

R.M OF BIG ARM NO. 251
Financial Statements
Year Ended December 31, 2021

R.M OF BIG ARM NO. 251
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Year Ended December 31, 2021

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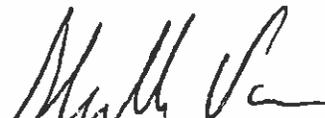
Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fair presentation of the 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

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


Mr Sheldon Vance, Reeve


Mrs Yvonne (Bonny) Goodman, Chief
Administrative Officer

Imperial, Sask

Date:

May 9/2022

Independent Auditor's report

To the Council of the R.M of Big Arm No. 251:

Opinion

We have audited the financial statements of the R.M of Big Arm No. 251 (the Municipality), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and 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 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, 2021, and the results of its operations, the changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As outlined in Note 7 to the financial statements, the Municipality maintains a solid waste landfill site for which it has recorded an estimate of its closure and post-closure liabilities. The valuation of this estimate is based on general information, non specific to the landfill. This constitutes a departure from Canadian public sector accounting standards, which require the closure and post-closure liabilities to be recognized on a volumetric basis as the landfill site capacity is used, beginning when the site first accepts waste. This is the result of a cost-benefit decision taken by management not to engage a third party to determine the liability until the site was closed. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were not able to determine whether any adjustments might be necessary to the surplus of revenues over expenses and cash flows for the year ended December 31, 2021, landfill closure and post-closure liabilities as at December 31, 2021 and net financial assets as at January 1 and December 31, 2021.

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

Other Matters

Predecessor Auditor

The financial statements of the R.M. of Big Arm for the year ended December 31, 2020 were audited by Leah Herback, CPA, CA who expressed an unqualified on those statements on February 12, 2021.

Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7, 9 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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.

(continues)

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

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

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.

Weyburn, SK
May 9, 2022



Chartered Professional Accountants

R.M OF BIG ARM NO. 251
Statement of Financial Position
As at December 31, 2021

Statement 1

	2021	2020
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,454,192	\$ 2,568,444
Taxes Receivable - Municipal (Note 3)	4,833	2,850
Other Accounts Receivable (Note 4)	55,381	37,974
Land for Resale (Note 5)	-	-
Long - Term Investments (Note 6)	512,881	508,975
Debt Charges Recoverable	-	-
Other (Specify)	-	-
Total financial assets	3,027,287	3,118,243
LIABILITIES		
Long-term debt (Note 7)	-	-
Accounts Payable	47,946	21,265
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue	3,515	700
Accrued Landfill Costs (Note 8)	50,000	50,000
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt	-	-
Lease Obligations	-	-
Total liabilities	101,461	71,965
NET FINANCIAL ASSETS	2,925,826	3,046,278
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	3,379,070	3,381,029
Prepayments and Deferred Charges	751	561
Stock and supplies	217,816	80,634
Other	-	-
Total Non-Financial Assets	3,597,637	3,462,224
ACCUMULATED SURPLUS (Schedule 8)	\$ 6,523,463	\$ 6,508,502

	Budget 2021	2021	2020
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,219,403	\$ 1,218,845	\$ 1,220,354
Fees and Charges (Schedule 4, 5)	30,260	39,558	40,151
Conditional Grants (Schedule 4, 5)	55,100	50,794	16,349
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	(145,902)	2,602
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	20,000	10,653	20,680
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	-	7,042	13
Total Revenues other than Provincial/Federal Capital Grants and Contributions	1,324,763	1,180,990	1,300,149
EXPENSES			
General Government Services (Schedule 3)	237,690	222,396	218,699
Protective Services (Schedule 3)	14,800	14,999	15,124
Transportation Services (Schedule 3)	1,096,506	908,116	902,559
Environmental and Public Health Services (Schedule 3)	42,100	37,340	33,949
Planning and Development Services (Schedule 3)	200	-	-
Recreation and Cultural Services (Schedule 3)	14,800	3,538	13,538
Utility Services (Schedule 3)	4,500	2,913	2,872
Restructurings (Schedule 3)	-	-	-
Total Expenses	1,410,596	1,189,302	1,186,741
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	(85,833)	(8,312)	113,408
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	12,220	23,273	44,356
Surplus (Deficit) of Revenues over Expenses	(73,613)	14,961	157,764
Accumulated Surplus (Deficit), Beginning of Year	6,508,502	6,508,502	6,350,738
ACCUMULATED SURPLUS - END OF YEAR	\$ 6,434,889	\$ 6,523,463	\$ 6,508,502

