

TOWN OF ROSTHERN
Financial Statements
Year Ended December 31, 2020

TOWN OF ROSTHERN
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Year Ended December 31, 2020

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Management's Responsibility

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

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

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

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



Nicole Lerat, Chief Administrative Officer



Mr. Dennis Helmuth, Mayor

Rosthern, SK

Date: 2021-06-24

INDEPENDENT AUDITOR'S REPORT

To the Council of the Town of Rosthern

Qualified Opinion

We have audited the financial statements of the Town of Rosthern (the Municipality), which comprise the statement of financial position as at December 31, 2020, and the statements of operations and accumulated surplus, change 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, 2020, 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

As outlined in Note 8 to the financial statements, the Municipality maintains a solid waste landfill site for which it has recorded an estimate of its closure and post-closure liabilities, but in a manner that is not consistent with Canadian public sector accounting standards. This constitutes a departure from Canadian public sector accounting standards, which require the closure and post-closure liabilities to be recognized on a volumetric basis as the landfill site capacity is used, beginning when the site first accepts waste. This is the result of a cost-benefit decision taken by management not to engage a third party to determine the liability until the site is closed. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were not able to determine whether any adjustments might be necessary to the surplus of revenues over expenses and cash flows for the years ended December 31, 2020 and December 31, 2019, landfill closure and post-closure liabilities as at December 31, 2020 and December 31, 2019 and accumulated surplus as at December 31, 2020 and December 31, 2019. Our audit opinion on the financial statements for the year ended December 31, 2019 was modified accordingly because of the possible effects of this departure from Canadian public sector accounting standards.

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.

Emphasis of Matter

We draw attention to Note 13 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2019 has been restated. Our opinion is not modified in respect of this matter.

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

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

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters 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.



Saskatoon, Canada
June 24, 2021

Chartered Professional Accountants

TOWN OF ROSTHERN
Statement of Financial Position
As at December 31, 2020
Statement 1

	2020	2019 (Restated - see note 13)
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 3,223,190	\$ 1,836,933
Taxes Receivable - Municipal (Note 3)	270,613	223,587
Other Accounts Receivable (Note 4)	988,364	598,972
Land for Resale (Note 5)	-	36,368
Long-Term Investments	-	-
Debt Charges Recoverable	-	-
Other	-	-
Total financial assets	4,482,167	2,695,860
LIABILITIES		
Bank indebtedness (Note 6)	-	-
Accounts Payable	127,022	47,922
Accrued Liabilities Payable	-	-
Deposits	9,815	9,856
Deferred Revenue (Note 7)	287,923	322,791
Accrued Landfill Costs (Note 8)	72,557	62,035
Liability for Contaminated Sites (Note 9)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 10)	3,947,586	3,063,299
Lease Obligations	-	-
Total liabilities	4,444,903	3,505,903
NET FINANCIAL ASSETS (DEBT)	37,264	(810,043)
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	15,323,494	15,158,837
Prepayments and Deferred Charges	17,430	5,366
Stock and Supplies	-	-
Other	-	-
Total Non-Financial Assets	15,340,924	15,164,203
ACCUMULATED SURPLUS (Schedule 8)	\$ 15,378,188	\$ 14,354,160

See notes to financial statements

TOWN OF ROSTHERN

Statement of Operations and Accumulated Surplus

As at December 31, 2019

Statement 2

	Budget	2020	2019 (Restated - see note 13)
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 2,346,896	\$ 2,424,747	\$ 2,287,123
Fees and Charges (Schedule 4, 5)	1,774,500	2,011,457	1,834,855
Conditional Grants (Schedule 4, 5)	169,550	177,756	167,081
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	40,000	(15,877)	10,038
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	422,260
Investment Income and Commissions (Schedule 4, 5)	20,000	30,911	30,957
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	4,375	20,741	31,916
Total Revenues other than Provincial/Federal Capital Grants and Contributions	4,355,321	4,649,735	4,784,230
EXPENSES			
General Government Services (Schedule 3)	516,682	634,977	514,401
Protective Services (Schedule 3)	377,683	343,195	372,322
Transportation Services (Schedule 3)	1,054,476	1,085,675	734,972
Environmental and Public Health Services (Schedule 3)	260,350	246,395	268,003
Planning and Development Services (Schedule 3)	113,550	87,840	33,429
Recreation and Cultural Services (Schedule 3)	936,424	813,200	893,462
Utility Services (Schedule 3)	1,154,577	927,788	1,044,071
Restructurings (Schedule 3)	-	-	-
Total Expenses	4,413,742	4,139,070	3,860,660
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	(58,421)	510,665	923,570
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	148,400	513,363	303,682
Surplus (Deficit) of Revenues over Expenses	89,979	1,024,028	1,227,252
Accumulated Surplus (Deficit), Beginning of Year, Previously Reported	14,354,160	14,674,304	13,248,074
Prior Period Adjustment	(198,979)	(320,144)	(121,166)
Accumulated Surplus, Beginning of Year, Previously Reported, As Restated	14,475,325	14,354,160	13,126,908
ACCUMULATED SURPLUS - END OF YEAR	\$ 14,565,304	\$ 15,378,188	\$ 14,354,160

