

Annual Financial Statements

And Supporting Schedules

For The

Rural Municipality of Hillsdale No. 440

As at December 31, 2024

Management's Responsibility for Financial Reporting

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


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

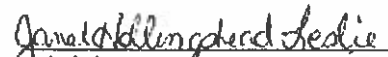
The Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council is responsible for the design, implementation and maintenance of internal control to prevent and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

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

June 12, 2025

Date


Reeve


Administrator



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INDEPENDENT AUDITOR'S REPORT

To the Members of Rural Municipality of Hillsdale No. 440

Qualified Opinion

We have audited the financial statements of Rural Municipality of Hillsdale No. 440 (the Municipality), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The municipality has interests in Cut Knife & District Fire Association, Maidstone Waseca & District Fire Board, Neilburg Fire Board, R.M. of Manitou Lake Fire & Rescue Co-operative Ltd., and Highway 40 Health Holdings Board (Note 1a). The municipality has not recorded these interests in its financial statements using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. The effect on the financial statements has not been determined for the fiscal 2024 and 2023 years. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation of scope.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

(continues)

LORALIE A. RAICHE, CPA, CA, CFP®
DALLAN D. OBERG, CPA, CA®
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Independent Auditor's Report to the Members of Rural Municipality of Hillsdale No. 440 *(continued)*

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.

HRO

North Battleford, Saskatchewan
June 12, 2025

Chartered Professional Accountants

Rural Municipality of Hillsdale No. 440

Statement of Financial Position

As at December 31, 2024

Statement 1

	2024	2023
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	\$ 8,566,107	\$ 7,732,027
Investments (Note 3)	2,140,499	2,048,478
Taxes Receivable - Municipal (Note 4)	186,881	123,341
Other Accounts Receivable (Note 5)	410,455	501,934
Assets Held for Sale (Note 6)	29,108	29,108
Long-Term Receivable (Note 7)	329,901	298,259
Debt Charges Recoverable		
Derivative Assets		
Other (Specify)		
Total Financial Assets	11,662,951	10,733,147
LIABILITIES		
Bank Indebtedness		
Accounts Payable	411,528	497,421
Accrued Liabilities Payable	7,562	238,627
Derivative Liabilities		
Deposits		
Deferred Revenue (Note 9)	8,750	8,750
Asset Retirement Obligation		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 10)	5,575,688	6,452,894
Lease Obligations		
Total Liabilities	6,003,528	7,197,692
NET FINANCIAL ASSETS (DEBT)	5,659,423	3,535,455
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	26,328,622	27,440,557
Prepayments and Deferred Charges	42,701	55,491
Stock and Supplies	1,397,660	601,583
Other (Gravel Pit) (Note 11)	8,602,135	9,184,906
Total Non-Financial Assets	36,371,118	37,282,537
ACCUMULATED SURPLUS (DEFICIT)	\$ 42,030,541	\$ 40,817,992
Accumulated surplus (deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 8)	\$ 42,030,541	\$ 40,817,992
Accumulated remeasurement gains (losses) (Statement 5)	\$ -	\$ -

Contingent Liabilities (Note 12)

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

Rural Municipality of Hillsdale No. 440
Statement of Operations and Accumulated Surplus
As at December 31, 2024

Statement 2

	2024 Budget	2024	2023
REVENUES			
Tax Revenue (Schedule 1)	\$ 4,799,341	\$ 4,808,600	\$ 4,576,396
Other Unconditional Revenue (Schedule 1)	359,617	359,639	299,891
Fees and Charges (Schedule 4, 5)	245,250	352,682	269,715
Conditional Grants (Schedule 4, 5)	86,592	100,927	91,414
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	(5,729)	41,109
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	255,000	452,723	434,722
Commissions (Schedule 4, 5)	-	751	754
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	1,517	16,196	9,302
Total Revenues	5,747,317	6,085,789	5,723,303
EXPENSES			
General Government Services (Schedule 3)	664,333	635,342	600,418
Protective Services (Schedule 3)	259,056	218,885	212,752
Transportation Services (Schedule 3)	3,844,680	3,792,737	3,657,271
Environmental and Public Health Services (Schedule 3)	101,918	102,453	87,545
Planning and Development Services (Schedule 3)	18,925	17,970	37,091
Recreation and Cultural Services (Schedule 3)	126,938	139,708	121,297
Utility Services (Schedule 3)	-	-	-
Restructurings (Schedule 3)	-	-	-
Total Expenses	5,015,850	4,907,095	4,716,374
Annual Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	731,467	1,178,694	1,006,929
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	35,503	33,855	37,272
Annual Surplus (Deficit) of Revenues over Expenses	766,970	1,212,549	1,044,201
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	40,817,992	40,817,992	39,773,791
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	\$ 41,584,962	\$ 42,030,541	\$ 40,817,992