R.M OF BIG ARM NO. 251

Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

	Budget 2021	2021	2020
Surplus (Deficit)	\$ (73,613)	\$ 14,961	\$ 157,765
(Acquisition) of tangible capital assets	-	(427,287)	(378,397)
Amortization of tangible capital assets	-	163,343	165,473
Proceeds on disposal of tangible capital assets	-	120,000	14,414
Loss (gain) on the disposal of tangible capital assets	-	145,902	(2,602)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	1,958	(201,112)
(Acquisition) of supplies inventories	-	(217,815)	(14,870)
(Acquisition) of prepaid expense	-	(751)	(2,253)
Consumption of supplies inventory	-	80,634	92,780
Use of prepaid expense	-	561	2,250
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(137,371)	77,907
Increase/Decrease in Net Financial Assets	(73,613)	(120,452)	34,560
Net Financial Assets (Debt) - Beginning of Year	3,046,278	3,046,278	3,011,718
Net Financial Assets (Debt) - End of Year	\$ 2,972,665	\$ 2,925,826	\$ 3,046,278

Cash provided by (used for) the following activities

	2021	2020
Operating:		
Surplus (Deficit)	\$ 14,962	\$ 157,765
Amortization	163,343	165,473
Loss (gain) on disposal of tangible capital assets	145,902	(2,602)
	<u>324,207</u>	<u>320,636</u>
Change in assets/liabilities		
- Current	(1,983)	8,806
Other Receivables	(17,407)	(23,836)
Accounts Payable	26,681	10,193
Deferred Revenue	2,815	-
Prepayments and Deferred Charges	(190)	1
Stock and supplies	(137,182)	77,908
	<u>(127,266)</u>	<u>73,072</u>
Cash provided by operating transactions	<u>196,941</u>	<u>393,708</u>
Capital:		
Acquisition of capital assets	(427,287)	(378,397)
Proceeds from the disposal of capital assets	120,000	14,414
	<u>(307,287)</u>	<u>(363,983)</u>
Cash applied to capital transactions	<u>(307,287)</u>	<u>(363,983)</u>
Investing:		
Investments	(3,905)	(3,893)
Other	(1)	-
	<u>(3,906)</u>	<u>(3,893)</u>
Cash provided by (applied to) investing transactions	<u>(3,906)</u>	<u>(3,893)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
	<u>-</u>	<u>-</u>
Cash provided by (applied to) financing transactions	<u>-</u>	<u>-</u>
Change in Cash and Temporary Investments during the year	<u>(114,252)</u>	<u>25,832</u>
Cash and Temporary Investments - Beginning of Year	<u>2,568,444</u>	<u>2,542,612</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 2,454,192</u>	<u>\$ 2,568,444</u>

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 consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all of the organizations that are owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. There are no external entities consolidated into this municipality.

(b) **Collection of funds for other authorities:**

Collection of funds by the Municipality for school boards, Municipal Hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **Government Transfers:**

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

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

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

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

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

(d) **Deferred Revenue - Fees and Charges:**

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed. Resources restricted by agreement with an external party are recognized as revenue in the Municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

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

(f) **Net Financial Assets:**

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

(g) **Non-financial assets:**

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

(h) **Appropriated Reserves:**

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

(continues)

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

(i) **Property Tax Revenue:**

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

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

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

(k) **Inventories:**

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

(l) **Tangible Capital Assets:**

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

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 Years
Buildings	40 Years
Vehicles & Equipment	
Vehicles	10 to 20 Years
Machinery and Equipment	10 to 40 Years
Office furniture and equipment	5 to 10 Years
Infrastructure Assets	
Water & Sewer	40 Years
Road Network Assets	15 to 40 Years
Bridges	15 to 40 Years

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

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.

