net Financial Assets - End of Year</b>	<b>\$</b>	<b>2,114,400</b>	<b>\$ (1,088,883)</b>

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

Rural Municipality of Hillsdale No. 440  
Statement of Cash Flow  
As at December 31, 2022

Statement 4

	2022	2021
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 2,382,661	\$ 468,594
Amortization	2,145,818	2,085,542
Loss (gain) on disposal of tangible capital assets	23,161	20,289
	<u>4,551,640</u>	<u>2,574,425</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	39,762	95,747
Other Receivables	45,679	371,977
Assets Held for Sale		
Other Financial Assets (deposit)		1,000,000
Accounts and Accrued Liabilities Payable	336,576	30,577
Deposits		
Deferred Revenue		1,800
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use	214,852	(280,997)
Prepayments and Deferred Charges	(200)	(567)
Other (Gravel pit)		(9,406,182)
<b>Cash provided by (applied to) operating transactions</b>	<b>5,188,309</b>	<b>(5,613,220)</b>
<b>Capital:</b>		
Acquisition of Tangible Capital Assets	(1,708,010)	(2,093,370)
Proceeds on the Sale of Tangible Capital Assets	145,000	15,901
Other Capital		
<b>Cash provided by (applied to) capital transactions</b>	<b>(1,563,010)</b>	<b>(2,077,469)</b>
<b>Investing:</b>		
Acquisition of Investments	(1,977,482)	(19,072)
Proceeds on the Disposal of Investments		
Other Investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>(1,977,482)</b>	<b>(19,072)</b>
<b>Financing:</b>		
Debt Charges Recovered		
Proceeds from Long-Term Debt Issued		
Long-Term Debt Repaid	(1,684,138)	
Other Financing		
<b>Cash provided by (applied to) financing transactions</b>	<b>(1,684,138)</b>	
<b>Change in Cash and Temporary Investments during the year</b>	<b>(36,321)</b>	<b>(7,709,761)</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>7,340,246</b>	<b>15,050,007</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>\$ 7,303,925</b>	<b>\$ 7,340,246</b>

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



## 1. Significant Accounting Policies

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

### Entity

Rural Municipality of Hillsdale No. 440

**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:

Cut Knife & District Fire Association - not consolidated  
Maidstone Waseca & District Fire Board - not consolidated  
Neilburg Fire Board - not consolidated  
R.M. of Manitou Lake Fire & Rescue Co-operative Ltd. - not consolidated  
Highway 40 Health Holdings Board - not consolidated

Unable to consolidate the above partnerships because audited financial statements at December 31, 2022 for each are unavailable at the time of completion.

- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board and municipal hail are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing
- a) the transfers are authorized,
  - b) any eligibility criteria have been met, and
  - c) reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

- d) **Other (Non-Government Transfer) Contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.
- e) **Deferred Revenue:** Fees and charges - certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the 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.

1. Significant Accounting Policies - continued

- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund and Property Insurance Fund, Coop Equity, and Credit Union member share accounts are accounted for on the equity basis.
- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The 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	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	3 to 20 Yrs
Leased capital assets	Lease term
<b>Infrastructure Assets</b>	
Road Network Assets	15 to 40 Yrs

**Government Contributions:** Government contributions for the acquisition of tangible 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 substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. Significant Accounting Policies - continued

- n) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- o) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
  - a) an environmental standard exists;
  - b) contamination exceeds the environmental standard;
  - c) the 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.
- p) **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. Taxes receivable and 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.

- q) **Basis of Segmentation/Segment Report:** The municipality has adopted 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 neighborhood development and sustainability.

**Recreation and Cultural:** 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.

- r) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- s) **Assets Held for Sale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- t) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

**Rural Municipality of Hillsdale No. 440**  
**Notes to the Financial Statements**  
**As at December 31, 2022**

**1. Significant Accounting Policies - continued**

- u) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The original budget was approved by Council on *April 7, 2022*. An amended budget was approved by Council on *July 7, 2022*. The original budget is presented in the financial statements.
- v) **New Standards and Amendments to Standards:**  
**Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

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

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

**PS 3450 Financial Instruments**, 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.

Rural Municipality of Hillsdale No. 440  
Notes to the Financial Statements  
As at December 31, 2022

	2022	2021
<b>2. Cash and Temporary Investments</b>		
Cash	\$ 7,303,925	\$ 7,340,246
Temporary Investments		
Restricted Cash		
<b>Total Cash and Temporary Investments</b>	<b>\$ 7,303,925</b>	<b>\$ 7,340,246</b>

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

The municipality has set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are under funded by \$5,439,239 (2021 - \$4,173,089). However, there are sufficient funds in the general account to fund the reserves.

