

TOWN OF ROSTHERN
Financial Statements
Year Ended December 31, 2019

TOWN OF ROSTHERN
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Year Ended December 31, 2019

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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: June 29, 2020

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, 2019, and the statements of operations and accumulated surplus 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, 2019, 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 10 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 year ended December 31, 2019, landfill closure and post-closure liabilities as at December 31, 2019 and net financial assets as at January 1 and December 31, 2019. The predecessor's audit opinion on the financial statements for the year ended December 31, 2018 was not modified because of the 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.

Other Matters

Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

Predecessor Auditor

The financial statements of the Town of Rosthern for the year ended December 31, 2018, were audited by Cogent Chartered Professional Accountants LLP who expressed an unmodified opinion on those statements on March 18, 2019. The partners and staff of Cogent Chartered Professional Accountants LLP joined Grant Thornton LLP subsequent to that on November 1, 2019.

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 Independent Auditor's Report to the Council of Town of Rosthern 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.

Rosthern, Canada
June 30, 2020

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

TOWN OF ROSTHERN
Statement of Financial Position
As at December 31, 2019

Statement 1

FINANCIAL ASSETS

Cash and Temporary Investments (Note 2)	\$ 1,836,933	\$ 1,233,185
Taxes Receivable - Municipal (Note 3)	223,587	239,762
Other Accounts Receivable (Note 4)	598,972	359,322
Land for Resale (Note 5)	36,368	91,768
Long-Term Investments (Note 6)	-	-
Debt Charges Recoverable (Note 7)	-	-
Other	-	-

Total financial assets

2,695,860 1,924,037

LIABILITIES

Bank indebtedness (Note 8)	-	-
Accounts Payable	47,922	170,182
Accrued Liabilities Payable	-	-
Deposits	9,856	10,180
Deferred Revenue (Note 9)	2,647	1,651
Accrued Landfill Costs (Note 10)	62,035	50,940
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 12)	3,063,299	1,923,231
Lease Obligations (Note 13)	-	-

Total liabilities

3,185,759 2,156,184

NET FINANCIAL DEBT

(489,899) (232,147)

NON-FINANCIAL ASSETS

Tangible Capital Assets(Schedule 6, 7)	15,158,837	13,475,059
Prepayments and Deferred Charges	5,366	5,161
Stock and Supplies	-	-
Other (Note 14)	-	-

Total Non-Financial Assets

15,164,203 13,480,220

ACCUMULATED SURPLUS (Schedule 8)

\$ 14,674,304 \$ 13,248,073

TOWN OF ROSTHERN

Statement of Operations and Accumulated Surplus

As at December 31, 2019

Statement 2

	Budget	2019	2018
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 2,241,690	\$ 2,287,123	\$ 2,124,605
Fees and Charges (Schedule 4, 5)	1,766,980	1,834,855	1,992,828
Conditional Grants (Schedule 4, 5)	215,040	167,081	259,542
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	10,038	98,482
Land Sales - Gain (Loss) (Schedule 4, 5)	150,000	422,260	-
Investment Income and Commissions (Schedule 4, 5)	20,000	30,957	25,618
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	11,030	31,916	66,750
Total Revenues other than Provincial/Federal Capital Grants and Contributions	4,404,740	4,784,230	4,567,825
EXPENSES			
General Government Services (Schedule 3)	511,260	514,401	485,459
Protective Services (Schedule 3)	398,390	372,322	416,408
Transportation Services (Schedule 3)	818,295	734,972	695,542
Environmental and Public Health Services (Schedule 3)	290,550	268,003	237,787
Planning and Development Services (Schedule 3)	26,750	33,429	43,308
Recreation and Cultural Services (Schedule 3)	922,750	893,462	818,954
Utility Services (Schedule 3)	1,213,830	1,044,071	935,508
Restructurings (Schedule 3)	-	-	-
Total Expenses	4,181,825	3,860,660	3,632,966
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	222,915	923,570	934,859
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	338,900	502,661	1,067,787
Surplus (Deficit) of Revenues over Expenses	561,815	1,426,231	2,002,646
Accumulated Surplus (Deficit), Beginning of Year	13,248,073	13,248,073	11,245,427
ACCUMULATED SURPLUS - END OF YEAR	\$ 13,809,888	\$ 14,674,304	\$ 13,248,073