(continues)

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

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 a tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(m) **Landfill liability:**

The Municipality maintains a waste disposal site. The costs to close and maintain solid waste landfill sites are based on estimated future expenses, adjusted for inflation and discounted to current dollars. The annual provision is reported as an expense and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position. Recommended disclosure is provided in Note 7. The Municipality has not yet completed its engineering study of closure and post-closure costs.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the Municipality. Trust fund activities administered by the Municipality are disclosed in Note 18.

(o) **Employee benefit plans:**

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

(p) **Liability for Contaminated Sites:**

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

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) The Municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

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

(q) **Measurement Uncertainty:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

(continues)

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

(r) **Basis of segmentation/Segment report:**

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

The segments (functions) are as follows:

General Government: Provides for the administration of the Municipality.

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

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on March 8, 2021.

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

Future Accounting Standards, Effective for fiscal years beginning on or after April 1, 2022:

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

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

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

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

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Notes to Financial Statements

As at December 31, 2021

1. Significant accounting policies (continued)

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

Effective for fiscal years beginning on or After April 1, 2023:

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

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

2. Cash and Temporary Investments

	<u>2021</u>	<u>2020</u>
RBC - operating account	\$ 724,640	\$ 843,335
RBC - savings account	1,729,552	1,725,109
Total Cash and Temporary Investments	\$ 2,454,192	\$ 2,568,444

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

3. Taxes Receivable - Municipal

	<u>2021</u>	<u>2020</u>
<u>Municipal</u>		
- Current	\$ 4,643	\$ 6,033
- Arrears	190	817
	<u>4,833</u>	<u>6,850</u>
Less - allowance for uncollectibles	-	(4,000)
Total municipal taxes receivable	<u>4,833</u>	<u>2,850</u>
<u>School</u>		
- Current	361	979
- Arrears	29	278
Total school taxes receivable	<u>390</u>	<u>1,257</u>
Municipal - other	-	-
Total taxes and grants in lieu receivable	<u>5,223</u>	<u>4,107</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(390)</u>	<u>(1,257)</u>
Total Taxes Receivable - Municipal	\$ 4,833	\$ 2,850

Notes to Financial Statements

As at December 31, 2021

4. Other Accounts Receivable

	2021	2020
Federal Government	\$ 52,392	\$ 19,368
Provincial government	2,951	-
Local government	-	2,086
Utility	-	-
Trade	38	16,520
Other	-	-
Total Other Accounts Receivable	55,381	37,974
Less: allowance for uncollectibles	-	-
Net Other Accounts Receivable	\$ 55,381	\$ 37,974

5. Land for Resale

	2021	2020
Tax Title Property	\$ 4,355	\$ 4,355
Other Land	-	-
Allowance for market value adjustment	(4,355)	(4,355)
Net Other Land	(4,355)	(4,355)
Total Land for Resale	\$ -	\$ -

6. Investments

	2021	2020
Short-term Investments		
RBC GIC 79 @ 0.10% - matures October 2022	\$ 220,051	\$ 220,051
RBC GIC 78 @ 0.10% - matures October 2022	200,047	200,047
Other accrued interest	-	375
	420,098	420,473
Long-term Investments		
Sask Association of Rural Municipalities - Liability Self Insurance fund	47,543	44,756
Liberty Co-operative Ltd. - member equity	23,054	22,753
Imperial Co-operative Ltd. - member equity	14,075	14,075
Sask Association of Rural Municipalities - Property Self Insurance Fund	8,049	6,856
Davidson Co-operative Ltd. - member equity	62	62
Total Investments	\$ 512,881	\$ 508,975

Guaranteed Investment Certificates (GIC's) are shown at cost plus accrued interest. All interest rates are per annum.

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

Co-op equity is recorded at cost.

7. Long-term Debt

The debt limit of the Municipality is \$951,012. The debit 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)1).

