

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520
Financial Statements
Year Ended December 31, 2020

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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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.



Naomi Hrischuk, Administrator



Cliff Aspvik, Councillor

Paddockwood, SK

Date: June 18, 2021

INDEPENDENT AUDITOR'S REPORT

To the Council of the Rural Municipality of Paddockwood No. 520

Qualified Opinion

We have audited the financial statements of the Rural Municipality of Paddockwood No. 520 (the Municipality), which comprise the statement of financial position as at December 31, 2020, 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, 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

We were not able to observe the counting of inventories at December 31, 2020 or satisfy ourselves by alternative means concerning inventory quantities as at that date. Since closing inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the deficit of revenues over expenses for the year reported in the statement of operations, inventory reported on the statement of financial position and the cash flows from operating activities reported in the statement of cash flows. As a result, our audit opinion on the financial statements for the year ended December 31, 2020 is modified because of the possible effects of this limitation in scope.

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

Emphasis of Matter

We draw attention to Note 14 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.

Other Matter

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.

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.

Grant Thornton LLP

Saskatoon, Canada
June 18, 2021

Chartered Professional Accountants

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Financial Position****As at December 31, 2020****Statement 1**

	2020	2019 (Restated - see Note 14)
FINANCIAL ASSETS		
Cash and Temporary Investments	\$ 1,014,059	\$ 1,242,248
Taxes Receivable - Municipal (Note 2)	142,756	138,806
Other Accounts Receivable (Note 3)	81,724	33,144
Land for Resale (Note 4)	-	18,320
Long-Term Investments (Note 5)	59,355	56,734
Debt Charges Recoverable	-	-
Other	-	-
Total financial assets	1,297,894	1,489,252
LIABILITIES		
Bank indebtedness (Note 6)	-	-
Accounts Payable	67,788	22,771
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 7)	160,820	92,277
Accrued Landfill Costs (Note 8)	25,000	25,000
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 9)	601,268	521,973
Lease Obligations	-	-
Total liabilities	854,876	662,021
NET FINANCIAL ASSETS	443,018	827,231
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	11,414,043	11,533,914
Prepayments and Deferred Charges	-	-
Stock and Supplies	264,499	24,719
Other	-	-
Total Non-Financial Assets	11,678,542	11,558,633
ACCUMULATED SURPLUS (Schedule 8)	\$ 12,121,560	\$ 12,385,864

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Operations and Accumulated Surplus****As at December 31, 2019****Statement 2**

	Budget	2020	2019 (Restated - see Note 14)
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,907,830	\$ 1,901,780	\$ 1,782,254
Fees and Charges (Schedule 4, 5)	120,480	132,894	83,815
Conditional Grants (Schedule 4, 5)	50,830	56,403	45,195
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	(145,870)	(392,458)	24,477
Land Sales - Gain (Loss) (Schedule 4, 5)	-	(39)	2,135
Investment Income and Commissions (Schedule 4, 5)	8,700	24,358	24,503
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	5,000	5,000	5,000
Total Revenues other than Provincial/Federal Capital Grants and Contributions	1,946,970	1,727,938	1,967,379
EXPENSES			
General Government Services (Schedule 3)	442,440	438,930	391,715
Protective Services (Schedule 3)	118,480	117,748	114,942
Transportation Services (Schedule 3)	1,470,340	1,394,798	1,413,996
Environmental and Public Health Services (Schedule 3)	116,380	123,856	92,868
Planning and Development Services (Schedule 3)	14,500	12,994	10,536
Recreation and Cultural Services (Schedule 3)	42,290	42,184	40,297
Utility Services (Schedule 3)	2,650	2,195	2,097
Restructurings (Schedule 3)	-	-	-
Total Expenses	2,207,080	2,132,705	2,066,451
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	(260,110)	(404,767)	(99,072)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	209,000	140,463	26,706
Surplus (Deficit) of Revenues over Expenses	(51,110)	(264,304)	(72,366)
Accumulated Surplus (Deficit), Beginning of Year, previously reported	12,478,141	12,478,141	12,458,230
Prior Period Adjustment(note 15)	(92,277)	(92,277)	-
Accumulated Surplus (Deficit), Beginning of Year, As Restated	12,385,864	12,385,864	12,458,230
ACCUMULATED SURPLUS - END OF YEAR	\$ 12,334,754	\$ 12,121,560	\$ 12,385,864