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

Rural Municipality of Hillsdale No. 440
Statement of Change in Net Financial Assets
As at December 31, 2024

Statement 3

	2024 Budget	2024	2023
Annual Surplus (Deficit) of Revenues over Expenses	\$ 766,970	\$ 1,212,549	\$ 1,044,201
(Acquisition) of tangible capital assets		(1,006,685)	(1,674,344)
Amortization of tangible capital assets		2,094,891	2,000,387
Proceeds on disposal of tangible capital assets		18,000	205,000
Loss (gain) on the disposal of tangible capital assets		5,729	(41,109)
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	-	1,111,935	489,934
(Acquisition) of supplies inventories		(796,077)	(285,503)
(Acquisition) of prepaid expense		12,790	(48,853)
Use of gravel pit		582,771	221,276
Consumption of supplies inventory			
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(200,516)	(113,080)
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	766,970	2,123,968	1,421,055
Net Financial Assets (Debt) - Beginning of Year		3,535,455	2,114,400
Net Financial Assets (Debt) - End of Year		\$ 5,659,423	\$ 3,535,455

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

Rural Municipality of Hillsdale No. 440
Statement of Cash Flow
As at December 31, 2024

Statement 4

	2024	2023
Cash provided by (used for) the following activities		
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	\$ 1,212,549	\$ 1,044,201
Amortization	2,094,891	2,000,387
Loss (gain) on disposal of tangible capital assets	5,729	(41,109)
	3,313,169	3,003,479
Change in assets/liabilities		
Taxes Receivable - Municipal	(63,540)	(9,954)
Other Receivables	91,479	(290,636)
Assets Held for Sale	-	-
Long-Term Receivable	(31,642)	(18,377)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(316,958)	187,661
Derivative Liabilities (if applicable)	-	-
Deposits	-	-
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(796,077)	(285,503)
Prepayments and Deferred Charges	12,790	(48,853)
Other (Gravel Pit)	582,771	221,276
Cash provided by operating transactions	2,791,992	2,759,093
Capital:		
Acquisition of capital assets	(1,006,685)	(1,674,344)
Proceeds from the disposal of capital assets	18,000	205,000
Cash applied to capital transactions	(988,685)	(1,469,344)
Investing:		
Decrease (increase) in restricted cash	-	-
Proceeds from disposal of investments	-	-
Decrease (increase) in investments	(92,021)	1,320
Cash provided by (applied to) investing transactions	(92,021)	1,320
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(877,206)	(862,967)
Other financing	-	-
Cash provided by (applied to) financing transactions	(877,206)	(862,967)
Change in Cash and Cash Equivalents during the year	834,080	428,102
Cash and Cash Equivalents - Beginning of Year	7,732,027	7,303,925
Cash and Cash Equivalents - End of Year	\$ 8,566,107	\$ 7,732,027
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	8,566,107	7,732,027
Less: restricted portion of cash and cash equivalents (Note 2)	-	-
Temporary bank indebtedness	-	-
	\$ 8,566,107	\$ 7,732,027

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

	2024	2023
Accumulated remeasurement gains (losses) at the beginning of the year:	-	-
Unrealized gains (losses) attributable to (Note 3):		
Derivatives		
Equity Investments measured at fair value		
Foreign exchange (if applicable)		
	-	-
Amounts reclassified to the Statement of Operations (Note 3):		
Derivatives		
Equity Investments measured at fair value		
Foreign exchange (if applicable)		
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains(losses) at end of year	-	-

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 consolidated 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. Entities included in these consolidated financial statements are as follows:

Entity

Rural Municipality of Hillsdale No. 440

All inter-organizational transactions and balances have been eliminated.

Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These consolidated financial statements contain the following partnerships:

Cut Knife & District Fire Association - not consolidated

Maidstone Waseca & District Fire Board - not consolidated

Neilburg Fire Board - not consolidated

R.M. of Manitou Lake Fire & Rescue Co-operative Ltd. - not consolidated

Highway 40 Health Holdings Board - not consolidated

The municipality is unable to consolidate the above partnerships because audited financial statements at December 31, 2024 for each are unavailable at the time of completion.

- 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) **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) **Revenue - [Revenue source(s)]** from transactions with no performance obligations is recognized as revenue [insert the basis for accounting being used and any specific policies applied including timing of recognition for each revenue line item; as well as, whether the revenue stream(s) referenced are recurring or non-recurring in nature].

