

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
Financial Statements  
December 31, 2022

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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 policies and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of 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.

Dudley & Company 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 is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

## INDEPENDENT AUDITORS' REPORT

To the Reeve and Councillors  
Rural Municipality of Arm River No. 252

### *Opinion*

We have audited the financial statements of the **RURAL MUNICIPALITY OF ARM RIVER NO. 252**, which comprise the statement of financial position as at December 31, 2022 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

The comparative financial statements were audited by another auditor who issued an unmodified audit opinion on June 14, 2022.

### *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 as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to dissolve 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.

### *Auditors' 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 auditors' 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 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 over-ride 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 auditors' 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 auditors' 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.

  
Dudley & Company LLP  
Chartered Professional Accountants

Regina, Saskatchewan  
February 14, 2023

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Statement of Financial Position

As at December 31, 2022

Statement 1

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash & Temporary Investments (Note 2)	\$ 881,223	\$ 978,614
Taxes Receivable - Municipal (Note 3)	16,414	17,735
Other Accounts Receivable (Note 4)	44,215	76,169
Assets Held for Sale (Note 5)	-	-
Other Long Term Investments (Note 6)	1,537,922	1,944,793
Other	-	-
<b>Total Financial Assets</b>	<b>2,479,774</b>	<b>3,017,311</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 7)	-	-
Accounts Payable (Note 8)	144,055	21,487
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	503	468
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 10)	-	-
Lease Obligations	-	-
Other Liabilities	-	-
<b>Total Liabilities</b>	<b>144,558</b>	<b>21,955</b>
<b>NET FINANCIAL ASSETS</b>	<b>2,335,216</b>	<b>2,995,356</b>
Tangible Capital Assets (Schedules 6, 7)	4,012,436	3,569,699
Prepayment and Deferred Charges	51,171	8,934
Stock and Supplies	315,486	34,408
Other	-	-
<b>Total Non-Financial Assets</b>	<b>4,379,093</b>	<b>3,613,041</b>
<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 6,714,309</b>	<b>\$ 6,608,397</b>

The accompanying notes form an integral part of these financial statements.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Statement of Operations

For the year ended December 31, 2022

Statement 2

	2022 Budget	2022	2021
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**Revenues**

Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 1,409,743	\$ 1,403,434	\$ 1,418,479
Fees and Charges	(Schedule 4, 5)	41,600	43,952	47,251
Conditional Grants	(Schedule 4, 5)	24,000	30,315	35,716
Tangible Capital Assets Sales - Gain (Loss)	(Schedule 4, 5)	-	6,098	-
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	20,000	37,050	18,393
Other Revenues	(Schedule 4, 5)	-	5,528	4,014
Restructurings	(Schedule 4, 5)	-	-	-

**Total Revenues**

1,495,343	1,526,377	1,523,853
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**Expenses**

General Government Services	(Schedule 3)	275,476	261,502	230,079
Protective Services	(Schedule 3)	23,325	14,765	91,530
Transportation Services	(Schedule 3)	1,256,902	1,111,772	952,497
Environmental and Public Health Services	(Schedule 3)	16,475	20,146	13,219
Planning and Development Services	(Schedule 3)	8,500	80	7,400
Recreation and Cultural Services	(Schedule 3)	17,100	16,462	15,643
Utility Services	(Schedule 3)	7,841	3,463	9,574
Restructurings	(Schedule 3)	-	-	-

**Total Expenses**

1,605,619	1,428,190	1,319,942
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**Surplus (Deficit) before Other Capital Contributions**

(110,276)	98,187	203,911
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Other Capital Contributions (Schedule 4, 5)

22,125	7,725	264,847
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**Surplus (Deficit) of Revenues over Expenses**

(88,151)	105,912	468,758
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Accumulated Surplus (Deficit), Beginning of Year

6,608,397	6,608,397	6,139,639
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**Accumulated Surplus (Deficit), End of Year**

\$ 6,520,246	\$ 6,714,309	\$ 6,608,397
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The accompanying notes form an integral part of these financial statements.