See notes to financial statements

TOWN OF ROSTHERN

Statement of Change in Net Financial Assets

As at December 31, 2019

Statement 3

	Budget 2019	2019	2018
Surplus (Deficit)	\$ 561,815	\$ 1,426,231	\$ 2,002,646
(Acquisition) of tangible capital assets	(3,097,500)	(2,234,848)	(1,615,085)
Amortization of tangible capital assets	530,055	533,778	439,118
Proceeds on disposal of tangible capital assets	-	27,330	103,501
Loss (gain) on the disposal of tangible capital assets	-	(10,038)	(98,482)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	(2,567,445)	(1,683,778)	(1,170,948)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(5,366)	(5,161)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	5,161	5,425
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(205)	264
Increase/Decrease in Net Financial Assets	(2,005,630)	(257,752)	831,962
Net Financial Assets (Debt) - Beginning of Year	(232,147)	(232,147)	(1,064,109)
Net Financial Assets (Debt) - End of Year	\$ (2,237,777)	\$ (489,899)	\$ (232,147)

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

Statement 4

Cash provided by (used for) the following activities

	2019	2018
Operating:		
Surplus (Deficit)	\$ 1,426,231	\$ 2,002,646
Amortization	533,778	439,118
Loss (gain) on disposal of tangible capital assets	(10,038)	(98,482)
	<u>1,949,971</u>	<u>2,343,282</u>
Change in assets/liabilities		
Other Receivables	16,175	(70,227)
Land for Resale	(239,650)	85,290
Accounts Payable	55,400	(303)
Deferred Revenue	(122,259)	131,753
Prepayments and Deferred Charges	996	613
Accrued Landfill Costs	(205)	265
Deposits	11,095	10,698
	(325)	(1,342)
	<u>(278,773)</u>	<u>156,747</u>
Cash provided by operating transactions	<u>1,671,198</u>	<u>2,500,029</u>
Capital:		
Acquisition of capital assets	(2,234,848)	(1,615,085)
Proceeds from the disposal of capital assets	27,330	103,501
Other capital	-	-
	<u>(2,207,518)</u>	<u>(1,511,584)</u>
Cash applied to capital transactions	<u>(2,207,518)</u>	<u>(1,511,584)</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	1,398,188	-
Long-term debt repaid	(258,120)	(311,752)
Other financing	-	-
	<u>1,140,068</u>	<u>(311,752)</u>
Cash provided by (applied to) financing transactions	<u>1,140,068</u>	<u>(311,752)</u>
Change in Cash and Temporary Investments during the year	<u>603,748</u>	<u>676,693</u>
Cash and Temporary Investments - Beginning of Year	<u>1,233,185</u>	<u>556,492</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 1,836,933</u>	<u>\$ 1,233,185</u>

See notes to financial statements

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2019

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, 2019

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, 2019

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, 2019

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 13, 2019.

(t) **New Accounting Standards:**

Effective January 1, 2019, the municipality adopted the following standard to comply with Canadian public sector accounting standards (PSAS). This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

PS 3430 Restructuring Transactions provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis.

For more information refer to Note 21.

Future Accounting Standards, Effective on or after April 1, 2021:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. 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.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. 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.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. 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 On or After April 1, 2022:

PS 3400, Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

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

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2019

2. Cash and Temporary Investments

	<u>2019</u>	<u>2018</u>
Cash	\$ 1,836,933	\$ 1,233,185
Temporary Investments	-	-
Restricted Cash	-	-
Total Cash and Temporary Investments	\$ 1,836,933	\$ 1,233,185

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.