For Revenue items with related performance obligations:

[Revenue source(s)] is recorded as revenue [insert the basis for accounting being used and any specific policies applied including timing of recognition and related performance obligation for each revenue line item; as well as, whether the revenue stream(s) referenced are recurring in nature.]

E.g.: Contracts are recorded as revenue as the service or contract activity is performed, provided that at the time of performance ultimate collection is reasonably assured. If payment is not received at the time the service or contract activity is performed, accounts receivable will be recorded.

When a single transaction requires the delivery of more than one performance obligation, the revenue recognition criteria are applied to the separately identifiable performance obligations. A performance obligation is considered to be separately identified if the product or service delivered has stand-alone value to that customer and the fair value associated with the product or service can be measured reliably. The amount recognized as revenue for each performance obligation is its fair value in relation to the fair value of the contract as a whole.

For each performance obligation, the municipality must ascertain whether the obligation is satisfied over a period of time, or at a point in time. In order to do this, the characteristics of the underlying goods and/or services must be considered in order to determine when the ultimate performance obligations will be satisfied. If any of the below criteria are met, the revenue must be recognized over a period of time; otherwise, corresponding amounts are to be recognized at a point in time.

- a) The payor simultaneously receives and consumes the benefits provided by the municipality's performance as they fulfil the performance obligation
- b) The municipality's performance creates or enhances an asset (for example, work in progress) that the payor controls or uses as the asset is created or enhanced
- c) The municipality's performance does not create an asset with an alternative use to itself, and the municipality has an enforceable right to payment for performance completed to date
- d) The municipality is expected to continually maintain or support the transferred good or service under the terms of the agreement
- e) The municipality provides the payor with access to a specific good or service under the terms of the agreement

When determining the amounts of revenue to recognize at various stages along the point of time, determinants vary but often include percentage complete.

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.

1. Significant Accounting Policies - continued

- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Financial Instruments:** Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

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

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

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

Measurement of Financial Instruments:

The municipalities financial assets and liabilities are measured as follows:

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash & Cash Equivalents	Cost and amortized cost
Investments	Fair value and cost
Other Accounts Receivable	Cost and amortized cost
Long term receivables	Amortized cost
Debt Charges Recoverable	Amortized cost
Bank Indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-Term Debt	Amortized cost
Derivative Assets and Liabilities	Fair Value

- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials, and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. 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 Yrs
Buildings	40 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	3 to 20 Yrs
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	
Road Network Assets	15 to 40 Yrs

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

1. Significant Accounting Policies - continued

- n) **The municipality does not have any public private partnership arrangements at December 31, 2024.**
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.
- o) **Employee Benefit Plans:** Contributions to the municipality's multiemployer 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.

- 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.

Measurement uncertainty impacts the following financial statement areas:

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.

The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.

Measurement financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

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

- 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 **May 9, 2024**.
- t) **Assets Held for Sale:** the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset, and the sale is reasonably anticipated to be completed within one year of the financial statement date.
- u) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.
- v) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.

1. Significant Accounting Policies - continued

- w) **Asset Retirement Obligation:** Asset Retirement Obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible assets include but are not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

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

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

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

- x) **Loan Guarantees:** The municipality provides loan guarantees for various (describe) organizations, which are not consolidated as part of the municipality's Statements. As the guarantees represent potential financial commitments for the municipality, these amounts are considered as contingent liabilities and not formally recognized as liabilities until the municipality considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The municipality monitors the status of the organizations, loans, and lines of credit annually and in the event that payment by the municipality is likely to occur, a provision will be recognized in the Statements.

- y) **New Accounting Policies Adopted During the Year:**

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. This section may be applied retroactively or prospectively. , 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. This section may be applied retroactively or prospectively.

[Include only one of the relevant transitional provision provided below; i.e.: Retroactive or Prospective. Provisions not used can be removed for final presentation.]

PSG-8, Purchased intangibles, provides guidance on accounting for and reporting on purchased intangible capital assets. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. Application may be made either retroactively or prospectively in accordance with PS 2120 Accounting Changes.

[Include only one of the relevant transitional provision provided below; i.e.: Retroactive or Prospective. Provisions not used can be removed for final presentation.]

PS 3160, Public private partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard may be applied either retroactively (with or without prior period restatement) or prospectively.

[The provisions provided below are to be inserted above as applicable. Any provisions that are not used can be removed for final presentation.]

Prospective application: During the year, the municipality [changed its accounting policy or adopted a new accounting policy] with respect to (provide a description and details of the accounting policy). The municipality now accounts for such transactions (describe new accounting policy). Prior to this, the municipality accounted for these transactions (describe old accounting policy/treatment). The [change in or adoption of] accounting policy has impacted the municipality's consolidated financial statements as follows: (describe impact on current amounts).