**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Statement of Changes in Net Financial Assets

For the year ended December 31, 2022

Statement 3

	<b>2022 Budget</b>	<b>2022</b>	<b>2021</b>
<b>Surplus (Deficit)</b>	\$ (88,151)	\$ 105,912	\$ 468,758
(Acquisition) of tangible capital assets	-	(659,360)	(506,677)
Amortization of tangible capital assets	180,868	206,722	178,344
Proceeds of disposal of tangible capital assets	-	16,000	-
Loss (gain) on disposal of tangible capital assets	-	(6,098)	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>180,868</b>	<b>(442,736)</b>	<b>(328,333)</b>
(Acquisition) of supplies inventories	-	(281,079)	-
(Acquisition) of prepaid expense	-	(42,237)	(8,934)
Consumption of supplies inventory	-	-	91,290
Use of prepaid expense	-	-	8,622
<b>Surplus (Deficit) of other non-financial expenses over expenditures</b>	<b>-</b>	<b>(323,316)</b>	<b>90,978</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>92,717</b>	<b>(660,140)</b>	<b>231,403</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>2,995,356</b>	<b>2,995,356</b>	<b>2,763,953</b>
<b>Net Financial Assets - End of Year</b>	<b>\$ 3,088,073</b>	<b>\$ 2,335,216</b>	<b>\$ 2,995,356</b>

The accompanying notes form an integral part of these financial statements.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Statement of Cash Flows

For the year ended December 31, 2022

Statement 4

	<b>2022</b>	<b>2021</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 105,912	\$ 468,758
Amortization	206,722	178,344
Loss (gain) on disposal of tangible capital assets	(6,098)	-
	<u>306,536</u>	<u>647,102</u>
<b>Changes in assets / liabilities</b>		
Taxes Receivable - Municipal	1,321	(6,395)
Other Receivables	31,954	(24,301)
Assets Held for Sale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	122,568	9,969
Deposits	-	-
Deferred Revenue	35	468
Other Liabilities	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Stock and Supplies for Use	(281,078)	91,289
Prepayments and Deferred Charges	(42,238)	(312)
Other	-	-
<b>Net cash from (used for) operations</b>	<b>139,098</b>	<b>717,820</b>
<b>Capital:</b>		
Acquisition of Capital Assets	(659,360)	(506,677)
Proceeds from the Disposal of Capital Assets	16,000	-
Other Capital	-	-
<b>Net cash from (used for) capital</b>	<b>(643,360)</b>	<b>(506,677)</b>
<b>Investing:</b>		
Long-Term Investments	406,871	(503,946)
Other Investments	-	-
<b>Net cash from (used for) investing</b>	<b>406,871</b>	<b>(503,946)</b>
<b>Financing:</b>		
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	-	-
Other Financing	-	-
<b>Net cash from (used for) financing</b>	<b>-</b>	<b>-</b>
<b>Increase (Decrease) in cash resources</b>	<b>(97,391)</b>	<b>(292,803)</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>978,614</b>	<b>1,271,417</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>\$ 881,223</b>	<b>\$ 978,614</b>

The accompanying notes form an integral part of these financial statements.



**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements  
For the year ended December 31, 2022

**1. SUMMARY OF 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 report 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.

A partnership represents a contractual arrangement between the municipality and a party 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 operation of the partnership.

**(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 either expenses or revenues in the period that the events giving rise to the transfer occur, providing:

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

Unearned government transfer amounts received 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.

## RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements  
For the year ended December 31, 2022

**(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.

**(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. Requisitions from other taxing authorities operate as a flow through and are excluded from municipal revenue.

**(j) Investments:**

Portfolio investments are valued at cost, less any provision for other than temporary impairment. Investments with terms longer than three months have been classified as other long-term investments concurrent with the nature of the investment.

The long term investments in the Saskatchewan Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

**(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 and 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) Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 12, 2022.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements

For the year ended December 31, 2022

**(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; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
<b>General Assets</b>	
<b>Land</b>	Indefinite
<b>Land Improvements</b>	15 years
<b>Buildings</b>	40 years
<b>Vehicles and Equipment</b>	
Vehicles	10 years
Machinery and Equipment	10 to 20 years
Office Furniture and Equipment	5 to 10 years
<b>Infrastructure Assets</b>	
<b>Infrastructure Assets</b>	
Water and Sewer	40 years
Road Network Assets	15 to 40 years

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

**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 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.

**(n) Landfill Liability:**

The municipality of **RURAL MUNICIPALITY OF ARM RIVER NO. 252** does not maintain a waste disposal site.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements

For the year ended December 31, 2022

**(o) Employee Benefit Plans:**

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

**(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 revenues and expenses 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 stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets 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 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:** The General Government segment provides for the administration of the municipality.