See notes to financial statements

TOWN OF ROSTHERN

Statement of Change in Net Financial Assets

As at December 31, 2020

Statement 3

	Budget		2019 (Restated - see note 13)
	2020	2020	
Surplus (Deficit)	\$ (279,014)	\$ 1,024,029	\$ 1,227,252
(Acquisition) of tangible capital assets	-	(782,132)	(2,234,848)
Amortization of tangible capital assets	-	566,195	533,778
Proceeds on disposal of tangible capital assets	-	35,404	27,330
Loss (gain) on the disposal of tangible capital assets	-	15,877	(10,038)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	(164,656)	(1,683,778)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(17,430)	(5,366)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	5,365	5,161
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(12,065)	(205)
Increase/Decrease in Net Financial Assets	(279,014)	847,308	(456,731)
Net Financial Assets (Debt) - Beginning of Year	(810,043)	(810,043)	(353,312)
Net Financial Assets (Debt) - End of Year	\$ (1,089,057)	\$ 37,265	\$ (810,043)

TOWN OF ROSTHERN
Statement of Cash Flows
As at December 31, 2019
Statement 4

Cash provided by (used for) the following activities

	2020	2019 (Restated - see note 13)
Operating:		
Surplus (Deficit)	\$ 1,024,028	\$ 1,227,252
Amortization	566,195	533,778
Loss (gain) on disposal of tangible capital assets	15,877	(10,038)
Transfer of Land for Resale to Tangible Capital Assets	(36,368)	-
	<u>1,569,732</u>	<u>1,750,992</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(47,026)	16,175
Other Receivables	(389,392)	(239,650)
Land for Resale	36,368	55,400
Accounts Payable	79,100	(122,259)
Deferred Revenue	(34,868)	199,975
Prepayments and Deferred Charges	(12,065)	(205)
Accrued Landfill Costs	10,522	11,095
Deposits	(41)	(325)
	<u>(357,402)</u>	<u>(79,794)</u>
Cash provided by operating transactions	<u>1,212,330</u>	<u>1,671,198</u>
Capital:		
Acquisition of capital assets	(745,764)	(2,234,848)
Proceeds from the disposal of capital assets	35,404	27,330
Other capital	-	-
	<u>(710,360)</u>	<u>(2,207,518)</u>
Cash applied to capital transactions	<u>(710,360)</u>	<u>(2,207,518)</u>
Investing:		
Long-Term Investments	-	-
Other	-	-
	<u>-</u>	<u>-</u>
Cash provided by (applied to) investing transactions	<u>-</u>	<u>-</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	1,147,365	1,398,188
Long-term debt repaid	(263,078)	(258,120)
Other financing	-	-
	<u>884,287</u>	<u>1,140,068</u>
Cash provided by (applied to) financing transactions	<u>884,287</u>	<u>1,140,068</u>
Change in Cash and Temporary Investments during the year	<u>1,386,257</u>	<u>603,748</u>
Cash and Temporary Investments - Beginning of Year	<u>1,836,933</u>	<u>1,233,185</u>

(continues)

See notes to financial statements

TOWN OF ROSTHERN

Statement of Cash Flows *(continued)*

As at December 31, 2019

	2020	2019 (Restated - see note 13)
Cash and Temporary Investments - End of Year <i>(Note 2)</i>	<u>\$ 3,223,190</u>	<u>\$ 1,836,933</u>

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

1. Significant accounting policies

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

Basis of accounting: The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(a) **Reporting Entity:**

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

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

Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **Government Transfers:**

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

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

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

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

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

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

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

(e) **Local Improvement Charges:**

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

(f) **Net Financial Assets:**

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

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

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

(h) **Appropriated Reserves:**

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

(continues)

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

1. Significant accounting policies (continued)

(i) Property Tax Revenue:

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

(j) Investments:

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

(k) Inventories:

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

(l) Tangible Capital Assets:

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

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Years
Buildings	10 to 50 Years
Vehicles & Equipment	
Vehicles	5 to 10 Years
Machinery and Equipment	5 to 10 Years
Infrastructure Assets	
Infrastructure Assets	30 to 75 Years
Water & Sewer	30 to 75 Years
Road Network Assets	30 to 75 Years

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

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of Interest: The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(continues)

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

1. Significant accounting policies (continued)

(m) Landfill liability:

The municipality maintains a waste disposal site. The costs to close and maintain solid waste landfill sites are based on estimated future expenses, adjusted for inflation and discounted to current dollars. The annual provision is reported as an expense and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position. Recommended disclosure is provided in Note 10.