Retroactive with restatement of prior period comparatives: During the year, the municipality [changed its accounting policy or adopted a new accounting policy] with respect to (provide a description and details of the accounting policy). The municipality now accounts for such transactions (describe new accounting policy). Prior to this change, the municipality accounted for these transactions (describe old accounting policy/treatment). The municipality believes the new policy provides a fair presentation of the results and the financial position of the municipality. This [change in or adoption of] policy has been applied retroactively with restatement of prior period comparative amounts. The impact on the municipality's consolidated financial statements is as follows: (describe impact on current and prior period amounts).

[Retroactive with restatement of prior periods, unless the necessary financial data are not reasonably determinable. The liability is measured as of the date it was incurred and the discount rate and assumptions used are those as of the date the legal obligation was incurred.]

Retroactive adjustment of opening accumulated surplus without restatement of prior period comparatives: During the year, the municipality [changed its accounting policy or adopted a new accounting policy] with respect to (provide a description and details of the accounting policy). The municipality now accounts for such transactions (describe new accounting policy). Prior to this, the municipality accounted for these transactions (describe old accounting policy/treatment). The municipality believes the new policy provides a fair presentation of the results and the financial position of the municipality.

[Or state that the effect of the new accounting policy is not reasonably determinable for individual prior periods]

Rural Municipality of Hillsdale No. 440
Notes to the Financial Statements
As at December 31, 2024

2. Cash and Cash Equivalents

	2024	2023
Cash	\$ 8,566,107	\$ 7,732,027
Short-term investments - amortized cost		
Restricted Cash		
Total Cash and Cash Equivalents	\$ 8,566,107	\$ 7,732,027

Cash and cash equivalents includes 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.

The municipality has not set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are under funded by \$5,441,939 (2023 - \$5,441,489). However, there are sufficient funds in the general account to fund the reserves.

3. Investments

	2024	2023
Investments carried at cost:		
Lloydminster & District Co-op. - equity	\$ 20,041	\$ 19,863
Lloydminster & District Co-op. - shares	10	10
Pine Island Lodge - shares	100	100
Synergy Credit Union - equity	10,000	28,500
Synergy Credit Union - shares	5	5
Synergy Credit Union - term deposits	2,110,343	2,000,000
Total investments	\$ 2,140,499	\$ 2,048,478

Short-term notes and deposits have effective interest rates of 5.50% (2023 - 5.50%) and mature in two years.

	2024	2023
Investment Income		
Interest	\$ 433,911	\$ 421,458
Dividends	18,812	13,264
Total investment income	\$ 452,723	\$ 434,722

For those instruments measured at cost, the carrying value approximates fair value.

4. Taxes Receivable - Municipal

	2024	2023
Municipal - Current	\$ 171,234	\$ 110,865
- Arrears	22,663	197,723
	193,897	308,588
- Less Allowance for Uncollectible	(7,016)	(185,247)
Total municipal taxes receivable	186,881	123,341

School - Current	27,002	17,029
- Arrears	4,301	22,544
Total taxes to be collected on behalf of School Divisions	31,303	39,573

Other		
-------	--	--

Total taxes and grants in lieu receivable or to be collected on behalf of other organizations 218,184 162,914

Deduct taxes to be collected on behalf of other organizations (31,303) (39,573)

Total Taxes Receivable - Municipal **\$ 186,881** **\$ 123,341**

Rural Municipality of Hillsdale No. 440
Notes to the Financial Statements
As at December 31, 2024

5. Other Accounts Receivable

	2024	2023
Federal Government	\$ 20,312	\$ 47,706
Provincial Government		
Local Government	139,418	397,178
Utility		
Trade	250,725	57,050
Other (Specify)		
Total Other Accounts Receivable	410,455	501,934
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	\$ 410,455	\$ 501,934

6. Assets Held for Sale

	2024	2023
Tax Title Property	\$ 29,108	\$ 29,108
Allowance for market value adjustment		
Net Tax Title Property	29,108	29,108
Other Land		
Allowance for market value adjustment		
Net Other Land	-	-
Other (Describe)	-	-
Total Assets Held for Sale	\$ 29,108	\$ 29,108

7. Long-Term Receivable

	2024	2023
Sask Assoc. of Rural Municipalities - Self Insurance Fund	\$ 55,913	\$ 50,169
Sask Assoc. of Rural Municipalities - Tax Loss Compensation Fund	273,988	248,090
Other (Specify)		
Total Long-Term Receivables	\$ 329,901	\$ 298,259

8. Credit Facility Agreement

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

Interest on the line of credit is 5.45% (2023 - 7.10%). Security for the line of credit is the assignment of the municipality's municipal taxes receivable. There was no balance owing at year end under this line of credit in 2024 or 2023.