**Protective Services:** The Protective Services segment is comprised of expenses for Police and Fire protection.

**Transportation Services:** The Transportation Services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

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

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

**Utility Services:** The Utility Services segment provides for delivery of water.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements

For the year ended December 31, 2022

**(r) 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 instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks 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 full extent of the impact on adoption of these future standards is not known at this time.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements

For the year ended December 31, 2022

<b>2. Cash and Temporary Investments</b>	<b>2022</b>	<b>2021</b>
Affinity Credit Union - operating	\$ 867,905	\$ 965,160
Affinity Credit Union - savings	13,263	13,149
Petty cash	50	300
Affinity Credit Union - member share	5	5
<b>Total Cash and Temporary Investments</b>	<b>\$ 881,223</b>	<b>\$ 978,614</b>

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

<b>3. Taxes Receivable</b>	<b>2022</b>	<b>2021</b>
Municipal - Current	\$ 16,403	\$ 12,151
- Arrears	11	5,584
	16,414	17,735
- Less Allowance for Uncollectables	-	-
<b>Total Municipal Taxes Receivable</b>	<b>16,414</b>	<b>17,735</b>

School - Current	3,105	2,585
- Arrears	3	644
<b>Total School Taxes Receivable</b>	<b>3,108</b>	<b>3,229</b>

Other	-	-
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Total Taxes Receivable	19,522	20,964
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Deduct taxes to be collected on behalf of other organizations	(3,108)	(3,229)
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<b>Total Taxes Receivable - Municipal</b>	<b>\$ 16,414</b>	<b>\$ 17,735</b>
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<b>4. Other Accounts Receivable</b>	<b>2022</b>	<b>2021</b>
Trade receivables	\$ 295	\$ 8,475
Federal government	36,069	12,264
Provincial government	2,000	51,417
Local government	5,851	4,013
<b>Total Other Accounts Receivable</b>	<b>44,215</b>	<b>76,169</b>

Less Allowance for Uncollectables	-	-
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<b>Net Other Accounts Receivable</b>	<b>\$ 44,215</b>	<b>\$ 76,169</b>
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**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements

For the year ended December 31, 2022

<b>5. Assets Held for Sale</b>	<b>2022</b>	<b>2021</b>
Tax title property (municipal share)	\$ 36,202	\$ 39,711
Allowance for market value adjustment	(36,202)	(39,711)
Net Tax Title Property	-	-
Other land for resale	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
<b>Total Assets for Sale</b>	<b>\$ -</b>	<b>\$ -</b>

<b>6. SARM and Long-Term Investments</b>	<b>2022</b>	<b>2021</b>
ACU term #21 @ 0.50%, matured December 2022	\$ -	\$ 100,004
ACU term #23 @ 0.50%, matured December 2022	-	108,404
ACU term #24 @ 0.35%, matured September 2022	-	100,113
ACU term #26 @ 0.35%, matured October 2022	-	150,106
ACU term #31 @ 0.35%, matured November 2022	-	200,088
ACU term #32 @ 0.35%, matured November 2022	-	300,132
ACU term #27 @ 1.25%, matures November 2025	200,308	200,185
ACU term #28 @ 1.25%, matures November 2025	44,633	44,278
ACU term #33 @ 2.00%, matures August 2023	232,570	231,589
ACU term #34 @ 2.25%, matures September 2023	96,991	96,417
ACU term #35 @ 2.25%, matures September 2023	62,413	62,040
ACU term #36 @ 4.45%, matures September 2023	50,579	50,390
ACU term #37 @ 4.95%, matures December 2023	258,525	-
ACU term #38 @ 2.75%, matures December 2023	300,339	-
ACU term #39 @ 4.95%, matures December 2023	250,373	250,057
SARM - Liability Self Insurance Plan (LSIP)	40,691	50,490
Davidson Co-operative Ltd. - Equity	500	500
<b>Total Long Term Investments</b>	<b>\$ 1,537,922</b>	<b>\$ 1,944,793</b>

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

Affinity Credit Union (ACU) term deposits (term) are shown at acquisition cost plus accrued interest. All interest rates are per annum.

**7. Bank Indebtedness**  
**Credit Arrangements**

At December 31, 2022, the municipality had lines of credit totaling \$500,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements

For the year ended December 31, 2022

<b>8. Accounts Payable</b>	<b>2022</b>	<b>2021</b>
Trade payables	\$ 12,830	\$ 10,236
Gravel Royalties	120,224	-
Local government	10,500	10,500
PST payable	501	751
<b>Total Accounts Payable</b>	<b>\$ 144,055</b>	<b>\$ 21,487</b>

<b>9. Deferred Revenue</b>	<b>2022</b>	<b>2021</b>
Prepaid municipal taxes	\$ 503	\$ 468
<b>Total Deferred Revenue</b>	<b>\$ 503</b>	<b>\$ 468</b>

**10. Long-Term Debt**

a) The debt limit of the municipality is \$1,255,757. 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)).