**3. Taxes Receivable - Municipal**

Municipal - Current	\$ 110,506	\$ 92,757
- Arrears	147,390	187,425
	257,896	280,182
- Less Allowance for Uncollectibles	(144,509)	(127,033)
<b>Total Municipal Taxes Receivable</b>	<b>113,387</b>	<b>153,149</b>

School - Current	17,706	15,641
- Arrears	17,815	23,546
<b>Total School Taxes Receivable</b>	<b>35,521</b>	<b>39,187</b>

Other		
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Total Taxes and Grants in Lieu Receivable 148,908 192,336

Deduct Taxes Receivable to be Collected on Behalf of Other Organizations (35,521) (39,187)

**Total Taxes Receivable - Municipal \$ 113,387 \$ 153,149**

**4. Other Accounts Receivable**

Federal government	\$ 29,072	\$ 22,238
Provincial government		
Local government	134,486	127,346
Utility		
Trade	47,740	107,393
Other (Specify)		
<b>Total Other Accounts Receivable</b>	<b>211,298</b>	<b>256,977</b>

Less Allowance for Uncollectibles

**Net Other Accounts Receivable \$ 211,298 \$ 256,977**

**5. Assets Held for Sale**

Tax Title Property	\$ 29,108	\$ 29,108
Allowance for Market Value Adjustment		
<b>Net Tax Title Property</b>	<b>29,108</b>	<b>29,108</b>

Other Land		
Allowance for Market Value Adjustment		
<b>Net Other Land</b>		

**Total Assets Held for Sale \$ 29,108 \$ 29,108**

Rural Municipality of Hillsdale No. 440

Notes to the Financial Statements

As at December 31, 2022

6. Long-term Investments

	2022	2021
Lloydminster & District Co-op - equity	\$ 19,693	19,599
Pine Island Lodge - shares	100	100
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	47,043	59,699
Sask. Assoc. of Rural Municipalities - Tax Loss Compensation Fund	232,839	242,795
Synergy Credit Union - equity	30,000	30,000
Synergy Credit Union - shares	5	5
Synergy Credit Union - term deposits	2,000,000	
<b>Total Long-term Investments</b>	<b>\$ 2,329,680</b>	<b>\$ 352,198</b>

7. Credit Facility agreement

The municipality has a credit facility agreement with its financial institution that covers a revolving operating line of credit in the amount of \$750,000 and credit cards with a limit of \$20,000.

Interest on the line of credit is 6.45% (2021 - 2.35%). Security for the line of credit is the assignment of the municipality's municipal taxes receivable. There was no balance owing at year end under this line of credit in 2022 or 2021.

Credit card interest is 19.99%. Any balance owing is included in the accounts payable at year end.

8. Deferred Revenue

Prepaid lease fees	\$ 8,750	\$ 8,750
<b>Total Deferred Revenue</b>	<b>\$ 8,750</b>	<b>\$ 8,750</b>

9. Long-term Debt

The debt limit of the municipality is \$4,757,362 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)*).

Debenture debt has been issued by the Saskatchewan Municipal Board for financing a gravel pit acquisition. Annual payments are \$983,679 including interest at 1.65%. The debt is due December 2030.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2022				1,684,138
2023	862,967	120,712	983,679	862,967
2024	877,206	106,473	983,679	877,206
2025	891,680	91,999	983,679	891,680
2026	906,393	77,286	983,679	906,393
Thereafter	3,777,615	157,101	3,934,716	3,777,616
<b>Balance</b>	<b>\$ 7,315,861</b>	<b>\$ 553,571</b>	<b>\$ 7,869,432</b>	<b>\$ 9,000,000</b>

Rural Municipality of Hillsdale No. 440  
Schedule of Taxes and Other Unconditional Revenue  
As at December 31, 2022

Schedule 1

	2022 Budget	2022	2021
<b>TAXES</b>			
General municipal tax levy	\$ 4,917,600	\$ 5,802,086	\$ 4,899,486
Abatements and adjustments	(1,800)	(2,350)	(8,584)
Discount on current year taxes	(223,000)	(102)	(226,894)
<b>Net Municipal Taxes</b>	<b>4,692,800</b>	<b>5,799,634</b>	<b>4,664,008</b>
Potash tax share			
Trailer license fees			
Penalties on tax arrears	36,000	45,836	373,865
Special tax levy			
Other (Crown permit)			21
<b>Total Taxes</b>	<b>4,728,800</b>	<b>5,845,470</b>	<b>5,037,894</b>