3. Taxes Receivable - Municipal

	<u>2019</u>	<u>2018</u>
<u>Municipal</u>		
- current	\$ 71,267	\$ 127,222
- arrears	153,441	114,742
	<u>224,708</u>	241,963
Less - allowance for uncollectibles	(1,121)	(2,203)
Total municipal taxes receivable	<u>223,587</u>	239,761
<u>School</u>		
- current	18,738	36,144
- arrears	21,529	20,327
Total school taxes receivable	<u>40,267</u>	56,471
Other (Tax title costs)	-	-
Total taxes and grants in lieu receivable	<u>263,854</u>	296,232
Deduct taxes receivable to be collected on behalf of other organizations	<u>(40,267)</u>	(56,470)
Total Taxes Receivable - Municipal	\$ 223,587	\$ 239,762

4. Other Accounts Receivable

	<u>2019</u>	<u>2018</u>
Federal Government	\$ 50,376	\$ 32,941
Provincial Government	66,404	6,191
Local Government	290,869	161,268
Utility	119,972	114,222
Trade	71,351	44,700
Other	-	-
Total Other Accounts Receivable	<u>598,972</u>	359,322
Less: allowance for uncollectibles	-	-
Net Other Accounts Receivable	\$ 598,972	\$ 359,322

5. Land for Resale

	<u>2019</u>	<u>2018</u>
Tax Title Property	\$ 22,368	\$ 22,368
Allowance for market value adjustment	-	-
Net Tax Title Property	<u>22,368</u>	22,368
Other Land	14,000	69,400
Allowance for market value adjustment	-	-
Net Other Land	<u>14,000</u>	69,400
Total Land for Resale	\$ 36,368	\$ 91,768

TOWN OF ROSTHERN
Notes to Financial Statements
As at December 31, 2019

6. Investments	2019	2018
	<hr/>	<hr/>
Short-term Investments		
Long-term Investments		
	<hr/>	<hr/>
Total Investments	\$ -	\$ -

7. Debt Charges Recoverable	2019	2018
	<hr/>	<hr/>
Current debt charges recoverable	\$ -	\$ -
Non-current debt charges recoverable	-	-
	<hr/>	<hr/>
Total Debt Charges Recoverable	\$ -	\$ -

8. Bank Indebtedness

Credit Arrangements

At December 31, 2019, the municipality had lines of credit totaling \$300,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

9. Deferred Revenue

	2019	2018
	<hr/>	<hr/>
<u>Winter Festival</u>		
Balance - Beginning of Year	\$ 1,651	\$ 1,038
Additions during the year	2,647	1,651
Reductions during the year	(1,651)	(1,038)
	<hr/>	<hr/>
Balance - End of Year	\$ 2,647	\$ 1,651

10. Accrued Landfill Costs

	2019	2018
	<hr/>	<hr/>
Environmental Liabilities	\$ 62,035	\$ 50,940

In 2019 the municipality has accrued an overall liability for environmental matters in the amount of \$62,035 (prior year - \$50,940) 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.

11. 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.

12. Long-term Debt

The debt limit of the municipality is \$3,628,988. 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)).

(continues)

TOWN OF ROSTHERN
Notes to Financial Statements
As at December 31, 2019

12. Long-term Debt (continued)

Principal **2019** 2018

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	2019	2018
2019	\$ -	\$ -	\$ -	\$ 112,830
2020	63,003	49,827	112,830	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
Thereafter	903,866	224,431	1,128,297	1,128,297
Balance	1,172,403	407,214	1,579,617	1,692,447

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) Paving loan is repayable at the Canadian Imperial Bank of Commerce on December 27th of each year in annual principal only payments of \$29,600 plus monthly interest only payments. The loan bears interest at a rate of 4.67% per annum and is callable on demand.
- c) Town Office loan is repayable at the Canadian Imperial Bank of Commerce on December 27th of each year in annual principal only payments of \$35,500 plus monthly interest only payments. The loan bears interest at a rate of 4.67% 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:

2019	-	-	-	229,659
2020	200,300	23,311	223,611	223,610
2021	132,408	14,602	147,010	146,969
2022	53,333	9,024	62,357	62,357
2023	53,333	6,016	59,349	59,349
Thereafter	1,451,522	3,008	1,454,530	56,343
Balance	1,890,896	55,961	1,946,857	778,287
	\$ 3,063,299	\$ 463,175	\$ 3,526,474	\$ 2,470,734

13. Lease Obligations

This note does not pertain to this municipality.

14. Other Non-financial Assets

2019 2018

This note does not pertain to this municipality.

15. Contingent Liabilities

This note does not pertain to this municipality.

TOWN OF ROSTHERN

Notes to Financial Statements

As at December 31, 2019

16. 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 2019 was \$71,816. 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.