**11. Contingent Liabilities**

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

**12. Pension Plan**

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer 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. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2022 was \$28,391 (2021 - \$26,466). 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 financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$3,568,400,000, plan liabilities, including pension obligations, of \$2,424,014,000, and a resulting surplus of \$1,144,386,000.

**13. Comparative Figures**

Certain of the prior year's comparative figures have been reclassified to conform to the current year's manner of presentation.

The comparative figures were reported on by another auditor.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Notes to the Financial Statements  
For the year ended December 31, 2022

**14. Contractual Obligations and Commitments**

The municipality has entered into a contract to buy 100,000 cubic yards of gravel for a total consideration of \$300,000, payable in 6 annual payments of \$50,000 each starting January 31, 2022. The municipality paid the first instalment during the year, leaving a balance of \$250,000. These amounts will be added to gravel inventory cost once the gravel is extracted and crushed. The 2022 payment of \$50,000 is included in prepaid expenses as no gravel had been extracted as of year end and thus no gravel was available for use.

<b>Year</b>	<b>Future royalties payable</b>
2023	\$ 50,000
2024	50,000
2025	50,000
2026	50,000
2027	50,000
Thereafter	-
<b>Total Contractual Obligations and Commitments</b>	<b>\$ 250,000</b>

**15. Fair Value**

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature. The fair value of the municipality's long term debt approximates the carrying value as the terms and conditions are comparable to current market conditions, or they are due in a relatively short period of time.

**16. Interest Rate Risk**

The rural municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity.

**17. Credit Risk**

The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

**18. COVID-19 Pandemic**

The COVID-19 pandemic is complex and continues to evolve. It has caused material disruption to businesses and has resulted in an economic slowdown. The municipality continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the municipality's financial position and operations.

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2022

Schedule 1

	2022 Budget	2022	2021
<b>TAXES</b>			
General municipal tax levy	\$ 1,238,450	\$ 1,239,446	\$ 1,238,450
Abatements and adjustments	-	-	(11)
Discount on current year taxes	(50,000)	(51,973)	(49,190)
<b>Net Municipal Taxes</b>	<b>1,188,450</b>	<b>1,187,473</b>	<b>1,189,249</b>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,000	850	757
Special tax levy	-	-	-
Other - Tax enforcement costs	5,000	692	3,480
<b>Total Taxes</b>	<b>1,195,450</b>	<b>1,189,015</b>	<b>1,193,486</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	214,218	214,342	224,916
Organized Hamlet	-	-	-
Other -	-	-	-
<b>Total Unconditional Grants</b>	<b>214,218</b>	<b>214,342</b>	<b>224,916</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	75	77	77
Other -	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<b>75</b>	<b>77</b>	<b>77</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,409,743</b>	<b>\$ 1,403,434</b>	<b>\$ 1,418,479</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Operating and Capital Revenue by Function

For the year ended 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	\$ 300	\$ 1,189	\$ 1,190
- Sales of supplies	300	758	508
- Other - Rent	18,000	17,405	16,957
Total Fees and Charges	18,600	19,352	18,655
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	20,000	37,050	18,393
- Other - Allowance recovery	-	3,848	-
Total Other Segmented Revenue	38,600	60,250	37,048
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>38,600</b>	<b>60,250</b>	<b>37,048</b>
<b>Capital</b>			
Conditional Grants			
- Community Building Fund	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>\$ 38,600</b>	<b>\$ 60,250</b>	<b>\$ 37,048</b>

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other - Fire calls	\$ -	\$ -	\$ 7,705
Total Fees and Charges	-	-	7,705
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Fire Board rebate	-	-	2,340
Total Other Segmented Revenue	-	-	10,045
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other - Rural Crime Initiative	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>-</b>	<b>-</b>	<b>10,045</b>
<b>Capital</b>			
Conditional Grants			
- Community Building Fund	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Rural Crime Initiative	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,045</b>