Notes to Financial Statements

As at December 31, 2021

8. Accrued Landfill Costs

	<u>2021</u>	<u>2020</u>
Environmental Liabilities	<u>\$ 50,000</u>	<u>\$ 50,000</u>

In 2021 the Municipality has accrued an overall liability for environmental matters in the amount of \$50,000 (2020 - \$50,000) which represents management's internal estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$50,000 (2020 - \$50,000) of the estimated total landfill closure and post-closure care expenses.

9. Pension Plan

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Municipality pension expense in 2021 was \$26,454. The benefits accrued to the Municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

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

	<u>2021</u>	<u>2020</u>
<u>Details of MEPP</u>		
Number of active members	7	6
Member contribution rates (percentage of salary):		
Employee contribution - general members	9.00%	9.00%
Employer contribution - general members	9.00%	9.00%
Member contributions for the year	26,454	30,032
Employer contributions for the year	26,454	30,032
Financial position of the plan:		
Plan assets	3,568,400,000	3,221,426,000
Plan liabilities	<u>2,424,014,000</u>	<u>2,382,526,000</u>
Accounting pension surplus	<u>1,144,386,000</u>	<u>\$ 838,900,000</u>

2021 year's maximum pensionable amount (YMPE) \$61,600

10. Impacts of COVID-19

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

To date, the pandemic has not had any significant impact on the operations of the Municipality or its financial position.

R.M OF BIG ARM NO. 251

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2021

Schedule 1

	Budget 2021	2021	2020
TAXES			
General municipal tax levy	\$ 1,004,113	\$ 1,004,113	\$ 992,348
Abatements and adjustments	-	(40)	-
Discount on current year taxes	(56,000)	(60,301)	(57,872)
Net Municipal Taxes	948,113	943,772	934,476
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	1,000	140	244
Special tax levy	-	-	-
Other (Tax Enforcement)	200	25	48
Total Taxes	949,313	943,937	934,768
UNCONDITIONAL GRANTS			
Revenue sharing	250,000	253,310	254,336
Organized Hamlet	-	-	-
Safe Restart	-	-	11,394
Other	-	-	-
Total Unconditional Grants	250,000	253,310	265,730
GRANTS IN LIEU OF TAXES			
Federal	19,000	20,363	18,765
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	408	-
Central Services	-	-	-
SaskTel	1,090	827	1,091
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
CPR Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	20,090	21,598	19,856
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,219,403	\$ 1,218,845	\$ 1,220,354

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 1

	Budget 2021	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 260	\$ 454	\$ 420
- Custom work	-	-	-
- Sales of supplies	500	221	428
- Other (Rent)	25,000	33,075	33,400
Total Fees and Charges	25,760	33,750	34,248
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	20,000	10,653	20,680
- Other	-	7,042	13
Total Other Segmented Revenue	45,760	51,445	54,941
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	45,760	51,445	54,941
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total General Government Services	45,760	51,445	54,941
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	-	-	1,025
- Other	-	-	-
Total Fees and Charges	-	-	1,025
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	1,025
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	1,025
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Protective Services	\$ -	\$ -	\$ 1,025

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 2

	Budget 2021	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	1,500	2,114	408
- Sales of supplies	-	-	569
- Road Maintenance and Restoration Agreements	2,000	1,347	2,748
- Frontage	-	-	-
- Other (Gravel extraction fee)	1,000	2,347	53
Total Fees and Charges	4,500	5,808	3,778
- Tangible capital asset sales - gain (loss)	-	(145,902)	2,602
- Other	-	-	-
Total Other Segmented Revenue	4,500	(140,094)	6,380
Conditional Grants			
- RIRG (CTP)	14,600	15,100	14,600
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (FCM grant)	39,000	33,998	-
Total Conditional Grants	53,600	49,098	14,600
Total Operating	58,100	(90,996)	20,980
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	12,220	23,273	16,904
- RIRG (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Heavy Haul	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	27,452
- Other	-	-	-
Total Capital	12,220	23,273	44,356
Restructuring revenue	-	-	-
Total Transportation Services	70,320	(67,723)	65,336
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Waste and Disposal Fees	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (PREP)	1,500	1,696	1,749
Total Conditional Grants	1,500	1,696	1,749
Total Operating	1,500	1,696	1,749
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Environmental and Public Health Services	\$ 1,500	\$ 1,696	\$ 1,749