**UNCONDITIONAL GRANTS**

Revenue Sharing	259,094	259,243	274,421
Organized Hamlet			
Safe Restart			
Other (Specify)			
<b>Total Unconditional Grants</b>	<b>259,094</b>	<b>259,243</b>	<b>274,421</b>

**GRANTS IN LIEU OF TAXES**

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	20,000	25,090	19,440
Other (Sask. Environment and Resource Management)	1,012	1,134	1,012
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement (deficit)	10,000	(9,957)	15,598
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
SaskEnergy Surcharge			
Other (Specify)			
<b>Total Grants in Lieu of Taxes</b>	<b>31,012</b>	<b>16,267</b>	<b>36,050</b>

<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 5,018,906</b>	<b>\$ 6,120,980</b>	<b>\$ 5,348,365</b>
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Rural Municipality of Hillsdale No. 440  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2022

Schedule 2 - 1

	2022 Budget	2022	2021
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,000	\$ 2,375	\$ 1,446
- Sales of supplies	2,000	2,031	1,398
- Other (General office services)	3,600	1,035	2,630
Total Fees and Charges	6,600	5,441	5,474
- Tangible capital asset sales - gain (loss)			(2)
- Land sales - gain			
- Investment income and commissions	60,000	147,651	62,300
- Other (SARM & WCB)	5,000	17,361	24,633
Total Other Segmented Revenue	71,600	170,453	92,405
Conditional Grants			
- Student Employment	52,020	60,433	54,415
- MEEP			
- Other			
Total Conditional Grants	52,020	60,433	54,415
<b>Total Operating</b>	123,620	230,886	146,820
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total General Government Services</b>	<b>123,620</b>	<b>230,886</b>	<b>146,820</b>

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (Fire fees)	500	5,483	4,618
Total Fees and Charges	500	5,483	4,618
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	500	5,483	4,618
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	500	5,483	4,618
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Protective Services</b>	<b>500</b>	<b>5,483</b>	<b>4,618</b>



Rural Municipality of Hillsdale No. 440  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2022

Schedule 2 - 2

	2022 Budget	2022	2021
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	20,000	20,467	17,151
- Sales of supplies	1,000	2,088	770
- Road Maintenance and Restoration Agreements	35,000	34,139	41,346
- Frontage			
- Other (Licenses and permits)	14,500	11,450	18,650
Total Fees and Charges	70,500	68,144	77,917
- Tangible capital asset sales - gain (loss)		(23,161)	(20,287)
- Other (Specify)			
Total Other Segmented Revenue	70,500	44,983	57,630
Conditional Grants			
- RIRG (CTP)	13,604	11,652	13,604
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	13,604	11,652	13,604
Total Operating	84,104	56,635	71,234
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	50,000	17,088	67,383
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)	13,480	435,421	
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	63,480	452,509	67,383
Restructuring Revenue (Specify, if any)			
Total Transportation Services	147,584	509,144	138,617

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	4,000	4,126	4,027
- Other (Pest control)	2,300	2,704	6,510
Total Fees and Charges	6,300	6,830	10,537
- Tangible capital asset sales - gain (loss)			
- Other (Cemetery & Vet Service Board)	1,270	1,942	2,663
Total Other Segmented Revenue	7,570	8,772	13,200
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (PREP)	3,145	11,821	5,025
Total Conditional Grants	3,145	11,821	5,025
Total Operating	10,715	20,593	18,225
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	10,715	20,593	18,225

Rural Municipality of Hillsdale No. 440  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2022

Schedule 2 - 3

	2022 Budget	2022	2021
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges		600	300
- Other (Pasture and oil well surface lease)	147,000	168,022	143,672
Total Fees and Charges	147,000	168,622	143,972
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	147,000	168,622	143,972
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	147,000	168,622	143,972
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	147,000	168,622	143,972

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (Donations)		1,095	830
Total Fees and Charges		1,095	830
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		1,095	830
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>		1,095	830
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>		1,095	830

Rural Municipality of Hillsdale No. 440  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2022

Schedule 2 - 4

	2022 Budget	2022	2021
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>			
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Utility Services</b>			