17. Comparative Figures/ Subsequent events

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite 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.

It is unknown to what extent these factors will impact the Town, however they could play a significant factor on the community in their ability to pay and service their taxes, as well as the utilization of taxes held by the Town. The Town has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. 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 Town for future periods.

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

18. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

	<u>2019</u>	<u>2018</u>
Balance - Beginning of Year	\$ -	\$ -
Revenue (specify)	-	-
Interest revenue	-	-
Subtotal	-	-
Expenditure (specify)	-	-
Balance - End of Year	\$ -	\$ -

This note does not pertain to this municipality.

19. Related Parties

This note does not pertain to this municipality.

20. Contingent Assets

Contingent assets are not recorded in the financial statements.

21. Restructuring Transactions

This note does not pertain to this municipality.

TOWN OF ROSTHERN
Notes to Financial Statements
As at December 31, 2019

22. 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>2019</u>
Budget surplus per Statement of Operations	561,815
Less: Transfers to other funds	(330,930)
Add: Loan Proceeds	2,900,000
Less: Loan Repayments	(555,000)
Less: Capital Asset Purchases	<u>(3,097,500)</u>
Per approved municipal budget	<u>\$ (521,615)</u>

TOWN OF ROSTHERN
Notes to Financial Statements
As at December 31, 2019

23. Contractual Rights

This note does not pertain to this municipality.

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows: (all lease shown are net of GST)

	2019	2020	2021	2022	2023	Thereafter	Maturity Date	Current Year Total	Prior Year Total
Type, Nature, Time & Extent									

24. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets [identify those that apply]. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Time, Nature, Time & Extent	2020	2021	2022	2023	2024	Thereafter	Maturity Date	Current Year Total	Prior Year Total

See Note 13 for Capital Lease Obligations

TOWN OF ROSTHERN

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2019

Schedule 1

	Budget 2019	2019	2018
TAXES			
General municipal tax levy	\$ 1,780,500	\$ 1,780,563	\$ 1,677,014
Abatements and adjustments	(50,000)	(46,315)	(49,053)
Discount on current year taxes	-	-	-
Net Municipal Taxes	1,730,500	1,734,248	1,627,961
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	36,000	39,729	36,363
Special tax levy	-	-	-
Other (Local Improvement)	-	-	3,762
Total Taxes	1,766,500	1,773,977	1,668,086
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	346,440	346,443	336,684
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	346,440	346,443	336,684
GRANTS IN LIEU OF TAXES			
Federal	3,150	3,644	7,170
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	7,600	7,682	7,623
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	50	-
C.P.R. Mainline	-	-	-
Treaty land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	88,000	105,819	88,338
SaskEnergy Surcharge	30,000	49,508	16,704
Other	-	-	-
Total Grants in Lieu of Taxes	128,750	166,703	119,835
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,241,690	\$ 2,287,123	\$ 2,124,605

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 1

	Budget 2019	2019	2018
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 10,950	\$ 28,079	\$ 18,415
- Custom work	-	-	-
- Sales of supplies	-	-	-
- Other (Rental)	41,820	41,484	40,694
Total Fees and Charges	52,770	69,563	59,109
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	150,000	422,260	-
- Investment income and commissions	20,000	30,957	25,618
- Other (Donations)	-	12,000	55,400
Total Other Segmented Revenue	222,770	534,780	140,127
Conditional Grants			
- Student Employment	50,000	-	-
- Other	-	-	-
Total Conditional Grants	50,000	-	-
Total Operating	272,770	534,780	140,127
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	272,770	534,780	140,127
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	98,900	115,802	130,044
- Other	-	-	-
Total Fees and Charges	98,900	115,802	130,044
- Tangible capital asset sales - gain (loss)	-	4,529	-
- Other - Donations	-	2,500	-
Total Other Segmented Revenue	98,900	122,831	130,044
Conditional Grants			
- Student Employment	-	-	-
- Local government	73,100	70,250	55,096
- Other	-	-	-
Total Conditional Grants	73,100	70,250	55,096
Total Operating	172,000	193,081	185,140
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other (Fire & Rescue)	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	\$ 172,000	\$ 193,081	\$ 185,140