**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Operating and Capital Revenue by Function

For the year ended 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	\$ 2,500	\$ 272	\$ 226
- Sales of supplies	10,500	7,920	11,595
- Road maintenance, restoration agreements	6,000	7,324	5,214
- Frontage	-	-	-
- Other - Gravel extraction permits	-	759	165
- Other - DBP Foreman	-	3,682	-
Total Fees and Charges	19,000	19,957	17,200
- Tangible capital asset sales - gain (loss)	-	6,098	-
- Other - SGI rebates, MH1 - Girvin Access	-	650	1,674
<b>Total Other Segmented Revenue</b>	<b>19,000</b>	<b>26,705</b>	<b>18,874</b>
Conditional Grants			
- RIRG (CTP)	23,000	27,720	32,440
- Student Employment	-	-	-
- Other -	-	-	-
<b>Total Conditional Grants</b>	<b>23,000</b>	<b>27,720</b>	<b>32,440</b>
<b>Total Operating</b>	<b>42,000</b>	<b>54,425</b>	<b>51,314</b>
<b>Capital</b>			
Conditional Grants			
- Community Building Fund	22,125	7,725	30,463
- MEEP	-	-	-
- RIRG (Heavy Haul, CTP, Municipal Bridges)	-	-	234,384
- RIRG (Bridge and Large Culvert)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>22,125</b>	<b>7,725</b>	<b>264,847</b>
<b>Total Transportation Services</b>	<b>\$ 64,125</b>	<b>\$ 62,150</b>	<b>\$ 316,161</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ -	\$ -	\$ -
- Other - Oil Recovery Centre	4,000	4,078	3,691
Total Fees and Charges	4,000	4,078	3,691
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Rebate (District 15 ADD Board)	-	1,030	-
<b>Total Other Segmented Revenue</b>	<b>4,000</b>	<b>5,108</b>	<b>3,691</b>
Conditional Grants			
- MMSW recycling	-	-	-
- Rat Control Program	-	-	-
- Invasive Plant Control	-	-	-
- Other - PREP	1,000	2,595	3,276
<b>Total Conditional Grants</b>	<b>1,000</b>	<b>2,595</b>	<b>3,276</b>
<b>Total Operating</b>	<b>5,000</b>	<b>7,703</b>	<b>6,967</b>

**Capital**

Conditional Grants			
- Community Building Fund	-	-	-
- Local	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>\$ 5,000</b>	<b>\$ 7,703</b>	<b>\$ 6,967</b>



**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended 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	\$ -	\$ -	\$ -
- Other - Municipal Reserve Cash in Lieu	-	565	-
Total Fees and Charges	-	565	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	565	-
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	565	-
<b>Capital</b>			
Conditional Grants			
- Community Building Fund	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Planning and Development Services</b>	<b>\$ -</b>	<b>\$ 565</b>	<b>\$ -</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Sask Lotteries	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Community Building Fund	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Community Initiative Fund	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended 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 - Infrastructure fee and other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Community Building Fund	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
<b>Total Utility Services</b>	\$ -	\$ -	\$ -

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	\$ 107,725	\$ 130,668	\$ 370,221
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**RESTRUCTURING REVENUE**

Restructurings			
- List (if any)	-	-	-
- List (if any)	-	-	-
<b>Total Restructuring Revenue</b>	\$ -	\$ -	\$ -

**SUMMARY**

Total Other Segmented Revenue	\$ 61,600	\$ 92,628	\$ 69,658
Total Conditional Grants	24,000	30,315	35,716
Total Capital Grants and Contributions	22,125	7,725	264,847
Restructuring Revenue	-	-	-

<b>TOTAL REVENUE BY FUNCTION</b>	\$ 107,725	\$ 130,668	\$ 370,221
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**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Total Expenses by Function  
For the year ended December 31, 2022

Schedule 3-1

	2022 Budget	2022	2021
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 79,150	\$ 74,542	\$ 69,479
Wages and benefits	114,976	111,098	103,693
Professional/Contractual services	40,850	39,489	27,964
Utilities	4,500	4,596	4,285
Maintenance, materials, and supplies	18,500	13,667	10,165
Grants and contributions - operating	-	50	50
- capital	-	-	-
Amortization	3,000	4,514	2,654
Interest	-	-	-
Allowance for uncollectables	5,000	4,232	3,509
Other - Rural Service Center	9,500	9,314	8,280
<b>Total General Government Services</b>	<b>\$ 275,476</b>	<b>\$ 261,502</b>	<b>\$ 230,079</b>

