

RURAL MUNICIPALITY OF BAYNE NO. 371

Auditor's Report

Financial Statements

December 31, 2020

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Bayne No. 371:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 is required.

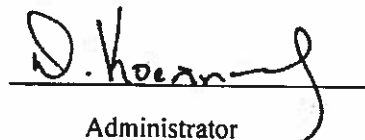
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately 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 the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Jensen Stromberg Chartered Professional Accountants, 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 administration to discuss their audit findings.



Reeve



Administrator



CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, C.P.A. Prof. Corp.
Jeff Stromberg, C.P.A. Prof. Corp.

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of Rural Municipality of Bayne No. 371

Report on the Financial Statements

Opinion

We have audited the financial statements of **Rural Municipality of Bayne No. 371**, which comprise the statement of financial position as at **December 31, 2020** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Rural Municipality as at **December 31, 2020** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these 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 Rural Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Rural Municipality or cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

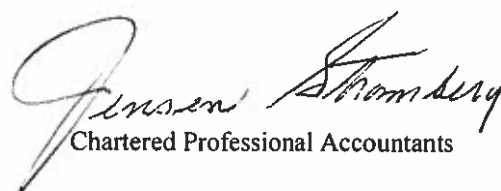
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Rural 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 Rural 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 Rural Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan
June 10, 2021


Chartered Professional Accountants

RURAL MUNICIPALITY OF BAYNE NO. 371

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 1,626,286	1,738,631
Taxes receivable - Municipal (Note 3)	175,878	191,322
Other accounts receivable (Note 4)	58,421	65,541
Land for re-sale	-	-
Long-term investments (Note 5)	107,980	103,233
Debt charges recoverable	-	-
Other	-	-
	1,968,565	2,098,727
<u>LIABILITIES</u>		
Bank indebtedness (Note 6)	-	-
Accounts payable	130,273	54,551
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites (Note 10)	-	-
Other liabilities	-	-
Long-term debt (Note 7)	-	-
Lease obligations	-	-
	130,273	54,551
Total liabilities	130,273	54,551
NET FINANCIAL ASSETS (DEBT)	1,838,292	2,044,176
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	2,668,223	2,216,211
Prepaid and deferred charges	417	73
Stock and supplies	365,808	354,764
	3,034,448	2,571,048
Accumulated surplus (Schedule 8)	\$ 4,872,740	4,615,224

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2020
with comparative figures for 2019

		<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,383,870	1,403,019	1,372,306
Fees and charges	(Schedule 4, 5)	24,840	23,320	19,379
Conditional grants	(Schedule 4, 5)	5,660	5,492	5,654
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	(8,110)	(24,331)	(8,108)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	43,570	35,251	43,571
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	<u>24,800</u>	<u>18</u>	<u>24,804</u>
Total Revenues		<u>1,474,630</u>	<u>1,442,769</u>	<u>1,457,606</u>
Expenditures:				
General government services	(Schedule 3)	180,330	173,336	180,362
Protective services	(Schedule 3)	74,240	89,898	93,353
Transportation services	(Schedule 3)	1,196,600	944,172	1,169,070
Environmental and public health services	(Schedule 3)	22,190	19,075	22,186
Planning and development services	(Schedule 3)	18,270	15,201	1,376
Recreation and cultural services	(Schedule 3)	19,040	18,591	19,045
Utility services	(Schedule 3)	43,520	33,431	17,875
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>1,554,190</u>	<u>1,293,704</u>	<u>1,503,267</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>(79,560)</u>	<u>149,065</u>	<u>(45,661)</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>127,680</u>	<u>108,451</u>	<u>60,562</u>
Surplus (deficit) of revenues over expenditures		48,120	257,516	14,901
Accumulated surplus (deficit), beginning of year		<u>4,615,224</u>	<u>4,615,224</u>	<u>4,600,323</u>
Accumulated surplus (deficit), end of year		<u>\$ 4,663,344</u>	<u>4,872,740</u>	<u>4,615,224</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
Surplus (deficit)	\$ 48,120	257,516	14,901
(Acquisition) of tangible capital assets	-	(675,315)	(45,832)
Amortization of tangible capital assets	138,104	122,387	129,277
Proceeds on disposal of tangible capital assets	-	76,584	11,016
Loss (gain) on disposal of tangible capital assets	8,110	24,331	8,108
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>146,214</u>	<u>(452,013)</u>	<u>102,569</u>
(Acquisition) of supplies inventories	-	(11,043)	(328,744)
(Acquisition) of prepaid expenses	-	(344)	-
Consumption of supplies inventories	-	-	204,555
Use of prepaid expenses	-	-	338
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(11,387)</u>	<u>(123,851)</u>
Increase (decrease) in Net Financial Assets	194,334	(205,884)	(6,381)
Net Financial Assets (Debt) - Beginning of the year	<u>2,044,176</u>	<u>2,044,176</u>	<u>2,050,557</u>
Net Financial Assets (Debt)- End of year	<u>\$ 2,238,510</u>	<u>1,838,292</u>	<u>2,044,176</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2020
with comparative figures for 2019

