

RURAL MUNICIPALITY OF REFORD NO. 379

Auditor's Report

Summarized Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Reford No. 379:

Management is responsible for the preparation and presentation of the accompanying summarized financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

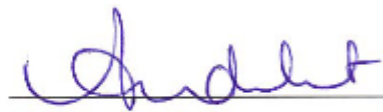
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately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

The Council is composed of elected officials who are not employees of the Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

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



Reeve



Administrator



Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*

*denotes professional corporation

**REPORT OF THE INDEPENDENT AUDITOR ON
SUMMARY FINANCIAL STATEMENTS**

To the **Reeve** and Council of **Rural Municipality of Reford No. 379**

Opinion

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2022**, the summary statement of financial activities, summary statement of changes in net financial assets and summary statement of changes in financial position for the year then ended are derived from the audited financial statements of **Rural Municipality of Reford No. 379** as at **December 31, 2022**.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statement and auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed a qualified audit opinion on the audited financial statements in our report dated December 20, 2023, due to a scope limitation relating to inventory.

Management's Responsibility for the Summarized Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Saskatoon, Saskatchewan
December 20, 2023

Chartered Professional Accountants

RURAL MUNICIPALITY OF REFORD NO. 379

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u> (Restated)
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments	\$ 1,957,243	1,160,865
Taxes receivable - Municipal	16,004	19,627
Other accounts receivable	15,068	37,141
Assets held for sale	-	-
Long-term investments	48,631	61,427
Other	<u>-</u>	<u>-</u>
Total financial assets	2,036,946	1,279,060
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	14,011	6,372
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt	-	-
Lease obligations	<u>194,138</u>	<u>299,942</u>
Total liabilities	<u>208,149</u>	<u>306,314</u>
NET FINANCIAL ASSETS (DEBT)	1,828,797	972,746
Non-financial assets:		
Tangible capital assets	2,788,123	2,993,564
Prepaid and deferred charges	25,083	333
Stock and supplies	<u>111,776</u>	<u>183,854</u>
Total non-financial assets	<u>2,924,982</u>	<u>3,177,751</u>
Accumulated Surplus	<u>\$ 4,753,779</u>	<u>4,150,497</u>

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve

_____ Councilor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF REFORD NO. 379

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u> <u>(Restated)</u>
Revenues:			
Taxes and other unconditional revenue	\$ 1,982,400	1,988,629	1,907,061
Fees and charges	31,250	23,002	89,397
Conditional grants	7,960	8,028	10,870
Tangible capital asset sales - gain (loss)	-	1,500	75,900
Land sales - gain (loss)	-	-	-
Investment income and commissions	5,770	7,119	7,693
Restructurings	-	-	-
Other revenues	-	-	-
Total Revenues	<u>2,027,380</u>	<u>2,028,278</u>	<u>2,090,921</u>
Expenditures:			
General government services	241,320	220,775	222,506
Protective services	65,760	44,696	41,009
Transportation services	1,235,870	1,132,058	1,310,836
Environmental and public health services	24,010	23,309	22,095
Planning and development services	-	-	-
Recreation and cultural services	22,450	22,445	15,728
Utility services	14,000	8,404	9,492
Restructurings	-	-	-
Total Expenditures	<u>1,603,410</u>	<u>1,451,687</u>	<u>1,621,666</u>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>423,970</u>	<u>576,591</u>	<u>469,255</u>
Provincial/Federal capital grants and contributions	<u>34,580</u>	<u>26,691</u>	<u>50,065</u>
Surplus (deficit) of revenues over expenditures	458,550	603,282	519,320
Accumulated surplus (deficit), beginning of year	<u>4,150,497</u>	<u>4,150,497</u>	<u>3,631,177</u>
Accumulated surplus (deficit), end of year	<u>\$ 4,609,047</u>	<u>4,753,779</u>	<u>4,150,497</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF REFORD NO. 379