(n) Trust Funds:

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

(o) Employee benefit plans:

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

(p) Liability for Contaminated Sites:

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

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

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

(q) Measurement Uncertainty:

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

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

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

(continues)

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

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

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

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

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 25, 2020.

(continues)

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

1. Significant accounting policies (continued)

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

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

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

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

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

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

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

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

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

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

2. Cash and Temporary Investments

	<u>2020</u>	<u>2019</u>
Cash	\$ 3,223,190	\$ 1,836,933
Temporary Investments	-	-
Restricted Cash	-	-
Total Cash and Temporary Investments	\$ 3,223,190	\$ 1,836,933

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

TOWN OF ROSTHERN
Notes to Financial Statements
As at December 31, 2020

3. Taxes Receivable - Municipal

	<u>2020</u>	<u>2019</u>
<u>Municipal</u>		
- current	\$ 118,805	\$ 71,267
- arrears	<u>152,929</u>	<u>153,441</u>
	271,734	224,708
Less - allowance for uncollectibles	<u>(1,121)</u>	<u>(1,121)</u>
Total municipal taxes receivable	<u>270,613</u>	<u>223,587</u>
<u>School</u>		
- current	23,237	18,738
- arrears	<u>26,637</u>	<u>21,529</u>
Total school taxes receivable	<u>49,874</u>	<u>40,267</u>
Other (Tax title costs)	-	-
Total taxes and grants in lieu receivable	<u>320,487</u>	<u>263,854</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(49,874)</u>	<u>(40,267)</u>
Total Taxes Receivable - Municipal	<u>\$ 270,613</u>	<u>\$ 223,587</u>

4. Other Accounts Receivable

	<u>2020</u>	<u>2019</u>
Federal Government	\$ 43,888	\$ 50,377
Provincial Government	14,511	66,404
Local Government	136,923	290,869
Utility	147,418	119,971
Trade	35,403	71,351
Other - Tenant Incentive	<u>610,221</u>	<u>-</u>
Total Other Accounts Receivable	<u>988,364</u>	<u>598,972</u>
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net Other Accounts Receivable	<u>\$ 988,364</u>	<u>\$ 598,972</u>

5. Land for Resale

	<u>2020</u>	<u>2019</u>
Tax Title Property	\$ -	\$ 22,368
Allowance for market value adjustment	<u>-</u>	<u>-</u>
Net Tax Title Property	<u>-</u>	<u>22,368</u>
Other Land	-	14,000
Allowance for market value adjustment	<u>-</u>	<u>-</u>
Net Other Land	<u>-</u>	<u>14,000</u>
Total Land for Resale	<u>\$ -</u>	<u>\$ 36,368</u>

During the 2020 year end the municipality reassessed the assets included in land held for resale and determined they did not meet the criterion to be classified as financial assets. As a result amounts previously included in land held for resale were reclassified to tangible capital assets as at December 31, 2020.

6. Bank Indebtedness

Credit Arrangements

At December 31, 2020, the municipality had lines of credit totaling \$300,000, bearing interest at prime, none of which was drawn upon. The following has been collateralized in connection with this line of credit:

-- General security agreement

7. Deferred Revenue

(continues)

TOWN OF ROSTHERN
Notes to Financial Statements
As at December 31, 2020

7. **Deferred Revenue** *(continued)*

	2020	2019 (Restated - See Note 13)
<u>Winter Festival</u>		
Balance - Beginning of Year	\$ 2,646	\$ 1,650
Additions during the year	2,584	2,647
Amounts recognized as revenue during the year	<u>(2,646)</u>	<u>(1,651)</u>
Balance - End of Year	<u>2,584</u>	2,646
<u>Prepaid Taxes</u>		
Balance - Beginning of Year	-	-
Additions during the year	35,637	-
Reductions during the year	<u>-</u>	<u>-</u>
Balance - End of Year	<u>35,637</u>	-
<u>New Deal Gas Tax</u>		
Balance - Beginning of Year	320,145	121,166
Additions during the year	149,388	198,979
Reductions during the year	<u>(219,831)</u>	<u>-</u>
Balance - End of Year	<u>249,702</u>	320,145
Grand total	<u>\$ 287,923</u>	<u>\$ 322,791</u>

8. **Accrued Landfill Costs**

	2020	2019
Environmental Liabilities	<u>\$ 72,557</u>	<u>\$ 62,035</u>

In 2020 the municipality has accrued an overall liability for environmental matters in the amount of \$72,557 (prior year - \$62,035) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

9. **Liability for Contaminated Sites**

The municipality does not currently have a liability for any contaminated sites in the community. All properties that have environmentally risky histories are still under the ownership of the corporation or individual that operated on the property and all property tax and/or other liabilities to the municipality are current. There is currently no risk that any of these properties will become the responsibility of the municipality.