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

Rural Municipality of Hillsdale No. 440
Notes to the Financial Statements
As at December 31, 2024

9. Deferred Revenue

	2023	Externally Restricted Inflows	Revenue Earned	2024
Prepaid lease fees	\$	8,750		\$ 8,750
Total Deferred Revenue	\$	8,750		\$ 8,750

10. Long-Term Debt

The debt limit of the municipality is \$5,421,075. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

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

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2024				877,206
2025	891,680	91,999	983,679	891,680
2026	906,393	77,286	983,679	906,393
2027	921,348	62,331	983,679	921,348
2028	936,551	47,128	983,679	936,551
Thereafter	1,919,716	47,642	1,967,358	1,919,716
Balance	\$ 5,575,688	\$ 326,386	\$ 5,902,074	\$ 6,452,894

11. Other Non-financial Assets

	2024	2023
Gravel Pit	\$ 8,602,135	\$ 9,184,906

The gravel pit is a purchased deposit valued at cost.

12. 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.

13. 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. The municipality's pension expense in 2024 was \$50,515 (2023 - \$48,086). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Total current service contributions by the municipality to the MEPP in 2024 were \$50,515 (2023 - \$48,086). Total current service contributions by the employees of the municipality to the MEPP in 2024 were \$50,515 (2023 - \$48,086).

At December 31, 2023, the MEPP disclosed an actuarial deficiency/surplus of \$744,391,000.

For further information of the amount of MEPP deficiency/surplus information see: <https://mepp.peba.ca/fund-information/plan-reporting>
Defined Contribution Plans: The municipality's employees participate in a defined contribution pension plan. The municipality's contribution plan are expensed when due.

14. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

15. Risk Management

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

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in so doing, cause a loss for the other party. The financial instruments that potentially subject the municipality to credit risk consist of taxes receivable, other accounts receivable, and long-term receivable. The municipality has a significant number of customers which minimizes concentration of credit risk. There was no allowance for doubtful accounts for December 31, 2024 and 2023.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The financial instruments that potentially subject the municipality to liquidity risk consist of accounts payable, accrued liabilities payable, and long-term debt.

Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of investments, bank indebtedness and credit facilities.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The municipality is exposed to foreign currency exchange risk on accounts payable in U.S. dollars.

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity investments. The financial instruments that potentially subject the municipality to other price risk consist of investments. There has been no change in exposure from the prior period.

Rural Municipality of Hillsdale No. 440
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2024

Schedule 1

	2024 Budget	2024	2023
TAXES			
General municipal tax levy	\$ 5,189,071	\$ 5,189,071	\$ 4,490,347
Abatements and adjustments	(465,000)	(488,139)	(3,865)
Discount on current year taxes			
Net Municipal Taxes	4,724,071	4,700,932	4,486,482
Potash tax share			
Trailer license fees			
Penalties on tax arrears	50,000	57,094	50,529
Special tax levy			
Other (Specify)			
Total Taxes	4,774,071	4,758,026	4,537,011
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	359,617	359,639	299,891
Safe Restart			
Other (Specify)			
Total Unconditional Grants	359,617	359,639	299,891
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	24,000	23,126	22,863
Other (Sask. Environment & Resource Management)	1,270	1,550	1,270
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement (Deficit)		25,898	15,252
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	25,270	50,574	39,385
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 5,158,958	\$ 5,168,239	\$ 4,876,287

Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
As at December 31, 2024

Schedule 2 - 1

	2024 Budget	2024	2023
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 2,000	\$ 1,406	\$ 1,820
- Sales of supplies	2,000	2,121	2,435
- Other (Tax certificates and general office services)	2,000	4,499	2,475
Total Fees and Charges	6,000	8,026	6,730
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income	255,000	452,723	434,722
- Commissions		751	754
- Other (SARM and WCB)		13,534	1,635
Total Other Segmented Revenue	261,000	475,034	443,841
Conditional Grants			
- Student Employment	71,940	66,563	65,315
- MEEP			
- Other (Specify)			
Total Conditional Grants	71,940	66,563	65,315
Total Operating	332,940	541,597	509,156
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total General Government Services	332,940	541,597	509,156

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (Fire fees)		10,579	11,406
Total Fees and Charges	-	10,579	11,406
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	10,579	11,406
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	10,579	11,406

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Protective Services	-	10,579	11,406