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 2

	Budget 2019	2019	2018
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	3,000	3,207	3,637
- Sales of supplies	-	-	-
- Road Maintenance and Restoration	-	-	-
- Agreements	-	-	-
- Frontage	-	-	-
- Other (Transit)	12,400	8,434	28,903
Total Fees and Charges	15,400	11,641	32,540
- Tangible capital asset sales - gain (loss)	-	5,509	98,482
- Other	-	-	-
Total Other Segmented Revenue	15,400	17,150	131,022
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other (Transit)	6,190	4,232	6,191
Total Conditional Grants	6,190	4,232	6,191
Total Operating	21,590	21,382	137,213
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Transit)	40,500	47,557	-
Total Capital	40,500	47,557	-
Restructuring Revenue	-	-	-
Total Transportation Services	62,090	68,939	137,213
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	27,000	27,739	19,762
- Waste and Disposal Fees	190,400	196,096	190,054
- Other	-	-	-
Total Fees and Charges	217,400	223,835	209,816
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	217,400	223,835	209,816
Conditional Grants			
- Student Employment	-	-	-
- Local government	8,400	16,250	8,464
- Other	-	-	-
Total Conditional Grants	8,400	16,250	8,464
Total Operating	225,800	240,085	218,280
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services	\$ 225,800	\$ 240,085	\$ 218,280

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 3

	Budget 2019	2019	2018
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	110,000	114,956	251,763
- Other (Rental and licenses)	23,370	25,800	136,926
Total Fees and Charges	133,370	140,756	388,689
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	133,370	140,756	388,689
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	133,370	140,756	388,689
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	133,370	140,756	388,689
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	198,940	240,745	191,042
- Other	5,000	5,850	6,488
Total Fees and Charges	203,940	246,595	197,530
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Donations)	11,030	17,416	11,350
Total Other Segmented Revenue	214,970	264,011	208,880
Conditional Grants			
- Student Employment	2,000	5,972	5,261
- Local Government	47,960	41,776	42,122
- Donations	-	-	-
- Other (Sask Lotto and other provincial)	27,390	28,601	142,408
Total Conditional Grants	77,350	76,349	189,791
Total Operating	292,320	340,360	398,671
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	\$ 292,320	\$ 340,360	\$ 398,671

TOWN OF ROSTHERN

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 4

	Budget 2019	2019	2018
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	798,500	785,462	750,611
- Sewer	246,700	241,201	224,489
- Other	-	-	-
Total Fees and Charges	1,045,200	1,026,663	975,100
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	1,045,200	1,026,663	975,100
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,045,200	1,026,663	975,100
Capital			
Conditional Grants			
- Federal Gas Tax	98,400	198,979	96,049
- Clean Water and Wastewater Fund	200,000	256,125	971,738
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	298,400	455,104	1,067,787
Restructuring Revenue	-	-	-
Total Utility Services	1,343,600	1,481,767	2,042,887
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 2,501,950	\$ 2,999,768	\$ 3,511,007

SUMMARY

Total Other Segmented Revenue	\$ 1,948,010	\$ 2,330,026	\$ 2,183,678
Total Conditional Grants	215,040	167,081	259,542
Total Capital Grants and Contributions	338,900	502,661	1,067,787
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 2,501,950	\$ 2,999,768	\$ 3,511,007

TOWN OF ROSTHERN

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 1

	Budget 2019	2019	2018
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 79,220	\$ 73,337	\$ 44,815
Wages and benefits	187,000	189,242	173,406
Professional/Contractual services	158,840	166,181	126,597
Utilities	25,200	24,485	13,969
Maintenance, materials and supplies	21,800	25,026	18,958
Grants and contributions			
- operating	3,000	4,206	1,575
- capital	-	-	-
Amortization	22,800	22,794	21,659
Interest	3,400	3,311	4,969
Allowance For Uncollectibles	-	-	46,490
Other (Rental property)	10,000	5,819	33,021
General Government Services	511,260	514,401	485,459
Restructuring	-	-	-
Total General Government Services	511,260	514,401	485,459
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	72,000	56,573	68,984
Professional/Contractual Services	129,200	130,523	135,181
Utilities	800	770	792
Maintenance, Materials and Supplies	6,800	3,128	6,359
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	37,200	33,560	37,589
Professional/Contractual Services	39,160	23,557	42,864
Utilities	13,100	12,948	12,100
Maintenance, Materials and Supplies	17,610	26,251	21,806
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	57,620	61,352	61,353
Interest	24,900	23,660	29,380
Other	-	-	-
Protective Services	398,390	372,322	416,408
Restructuring	-	-	-
Total Protective Services	398,390	372,322	416,408
TRANSPORTATION SERVICES			
Wages and Benefits	166,100	172,268	162,098
Professional/Contractual Services	199,560	150,227	119,545
Utilities	56,000	55,946	52,593
Maintenance, Materials and Supplies	132,200	79,330	84,759
Gravel	25,000	29,944	3,377
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	184,235	184,255	213,104
Interest	55,200	63,002	60,066
Other	-	-	-
Transportation Services	818,295	734,972	695,542
Restructuring	-	-	-
Total Transportation Services	\$ 818,295	\$ 734,972	\$ 695,542