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Statement of Change in Net Financial Assets

As at December 31, 2020

Statement 3

	Budget	2020	2019 (Restated - see Note 14)
Surplus (Deficit)	\$ (51,110)	\$ (264,303)	\$ (72,366)
(Acquisition) of tangible capital assets	-	(896,965)	(493,145)
Amortization of tangible capital assets	511,170	474,378	460,517
Proceeds on disposal of tangible capital assets	-	150,000	142,251
Loss (gain) on the disposal of tangible capital assets	-	392,458	(24,477)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	511,170	119,871	85,146
(Acquisition) of supplies inventories	-	(264,499)	(24,719)
(Acquisition) of prepaid expense	-	-	-
Consumption of supplies inventory	-	24,719	157,191
Use of prepaid expense	-	-	-
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(239,780)	132,472
Increase/Decrease in Net Financial Assets	460,060	(384,212)	145,252
Net Financial Assets (Debt) - Beginning of Year	827,231	827,231	681,979
Net Financial Assets (Debt) - End of Year	\$ 1,287,291	\$ 443,019	\$ 827,231

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520**Statement of Cash Flows****As at December 31, 2019****Statement 4****Cash provided by (used for) the following activities**

	2020	2019 (Restated - see Note 14)
Operating:		
Surplus (Deficit)	\$ (264,304)	\$ (72,366)
Amortization	474,378	460,517
Loss (gain) on disposal of tangible capital assets	392,458	(24,477)
	<u>602,532</u>	<u>363,674</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(3,950)	37,335
Other Receivables	(48,580)	41,680
Land for Resale	18,320	(14,015)
Accounts Payable	45,019	1,504
Deferred Revenue	68,543	92,277
Stock and Supplies	(239,780)	132,472
Accrued Landfill Costs	-	(11,969)
	<u>(160,428)</u>	<u>279,284</u>
Cash provided by operating transactions	<u>442,104</u>	<u>642,958</u>
Capital:		
Acquisition of capital assets	(896,965)	(493,145)
Proceeds from the disposal of capital assets	150,000	142,251
	<u>(746,965)</u>	<u>(350,894)</u>
Cash applied to capital transactions	<u>(746,965)</u>	<u>(350,894)</u>
Investing:		
Long-Term Investments	(2,621)	(3,464)
Other	-	-
	<u>(2,621)</u>	<u>(3,464)</u>
Cash provided by (applied to) investing transactions	<u>(2,621)</u>	<u>(3,464)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	498,992	214,687
Long-term debt repaid	(419,699)	(267,482)
Other financing	-	-
	<u>79,293</u>	<u>(52,795)</u>
Cash provided by (applied to) financing transactions	<u>79,293</u>	<u>(52,795)</u>
Change in Cash and Temporary Investments during the year	<u>(228,189)</u>	<u>235,805</u>
Cash and Temporary Investments - Beginning of Year	<u>1,242,248</u>	<u>1,006,443</u>
Cash and Temporary Investments - End of Year	<u>1,014,059</u>	<u>1,242,248</u>
CASH CONSISTS OF:		
Cash and Temporary Investments	<u>\$ 1,014,059</u>	<u>\$ 1,242,248</u>

See notes to financial statements

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)

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.

The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis. The balance represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

(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.

(continues)

Notes to Financial Statements

As at December 31, 2020

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

(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.

(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.

(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.

(continues)

Notes to Financial Statements

As at December 31, 2020

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

(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.

(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 June 17, 2020.

(continues)

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.

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2020

2. Taxes Receivable - Municipal

	2020	2019
<u>Municipal</u>		
- current	\$ 123,191	\$ 122,002
- arrears	25,902	23,140
	<u>149,093</u>	<u>145,142</u>
Less - allowance for uncollectibles	(6,337)	(6,337)
Total municipal taxes receivable	<u>142,756</u>	<u>138,805</u>
<u>School</u>		
- current	38,722	44,600
- arrears	11,701	7,693
Total school taxes receivable	<u>50,423</u>	<u>52,293</u>
Other	-	-
Total taxes and grants in lieu receivable	<u>193,179</u>	<u>191,098</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(50,423)</u>	<u>(52,292)</u>
Total Taxes Receivable - Municipal	<u>\$ 142,756</u>	<u>\$ 138,806</u>