<b>PROTECTIVE SERVICES</b>			
<b>Police Protection</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	12,500	13,760	12,364
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other - EMS, 9-1-1	-	-	-
<b>Fire Protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	325	375	8,018
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	10,500	630	71,148
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-
<b>Total Protective Services</b>	<b>\$ 23,325</b>	<b>\$ 14,765</b>	<b>\$ 91,530</b>

<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	\$ 311,000	\$ 276,168	\$ 249,608
Council remuneration and travel	-	-	-
Professional/Contractual services	323,000	254,460	239,695
Utilities	19,500	16,827	15,085
Maintenance, materials, and supplies	292,500	244,414	204,620
Gravel and other surfacing materials	135,000	119,660	69,764
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	175,902	200,243	173,725
Interest	-	-	-
Other -	-	-	-
<b>Total Transportation Services</b>	<b>\$ 1,256,902</b>	<b>\$ 1,111,772</b>	<b>\$ 952,497</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Total Expenses by Function  
For the year ended December 31, 2022

Schedule 3-2

	2022 Budget	2022	2021
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 150	\$ 450	\$ 150
Professional/Contractual services	11,100	13,220	9,028
Utilities	-	-	-
Maintenance, materials, and supplies	3,600	4,538	2,666
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	500	813	250
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	1,125	1,125	1,125
Interest	-	-	-
Other - Nursing home	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>\$ 16,475</b>	<b>\$ 20,146</b>	<b>\$ 13,219</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	8,500	80	7,400
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-
<b>Total Planning and Development Services</b>	<b>\$ 8,500</b>	<b>\$ 80</b>	<b>\$ 7,400</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	4,800	4,020	4,343
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	12,300	12,442	11,300
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
<b>Total Recreation and Cultural Services</b>	<b>\$ 17,100</b>	<b>\$ 16,462</b>	<b>\$ 15,643</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Total Expenses by Function  
 For the year ended December 31, 2022

Schedule 3-3

	2022 Budget	2022	2021
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	2,000	-	3,927
Utilities	3,500	2,623	2,568
Maintenance, materials, and supplies	1,500	-	2,239
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	841	840	840
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
<b>Total Utility Services</b>	<b>\$ 7,841</b>	<b>\$ 3,463</b>	<b>\$ 9,574</b>
<b>RESTRUCTURING EXPENSES</b>			
Restructurings	\$ -	\$ -	\$ -
<b>Total Restructuring Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 1,605,619</b>	<b>\$ 1,428,190</b>	<b>\$ 1,319,942</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
**Schedule of Segment Disclosure by Function**  
**For the year ended December 31, 2022**

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 19,352	\$ -	\$ 19,957	\$ 4,078	\$ 565	\$ -	\$ -	\$ 43,952
Tangible Capital Asset Sales-Gain(Loss)	-	-	6,098	-	-	-	-	6,098
Investment Income and Commissions	37,050	-	-	-	-	-	-	37,050
Other Revenues	3,848	-	650	1,030	-	-	-	5,528
Grants - Conditional	-	-	27,720	2,595	-	-	-	30,315
- Capital	-	-	7,725	-	-	-	-	7,725
<b>Total Revenues</b>	<b>60,250</b>	<b>-</b>	<b>62,150</b>	<b>7,703</b>	<b>565</b>	<b>-</b>	<b>-</b>	<b>130,668</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	185,640	-	276,168	450	-	-	-	462,258
Professional / Contractual Services	39,489	14,135	254,460	13,220	80	4,020	-	325,404
Utilities	4,596	-	16,827	-	-	-	2,623	24,046
Maintenance, Materials, and Supplies	13,667	-	364,074	4,538	-	-	-	382,279
Grants and Contributions	50	630	-	813	-	12,442	-	13,935
Amortization	4,514	-	200,243	1,125	-	-	840	206,722
Allowance for Uncollectables	4,232	-	-	-	-	-	-	4,232
Other	9,314	-	-	-	-	-	-	9,314
<b>Total Expenses</b>	<b>261,502</b>	<b>14,765</b>	<b>1,111,772</b>	<b>20,146</b>	<b>80</b>	<b>16,462</b>	<b>3,463</b>	<b>1,428,190</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (201,252)</b>	<b>\$ (14,765)</b>	<b>\$ (1,049,622)</b>	<b>\$ (12,443)</b>	<b>\$ 485</b>	<b>\$ (16,462)</b>	<b>\$ (3,463)</b>	<b>\$ (1,297,522)</b>