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

10. Long-term Debt

The debt limit of the municipality is \$3,632,354. 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 is repayable at the Canadian Imperial Bank of Commerce on November 1 of each year in annual blended payments of \$112,830. The debenture bears interest at a rate of 4.25% per annum.

Future principal and interest payments are as follows:

Year	Principal	Interest	2020	2019
2020	\$ -	\$ -	\$ -	\$ 112,830
2021	65,680	47,150	112,830	112,830
2022	68,472	44,358	112,830	112,830
2023	71,382	41,448	112,830	112,830
2024	74,415	38,415	112,830	112,830
Thereafter	829,451	186,017	1,015,468	1,015,467
	\$ 1,109,400	\$ 357,388	\$ 1,466,788	\$ 1,579,617

Bank loans payable:

- a) Fire Hall loan is repayable at the Canadian Imperial Bank of Commerce on March 31st of each year in annual principal only payments of \$53,333 plus monthly interest only payments. The loan bears interest at a rate of 5.64% per annum and is callable on demand.
- b) 12th Street Loan is repayable at the Canadian Imperial Bank of Commerce on December 27th of each year in annual principal only payments of \$110,000 plus monthly interest only payments. The loan bears interest at a rate at prime rate per annum and is callable on demand.
- c) North Service Roas Loan is repayable at the Canadian Imperial Bank of Commerce on December 27th of each year in annual principal only payments of \$150,000 plus monthly interest only payments. The loan bears interest at a rate at prime rate per annum and is callable on demand.
- d) Fire Truck loan is repayable at the Canadian Imperial Bank of Commerce on December 1st of each year in annual blended payments of \$87,097. The loan bears interest at a rate of 3.25% per annum and is callable on demand.

Future principal repayments are estimated as follows:

Year	Principal	Interest	2020	2019
2020	\$ -	\$ -	\$ -	\$ 223,611
2021	392,563	122,793	515,356	147,010
2022	313,333	106,160	419,493	62,357
2023	313,333	92,102	405,435	59,349
2024	313,333	78,044	391,377	56,489
Thereafter	1,505,624	376,366	1,881,990	1,398,041
	\$ 2,838,186	\$ 775,465	\$ 3,613,651	\$ 1,946,857
	\$ 3,947,586	\$ 1,132,853	\$ 5,080,439	\$ 3,526,474

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

11. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2020 was \$73,512. The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

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

	<u>2020</u>	<u>2019</u>
<u>Details of MEPP</u>		
Number of active members	-	-
Member contribution rates (percentage of salary):		
Employee contribution - general members	9.00%	9.00%
Employer contribution - general members	9.00%	9.00%
Employee contribution - designated members (police officers and firefighters)	12.50%	12.50%
Employer contribution - designated members (police officers and fire fighters)	12.50%	12.50%
Member contributions for the year	73,512	71,128
Employer contributions for the year	73,512	71,128
Financial position of the plan:		
Plan assets	3,221,426,000	2,819,222,000
Plan liabilities	2,382,526,000	<u>2,160,754,000</u>
Accounting pension surplus	\$ 838,900,000	<u>\$ 658,468,000</u>

2020 year's maximum pensionable amount (YMPE) \$58,700

12. Impacts of COVID-19

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

During this time, the Municipality has remained fully operations but with restrictions on the number of individuals in the office at one time and closure of public buildings. Board meetings have been conducted remotely which has reduced the cost of council remunerations. The Municipality has received government grants to assist with development plans and safety supplies. There have been minimal disruptions to tax revenue and operational expense asides from an increased cost in personal protective equipment. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the organization for future periods.

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2020

13. Prior period adjustment

During 2020 it was determined that Gas Tax Program funding recorded as revenue from the Province of Saskatchewan in 2019 and certain prior years had not met all criteria to be recorded as a government transfer. As a result, the previously recorded revenues required adjustment. The Municipality has treated this adjustment as an error. As a result the municipality has restated its 2019 comparative figures to reflect this correction as follows:

	2019		
	Previously Reported	Adjustments	2019 Restated
<u>Statement of Financial Position</u>			
Deferred revenue	\$ 2,647	\$ 320,144	\$ 322,791
Accumulated Surplus	14,674,304	(320,144)	14,354,160
<u>Statement of Operations and Accumulated Surplus</u>			
Provincial/Federal Capital Grants and Contributions	\$ 502,661	\$ (198,979)	\$ 303,682
Surplus of Revenues over Expenses	1,426,231	(198,979)	1,227,252
Accumulated Surplus beginning of year	13,248,073	(320,144)	12,927,929
Accumulated Surplus end of year	14,674,304	(320,144)	14,354,160
<u>Statement of Change in Net Financial Assets</u>			
Surplus of Revenues over Expenses	\$ 1,426,231	\$ (198,979)	\$ 1,227,252
Net Financial Assets - end of year	(489,899)	(320,144)	(810,043)
<u>Statement of Cash Flows</u>			
Surplus of Revenues over Expenses	\$ 1,426,231	\$ (198,979)	\$ 1,227,252
Deferred revenue	996	198,979	199,975

14. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	<u>2020</u>
Budget surplus per Statement of Operations	89,979
	<u> </u>
Per approved municipal budget	<u>\$ 89,979</u>

TOWN OF ROSTHERN

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2020

Schedule 1

	Budget 2020	2020	2019
TAXES			
General municipal tax levy	\$ 1,789,000	\$ 1,789,888	\$ 1,780,563
Abatements and adjustments	(26,000)	(26,888)	(46,315)
Discount on current year taxes	-	-	-
Net Municipal Taxes	1,763,000	1,763,000	1,734,248
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	24,390	24,391	39,729
Special tax levy	-	-	-
Other (Local Improvement)	-	-	-
Total Taxes	1,787,390	1,787,391	1,773,977
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	384,180	384,180	346,443
Organized Hamlet	-	-	-
Other (Safe Restart Program)	-	100,696	-
Total Unconditional Grants	384,180	484,876	346,443
GRANTS IN LIEU OF TAXES			
Federal	3,644	3,644	3,644
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	7,682	7,728	7,682
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	50
C.P.R. Mainline	-	-	-
Treaty land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	100,000	96,784	105,819
SaskEnergy Surcharge	64,000	44,324	49,508
Other	-	-	-
Total Grants in Lieu of Taxes	175,326	152,480	166,703
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,346,896	\$ 2,424,747	\$ 2,287,123

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 1

	Budget 2020	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 10,650	\$ 17,691	\$ 28,079
- Custom work	-	-	-
- Sales of supplies	-	-	-
- Other (Rental)	37,306	86,686	41,484
Total Fees and Charges	47,956	104,377	69,563
- Tangible capital asset sales - gain (loss)	40,000	9,589	422,260
- Land sales - gain (loss)	-	-	-
- Investment income and commissions	20,000	30,911	30,957
- Other (Donations)	-	2,500	12,000
Total Other Segmented Revenue	107,956	147,377	534,780
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	107,956	147,377	534,780
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	918	-
Total Capital	-	918	-
Restructuring Revenue	-	-	-
Total General Government Services	107,956	148,295	534,780
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	81,000	93,113	115,802
- Other	-	-	-
Total Fees and Charges	81,000	93,113	115,802
- Tangible capital asset sales - gain (loss)	-	-	4,529
- Other - Donations	-	12,666	2,500
Total Other Segmented Revenue	81,000	105,779	122,831
Conditional Grants			
- Student Employment	-	-	-
- Local government	52,977	47,104	70,250
- Other	-	-	-
Total Conditional Grants	52,977	47,104	70,250
Total Operating	133,977	152,883	193,081
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	\$ 133,977	\$ 152,883	\$ 193,081

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 2

	Budget 2020	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	3,000	11,257	3,207
- Sales of supplies	-	-	-
- Road Maintenance and Restoration	-	-	-
Agreements	-	-	-
- Frontage	-	-	-
- Other (Transit)	7,000	4,324	8,434
Total Fees and Charges	10,000	15,581	11,641
- Tangible capital asset sales - gain (loss)	-	-	5,509
- Other	-	-	-
Total Other Segmented Revenue	10,000	15,581	17,150
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- Other (Safe Restart)	18,871	18,522	4,232
Total Conditional Grants	18,871	18,522	4,232
Total Operating	28,871	34,103	21,382
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- RIRG (Heavy Haul, CTP, Bridges & Culverts)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Transit)	-	-	47,557
Total Capital	-	-	47,557
Restructuring Revenue	-	-	-
Total Transportation Services	28,871	34,103	68,939
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	20,000	18,556	27,739
- Waste and Disposal Fees	191,200	254,829	196,096
- Other	-	-	-
Total Fees and Charges	211,200	273,385	223,835
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	211,200	273,385	223,835
Conditional Grants			
- Student Employment	-	-	-
- Local government	18,800	18,845	16,250
- Other	-	-	-
Total Conditional Grants	18,800	18,845	16,250
Total Operating	230,000	292,230	240,085
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services	\$ 230,000	\$ 292,230	\$ 240,085