	2024 Budget	2024	2023
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	20,000	31,069	10,627
- Sales of supplies	1,000	1,513	3,423
- Road Maintenance and Restoration Agreements	35,000	96,560	38,069
- Frontage			
- Other (Licenses and permits)	14,250	23,700	19,400
Total Fees and Charges	70,250	152,842	71,519
- Tangible capital asset sales - gain (loss)		(5,729)	41,109
- Other (Specify)			
Total Other Segmented Revenue	70,250	147,113	112,628
Conditional Grants			
- RIRG (CTP)	11,652	14,565	11,652
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	11,652	14,565	11,652
Total Operating	81,902	161,678	124,280
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	35,503	33,855	37,272
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	35,503	33,855	37,272
Restructuring Revenue (Specify, if any)			
Total Transportation Services	117,405	195,533	161,552

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	4,000	5,453	4,690
- Other (Stray Animal)			590
Total Fees and Charges	4,000	5,453	5,280
- Tangible capital asset sales - gain (loss)			
- Other (Cemetery & Vet Service Board)	1,517	2,662	7,667
Total Other Segmented Revenue	5,517	8,115	12,947
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other (PREP/IWP/MMSW)	3,000	19,799	14,447
Total Conditional Grants	3,000	19,799	14,447
Total Operating	8,517	27,914	27,394
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	8,517	27,914	27,394

Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
As at December 31, 2024

Schedule 2 - 3

	2024 Budget	2024	2023
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges		2,100	17,953
- Other (Pasture and oil well surface lease)	165,000	171,632	156,007
Total Fees and Charges	165,000	173,732	173,960
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	165,000	173,732	173,960
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	165,000	173,732	173,960
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services	165,000	173,732	173,960

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Donations)		2,050	820
Total Fees and Charges	-	2,050	820
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	2,050	820
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	2,050	820
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	-	2,050	820

Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
As at December 31, 2024

Schedule 2 - 4

	2024 Budget	2024	2023
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
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 (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 623,862	\$ 951,405	\$ 884,288

SUMMARY

Total Other Segmented Revenue	\$ 501,767	\$ 816,623	\$ 755,602
Total Conditional Grants	86,592	100,927	91,414
Total Capital Grants and Contributions	35,503	33,855	37,272
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	\$ 623,862	\$ 951,405	\$ 884,288

	2024 Budget	2024	2023
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 40,500	\$ 35,138	\$ 33,791
Wages and benefits	431,153	444,906	394,486
Professional/Contractual services	97,707	102,391	86,556
Utilities	10,350	8,389	9,097
Maintenance, materials and supplies	24,950	29,139	20,745
Grants and contributions - operating	1,000	1,250	850
- capital			
Amortization of tangible capital assets	14,129	14,129	14,129
Accretion of asset retirement obligation			
Interest			26
Allowance for uncollectible	44,544		40,738
Other (Specify)			
General Government Services	664,333	635,342	600,418
Restructuring (Specify, if any)			
Total General Government Services	664,333	635,342	600,418

PROTECTIVE SERVICES**Police protection**

Wages and benefits			
Professional/Contractual services	145,000	118,252	108,473
Utilities			
Maintenance, material and supplies			
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protection

Wages and benefits			
Professional/Contractual services	114,056	100,633	104,279
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			

Protective Services	259,056	218,885	212,752
Restructuring (Specify, if any)			
Total Protective Services	259,056	218,885	212,752

TRANSPORTATION SERVICES

Wages and benefits	298,905	308,901	310,827
Professional/Contractual Services	523,500	347,737	565,439
Utilities	20,300	17,597	18,733
Maintenance, materials, and supplies	415,000	392,783	410,508
Gravel	400,000	542,899	248,907
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	2,081,673	2,077,537	1,983,315
Interest	105,302	105,283	119,542
Accretion of asset retirement obligation			
Other (Specify)			

Transportation Services	3,844,680	3,792,737	3,657,271
Restructuring (Specify, if any)			
Total Transportation Services	3,844,680	3,792,737	3,657,271

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2024

Schedule 3 - 2

	2024 Budget	2024	2023
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	73,200	78,447	62,165
Utilities	1,200	487	1,004
Maintenance, materials and supplies	15,500	11,500	8,751
Grants and contributions - operating			
o Waste disposal			
o Public Health	10,000	10,000	10,000
- capital			
o Waste disposal			
o Public Health			
Amortization of tangible capital assets	2,018	2,019	2,018
Interest			
Accretion of asset retirement obligation			
Other (Allowance for Uncollectible)			3,607
Environmental and Public Health Services	101,918	102,453	87,545
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	101,918	102,453	87,545

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	18,000	16,764	36,166
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	925	1,206	925
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Planning and Development Services	18,925	17,970	37,091
Restructuring (Specify, if any)			
Total Planning and Development Services	18,925	17,970	37,091