3. Other Accounts Receivable

	2020	2019
Federal Government	\$ 24,988	\$ 22,766
Provincial Government	-	-
Local Government	-	-
Utility	-	-
Trade	56,736	10,378
Other	-	-
Total Other Accounts Receivable	<u>81,724</u>	<u>33,144</u>
Less: allowance for uncollectibles	-	-
Net Other Accounts Receivable	<u>\$ 81,724</u>	<u>\$ 33,144</u>

4. Land for Resale

	2020	2019
Tax Title Property	\$ -	\$ 18,320
Allowance for market value adjustment	-	-
Net Tax Title Property	<u>-</u>	<u>18,320</u>
Land for Resale	-	-
Allowance for market value adjustment	-	-
Net Other Land	<u>-</u>	<u>-</u>
Total Land for Resale	<u>\$ -</u>	<u>\$ 18,320</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.

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2020

5. Investments

	2020	2019
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$ 59,355	\$ 56,734
Other	-	-
Total Investments	\$ 59,355	\$ 56,734

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis. The balance represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

6. Bank Indebtedness

Credit Arrangements

At December 31, 2020, the municipality had lines of credit totaling \$100,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

7. Deferred Revenue

	2020	2019 (Restated - see Note 14)
<u>Gas Tax</u>		
Balance - Beginning of Year	\$ 92,277	\$ -
Additions during the year	79,650	118,983
Reductions during the year	(21,299)	(26,706)
Balance - End of Year	<u>150,628</u>	<u>92,277</u>
<u>MEEP</u>		
Balance - Beginning of Year	-	-
Additions during the year	129,356	-
Reductions during the year	(119,164)	-
Balance - End of Year	<u>10,192</u>	<u>-</u>
Grand total	<u>\$ 160,820</u>	<u>\$ 92,277</u>

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2020

8. Accrued Landfill Costs

	<u>2020</u>	<u>2019</u>
Environmental Liabilities	<u>\$ 25,000</u>	<u>\$ 25,000</u>

The municipality operated a landfill that was closed in 2013. Since closure of the landfill the municipality has performed certain closure activities including post-closure care monitoring. In 2019 the Municipality engaged a third party expert to evaluate and estimate the extent of closure and post-closure costs remaining. The accrual as at December 31, 2020 represents managements best estimate of the liability remaining for closure and post-closure costs.

Post-closure care in years: 2

Projected year of final post monitoring closure costs: 2022

Total undiscounted post monitoring costs: \$25,000 (2019 - \$25,000).

9. Long-term Debt

The debt limit of the municipality is \$1,482,248. 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)).

Bank loan of \$14,490 is repayable to Affinity Credit Union in monthly blended payments of \$4,639 bearing interest at 4.200% per annum. The loan matures in 2021.

Bank loan of \$125,182 is repayable to Affinity Credit Union in monthly blended payments of \$14,173 bearing interest at 4.200% per annum. The loan matures in 2021.

Bank loan of \$57,514 is repayable to Affinity Credit Union in monthly blended payments of \$4,650 bearing interest at 4.200% per annum. The loan matures in 2022.

Bank loan of \$34,938 is repayable to Affinity Credit Union in monthly blended payments of \$1,755 bearing interest at 4.200% per annum. The loan matures in 2022.

Bank loan of \$245,552 is repayable to Affinity Credit Union in monthly blended payments of \$10,045 bearing interest at 2.700% per annum. The loan matures in 2023.

Bank loan of \$45,162 is repayable to Affinity Credit Union in monthly blended payments of \$1,754 bearing interest at 2.700% per annum. The loan matures in 2023.

Bank loan of \$78,430 is repayable to Affinity Credit Union in monthly blended payments of \$2,895 bearing interest at 2.700% per annum. The loan matures in 2023.

Future principal and interest payments are as follows:

Year	<u>Principal</u>	<u>Interest</u>	<u>2020</u>	<u>2019</u>
2020	\$ -	\$ -	\$ -	\$ 302,069
2021	381,911	12,678	394,589	221,209
2022	191,612	3,557	195,169	20,412
2023	27,745	113	27,858	-
	<u>\$ 601,268</u>	<u>\$ 16,348</u>	<u>\$ 617,616</u>	<u>\$ 543,690</u>

Notes to Financial Statements

As at December 31, 2020

10. 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 \$. 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	10	10
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	45,740	38,136
Employer contributions for the year	45,740	38,136
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

11. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

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.