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 3

	Budget 2020	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	2,500	4,476	114,956
- Other (Rental and licenses)	26,870	37,142	25,800
Total Fees and Charges	29,370	41,618	140,756
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	29,370	41,618	140,756
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	29,370	41,618	140,756
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	29,370	41,618	140,756
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	203,727	164,095	240,745
- Other	7,797	6,293	5,850
Total Fees and Charges	211,524	170,388	246,595
- Tangible capital asset sales - gain (loss)	-	815	-
- Other (Donations)	4,375	5,575	17,416
Total Other Segmented Revenue	215,899	176,778	264,011
Conditional Grants			
- Student Employment	3,000	14,812	5,972
- Local Government	42,960	42,504	41,776
- Donations	-	-	-
- Other (Sask Lotto and other provincial)	32,942	35,969	28,601
Total Conditional Grants	78,902	93,285	76,349
Total Operating	294,801	270,063	340,360
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	\$ 294,801	\$ 270,063	\$ 340,360

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 4

	Budget 2020	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	911,650	1,026,350	785,462
- Sewer	271,800	286,645	241,201
- Other	-	-	-
Total Fees and Charges	1,183,450	1,312,995	1,026,663
- Tangible capital asset sales - gain (loss)	-	(26,281)	-
- Other	-	-	-
Total Other Segmented Revenue	1,183,450	1,286,714	1,026,663
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,183,450	1,286,714	1,026,663
Capital			
Conditional Grants			
- Federal Gas Tax	98,400	219,831	-
- ICIP	-	-	-
- New Building Canada Fund	-	-	-
- Clean Water and Wastewater Fund	-	-	256,125
- Provincial Disaster Assistance	-	-	-
- Other (MEEP, FCM)	50,000	292,614	-
Total Capital	148,400	512,445	256,125
Restructuring Revenue	-	-	-
Total Utility Services	1,331,850	1,799,159	1,282,788
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 2,156,825	\$ 2,738,351	\$ 2,800,789

SUMMARY

Total Other Segmented Revenue	\$ 1,838,875	\$ 2,047,232	\$ 2,330,026
Total Conditional Grants	169,550	177,756	167,081
Total Capital Grants and Contributions	148,400	513,363	303,682
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 2,156,825	\$ 2,738,351	\$ 2,800,789

TOWN OF ROSTHERN

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 1

	Budget 2020	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 83,820	\$ 68,924	\$ 73,337
Wages and benefits	196,000	211,745	189,242
Professional/Contractual services	151,700	262,001	166,181
Utilities	25,300	26,670	24,485
Maintenance, materials and supplies	22,400	26,213	25,026
Grants and contributions			
- operating	3,000	1,680	4,206
- capital	-	-	-
Amortization	22,800	22,794	22,794
Interest	1,662	1,662	3,311
Allowance For Uncollectibles	-	-	-
Other (Rental property)	10,000	13,288	5,819
General Government Services	516,682	634,977	514,401
Restructuring	-	-	-
Total General Government Services	516,682	634,977	514,401
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	49,000	48,140	56,573
Professional/Contractual Services	131,600	134,018	130,523
Utilities	800	856	770
Maintenance, Materials and Supplies	3,600	3,445	3,128
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	39,000	25,125	33,560
Professional/Contractual Services	38,420	27,906	23,557
Utilities	14,200	13,050	12,948
Maintenance, Materials and Supplies	21,480	11,007	26,251
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	61,353	61,353	61,352
Interest	18,230	18,295	23,660
Other	-	-	-
Protective Services	377,683	343,195	372,322
Restructuring	-	-	-
Total Protective Services	377,683	343,195	372,322
TRANSPORTATION SERVICES			
Wages and Benefits	177,500	174,126	172,268
Professional/Contractual Services	384,250	491,039	150,227
Utilities	58,600	54,439	55,946
Maintenance, Materials and Supplies	153,700	109,097	79,330
Gravel	25,000	3,837	29,944
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	201,626	201,924	184,255
Interest	53,800	51,213	63,002
Other	-	-	-
Transportation Services	1,054,476	1,085,675	734,972
Restructuring	-	-	-
Total Transportation Services	\$ 1,054,476	\$ 1,085,675	\$ 734,972

TOWN OF ROSTHERN

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	Budget 2020	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ 9,400	\$ 10,310	\$ 13,123
Professional/Contractual Services	242,900	231,870	248,741
Utilities	900	582	-
Maintenance, Materials and Supplies	7,150	3,633	6,139
Grants and contributions			
- Operating	-	-	-
waste disposal	-	-	-
Public Health	-	-	-
- Capital	-	-	-
waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	260,350	246,395	268,003
Restructuring	-	-	-
Total Environmental and Public Health Services	260,350	246,395	268,003
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	41,550	36,718	19,206
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	72,000	51,122	14,223
Other	-	-	-
Planning and Development Services	113,550	87,840	33,429
Restructuring	-	-	-
Total Planning and Development Services	113,550	87,840	33,429
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	363,857	354,681	366,062
Professional/Contractual Services	177,925	152,260	169,444
Utilities	100,600	83,077	87,215
Maintenance, Materials, and Supplies	152,890	84,416	129,587
Grants and contributions			
- Operating	42,690	40,650	42,692
- Capital	-	-	-
Amortization	98,462	98,116	98,462
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	936,424	813,200	893,462
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 936,424	\$ 813,200	\$ 893,462