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	6,938	6,938	7,803
Utilities			
Maintenance, materials and supplies			204
Grants and contributions - operating	120,000	132,770	113,290
- capital			
Amortization of tangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	126,938	139,708	121,297
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	126,938	139,708	121,297

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2024

Schedule 3 - 3

	2024 Budget	2024	2023
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (Specify)			
Utility Services	-	-	-
Restructuring (Specify, if any)			
Total Utility Services	-	-	-
TOTAL EXPENSES BY FUNCTION	\$ 5,015,850	\$ 4,907,095	\$ 4,716,374

Rural Municipality of Hillsdale No. 440
Schedule of Segment Disclosure by Function
As at December 31, 2024

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	\$ 8,026	\$ 10,579	\$ 152,842	\$ 5,453	\$ 173,732	\$ 2,050	\$ -	\$ 352,682
Tangible Capital Asset Sales - Gain(loss)	-	-	(5,729)	-	-	-	-	(5,729)
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	452,723	-	-	-	-	-	-	452,723
Commissions	751	-	-	-	-	-	-	751
Other Revenues	13,534	-	-	2,662	-	-	-	16,196
Grants - Conditional	66,563	-	14,565	19,799	-	-	-	100,927
- Capital	-	-	33,855	-	-	-	-	33,855
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	541,597	10,579	195,533	27,914	173,732	2,050	-	951,405
Expenses (Schedule 3)								
Wages & Benefits	480,044	-	308,901	-	-	-	-	788,945
Professional/ Contractual Services	102,391	218,885	347,737	78,447	16,764	6,938	-	771,162
Utilities	8,389	-	17,597	487	-	-	-	26,473
Maintenance Materials and Supplies	29,139	-	935,682	11,500	-	-	-	976,321
Grants and Contributions	1,250	-	-	10,000	-	132,770	-	144,020
Amortization of Tangible Capital Assets	14,129	-	2,077,537	2,019	1,206	-	-	2,094,891
Interest	-	-	105,283	-	-	-	-	105,283
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	635,342	218,885	3,792,737	102,453	17,970	139,708	-	4,907,095
Surplus (Deficit) by Function	\$ (93,745)	\$ (208,306)	\$ (3,597,204)	\$ (74,539)	\$ 155,762	\$ (137,658)	\$ -	\$ (3,955,690)
Taxes and other unconditional revenue (Schedule 1)								5,168,239
Net Surplus (Deficit)								\$ 1,212,549

Rural Municipality of Hillsdale No. 440
Schedule of Segment Disclosure by Function
As at December 31, 2023

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6,730	\$ 11,406	\$ 71,519	\$ 5,280	\$ 173,960	\$ 820	-	\$ 269,715
Tangible Capital Asset Sales - Gain (Loss)	-	-	41,109	-	-	-	-	41,109
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	434,722	-	-	-	-	-	-	434,722
Commissions	754	-	-	-	-	-	-	754
Other Revenues	1,635	-	-	7,667	-	-	-	9,302
Grants - Conditional	65,315	-	11,652	14,447	-	-	-	91,414
- Capital	-	-	37,272	-	-	-	-	37,272
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	509,156	11,406	161,552	27,394	173,960	820	-	884,288
Expenses (Schedule 3)								
Wages & Benefits	428,277	-	310,827	-	-	-	-	739,104
Professional/ Contractual Services	86,556	212,752	565,439	62,165	36,166	7,803	-	970,881
Utilities	9,097	-	18,733	1,004	-	-	-	28,834
Maintenance Materials and Supplies	20,745	-	659,415	8,751	-	204	-	689,115
Grants and Contributions	850	-	-	10,000	-	113,290	-	124,140
Amortization of Tangible Capital Assets	14,129	-	1,983,315	2,018	925	-	-	2,000,387
Interest	26	-	119,542	-	-	-	-	119,568
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	40,738	-	-	-	-	-	-	40,738
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	3,607	-	-	-	3,607
Total Expenses	600,418	212,752	3,657,271	87,545	37,091	121,297	-	4,716,374
Surplus (Deficit) by Function	\$ (91,262)	\$ (201,346)	\$ (3,495,719)	\$ (60,151)	\$ 136,869	\$ (120,477)	-	\$ (3,832,086)
Taxes and other unconditional revenue (Schedule 1)								4,876,287
Net Surplus (Deficit)								\$ 1,044,201