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 1,403,434

**Net Surplus (Deficit)**

\$ 105,912



**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
**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 & Development	Recreation & Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 18,655	\$ 7,705	\$ 17,200	\$ 3,691	\$ -	\$ -	\$ -	\$ 47,251
Investment Income and Commissions	18,393	-	-	-	-	-	-	18,393
Other Revenues	-	2,340	1,674	-	-	-	-	4,014
Grants - Conditional	-	-	32,440	3,276	-	-	-	35,716
- Capital	-	-	264,847	-	-	-	-	264,847
<b>Total Revenues</b>	<b>37,048</b>	<b>10,045</b>	<b>316,161</b>	<b>6,967</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>370,221</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	173,172	-	249,608	150	-	-	-	422,930
Professional / Contractual Services	27,964	20,382	239,695	9,028	7,400	4,343	3,927	312,739
Utilities	4,285	-	15,085	-	-	-	2,568	21,938
Maintenance, Materials, and Supplies	10,165	-	274,384	2,666	-	-	2,239	289,454
Grants and Contributions	50	71,148	-	250	-	11,300	-	82,748
Amortization	2,654	-	173,725	1,125	-	-	840	178,344
Allowance for Uncollectables	3,509	-	-	-	-	-	-	3,509
Other	8,280	-	-	-	-	-	-	8,280
<b>Total Expenses</b>	<b>230,079</b>	<b>91,530</b>	<b>952,497</b>	<b>13,219</b>	<b>7,400</b>	<b>15,643</b>	<b>9,574</b>	<b>1,319,942</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (193,031)</b>	<b>\$ (81,485)</b>	<b>\$ (636,336)</b>	<b>\$ (6,252)</b>	<b>\$ (7,400)</b>	<b>\$ (15,643)</b>	<b>\$ (9,574)</b>	<b>\$ (949,721)</b>

Taxation and Other Unconditional Revenue (Schedule 1) \$ 1,418,479

**Net Surplus (Deficit)** \$ 468,758

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
 Schedule of Tangible Capital Assets by Object  
 For the year ended December 31, 2022

Schedule 6

	2022						2021		
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
<b>Asset Cost</b>									
Opening Asset Costs	\$ 6,747	\$ -	\$ 350,359	\$ 107,958	\$ 1,039,240	\$ 5,802,019	\$ -	\$ 7,306,323	\$ 6,799,646
Additions during the year	-	-	-	-	629,351	-	30,009	659,360	506,677
Disposals and write downs during the year	-	-	-	-	(26,602)	-	-	(26,602)	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
<b>Closing Asset Costs</b>	<b>\$ 6,747</b>	<b>\$ -</b>	<b>\$ 350,359</b>	<b>\$ 107,958</b>	<b>\$ 1,641,989</b>	<b>\$ 5,802,019</b>	<b>\$ 30,009</b>	<b>\$ 7,939,081</b>	<b>\$ 7,306,323</b>
<b>Accumulated Amortization</b>									
Opening Accum. Amort. Cost	\$ -	\$ -	\$ 165,955	\$ 43,449	\$ 456,347	\$ 3,070,873	\$ -	\$ 3,736,624	\$ 3,558,280
Add: Amortization taken	-	-	5,902	6,252	81,166	113,402	-	206,722	178,344
Less: Accum. Amort. on Disposals	-	-	-	-	(16,701)	-	-	(16,701)	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Amort.</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 171,857</b>	<b>\$ 49,701</b>	<b>\$ 520,812</b>	<b>\$ 3,184,275</b>	<b>\$ -</b>	<b>\$ 3,926,645</b>	<b>\$ 3,736,624</b>
<b>Net Book Value</b>	<b>\$ 6,747</b>	<b>\$ -</b>	<b>\$ 178,502</b>	<b>\$ 58,257</b>	<b>\$ 1,121,177</b>	<b>\$ 2,617,744</b>	<b>\$ 30,009</b>	<b>\$ 4,012,436</b>	<b>\$ 3,569,699</b>

1. Total contributed/donated assets received in 2022: \$ -
2. List of assets recognized at nominal value in 2022 are:
  - Infrastructure assets \$ -
  - Vehicles \$ -
  - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2022: \$ -

DUDLEY & COMPANY LLP

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
**Schedule of Tangible Capital Assets by Function**  
**For the year ended December 31, 2022**