See notes to financial statements

R.M OF BIG ARM NO. 251

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 3

	Budget 2021	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ 1,100
- Maintenance and Development Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	1,100
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	1,100
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	1,100
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Planning and Development Services	-	-	1,100
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Recreation and Cultural Services	\$ -	\$ -	\$ -

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 4

	Budget 2021	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	-	-	-
- Sewer	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 117,580	\$ (14,582)	\$ 124,151

SUMMARY

Total Other Segmented Revenue	\$ 50,260	\$ (88,649)	\$ 63,446
Total Conditional Grants	55,100	50,794	16,349
Total Capital Grants and Contributions	12,220	23,273	44,356
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 117,580	\$ (14,582)	\$ 124,151

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 1

	Budget 2021	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 27,000	\$ 23,185	\$ 18,711
Wages and benefits	119,390	121,017	113,029
Professional/Contractual services	35,200	31,975	34,192
Utilities	10,200	10,614	9,411
Maintenance, materials and supplies	24,000	16,635	21,186
Grants and contributions			
- capital	-	-	-
Amortization	21,900	21,970	21,970
Allowance For Uncollectibles	-	(4,000)	200
Other	-	1,000	-
General Government Services	237,690	222,396	218,699
Restructuring	-	-	-
Total General Government Services	237,690	222,396	218,699
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	9,300	9,785	9,200
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	500	-	1,025
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions			
- Operating	5,000	5,214	4,899
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - (Specify)	-	-	-
Protective Services	14,800	14,999	15,124
Restructuring	-	-	-
Total Protective Services	14,800	14,999	15,124
TRANSPORTATION SERVICES			
Wages and Benefits	308,500	238,943	285,360
Professional/Contractual Services	352,600	263,188	216,841
Utilities	7,100	4,637	5,378
Maintenance, materials and supplies	223,500	200,141	182,959
Gravel	75,000	60,610	69,294
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	129,806	140,597	142,727
Interest	-	-	-
Other	-	-	-
Transportation Services	1,096,506	908,116	902,559
Restructuring	-	-	-
Total Transportation Services	\$ 1,096,506	\$ 908,116	\$ 902,559

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 2

	Budget 2021	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	16,500	19,835	17,369
Utilities	-	-	-
Maintenance, materials and supplies	3,000	1,141	170
Grants and contributions			
- Operating	-	-	-
Waste disposal	10,000	3,764	3,810
Public Health	12,600	12,600	12,600
- Capital	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	42,100	37,340	33,949
Restructuring	-	-	-
Total Environmental and Public Health Services	42,100	37,340	33,949
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	200	-	-
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	200	-	-
Restructuring	-	-	-
Total Planning and Development Services	200	-	-
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	3,800	2,788	2,788
Utilities	-	-	-
Maintenance, materials, and supplies	500	-	-
Grants and contributions			
- Operating	10,500	750	10,750
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other - (specify)	-	-	-
Recreation and Cultural Services	14,800	3,538	13,538
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 14,800	\$ 3,538	\$ 13,538

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

	Budget 2021	2021	2020
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	500	154	-
Utilities	2,200	1,983	2,096
Maintenance, materials and supplies	1,000	-	-
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	800	776	776
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	4,500	2,913	2,872
Restructuring	-	-	-
Total Utility Services	4,500	2,913	2,872
TOTAL EXPENSES BY FUNCTION	\$ 1,410,596	\$ 1,189,302	\$ 1,186,741