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$</b>	<b>429,419</b>	<b>\$</b>	<b>935,823</b>	<b>\$</b>	<b>453,082</b>
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**SUMMARY**

Total Other Segmented Revenue	\$	297,170	\$	399,408	\$	312,655
Total Conditional Grants		68,769		83,906		73,044
Total Capital Grants and Contributions		63,480		452,509		67,383
Restructuring Revenue						
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$</b>	<b>429,419</b>	<b>\$</b>	<b>935,823</b>	<b>\$</b>	<b>453,082</b>

## GENERAL GOVERNMENT SERVICES

	2022 Budget	2022	2021
Council remuneration and travel	\$ 38,500	\$ 28,413	\$ 30,273
Wages and benefits	356,250	361,895	350,290
Professional/Contractual services	87,395	100,320	77,189
Utilities	8,075	8,391	7,641
Maintenance, materials and supplies	21,275	21,507	19,337
Grants and contributions - operating	850	100	100
- capital			
Amortization	14,129	14,129	14,128
Interest			
Allowance for uncollectibles	150,000	69,412	523,216
Other (Appeal fees)	400		450
<b>General Government Services</b>	<b>676,874</b>	<b>604,167</b>	<b>1,022,624</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total General Government Services</b>	<b>676,874</b>	<b>604,167</b>	<b>1,022,624</b>

## PROTECTIVE SERVICES

## Police protection

Wages and benefits			
Professional/Contractual services	104,350	103,049	96,850
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

## Fire protections

Wages and benefits			
Professional/Contractual services	92,041	100,607	90,617
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			

<b>Protective Services</b>	<b>196,391</b>	<b>203,656</b>	<b>187,467</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Protective Services</b>	<b>196,391</b>	<b>203,656</b>	<b>187,467</b>

## TRANSPORTATION SERVICES

Wages and benefits	421,968	262,960	408,160
Professional/Contractual Services	364,500	343,480	394,644
Utilities	16,570	18,467	16,611
Maintenance, materials and supplies	394,800	366,917	306,821
Gravel	405,000	415,849	525,576
Grants and contributions - operating			
- capital			
Amortization	2,161,065	2,128,746	2,068,471
Interest	134,720	133,568	147,367
Other (Specify)			
<b>Transportation Services</b>	<b>3,898,623</b>	<b>3,669,987</b>	<b>3,867,650</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Transportation Services</b>	<b>3,898,623</b>	<b>3,669,987</b>	<b>3,867,650</b>

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 2

	2022 Budget	2022	2021
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits			
Professional/Contractual services	70,630	59,704	77,242
Utilities	800	953	743
Maintenance, materials and supplies	17,200	421	7,953
Grants and contributions - operating			
o Waste disposal			
o Public Health	10,000	10,000	10,000
- capital			
o Waste disposal			
o Public Health			
Amortization	2,018	2,018	2,018
Interest			
Other (Specify)			
<b>Environmental and Public Health Services</b>	<b>100,648</b>	<b>73,096</b>	<b>97,956</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Environmental and Public Health Services</b>	<b>100,648</b>	<b>73,096</b>	<b>97,956</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits			
Professional/Contractual Services	16,650	14,757	15,536
Grants and contributions - operating			
- capital			
Amortization	925	925	925
Interest			
Other (Specify)			
<b>Planning and Development Services</b>	<b>17,575</b>	<b>15,682</b>	<b>16,461</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	<b>17,575</b>	<b>15,682</b>	<b>16,461</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits			
Professional/Contractual services	6,973	6,973	6,973
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	95,000	100,581	133,722
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
<b>Recreation and Cultural Services</b>	<b>101,973</b>	<b>107,554</b>	<b>140,695</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>	<b>101,973</b>	<b>107,554</b>	<b>140,695</b>

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2022

Schedule 3 - 3

	2022 Budget	2022	2021
<b>UTILITY SERVICES</b>			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
Utility Services			
Restructuring ( <i>Specify, if any</i> )			
<b>Total Utility Services</b>			
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 4,992,084</b>	<b>\$ 4,674,142</b>	<b>\$ 5,332,853</b>

Rural Municipality of Hillsdale No. 440  
Schedule of Segment Disclosure by Function  
As at December 31, 2022