Schedule 7

	2022							Total	2021 Total
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
<b>Asset Cost</b>									
Opening Asset Costs	\$ 75,037	\$ -	\$ 7,115,115	\$ 65,209	\$ -	\$ -	\$ 50,962	\$ 7,306,323	\$ 6,799,646
Additions during the year	9,301	-	650,059	-	-	-	-	659,360	506,677
Disposals and write-downs during the year	(1,849)	-	(24,753)	-	-	-	-	(26,602)	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
<b>Closing Asset Costs</b>	<b>\$ 82,489</b>	<b>\$ -</b>	<b>\$ 7,740,421</b>	<b>\$ 65,209</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,962</b>	<b>\$ 7,939,081</b>	<b>\$ 7,306,323</b>
<b>Accumulated Amortization</b>									
Opening Accum. Amort. Costs	\$ 64,937	\$ -	\$ 3,605,968	\$ 30,333	\$ -	\$ -	\$ 35,386	\$ 3,736,624	\$ 3,558,280
Add: Amortization taken	4,514	-	200,243	1,125	-	-	840	206,722	178,344
Less: Accum. Amort. on Disposals	(1,849)	-	(14,852)	-	-	-	-	(16,701)	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Amortization</b>	<b>\$ 67,602</b>	<b>\$ -</b>	<b>\$ 3,791,359</b>	<b>\$ 31,453</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,226</b>	<b>\$ 3,926,645</b>	<b>\$ 3,736,624</b>
<b>Net Book Value</b>	<b>\$ 14,887</b>	<b>\$ -</b>	<b>\$ 3,949,062</b>	<b>\$ 33,751</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,736</b>	<b>\$ 4,012,436</b>	<b>\$ 3,569,699</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**

Schedule of Accumulated Surplus  
For the year ended December 31, 2022

Schedule 8

	2021	Changes	2022
<b>UNAPPROPRIATED SURPLUS</b>	\$ 1,137,228	\$ 62,610	\$ 1,199,838
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	325,000	(300,000)	25,000
Public Reserve	100	565	665
Other - Office	150,000	-	150,000
Other - Roads	754,250	-	754,250
Other - Pavement	200,000	(50,000)	150,000
Other - Future uncollectable	25,000	-	25,000
Other - Waste management	15,000	-	15,000
Other - Doctor recruitment	15,000	-	15,000
Other - Fire truck	93,120	-	93,120
Other - Recreation / Economic Development	24,000	-	24,000
Other - Gravel pre-buy	300,000	(50,000)	250,000
<b>Total Appropriated</b>	<b>1,901,470</b>	<b>(399,435)</b>	<b>1,502,035</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible Capital Assets (Schedule 6, 7)	3,569,699	442,737	4,012,436
Less: Related debt	-	-	-
<b>Net Investment in Tangible Capital Assets</b>	<b>3,569,699</b>	<b>442,737</b>	<b>4,012,436</b>
<b>OTHER</b>	-	-	-
<b>Total Accumulated Surplus</b>	<b>\$ 6,608,397</b>	<b>\$ 105,912</b>	<b>\$ 6,714,309</b>

**RURAL MUNICIPALITY OF ARM RIVER NO. 252**  
 Schedule of Mill Rates and Assessments  
 For the year ended December 31, 2022

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
<b>Taxable Assessment</b>	\$ 109,360,310	\$ 3,026,170	\$ -	\$ -	\$ 11,558,130	\$ -	\$ 123,944,610
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							123,944,610
<b>Mill Rate Factor(s)</b>	1.000	1.000	-	-	1.000		
<b>Total Base Tax</b>	-	-	-	-	-		-
<b>Total Municipal Tax Levy</b>	\$ 1,093,603	\$ 30,262	\$ -	\$ -	\$ 115,581		\$ 1,239,446

MILL RATES:	MILLS
Average Municipal*	10.000
Average School*	2.004
Potash Mill Rate	-
Uniform Municipal Mill Rate	10.000

\* 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 ARM RIVER NO. 252**

Schedule of Council Remuneration  
For the year ended December 31, 2022

Schedule 10

<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Wayne Obrigewitsch	\$ 14,620	\$ 1,346	\$ 15,966
David Gregor	8,100	587	8,687
Allan McNabb	8,250	895	9,145
Brian Schmidt	7,650	1,024	8,674
Blain Smith	10,375	1,299	11,674
Brian Vibert	7,800	1,190	8,990
Kris Williams	7,500	663	8,163
<b>Total</b>	<b>\$ 64,295</b>	<b>\$ 7,004</b>	<b>\$ 71,299</b>