

**RURAL MUNICIPAL ADMINISTRATORS'
ASSOCIATION OF SASKATCHEWAN**

Financial Statements

Year Ended December 31, 2022

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
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Year Ended December 31, 2022

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The logo for Dudley & Company LLP features a large, stylized, light blue letter 'D' that partially overlaps a light blue letter 'C'.

DUDLEY & COMPANY LLP

Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Rural Municipal Administrators' Association of Saskatchewan

Opinion

We have audited the financial statements of Rural Municipal Administrators' Association of Saskatchewan (the organization), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net 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 organization as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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.

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 ASNPO, 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 organization'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 either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Members of Rural Municipal Administrators' Association of Saskatchewan (continued)

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 organization'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 organization'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 organization 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.

Regina, Saskatchewan
March 6, 2023



Dudley & Company LLP
Chartered Professional Accountants

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Statement of Financial Position
December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 427,818	\$ 437,125
Term deposit (Note 4)	-	31,183
Accounts receivable	9,689	43
Prepaid expenses	2,721	2,772
	440,228	471,123
CAPITAL ASSETS (Note 5)	1,987	2,522
LONG TERM INVESTMENTS (Note 4)	31,794	5
TOTAL ASSETS	\$ 474,009	\$ 473,650
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ -	\$ 136
DEFERRED REVENUE	500	40,275
TOTAL LIABILITIES	500	40,411
NET ASSETS		
General Fund	473,509	433,239
TOTAL LIABILITIES AND NET ASSETS	\$ 474,009	\$ 473,650

ON BEHALF OF THE BOARD

_____ Director

_____ Director

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Statement of Operations
Year Ended December 31, 2022

	2022	2021
REVENUES		
Membership fees <i>(Schedule 1)</i>	\$ 144,769	\$ 132,965
Convention revenue <i>(Schedule 2)</i>	83,990	200
Board of Examiners revenue <i>(Schedule 3)</i>	33,821	31,921
Workshop Fund <i>(Schedule 6)</i>	74,051	-
Interest	7,104	2,579
Other grants	2,081	1,304
Yearbook revenue	60	-
	<u>345,876</u>	<u>168,969</u>
EXPENSES		
Convention expense <i>(Schedule 2)</i>	94,717	32,850
Board of Examiners expense <i>(Schedule 3)</i>	57,977	33,075
Administration expense <i>(Schedule 4)</i>	69,050	59,365
Board meeting and travel <i>(Schedule 5)</i>	50,775	44,595
Workshop Fund expense <i>(Schedule 6)</i>	34,199	-
	<u>306,718</u>	<u>169,885</u>
EXCESS REVENUES OVER (EXPENSES) FROM OPERATIONS	39,158	(916)
OTHER INCOME		
Miscellaneous income	1,112	744
EXCESS REVENUES OVER (EXPENSES)	\$ 40,270	\$ (172)

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Statement of Changes in Net Assets
Year Ended December 31, 2022

	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 433,239	\$ 433,411
EXCESS REVENUES OVER (EXPENSES)	<u>40,270</u>	<u>(172)</u>
NET ASSETS - END OF YEAR	<u>\$ 473,509</u>	<u>\$ 433,239</u>

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

Statement of Cash Flows

Year Ended December 31, 2022

	2022	2021
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from customers	\$ 290,463	\$ 177,062
Cash paid to suppliers and employees	(306,268)	(169,533)
Interest	7,104	2,577
	<u>(8,701)</u>	<u>10,106</u>
Cash Flows From (For) Operating Activities		
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Purchase of capital assets	-	(2,247)
Purchase of term deposits	(606)	(596)
	<u>(606)</u>	<u>(2,843)</u>
Cash Flows From (For) Investing Activities		
INCREASE (DECREASE) IN CASH FLOWS	(9,307)	7,263
Cash - beginning of year	<u>437,125</u>	<u>429,862</u>
CASH - END OF YEAR	\$ 427,818	\$ 437,125
CASH CONSISTS OF:		
Cash	<u>\$ 427,818</u>	<u>\$ 437,125</u>

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Notes to Financial Statements
Year Ended December 31, 2022

1. NATURE OF OPERATIONS

The Rural Municipal Administrators' Association of Saskatchewan (the "association") is a not-for-profit organization operating as a professional body of Rural Municipalities Administrators whose function is to communicate and work with municipal employers and the Provincial Government. The association was incorporated under The Non-profit Corporations Act of Saskatchewan in 1955. The organization is a not-for-profit organization, as described in section 149 of the Income Tax Act, and therefore is not subject to either federal or provincial income taxes.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in term deposits which are carried at cost and have maturity dates of six months or less. The carrying amounts approximate fair value because of the short term nature of the investment.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	5 years
Furniture and fixtures	10 years

Capital assets acquired during the year, but not placed into use, are not amortized until they are placed into use.

Revenue recognition

Grants and other revenue related to specific projects are recognized as revenue when the expenditures are incurred, in accordance with the deferral method of accounting. Membership dues are recognized in the fiscal period in which the members services are rendered. Miscellaneous items are recognized as revenue when received.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Notes to Financial Statements
Year Ended December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Voluntary services

The operation of the association is partially dependent on voluntary services. Since these services would not normally be purchased by the organization and because of difficulty of determining the fair market value of donated services, these donated services are not recognized in these statements.