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 5,441	\$ 5,483	\$ 68,144	\$ 6,830	\$ 168,622	\$ 1,095		\$ 255,615
Tangible Capital Asset Sales - Gain (loss)			(23,161)					(23,161)
Land Sales - Gain								
Investment Income and Commissions	147,651							147,651
Other Revenues	17,361			1,942				19,303
Grants - Conditional	60,433		11,652	11,821				83,906
- Capital			452,509					452,509
Restructurings								
<b>Total Revenues</b>	<b>230,886</b>	<b>5,483</b>	<b>509,144</b>	<b>20,593</b>	<b>168,622</b>	<b>1,095</b>		<b>935,823</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	390,308		262,960					653,268
Professional/ Contractual Services	100,320	203,656	343,480	59,704	14,757	6,973		728,890
Utilities	8,391		18,467	953				27,811
Maintenance, Materials and Supplies	21,507		782,766	421				804,694
Grants and Contributions	100			10,000		100,581		110,681
Amortization	14,129		2,128,746	2,018	925			2,145,818
Interest			133,568					133,568
Allowance for Uncollectibles								69,412
Other	69,412							
Restructurings								
<b>Total Expenses</b>	<b>604,167</b>	<b>203,656</b>	<b>3,669,987</b>	<b>73,096</b>	<b>15,682</b>	<b>107,554</b>		<b>4,674,142</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (373,281)</b>	<b>\$ (198,173)</b>	<b>\$ (3,160,843)</b>	<b>\$ (52,503)</b>	<b>\$ 152,940</b>	<b>\$ (106,459)</b>		<b>\$ (3,738,319)</b>

Taxation and Other Unconditional Revenue (Schedule 1)

6,120,980

**Net Surplus (Deficit)** **\$ 2,382,661**

Rural Municipality of Hillsdale No. 440  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2021

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 5,474	\$ 4,618	\$ 77,917	\$ 10,537	\$ 143,972	\$ 830		\$ 243,348
Tangible Capital Asset Sales - Gain (loss)	(2)		(20,287)					(20,289)
Land Sales - Gain								
Investment Income and Commissions	62,300							62,300
Other Revenues	24,633			2,663				27,296
Grants - Conditional	54,415		13,604	5,025				73,044
- Capital			67,383					67,383
Restructurings								
<b>Total Revenues</b>	<b>146,820</b>	<b>4,618</b>	<b>138,617</b>	<b>18,225</b>	<b>143,972</b>	<b>830</b>		<b>453,082</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	380,563		408,160					788,723
Professional/ Contractual Services	77,189	187,467	394,644	77,242	15,536	6,973		759,051
Utilities	7,641		16,611	743				24,995
Maintenance, Materials and Supplies	19,337		832,397	7,953				859,687
Grants and Contributions	100			10,000		133,722		143,822
Amortization	14,128		2,068,471	2,018	925			2,085,542
Interest			147,367					147,367
Allowance for Uncollectibles	523,216							523,216
Other	450							450
Restructurings								
<b>Total Expenses</b>	<b>1,022,624</b>	<b>187,467</b>	<b>3,867,650</b>	<b>97,956</b>	<b>16,461</b>	<b>140,695</b>		<b>5,332,853</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (875,804)</b>	<b>\$ (182,849)</b>	<b>\$ (3,729,033)</b>	<b>\$ (79,731)</b>	<b>\$ 127,511</b>	<b>\$ (139,865)</b>		<b>(4,879,771)</b>

Taxation and Other Unconditional Revenue (Schedule 1)

5,348,365

**Net Surplus (Deficit)** **\$ 468,594**



## Rural Municipality of Hillsdale No. 440

### Schedule of Tangible Capital Assets by

## Schedule 6

2022										2021
	General Assets					Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				
Asset Cost										
Opening Asset costs	\$ 1,455,621	\$ 101,131	\$ 1,193,023	\$ 164,317	\$ 3,133,473	\$ 42,721,766	\$ 8,862	\$ 48,778,193	\$ 46,765,744	
Additions during the year					535,634		1,172,376	1,708,010	2,093,370	
Disposals and write-downs during the year					(362,084)		(1,173,060)	(362,084)	(80,921)	
Transfers (from) assets under construction						1,173,060				
Transfer of Capital Assets related to restructuring										
Closing Asset Costs	1,455,621	101,131	1,193,023	164,317	3,307,023	43,894,826	8,178	50,124,119	48,778,193	
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs		44,447	332,378	51,635	1,331,549	18,481,722		20,241,731	18,200,920	
Add: Amortization taken		6,741	24,979	14,839	201,466	1,897,793		2,145,818	2,085,542	
Less: Accumulated amortization on disposals					(193,923)			(193,923)	(44,731)	
Transfer of Capital Assets related to restructuring										
Closing Accumulated Amortization Costs		51,188	357,357	66,474	1,339,092	20,379,515		22,193,626	20,241,731	
Net Book Value	\$ 1,455,621	\$ 49,943	\$ 835,666	\$ 97,843	\$ 1,967,931	\$ 23,515,311	\$ 8,178	\$ 27,930,493	\$ 28,536,462	