The Municipality was not significantly affected by the effects COVID-19. Office personnel were most impacted due to social distancing requirements, but all other employees were able to work in a safe and socially distanced environment.

13. Contingent Assets

Contingent assets are not recorded in the financial statements.

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Notes to Financial Statements

As at December 31, 2020

14. Prior period adjustment

During 2020 it was determined that the Municipality had in the previous year not earned all the gas tax funding it had received during that year. As a result, recorded revenues required an adjustment to defer the unspent portion until 2020. The Municipality has treated this adjustment as an error. As a result the municipality has restated its 2019 to reflect this correction as follows:

	2019		
	Previously Reported	Adjustments	2019 Restated
<u>Statement of Financial Position</u>			
Deferred revenue	\$ -	\$ 92,277	\$ 92,277
<u>Statement of Operations and Accumulated Surplus</u>			
Accumulated Surplus beginning of year	\$ 12,458,230	\$ -	\$ 12,458,230
Provincial/ Federal capital grants and contributions	118,983	(92,277)	26,706
Surplus (deficit)	19,911	(92,277)	(72,366)
Accumulated Surplus end of year	12,478,141	(92,277)	12,385,864
<u>Statement of Change in Net Financial Assets</u>			
Net Financial Assets - beginning of year	\$ 681,979	\$ -	\$ 681,979
Surplus (deficit)	19,911	(92,277)	(72,366)
Net Financial Assets - end of year	919,508	(92,277)	827,231

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2020

Schedule 1

	Budget 2020	2020	2019
TAXES			
General municipal tax levy	\$ 1,535,330	\$ 1,533,857	\$ 1,527,790
Abatements and adjustments	(45,150)	(42,880)	(78,913)
Discount on current year taxes	(75,800)	(78,648)	(74,806)
Net Municipal Taxes	1,414,380	1,412,329	1,374,071
Potash tax share	-	-	-
Trailer license fees	16,000	15,329	15,329
Penalties on tax arrears	21,350	15,071	25,101
Special tax levy	66,650	72,275	72,030
Other	-	-	-
Total Taxes	1,518,380	1,515,004	1,486,531
UNCONDITIONAL GRANTS			
Revenue Sharing	294,740	291,528	253,848
Organized Hamlet	5,290	5,290	4,888
Other (Safe Re-start Program)	53,680	53,689	-
Total Unconditional Grants	353,710	350,507	258,736
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other - Grants	4,740	4,746	5,767
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	31,000	31,523	31,220
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	35,740	36,269	36,987
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,907,830	\$ 1,901,780	\$ 1,782,254

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	\$ 2,500	\$ 2,623	\$ 1,727
- Custom work	-	-	-
- Sales of supplies	19,980	22,794	16,506
- Other - Rental	8,350	6,936	7,695
Total Fees and Charges	30,830	32,353	25,928
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	(39)	2,135
- Investment income and commissions	8,700	24,358	24,503
- Other	-	-	-
Total Other Segmented Revenue	39,530	56,672	52,566
Conditional Grants			
- Student Employment	6,320	6,339	-
- Other	-	-	-
Total Conditional Grants	6,320	6,339	-
Total Operating	45,850	63,011	52,566
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	45,850	63,011	52,566
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	29,730	29,232	-
Other	-	-	-
Total Fees and Charges	29,730	29,232	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	29,730	29,232	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	29,730	29,232	-
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	\$ 29,730	\$ 29,232	\$ -