TOWN OF ROSTHERN

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 2

	Budget 2019	2019	2018
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ 12,100	\$ 13,123	\$ 11,032
Professional/Contractual Services	271,200	248,741	218,418
Utilities	900	-	801
Maintenance, Materials and Supplies	6,350	6,139	7,536
Grants and contributions			
- Operating	-	-	-
waste disposal	-	-	-
Public Health	-	-	-
- Capital	-	-	-
waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	290,550	268,003	237,787
Restructuring	-	-	-
Total Environmental and Public Health Services	290,550	268,003	237,787
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	26,750	19,206	43,308
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	14,223	-
Other	-	-	-
Planning and Development Services	26,750	33,429	43,308
Restructuring	-	-	-
Total Planning and Development Services	26,750	33,429	43,308
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	378,330	366,062	364,965
Professional/Contractual Services	159,730	169,444	110,929
Utilities	102,630	87,215	100,276
Maintenance, Materials, and Supplies	140,900	129,587	103,836
Grants and contributions			
- Operating	42,690	42,692	42,692
- Capital	-	-	-
Amortization	98,470	98,462	96,256
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	922,750	893,462	818,954
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 922,750	\$ 893,462	\$ 818,954

TOWN OF ROSTHERN

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 3

	Budget 2019	2019	2018
UTILITY SERVICES			
Wages and Benefits	\$ 361,850	\$ 344,059	\$ 356,493
Professional/Contractual Services	418,300	316,983	268,704
Utilities	103,800	93,471	94,234
Maintenance, Materials and Supplies	162,950	122,643	169,331
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	166,930	166,915	46,746
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	1,213,830	1,044,071	935,508
Restructuring	-	-	-
Total Utility Services	1,213,830	1,044,071	935,508
TOTAL EXPENSES BY FUNCTION	\$ 4,181,825	\$ 3,860,660	\$ 3,632,966

TOWN OF ROSTHERN

Schedule of Segment Disclosure by Function

As at December 31, 2019

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	\$ 69,563	\$ 115,802	\$ 11,641	\$ 223,835	\$ 140,756	\$ 246,595	\$ 1,026,663	\$ 1,834,855
Tangible Capital Asset Sales - Gain (Loss)	-	4,529	5,509	-	-	-	-	10,038
Land Sales - Gain (Loss)	422,260	-	-	-	-	-	-	422,260
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	-	-	-	455,104	502,661
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	534,780	193,081	68,939	240,085	140,756	340,360	1,481,767	2,999,768
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)	437,696	(860,892)
Taxes and other unconditional revenue (Schedule 1)								<u>2,287,123</u>
Net Surplus (Deficit)								<u>\$ 1,426,231</u>

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Segment Disclosure by Function