R.M OF BIG ARM NO. 251

Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 33,750	\$ -	\$ 5,808	\$ -	\$ -	\$ -	\$ -	\$ 39,558
Tangible Capital Asset Sales - Gain (Loss)	-	-	(145,902)	-	-	-	-	(145,902)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	10,653	-	-	-	-	-	-	10,653
Other Revenues	7,042	-	-	-	-	-	-	7,042
Grants - Conditional	-	-	49,098	1,696	-	-	-	50,794
- Capital	-	-	23,273	-	-	-	-	23,273
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	51,445	-	(67,723)	1,696	-	-	-	(14,582)
Expenses (Schedule 3)								
Wages and Benefits	144,202	-	238,943	-	-	-	-	383,145
Professional/Contractual Services	31,975	9,785	263,188	19,835	-	2,788	154	327,725
Utilities	10,614	-	4,637	-	-	-	1,983	17,234
Maintenance Material and Supplies	16,635	-	260,751	1,141	-	-	-	278,527
Grants and Contributions	-	5,214	-	16,364	-	750	-	22,328
Amortization	21,970	-	140,597	-	-	-	776	163,343
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	(4,000)	-	-	-	-	-	-	(4,000)
Restructurings	-	-	-	-	-	-	-	-
Other	1,000	-	-	-	-	-	-	1,000
Total Expenses	222,396	14,999	908,116	37,340	-	3,538	2,913	1,189,302
Surplus (Deficit) by Function	(170,951)	(14,999)	(975,839)	(35,644)	-	(3,538)	(2,913)	(1,203,884)
Taxes and other unconditional revenue (Schedule 1)								<u>1,218,845</u>
Net Surplus (Deficit)								<u>\$ 14,961</u>

See notes to financial statements

R.M OF BIG ARM NO. 251

Schedule of Segment Disclosure by Function

As at December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 34,248	\$ 1,025	\$ 3,778	\$ -	\$ 1,100	\$ -	\$ -	\$ 40,151
Tangible Capital Asset Sales - Gain (Loss)	-	-	2,602	-	-	-	-	2,602
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	20,680	-	-	-	-	-	-	20,680
Other Revenues	13	-	-	-	-	-	-	13
Grants - Conditional	-	-	14,600	1,749	-	-	-	16,349
- Capital	-	-	44,356	-	-	-	-	44,356
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	54,941	1,025	65,336	1,749	1,100	-	-	124,151
Expenses (Schedule 3)								
Wages and Benefits	131,740	-	285,360	-	-	-	-	417,100
Professional/Contractual Services	34,192	10,225	216,841	17,369	-	2,788	-	281,415
Utilities	9,411	-	5,378	-	-	-	2,096	16,885
Maintenance Material and Supplies	21,186	-	252,253	170	-	-	-	273,609
Grants and Contributions	-	4,899	-	16,410	-	10,750	-	32,059
Amortization	21,970	-	142,727	-	-	-	776	165,473
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	200	-	-	-	-	-	-	200
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	218,699	15,124	902,559	33,949	-	13,538	2,872	1,186,741
Surplus (Deficit) by Function	(163,758)	(14,099)	(837,223)	(32,200)	1,100	(13,538)	(2,872)	(1,062,590)
Taxes and other unconditional revenue (Schedule 1)								<u>1,220,354</u>
Net Surplus (Deficit)								<u>\$ 157,764</u>

See notes to financial statements

R.M OF BIG ARM NO. 251

Schedule of Tangible Capital Assets by Object

As at December 31, 2021

Schedule 6

	2021								2020 Total
	General Assets					Infrastructure Assets	General/ Infrastructure	Total	
	Land	Land Improvement	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction		
Asset cost									
Opening Asset costs	\$ 31,370	\$ 13,250	\$ 506,108	\$ 51,885	\$ 1,513,698	\$ 3,936,123	\$ -	\$ 6,052,434	\$ 5,689,787
Additions during the year	-	-	-	-	427,287	-	-	427,287	378,397
Disposals and write-downs during the year	-	-	-	-	(379,860)	(5,790)	-	(385,650)	(15,750)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	31,370	13,250	506,108	51,885	1,561,125	3,930,333	-	6,094,071	6,052,434
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	662	69,198	7,783	369,196	2,224,566	-	2,671,405	2,509,871
Add: Amortization taken	-	331	12,650	2,594	65,631	82,137	-	163,343	165,472
Less: Accumulated amortization on disposals	-	-	-	-	(113,957)	(5,790)	-	(119,747)	(3,938)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	993	81,848	10,377	320,870	2,300,913	-	2,715,001	2,671,405
Net Book Value	\$ 31,370	\$ 12,257	\$ 424,260	\$ 41,508	\$ 1,240,255	\$ 1,629,420	\$ -	\$ 3,379,070	\$ 3,381,029