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	5,000	6,977	5,141
- Sales of supplies	1,000	280	5,256
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	6,000	7,257	10,397
- Tangible capital asset sales - gain (loss)	(145,870)	(392,458)	24,477
- Other	-	-	-
Total Other Segmented Revenue	(139,870)	(385,201)	34,874
Conditional Grants			
- MREP (CTP)	250	272	250
- Student Employment	-	-	-
- Other - Infrastructure	35,100	39,390	35,055
Total Conditional Grants	35,350	39,662	35,305
Total Operating	(104,520)	(345,539)	70,179
Capital			
Conditional Grants			
- Federal Gas Tax	79,650	21,299	26,706
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - MEEP	129,350	119,164	-
Total Capital	209,000	140,463	26,706
Restructuring Revenue	-	-	-
Total Transportation Services	104,480	(205,076)	96,885
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Waste and Disposal Fees	22,420	22,993	21,951
- Other	-	-	-
Total Fees and Charges	22,420	22,993	21,951
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	22,420	22,993	21,951
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other - Pest Control	2,000	3,241	2,761
Total Conditional Grants	2,000	3,241	2,761
Total Operating	24,420	26,234	24,712
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services	\$ 24,420	\$ 26,234	\$ 24,712

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	20,100	26,000	9,351
- Other - Permits and licenses	11,000	14,364	15,930
Total Fees and Charges	31,100	40,364	25,281
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	5,000	5,000	5,000
Total Other Segmented Revenue	36,100	45,364	30,281
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	36,100	45,364	30,281
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	36,100	45,364	30,281
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other - Sask Lotto & Other Provincial	7,160	7,161	7,129
Total Conditional Grants	7,160	7,161	7,129
Total Operating	7,160	7,161	7,129
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	\$ 7,160	\$ 7,161	\$ 7,129

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	400	695	258
- Sewer	-	-	-
- Other	-	-	-
Total Fees and Charges	400	695	258
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	400	695	258
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	400	695	258
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	400	695	258
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 248,140	\$ (33,379)	\$ 211,831

SUMMARY

Total Other Segmented Revenue	\$ (11,690)	\$ (230,245)	\$ 139,930
Total Conditional Grants	50,830	56,403	45,195
Total Capital Grants and Contributions	209,000	140,463	26,706
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 248,140	\$ (33,379)	\$ 211,831

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 1

	Budget 2020	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 70,810	\$ 54,433	\$ 43,078
Wages and benefits	216,370	224,238	208,312
Professional/Contractual services	82,550	91,579	81,788
Utilities	26,090	24,087	23,937
Maintenance, materials and supplies	19,800	17,765	21,120
Grants and contributions			
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	26,820	26,828	13,480
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
General Government Services	442,440	438,930	391,715
Restructuring	-	-	-
Total General Government Services	442,440	438,930	391,715
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	44,080	43,348	41,842
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	74,400	74,400	73,100
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	118,480	117,748	114,942
Restructuring	-	-	-
Total Protective Services	118,480	117,748	114,942
TRANSPORTATION SERVICES			
Wages and Benefits	405,000	402,774	334,554
Professional/Contractual Services	45,600	37,154	44,596
Utilities	26,340	25,161	24,590
Maintenance, Materials and Supplies	350,800	335,431	334,905
Gravel	134,500	125,733	203,433
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	483,600	446,808	446,295
Interest	24,500	21,737	25,623
Other	-	-	-
Transportation Services	1,470,340	1,394,798	1,413,996
Restructuring	-	-	-
Total Transportation Services	\$ 1,470,340	\$ 1,394,798	\$ 1,413,996

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	Budget 2020	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ 14,370	\$ 14,011	\$ 13,906
Professional/Contractual Services	100,210	97,837	77,162
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and contributions - operating	-	-	-
□ Waste disposal	-	-	-
□ Public Health	-	-	-
- capital	-	-	-
□ Waste disposal	-	-	-
□ Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Recovery of estimated accrued landfill costs	1,800	12,008	1,800
Environmental and Public Health Services	116,380	123,856	92,868
Restructuring	-	-	-
Total Environmental and Public Health Services	116,380	123,856	92,868
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	7,100	6,725	2,503
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Memberships/tax loss comp.	7,400	6,269	8,033
Planning and Development Services	14,500	12,994	10,536
Restructuring	-	-	-
Total Planning and Development Services	14,500	12,994	10,536
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	20,010	19,987	18,968
Professional/Contractual Services	15,120	15,036	14,320
Utilities	-	-	-
Maintenance, Materials, and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	7,160	7,161	7,009
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	42,290	42,184	40,297
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 42,290	\$ 42,184	\$ 40,297