As at December 31, 2018

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	\$ 59,109	\$ 130,044	\$ 32,540	\$ 209,816	\$ 388,689	\$ 197,530	\$ 975,100	\$ 1,992,828
Tangible Capital Asset Sales - Gain (Loss)	-	-	98,482	-	-	-	-	98,482
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	25,618	-	-	-	-	-	-	25,618
Other Revenues	55,400	-	-	-	-	11,350	-	66,750
Grants - Conditional	-	55,096	6,191	8,464	-	189,791	-	259,542
- Capital	-	-	-	-	-	-	1,067,787	1,067,787
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	140,127	185,140	137,213	218,280	388,689	398,671	2,042,887	3,511,007
Expenses (Schedule 3)								
Wages and Benefits	218,221	106,573	162,098	11,032	-	364,965	356,493	1,219,382
Professional/ Contractual Services	126,597	178,045	119,545	218,418	43,308	110,929	268,704	1,065,546
Utilities	13,969	12,892	52,593	801	-	100,276	94,234	274,765
Maintenance Material and Supplies	18,958	28,165	88,136	7,536	-	103,836	169,331	415,962
Grants and Contributions	1,575	-	-	-	-	42,692	-	44,267
Amortization	21,659	61,353	213,104	-	-	96,256	46,746	439,118
Interest	4,969	29,380	60,066	-	-	-	-	94,415
Allowance for Uncollectibles	46,490	-	-	-	-	-	-	46,490
Restructurings	-	-	-	-	-	-	-	-
Other	33,021	-	-	-	-	-	-	33,021
Total Expenses	485,459	416,408	695,542	237,787	43,308	818,954	935,508	3,632,966
Surplus (Deficit) by Function	(345,332)	(231,268)	(558,329)	(19,507)	345,381	(420,283)	1,107,379	(121,959)
Taxes and other unconditional revenue (Schedule 1)								<u>2,124,605</u>
Net Surplus (Deficit)								<u>\$ 2,002,646</u>

See notes to financial statements

TOWN OF ROSTHERN
Schedule of Tangible Capital Assets by Object
As at December 31, 2019

Schedule 6

	2019								2018 Total
	General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset cost									
Opening Asset costs	\$ 697,913	\$ 55,336	\$ 10,095,612	\$ 271,312	\$ 1,805,244	\$ 13,324,442	\$ 153,059	\$ 26,402,918	\$ 24,926,737
Additions during the year	-	-	-	77,830	29,320	1,191,344	936,354	2,234,848	1,615,085
Disposals and write-downs during the year	(7,800)	-	(63,085)	(76,571)	(129,808)	(60,400)	-	(337,664)	(138,904)
Transfers (from) assets under construction	-	-	-	-	-	36,543	(36,543)	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	690,113	55,336	10,032,527	272,571	1,704,756	14,491,929	1,052,870	28,300,102	26,402,918
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	9,660	3,229,122	172,345	709,035	8,807,697	-	12,927,859	12,622,627
Add: Amortization taken	-	1,722	237,564	19,113	101,066	174,313	-	533,778	439,118
Less: Accumulated amortization on disposals	-	-	(63,085)	(76,571)	(129,808)	(50,908)	-	(320,372)	(133,886)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	11,382	3,403,601	114,887	680,293	8,931,102	-	13,141,265	12,927,859
Net Book Value	\$ 690,113	\$ 43,954	\$ 6,628,926	\$ 157,684	\$ 1,024,463	\$ 5,560,827	\$ 1,052,870	\$ 15,158,837	\$ 13,475,059

1. Total contributed donated assets received in 2019: \$ -
2. List of assets recognized at nominal value in 2019 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -
 - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2019: \$ -

See notes to financial statements

TOWN OF ROSTHERN
Schedule of Tangible Capital Assets by Function
As at December 31, 2019

Schedule 7

	2019							2018 Total	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		Total
Asset cost									
Opening Asset costs	\$ 1,432,744	\$ 1,971,151	\$ 9,822,554	\$ 12,985	\$ -	\$ 3,772,838	\$ 9,390,646	\$ 26,402,918	\$ 24,926,737
Additions during the year	-	-	1,522,794	-	-	-	712,054	2,234,848	1,615,085
Disposals and write-downs during the year	(7,800)	(129,808)	(86,062)	-	-	-	(113,994)	(337,664)	(138,904)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	1,424,944	1,841,343	11,259,286	12,985	-	3,772,838	9,988,706	28,300,102	26,402,918
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	184,959	530,425	6,433,294	-	-	2,443,883	3,335,298	12,927,859	12,622,627
Add: Amortization taken	22,794	61,353	183,635	-	-	98,462	167,534	533,778	439,118
Less: Accumulated amortization on disposals	-	(129,808)	(76,571)	-	-	-	(113,993)	(320,372)	(133,886)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	207,753	461,970	6,540,358	-	-	2,542,345	3,388,839	13,141,265	12,927,859
Net Book Value	\$ 1,217,191	\$ 1,379,373	\$ 4,718,928	\$ 12,985	\$ -	\$ 1,230,493	\$ 6,599,867	\$ 15,158,837	\$ 13,475,059