1. Total contributed donated assets received in 2020: \$ -
2. List of assets recognized at nominal value in 2020 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -
 - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2020: \$ -

See notes to financial statements

R.M OF BIG ARM NO. 251

Schedule of Tangible Capital Assets by Function

As at December 31, 2021

Schedule 7

	2021							Total	2020 Total
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
Asset cost									
Opening Asset costs	\$ 567,948	\$ -	\$ 5,451,011	\$ 165	\$ -	\$ -	\$ 33,310	\$ 6,052,434	\$ 5,689,787
Additions during the year	-	-	427,287	-	-	-	-	427,287	378,397
Disposals and write-downs during the year	-	-	(385,650)	-	-	-	-	(385,650)	(15,750)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	567,948	-	5,492,648	165	-	-	33,310	6,094,071	6,052,434
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	83,420	-	2,568,002	-	-	-	19,983	2,671,405	2,509,871
Add: Amortization taken	21,970	-	140,597	-	-	-	776	163,343	165,472
Less: Accumulated amortization on disposals	-	-	(119,747)	-	-	-	-	(119,747)	(3,938)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	105,390	-	2,588,852	-	-	-	20,759	2,715,001	2,671,405
Net Book Value	\$ 462,558	\$ -	\$ 2,903,796	\$ 165	\$ -	\$ -	\$ 12,551	\$ 3,379,070	\$ 3,381,029

See notes to financial statements

R.M OF BIG ARM NO. 251

Schedule of Accumulated Surplus

As at December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 1,307,473	\$ (283,080)	\$ 1,024,393
APPROPRIATED RESERVES			
Machinery and Equipment	435,050	-	435,050
Bridge Reserve	500,000	-	500,000
General Reserve	150,000	-	150,000
Roads Reserve	384,949	200,000	584,949
Public Reserve	1	-	1
Shop Reserve	300,000	-	300,000
Landfill Decommissioning Reserve	50,000	-	50,000
Fire Reserve	-	100,000	100,000
Total Appropriated	1,820,000	300,000	2,120,000
ORGANIZED HAMLETS			
Organized Hamlet of	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	3,381,029	(1,959)	3,379,070
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	3,381,029	(1,959)	3,379,070
Total Accumulated Surplus	\$ 6,508,502	\$ 14,961	\$ 6,523,463

R.M OF BIG ARM NO. 251
Schedule of Mill Rates and Assessments
As at December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$106,600,630	\$ 2,280,030	\$ -	\$ 1,494,560	\$ 1,192,890	\$ -	\$111,568,110
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	106,600,630	2,280,030	-	1,494,560	1,192,890	-	111,568,110
Mill Rate Factor(s)	1.0000	1.0000	-	1.0000	1.0000	-	-
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-	-	-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 959,406	\$ 20,520	\$ -	\$ 13,451	\$ 10,736	\$ -	\$ 1,004,113

MILL RATES:

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

MILLS
9.0000
1.5225
-
9.0000

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

Schedule of Council Remuneration

As at December 31, 2021

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Reeve	Sheldon Vance	\$ 3,605	\$ -	\$ 3,605
Councillor	Tanner Hebron	3,000	-	3,000
Councillor	Chase Tannahill	1,500	-	1,500
Councillor	Trevor Lewis	3,605	-	3,605
Councillor	Jeff Nelson	3,923	-	3,923
Councillor	Larry Waldow	3,605	47	3,652
Councillor	Kevin Rae	3,300	-	3,300
Councillor	Scott McDade	600	-	600
Total		\$ 23,138	\$ 47	\$ 23,185