Rural Municipality of Hillsdale No. 440  
Schedule of Tangible Capital Assets by Function  
As at December 31, 2022

Schedule 7

	2022						2021	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total
<b>Asset Cost</b>								
Opening Asset costs	\$ 680,145		\$ 46,903,311	\$ 40,053	\$ 1,154,684			\$ 48,778,193
Additions during the year			1,708,010					1,708,010
Disposals and write-downs during the year			(362,084)					(362,084)
Transfer of Capital Assets related to restructuring								
<b>Closing Asset Costs</b>	<b>680,145</b>		<b>46,249,237</b>	<b>40,053</b>	<b>1,154,684</b>			<b>50,124,119</b>
<b>Accumulated Amortization Cost</b>								
Opening Accumulated Amortization Costs	198,094		20,025,905	12,807	4,925			18,200,920
Add: Amortization taken	14,129		2,128,746	2,018	925			2,085,542
Less: Accumulated amortization on disposals			(193,923)					(44,731)
Transfer of Capital Assets related to restructuring								
<b>Closing Accumulated Amortization Costs</b>	<b>212,223</b>		<b>21,960,728</b>	<b>14,825</b>	<b>5,850</b>			<b>22,193,626</b>
<b>Net Book Value</b>	<b>\$ 467,922</b>		<b>\$ 26,288,509</b>	<b>\$ 25,228</b>	<b>\$ 1,148,834</b>			<b>\$ 27,930,493</b>
								<b>\$ 28,536,462</b>

Rural Municipality of Hillsdale No. 440  
Schedule of Accumulated Surplus  
As at December 31, 2022

Schedule 8

	2021	Changes	2022
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 4,681,579</b>	<b>\$ 1,722,480</b>	<b>\$ 6,404,059</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment			
Public Reserve	1,701		1,701
Capital Trust			
Utility			
Other (Future Capital)	4,171,388	1,266,150	5,437,538
<b>Total Appropriated</b>	<b>4,173,089</b>	<b>1,266,150</b>	<b>5,439,239</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6, 7)	28,536,462	(605,969)	27,930,493
Less: Related debt			
<b>Net Investment in Tangible Capital Assets</b>	<b>28,536,462</b>	<b>(605,969)</b>	<b>27,930,493</b>
<b>Total Accumulated Surplus</b>	<b>\$ 37,391,130</b>	<b>\$ 2,382,661</b>	<b>\$ 39,773,791</b>

Rural Municipality of Hillsdale No. 440  
Schedule of Mill Rates and Assessments  
As at December 31, 2022

Schedule 9

	PROPERTY CLASS					
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	\$ 130,261,900	\$ 10,371,875		\$ 19,520	\$ 32,613,290	\$ 173,266,585
Regional Park Assessment						
Total Assessment						173,266,585
Mill Rate Factor(s)	1.0	1.3		1.3	9.0	
Total Base/Minimum Tax (generated for each property class)		38,480			3,193,000	3,231,480
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 767,243	\$ 112,864		\$ 149	\$ 4,921,830	\$ 5,802,086

MILL RATES: MILLS

Average Municipal*	33.4865
Average School*	3.1789
Potash Mill Rate	
Uniform Municipal Mill Rate	5.8900

\* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Council Remuneration**  
**As at December 31, 2022**  
*(Unaudited)*

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Reeve	Glenn Goodfellow	\$ 8,125	\$ 1,084	\$ 9,209
Councillor	Trevor McCrea	5,500	942	6,442
Councillor	Jerry Petovello	5,125	353	5,478
Councillor	Tannis Chibri	500	10	510
Councillor	Bernadette Poppleton	5,375	553	5,928
Councillor	Vincent Murphy	875	45	920
Councillor	Darren Tyler	500	99	599
Councillor	Floyd Whitney	6,000	554	6,554
Councillor	Dale (Chip) Chibri	5,000	305	5,305
<b>Total</b>		<b>\$ 37,000</b>	<b>\$ 3,945</b>	<b>\$ 40,945</b>