See notes to financial statements

TOWN OF ROSTHERN

Schedule of Accumulated Surplus

As at December 31, 2019

Schedule 8

	2018	Changes	2019
UNAPPROPRIATED SURPLUS	\$ 662,981	\$ 167,055	\$ 830,036
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust	991	-	991
Utility	157,909	177,221	335,130
Other	874,365	538,244	1,412,609
Total Appropriated	1,033,265	715,465	1,748,730
ORGANIZED HAMLETS			
Organized Hamlet of	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	13,475,059	1,683,778	15,158,837
Less: Related debt	(1,923,232)	(1,140,067)	(3,063,299)
Net Investment in Tangible Capital Assets	11,551,827	543,711	12,095,538
Total Accumulated Surplus	\$ 13,248,073	\$ 1,426,231	\$ 14,674,304

TOWN OF ROSTHERN
Schedule of Mill Rates and Assessments
As at December 31, 2019

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 441,155	\$114,542,560	\$ -	\$ -	\$ 12,149,570	\$ -	\$127,133,285
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	441,155	114,542,560	-	-	12,149,570	-	127,133,285
Mill Rate Factor(s)	1.5000	0.9100	-	-	2.2500	-	-
Total Base/Minimum Tax (generated for each property class)	2,400	680,200	-	-	93,000	-	775,600
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 7,429	\$ 1,472,376	\$ -	\$ -	\$ 300,758	\$ -	\$ 1,780,563

MILL RATES:

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

MILLS
14.0055
0.7093
-
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, 2019

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Mayor	Dennis Helmuth	\$ 21,517	\$ 58	\$ 21,575
Councillor	Colin Aebig	930	8,136	9,066
Councillor	Dom Corbett	9,958	263	10,221
Councillor	James Crouch	7,877	172	8,049
Councillor	Kevin Graham	3,920	-	3,920
Councillor	Katherine Kading	7,717	-	7,717
Councillor	Donald Reimer	8,190	242	8,432
Councillor	Donna Walton	4,255	102	4,357
Total		\$ 64,364	\$ 8,973	\$ 73,337

TOWN OF ROSTHERN
Schedule of Restructuring
Year Ended December 31, 2019

2019

Carrying amount of Assets and Liabilities Transferred/Received at Restructuring Date:

Cash and Temporary Investments	\$	-
Taxes Receivable - Municipal		-
Other Accounts Receivable		-
Land for Resale		-
Long-Term Investments		-
Debt Charges Recoverable		-
Bank Indebtedness		-
Accounts Payable		-
Accrued Liabilities Payable		-
Deposits		-
Deferred Revenue		-
Accrued Landfill Costs		-
Liability for Contaminated Sites		-
Other Liabilities		-
Long-Term Debt		-
Lease Obligations		-
Tangible Capital Assets		-
Prepayments and Deferred Charges		-
Stock and Supplies		-
Other		-
		<hr/>
Total Net Carrying Amount Received (Transferred)	\$	-

TOWN OF ROSTHERN

Schedule of Financial Statement Adjustments

As at December 31, 2019

Schedule 12

	2019
Effect of Change on 2019 Statement of Financial Position	
2019 Accumulated Surplus (Deficit) as previously reported	\$ -
Add: Net Book Value of tangible capital assets recorded	-
Less: Affinity Credit Union Cemetery Trust account	-
	<hr/>
Restated 2019 Accumulated Surplus (Deficit)	\$ -
 Effect of Change to 2019 Statement of Operations	
Previously reported 'Surplus (Deficit) of Revenues over Expenses'	\$ -
Add:	
Tangible capital asset expenditures	-
Gain on disposal of assets	-
	<hr/>
	-
Less:	
Decrease in interest income	-
Decrease in interest income	-
Proceeds on sale of capital assets	-
	<hr/>
Restated Surplus (Deficit) of Revenue over Expenses	\$ -