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 3

	Budget 2020	2020	2019
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	-	-	-
Utilities	1,900	1,453	1,355
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - operating	-	-	-
- capital	-	-	-
Amortization	750	742	742
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	2,650	2,195	2,097
Restructuring	-	-	-
Total Utility Services	2,650	2,195	2,097
TOTAL EXPENSES BY FUNCTION	\$ 2,207,080	\$ 2,132,705	\$ 2,066,451

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	\$ 32,353	\$ 29,232	\$ 7,257	\$ 22,993	\$ 40,364	\$ -	\$ 695	\$ 132,894
Tangible Capital Asset Sales - Gain (Loss)	-	-	(392,458)	-	-	-	-	(392,458)
Land Sales - Gain (Loss)	(39)	-	-	-	-	-	-	(39)
Investment Income and Commissions	24,358	-	-	-	-	-	-	24,358
Other Revenues	-	-	-	-	5,000	-	-	5,000
Grants - Conditional	6,339	-	39,662	3,241	-	7,161	-	56,403
- Capital	-	-	140,463	-	-	-	-	140,463
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	63,011	29,232	(205,076)	26,234	45,364	7,161	695	(33,379)
Expenses (Schedule 3)								
Wages and Benefits	278,671	-	402,774	14,011	-	19,987	-	715,443
Professional/Contractual Services	91,579	117,748	37,154	97,837	6,725	15,036	-	366,079
Utilities	24,087	-	25,161	-	-	-	1,453	50,701
Maintenance Material and Supplies	17,765	-	461,164	-	-	-	-	478,929
Grants and Contributions	-	-	-	-	-	7,161	-	7,161
Amortization	26,828	-	446,808	-	-	-	742	474,378
Interest	-	-	21,737	-	-	-	-	21,737
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	12,008	6,269	-	-	18,277
Total Expenses	438,930	117,748	1,394,798	123,856	12,994	42,184	2,195	2,132,705
Surplus (Deficit) by Function	(375,919)	(88,516)	(1,599,874)	(97,622)	32,370	(35,023)	(1,500)	(2,166,084)
Taxes and other unconditional revenue (Schedule 1)								<u>1,901,780</u>
Net Surplus (Deficit)								<u>\$ (264,304)</u>

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	\$ 25,928	\$ -	\$ 10,397	\$ 21,951	\$ 25,281	\$ -	\$ 258	\$ 83,815
Tangible Capital Asset Sales - Gain (Loss)	-	-	24,477	-	-	-	-	24,477
Land Sales - Gain (Loss)	2,135	-	-	-	-	-	-	2,135
Investment Income and Commissions	24,503	-	-	-	-	-	-	24,503
Other Revenues	-	-	-	-	5,000	-	-	5,000
Grants - Conditional	-	-	35,305	2,761	-	7,129	-	45,195
- Capital	-	-	26,706	-	-	-	-	26,706
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	52,566	-	96,885	24,712	30,281	7,129	258	211,831
Expenses (Schedule 3)								
Wages and Benefits	251,390	-	334,554	13,906	-	18,968	-	618,818
Professional/ Contractual Services	81,788	114,942	44,596	77,162	2,503	14,320	-	335,311
Utilities	23,937	-	24,590	-	-	-	1,355	49,882
Maintenance Material and Supplies	21,120	-	538,338	-	-	-	-	559,458
Grants and Contributions	-	-	-	-	-	7,009	-	7,009
Amortization	13,480	-	446,295	-	-	-	742	460,517
Interest	-	-	25,623	-	-	-	-	25,623
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	1,800	8,033	-	-	9,833
Total Expenses	391,715	114,942	1,413,996	92,868	10,536	40,297	2,097	2,066,451
Surplus (Deficit) by Function	(339,149)	(114,942)	(1,317,111)	(68,156)	19,745	(33,168)	(1,839)	(1,854,620)
Taxes and other unconditional revenue (Schedule 1)								<u>1,782,254</u>
Net Surplus (Deficit)								<u>\$ (72,366)</u>