TOWN OF ROSTHERN

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 3

	Budget 2020	2020	2019
UTILITY SERVICES			
Wages and Benefits	\$ 386,750	\$ 385,909	\$ 344,059
Professional/Contractual Services	282,800	156,871	316,983
Utilities	103,600	97,025	93,471
Maintenance, Materials and Supplies	199,950	105,975	122,643
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	181,477	182,008	166,915
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	1,154,577	927,788	1,044,071
Restructuring	-	-	-
Total Utility Services	1,154,577	927,788	1,044,071
TOTAL EXPENSES BY FUNCTION	\$ 4,413,742	\$ 4,139,070	\$ 3,860,660

TOWN OF ROSTHERN

Schedule of Segment Disclosure by Function

As at December 31, 2020

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	\$ 104,377	\$ 93,113	\$ 15,581	\$ 273,385	\$ 41,618	\$ 170,388	\$ 1,312,995	\$ 2,011,457
Tangible Capital Asset Sales - Gain (Loss)	9,589	-	-	-	-	815	(26,281)	(15,877)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	30,911	-	-	-	-	-	-	30,911
Other Revenues	2,500	12,666	-	-	-	5,575	-	20,741
Grants - Conditional	-	47,104	18,522	18,845	-	93,285	-	177,756
- Capital	918	-	-	-	-	-	512,445	513,363
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	148,295	152,883	34,103	292,230	41,618	270,063	1,799,159	2,738,351
Expenses (Schedule 3)								
Wages and Benefits	280,669	73,265	174,126	10,310	-	354,681	385,909	1,278,960
Professional/Contractual Services	262,001	161,924	491,039	231,870	36,718	152,260	156,871	1,492,683
Utilities	26,670	13,906	54,439	582	-	83,077	97,025	275,699
Maintenance Material and Supplies	26,213	14,452	112,934	3,633	-	84,416	105,975	347,623
Grants and Contributions	1,680	-	-	-	-	40,650	-	42,330
Amortization	22,794	61,353	201,924	-	-	98,116	182,008	566,195
Interest	1,662	18,295	51,213	-	51,122	-	-	122,292
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	13,288	-	-	-	-	-	-	13,288
Total Expenses	634,977	343,195	1,085,675	246,395	87,840	813,200	927,788	4,139,070
Surplus (Deficit) by Function	(486,682)	(190,312)	(1,051,572)	45,835	(46,222)	(543,137)	871,371	(1,400,719)
Taxes and other unconditional revenue (Schedule 1)								<u>2,424,747</u>
Net Surplus (Deficit)								<u>\$ 1,024,028</u>

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Segment Disclosure by Function

As at December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 69,563	\$ 115,802	\$ 11,641	\$ 223,835	\$ 140,756	\$ 246,595	\$ 1,026,663	\$ 1,834,855
Tangible Capital Asset Sales - Gain (Loss)	422,260	4,529	5,509	-	-	-	-	432,298
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	30,957	-	-	-	-	-	-	30,957
Other Revenues	12,000	2,500	-	-	-	17,416	-	31,916
Grants - Conditional	-	70,250	4,232	16,250	-	76,349	-	167,081
- Capital	-	-	47,557	-	-	-	256,125	303,682
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	534,780	193,081	68,939	240,085	140,756	340,360	1,282,788	2,800,789
Expenses (Schedule 3)								
Wages and Benefits	262,579	90,133	172,268	13,123	-	366,062	344,059	1,248,224
Professional/ Contractual Services	166,181	154,080	150,227	248,741	19,206	169,444	316,983	1,224,862
Utilities	24,485	13,718	55,946	-	-	87,215	93,471	274,835
Maintenance Material and Supplies	25,026	29,379	109,274	6,139	-	129,587	122,643	422,048
Grants and Contributions	4,206	-	-	-	-	42,692	-	46,898
Amortization	22,794	61,352	184,255	-	-	98,462	166,915	533,778
Interest	3,311	23,660	63,002	-	14,223	-	-	104,196
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	5,819	-	-	-	-	-	-	5,819
Total Expenses	514,401	372,322	734,972	268,003	33,429	893,462	1,044,071	3,860,660
Surplus (Deficit) by Function	20,379	(179,241)	(666,033)	(27,918)	107,327	(553,102)	238,717	(1,059,871)
Taxes and other unconditional revenue (Schedule 1)								<u>2,287,123</u>
Net Surplus (Deficit)								<u>\$ 1,227,252</u>

See notes to financial statements

TOWN OF ROSTHERN
Schedule of Tangible Capital Assets by Object
As at December 31, 2020