4. TERM DEPOSIT

The term deposit earns interest at a fixed rate of 4.26% (2021 - 1.95%) and matures in December 2024 (2021 - December 2022).

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 3,868	\$ 2,483	\$ 1,385	\$ 1,835
Furniture and fixtures	1,833	1,231	602	687
	\$ 5,701	\$ 3,714	\$ 1,987	\$ 2,522

6. FINANCIAL INSTRUMENTS - MEASUREMENT AND IMPAIRMENT

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, if any, in equity instruments that are quoted in an active market, which are measured at fair value. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable. At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired, and if so, reduces the carrying amount accordingly.

7. FINANCIAL INSTRUMENTS - RISK EXPOSURES

Like any entity, the organization is potentially exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. These include credit, liquidity, market, currency, interest rate and other price risks. None of these risk exposures are considered by management to be material, and there have been no changes in the organization's risk exposures from the prior year.

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Notes to Financial Statements
Year Ended December 31, 2022

8. 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 association 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 association's financial position and operations. However, in the current year the association did not encounter any difficulties due to the pandemic and it is not expected to have an adverse affect on the financial position or operations in the subsequent year.

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

**Membership fees
(Schedule 1)**

Year Ended December 31, 2022

	2022	2021
Active membership fees	\$ 129,413	\$ 120,255
Associate membership fees	15,356	<u>12,710</u>
	<u>\$ 144,769</u>	<u>\$ 132,965</u>

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

**Convention
(Schedule 2)**

Year Ended December 31, 2022

	2022	2021
Convention Revenue		
Commercial Sponsorships	\$ 60,325	\$ 200
Trade Show Booths	12,275	-
Women on the Go	7,670	-
Gang of Three Sponsorship	3,000	-
Golf Fees	720	-
	\$ 83,990	\$ 200
 Convention Expense		
Tuesday Luncheon	\$ 21,067	\$ -
Other convention expenses	18,698	-
Audio/Visual Service	14,628	-
Coffee/Juice Service	11,197	-
Wednesday noon luncheon	10,050	-
Women on the Go	7,670	-
Monday Social	4,540	-
Visiting Fraternal Delegate Expense	2,570	-
Hospitality Suite	1,676	-
Golf	716	-
Door Prizes	692	-
Printing/Postage/Stationery	564	-
Seminars and speakers	400	315
Wednesday banquet entertainment	249	-
Audio and visual service	-	32,535
	\$ 94,717	\$ 32,850

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

**Board of Examiners
(Schedule 3)**

Year Ended December 31, 2022

	2022	2021
Board of Examiners Revenue		
TSS funding	\$ 9,711	\$ 10,476
SARM Grant - Board of Examiners	7,510	5,295
Fees - A Certificates	7,000	5,500
Fees - C Certificates	6,500	7,750
Fees - Acting Permit	2,600	1,400
Fees - Superior A Certificates	500	1,500
Revenue Total	\$ 33,821	\$ 31,921
Board of Examiners Expense		
Board Secretary Services	\$ 13,178	\$ 9,291
TSS coordinator salary	4,167	5,000
TSS designated advisory salary	4,160	4,322
Supplies and stationary	1,343	958
Office Inspection Services	35,129	13,504
Expenses Total	\$ 57,977	\$ 33,075

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

**Administration expense
(Schedule 4)**

Year Ended December 31, 2022

	2022	2021
Salary - executive director	\$ 32,844	\$ 32,506
Benefits - executive director	7,506	6,856
Insurance and bond	5,108	4,875
Certificate, awards and pins	4,635	39
Travel costs	3,367	626
RMAA president honorarium	3,269	3,237
Audit	2,775	2,609
Website maintenance	2,636	1,311
Public relations expense	2,234	400
Fraternal delegates expense	1,586	1,729
Telephone	849	849
Bank service charges	614	671
Amortization expense	535	498
Lou Jacobs award expense	400	-
Curling expense	221	-
Postage	172	330
Stationary and supplies	165	208
Workers' Compensation Board levy	134	121
Grants	-	2,500
	\$ 69,050	\$ 59,365

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN
Board Meeting and Travel
(Schedule 5)
Year Ended December 31, 2022

	2022	2021
Executive board meetings	\$ 39,200	\$ 32,586
Committee meetings	9,197	10,900
Divisional meetings	2,378	1,054
Courier and freight	-	55
	\$ 50,775	\$ 44,595

The accompanying notes form an integral part of these financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

**Workshop Fund
(Schedule 6)**

Year Ended December 31, 2022

	2022	2021
Revenue		
RMAA hosted workshop registrations	\$ 54,471	\$ -
RMAA share of UMASS hosted workshops	19,580	-
Revenue total	\$ 74,051	\$ -
Expenses		
RMAA hosted workshop expenses	\$ 21,923	\$ -
RMAA share of UMASS workshop profit	12,276	-
Expenses total	\$ 34,199	\$ -

The accompanying notes form an integral part of these financial statements