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	\$ 1,141,560	\$ -	\$ 753,067	\$ -	\$ 2,378,224	\$ 13,256,778	\$ -	\$ 17,529,629	\$ 17,169,600
Additions during the year	17,394	-	12,182	-	631,057	112,419	123,913	896,965	493,145
Disposals and write-downs during the year	-	-	-	-	(720,752)	-	-	(720,752)	(133,116)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	1,158,954	-	765,249	-	2,288,529	13,369,197	123,913	17,705,842	17,529,629
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	-	228,181	-	459,257	5,308,277	-	5,995,715	5,550,540
Add: Amortization taken	-	-	27,751	-	119,970	326,657	-	474,378	460,517
Less: Accumulated amortization on disposals	-	-	-	-	(178,294)	-	-	(178,294)	(15,342)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	255,932	-	400,933	5,634,934	-	6,291,799	5,995,715
Net Book Value	\$ 1,158,954	\$ -	\$ 509,317	\$ -	\$ 1,887,596	\$ 7,734,263	\$ 123,913	\$ 11,414,043	\$ 11,533,914

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

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Tangible Capital Assets by Function

As at December 31, 2020

Schedule 7

	2020								2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening Asset costs	\$ 621,393	\$ -	\$ 15,771,812	\$ 2,143	\$ 1,104,587	\$ -	\$ 29,694	\$ 17,529,629	\$ 17,169,600
Additions during the year	12,182	-	867,389	-	17,394	-	-	896,965	493,145
Disposals and write-downs during the year	-	-	(720,752)	-	-	-	-	(720,752)	(133,116)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	633,575	-	15,918,449	2,143	1,121,981	-	29,694	17,705,842	17,529,629
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	193,271	-	5,780,838	-	-	-	21,606	5,995,715	5,550,540
Add: Amortization taken	26,828	-	446,808	-	-	-	742	474,378	460,517
Less: Accumulated amortization on disposals	-	-	(178,294)	-	-	-	-	(178,294)	(15,342)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	220,099	-	6,049,352	-	-	-	22,348	6,291,799	5,995,715
Net Book Value	\$ 413,476	\$ -	\$ 9,869,097	\$ 2,143	\$ 1,121,981	\$ -	\$ 7,346	\$ 11,414,043	\$ 11,533,914

See notes to financial statements

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Accumulated Surplus

As at December 31, 2020

Schedule 8

	2019 (Restated - see note 15)	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 821,146	\$ (59,480)	\$ 761,666
APPROPRIATED RESERVES			
Machinery and Equipment	268,498	-	268,498
Public Reserve	30,991	-	30,991
Capital Trust	-	-	-
Utility	-	-	-
Other (specify)	199,354	-	199,354
Total Appropriated	498,843	-	498,843
ORGANIZED HAMLETS			
Organized Hamlet of Northside	53,934	(5,658)	48,276
Total Organized Hamlets	53,934	(5,658)	48,276
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	11,533,914	(119,871)	11,414,043
Less: Related debt	(521,973)	(79,295)	(601,268)
Net Investment in Tangible Capital Assets	11,011,941	(199,166)	10,812,775
Total Accumulated Surplus	\$ 12,385,864	\$ (264,304)	\$ 12,121,560

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

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	\$ 67,780,885	\$105,056,970	\$ -	\$ -	\$ 4,272,700	\$ -	\$177,110,555
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	67,780,885	105,056,970	-	-	4,272,700	-	177,110,555
Mill Rate Factor(s)	1.0000	1.0000	-	-	1.3000	-	-
Total Base/Minimum Tax (generated for each property class)	457,380	330,705	-	-	7,169	-	795,254
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 742,060	\$ 764,790	\$ -	\$ -	\$ 27,007	\$ -	\$ 1,533,857

MILL RATES:

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

MILLS
8.6604
3.1424
-
4.2000

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

RURAL MUNICIPALITY OF PADDOCKWOOD NO. 520

Schedule of Council Remuneration

As at December 31, 2020

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Reeve	Lance Fehr	\$ 7,145	\$ 1,800	\$ 8,945
Councillor	Garry Sumlic	5,900	1,800	7,700
Councillor	Wendy Waugh	5,525	1,800	7,325
Councillor	Lionel Lavoie	5,954	1,800	7,754
Councillor	Cliff Aspvik	5,634	1,800	7,434
Councillor	Thomas McKnight	4,875	1,500	6,375
Councillor	Leslie Blacklock	900	300	1,200
Councillor	Louise Corriveau	5,900	1,800	7,700
Total		\$ 41,833	\$ 12,600	\$ 54,433