Schedule 6

	2020							2020 Total	2019 Total
	General Assets					Infrastructure Assets	General/ Infrastructure		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction		
Asset cost									
Opening Asset costs	\$ 696,075	\$ 61,298	\$ 10,032,527	\$ 272,571	\$ 1,704,756	\$ 14,480,006	\$ 1,052,870	\$ 28,300,103	\$ 26,402,919
Additions during the year	36,368	-	-	40,566	103,890	311,619	289,689	782,132	2,234,848
Disposals and write-downs during the year	(25,000)	-	-	(26,409)	-	(6,677)	-	(58,086)	(337,664)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	707,443	61,298	10,032,527	286,728	1,808,646	14,784,948	1,342,559	29,024,149	28,300,103
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	11,382	3,403,601	114,887	680,293	8,931,102	-	13,141,265	12,927,859
Add: Amortization taken	-	2,020	237,217	19,239	103,998	203,721	-	566,195	533,778
Less: Accumulated amortization on disposals	-	-	-	(26,409)	-	19,604	-	(6,805)	(320,372)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	13,402	3,640,818	107,717	784,291	9,154,427	-	13,700,655	13,141,265
Net Book Value	\$ 707,443	\$ 47,896	\$ 6,391,709	\$ 179,011	\$ 1,024,355	\$ 5,630,521	\$ 1,342,559	\$ 15,323,494	\$ 15,158,838

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

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Tangible Capital Assets by Function

As at December 31, 2020

Schedule 7

	2020							2020	2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening Asset costs	\$ 1,424,944	\$ 1,841,343	\$ 10,437,966	\$ 12,985	\$ 30,191	\$ 3,772,838	\$ 10,779,836	\$ 28,300,103	\$ 26,402,919
Additions during the year	36,368	12,666	243,712	-	22,480	40,566	426,340	782,132	2,234,848
Disposals and write-downs during the year	(25,000)	-	(2,519)	-	-	(26,409)	(4,158)	(58,086)	(337,664)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	1,436,312	1,854,009	10,679,159	12,985	52,671	3,786,995	11,202,018	29,024,149	28,300,103
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	207,753	461,970	6,540,358	-	-	2,542,345	3,388,839	13,141,265	12,927,859
Add: Amortization taken	22,794	61,353	201,924	-	-	98,116	182,008	566,195	533,778
Less: Accumulated amortization on disposals	-	-	(2,519)	-	-	(26,409)	22,123	(6,805)	(320,372)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	230,547	523,323	6,739,763	-	-	2,614,052	3,592,970	13,700,655	13,141,265
Net Book Value	\$ 1,205,765	\$ 1,330,686	\$ 3,939,396	\$ 12,985	\$ 52,671	\$ 1,172,943	\$ 7,609,048	\$ 15,323,494	\$ 15,158,838

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Accumulated Surplus

As at December 31, 2020

Schedule 8

	2019 (Restated - See Note 13)	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 509,891	\$ 1,321,313	\$ 1,831,204
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust	991	-	991
Utility	335,130	162,256	497,386
Other	1,412,609	260,090	1,672,699
Total Appropriated	1,748,730	422,346	2,171,076
ORGANIZED HAMLETS			
Organized Hamlet of	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	15,158,838	164,656	15,323,494
Less: Related debt	(3,063,299)	(884,287)	(3,947,586)
Net Investment in Tangible Capital Assets	12,095,539	(719,631)	11,375,908
Total Accumulated Surplus	\$ 14,354,160	\$ 1,024,028	\$ 15,378,188

TOWN OF ROSTHERN
Schedule of Mill Rates and Assessments
As at December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 399,190	\$115,303,920	\$ -	\$ -	\$ 12,435,400	\$ -	\$128,138,510
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	399,190	115,303,920	-	-	12,435,400	-	128,138,510
Mill Rate Factor(s)	1.5000	0.9100	-	-	2.2500	-	-
Total Base/Minimum Tax (generated for each property class)	2,200	683,050	-	-	90,000	-	775,250
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 6,751	\$ 1,480,492	\$ -	\$ -	\$ 302,645	\$ -	\$ 1,789,888

MILL RATES:

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

MILLS
13.9684
4.3203
-
7.6000

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

TOWN OF ROSTHERN

Schedule of Council Remuneration

As at December 31, 2020

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Mayor	Dennis Helmuth	\$ 18,440	\$ 1,200	\$ 19,640
Councillor	Colin Aebig	10,410	63	10,473
Councillor	Dom Corbett	7,330	387	7,717
Councillor	James Crouch	10,540	-	10,540
Councillor	Kevin Graham	5,380	-	5,380
Councillor	Emily Hand	1,260	-	1,260
Councillor	Neal Isfeld	1,130	-	1,130
Councillor	Katherine Kading	5,070	349	5,419
Councillor	Blaine Krentz	1,130	-	1,130
Councillor	Donald Reimer	6,160	75	6,235
Total		\$ 66,850	\$ 2,074	\$ 68,924