		2024						2023		
	General Assets						Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				
Assets	Asset cost									
	Opening Asset costs	\$ 1,455,621	\$ 105,350	\$ 1,193,023	\$ 164,317	\$ 3,487,458	\$ 44,944,245	\$ 32,100	\$ 51,382,114	\$ 50,124,119
	Additions during the year				77,844	110,640		818,201	1,006,685	1,674,344
	Disposals and write-downs during the year				(44,407)				(44,407)	(416,349)
	Transfers (from) assets under construction Transfer of Capital Assets related to restructuring						721,908	(721,908)	-	-
	Closing Asset Costs	1,455,621	105,350	1,193,023	197,754	3,598,098	45,666,153	128,393	52,344,392	51,382,114
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	-	57,929	382,336	81,313	1,348,339	22,071,640	-	23,941,557	22,193,626
	Add: Amortization taken		7,023	24,979	7,208	329,648	1,726,033		2,094,891	2,000,387
	Less: Accumulated amortization on disposals Transfer of Capital Assets related to restructuring				(20,678)				(20,678)	(252,456)
		Closing Accumulated Amortization Costs	-	64,952	407,315	67,843	1,677,987	23,797,673	-	26,015,770
	Net Book Value	\$ 1,455,621	\$ 40,398	\$ 785,708	\$ 129,911	\$ 1,920,111	\$ 21,868,480	\$ 128,393	\$ 26,328,622	\$ 27,440,557

1. Total contributed/donated assets received in 2024
- \$ -
2. List of assets recognized at nominal value in 2024 are:
- Infrastructure Assets

\$ -

- Vehicles

\$ -

- Machinery and Equipment

\$ -
3. Amount of interest capitalized in Schedule 6
- \$ -

		2024						2023		
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	\$ 670,739		\$ 49,512,419	\$ 40,053	\$ 1,158,903			\$ 51,382,114	\$ 50,124,119
	Additions during the year			1,006,685					1,006,685	1,674,344
	Disposals and write-downs during the year			(44,407)					(44,407)	(416,349)
	Transfer of Capital Assets related to restructuring									
Closing Asset Costs		670,739		50,474,697	40,053	1,158,903			52,344,392	51,382,114
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	216,948		23,700,991	16,843	6,775			23,941,557	22,193,626
	Add: Amortization taken	14,129		2,077,537	2,019	1,206			2,094,891	2,000,387
	Less: Accumulated amortization on disposals			(20,678)					(20,678)	(252,456)
	Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs		231,077		25,757,850	18,862	7,981			26,015,770	23,941,557
Net Book Value		\$ 439,662		\$ 24,716,847	\$ 21,191	\$ 1,150,922			\$ 26,328,622	\$ 27,440,557

Rural Municipality of Hillsdale No. 440
Schedule of Accumulated Surplus
As at December 31, 2024

Schedule 8

	2023	Changes	2024
UNAPPROPRIATED SURPLUS	\$ 7,935,946	\$ 2,324,034	\$ 10,259,980
APPROPRIATED RESERVES			
Machinery and Equipment	-		-
Public Reserve	1,701		1,701
Capital Trust	-		-
Utility	-		-
Other (Future Capital)	5,439,788	450	5,440,238
Total Appropriated	5,441,489	450	5,441,939
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	27,440,557	(1,111,935)	26,328,622
Less: Related debt	-		-
Net Investment in Tangible Capital Assets	27,440,557	(1,111,935)	26,328,622
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	\$ 40,817,992	\$ 1,212,549	\$ 42,030,541

Rural Municipality of Hillsdale No. 440
Schedule of Mill Rates and Assessments
As at December 31, 2024

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 130,330,835	\$ 10,074,730		\$ 19,520	\$ 40,435,180		\$ 180,860,265
Regional Park Assessment							
Total Assessment							180,860,265
Mill Rate Factor(s)	1.0000	1.2500		1.2500	7.5000		
Total Base/ Minimum Tax (generated for each property class)		51,750			1,551,900		1,603,650
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,049,163	\$ 146,538		\$ 196	\$ 3,993,174		\$ 5,189,071

MILL RATES:	MILLS
Average Municipal*	28.69
Average School*	3.30
Potash Mill Rate	
Uniform Municipal Mill Rate	8.05

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

Rural Municipality of Hillsdale No. 440
Schedule of Council Remuneration
As at December 31, 2024
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Glenn Goodfellow	\$ 5,625	\$ 919	\$ 6,544
Reeve/Councillor	Trevor McCrea	6,625	1,917	8,542
Councillor	Tannis Chibri	6,500	854	7,354
Councillor	Bernadette Poppleton	6,375	939	7,314
Councillor	Darren Tyler	4,875	743	5,618
Councillor	Floyd Whitney	5,750	600	6,350
Councillor	Dale (Chip) Chibri	5,625	418	6,043
Councillor	Dalyn Woloshyn	750	37	787
Total		\$ 42,125	\$ 6,427	\$ 48,552