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Surplus (deficit)	\$ 458,550	603,282	519,320
(Acquisition) of tangible capital assets	(155,000)	(39,140)	(1,063,597)
Amortization of tangible capital assets	-	244,581	243,503
Proceeds on disposal of tangible capital assets	-	1,500	110,900
Loss (gain) on disposal of tangible capital assets	-	(1,500)	(75,900)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>(155,000)</u>	<u>205,441</u>	<u>(785,094)</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(24,750)	(41)
Consumption of supplies inventories	-	72,078	72,326
Use of prepaid expenses	-	-	310
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>47,328</u>	<u>72,595</u>
Increase (decrease) in Net Financial Assets	303,550	856,051	(193,179)
Net Financial Assets (Debt) - Beginning of the year	<u>972,746</u>	<u>972,746</u>	<u>1,165,925</u>
Net Financial Assets (Debt) - End of year	<u>\$ 1,276,296</u>	<u>1,828,797</u>	<u>972,746</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF REFORD NO. 379

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

Cash provided by (used in) the following activities:	<u>2022</u>	<u>2021</u>
Operating:		
Surplus (deficit)	\$ 603,282	519,320
Amortization	244,581	243,503
Loss (gain) on disposal of tangible capital assets	<u>(1,500)</u>	<u>(75,900)</u>
	846,363	686,923
Change in assets/liabilities		
Taxes receivable - Municipal	3,621	(7,116)
Other accounts receivable	22,073	8,773
Assets held for sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	7,641	450
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	72,078	72,326
Prepayments and deferred charges	(24,750)	269
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>927,026</u>	<u>761,625</u>
Capital:		
Cash used to acquire tangible capital assets	(39,140)	(1,063,597)
Proceeds on sale of tangible capital assets	1,500	110,900
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(37,640)</u>	<u>(952,697)</u>
Investing:		
Proceeds on disposal of investments	12,796	(4,453)
Acquisition in investment	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>12,796</u>	<u>(4,453)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	326,745
Long-term debt repaid	-	-
Other financing (capital leases)	<u>(105,804)</u>	<u>(107,859)</u>
Net cash from (used for) financing	<u>(105,804)</u>	<u>218,886</u>
Increase (decrease) in cash resources	796,378	23,361
Cash and temporary investments, beginning of year	<u>1,160,865</u>	<u>1,137,504</u>
Cash and temporary investments, end of year	<u>\$ 1,957,243</u>	<u>1,160,865</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF REFORD NO. 379

NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2022

1. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian public sector accounting standards as at December 31, 2022 and December 31, 2021, and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- a) the summary financial statements include a statement for each statement included in the audited financial statements;
- b) information in the summary financial statements agrees with the related information in the related audited financial statements;
- c) major subtotals, totals and comparative information from the audited financial statements are included; and
- d) the summary financial statements contain the information from the audited financial statements dealing with matters that have a pervasive or otherwise significant effect on the summarized financial statements.

The audited financial statements of Rural Municipality of Reford No. 379 are available upon request by contacting the Municipality.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Municipality's audited financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. 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 period in which they become known.

RURAL MUNICIPALITY OF REFORD NO. 379

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2022

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
(Former) Reeve	Gerald Gerlinsky	\$ 7,225	1,977	9,202
Councillor	Daryl Glackin	5,688	3,061	8,749
Councillor	Evan Johnson	1,150	292	1,442
(Former) Councillor	Nathan Keller	900	119	1,019
Councillor	Kyle Leinenweber	1,650	564	2,214
(Former) Councillor	Greg Sutherland	4,925	1,522	6,447
Councillor	Louis Thomas	1,200	246	1,446
Councillor	Phil Ulrich	3,100	611	3,711
Councillor	Lyle Ulsifer	5,013	1,465	6,478
Total		<u>\$ 30,851</u>	<u>9,857</u>	<u>40,708</u>

See accompanying notes to the financial statements.