Cash provided by (used in) the following activities:	<u>2020</u>	<u>2019</u>
Operating:		
Surplus (deficit)	\$ 257,516	14,901
Amortization	122,387	129,277
Loss (gain) on disposal of tangible capital assets	<u>24,331</u>	<u>8,108</u>
	404,234	152,286
Change in assets/liabilities		
Taxes receivable - Municipal	15,445	(19,840)
Other accounts receivable	7,121	(6,672)
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	75,719	5,966
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(11,043)	(124,189)
Prepayments and deferred charges	(344)	338
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>491,132</u>	<u>7,889</u>
Capital:		
Acquisition of capital assets	(675,315)	(45,832)
Proceeds from the disposal of capital assets	76,584	11,016
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(598,731)</u>	<u>(34,816)</u>
Investing:		
Long-term investments	(4,746)	(6,701)
Other investments	<u>-</u>	<u>-</u>
Net cash used for investing	<u>(4,746)</u>	<u>(6,701)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	(112,345)	(33,628)
Cash and temporary investments, beginning of year	<u>1,738,631</u>	<u>1,772,259</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 1,626,286</u>	<u>1,738,631</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board, as recommended by the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies are as follows:

(a) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; 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.

(b) Reporting entity

The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

(d) 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 either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

(e) 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.

(f) Local improvement charges

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

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Net-financial assets

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

(h) Non-financial assets

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

(i) Appropriated reserves

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

(j) Property tax revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council 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. Requisitions operate as a flow through and are excluded from municipal revenue.

(k) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment.

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.

(l) Inventories

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

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) **Tangible capital assets**

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

	<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>		
	Land	Indefinite
	Land improvements	5 to 20 years
	Buildings	10 to 40 years
	Vehicles and equipment	
	Vehicles	5 to 10 years
	Machinery & Equipment	5 to 10 years
<i>Infrastructure Assets</i>		
	Water and sewer	15 to 40 years
	Road network assets	15 to 40 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 the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) **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.

The Municipality does not maintain any contaminated sites.

(o) **Employee benefit plans**

Contributions to the Municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to its contributions.

(p) **Measurement uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts 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 period in which they become known.

(q) **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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Municipality.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Transportation Services: The transportation services segment is 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: The planning and development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2020</u>	<u>2019</u>
Cash	\$ 791,361	922,382
Temporary investments	<u>834,925</u>	<u>816,249</u>
	<u>\$ 1,626,286</u>	<u>1,738,631</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2020</u>	<u>2019</u>
Municipal: - Current	\$ 38,519	63,826
- Arrears	<u>137,359</u>	<u>127,496</u>
	175,878	191,322
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>175,878</u>	<u>191,322</u>
School: - Current	9,835	13,461
- Arrears	<u>42,052</u>	<u>39,177</u>
Total school taxes receivable	<u>51,887</u>	<u>52,638</u>
Other: - Current	13,301	11,659
- Arrears	<u>13,463</u>	<u>9,114</u>
Total other collections receivable	<u>26,764</u>	<u>20,773</u>
Total taxes and grants in lieu receivable	254,529	264,733
Deduct taxes receivable to be collected on behalf of other organizations	<u>(78,650)</u>	<u>(73,411)</u>
Total taxes receivable - Municipal	<u>\$ 175,878</u>	<u>191,322</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Federal government	\$ 33,046	31,876
Provincial government	-	728
Local government	-	-
Utility	1,982	1,680
Trade	35,795	43,659
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	70,823	77,943
Less: allowance for uncollectibles	<u>(12,402)</u>	<u>(12,402)</u>
Net other accounts receivable	<u>\$ 58,421</u>	<u>65,541</u>

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

5. LONG-TERM INVESTMENTS

	<u>2020</u>	<u>2019</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ 69,792	66,664
Sask. Assoc. of Rural Municipalities - Property-insurance fund	<u>14,493</u>	<u>12,874</u>
	<u>84,285</u>	<u>79,538</u>
Other long term investments:		
Bruno Credit Union equity	\$ 14,936	14,936
Bruno Co-operative equity	8,754	8,754
Bruno Credit Union membership	<u>5</u>	<u>5</u>
Total other long term investments	<u>23,695</u>	<u>23,695</u>
Total long term investments	<u>\$ 107,980</u>	<u>103,233</u>

6. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2020, the Municipality had a line of credit totaling \$400,000, none of which was drawn.

7. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$1,083,208. The authorized 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)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

8. 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.

9. 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 \$20,607 (2019 - \$15,436). 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.

Based on the latest information available (December 31, 2020 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$838,900,000. This is based on the most recent actuarial valuation, completed December 31, 2019. The Municipality's portion of this is not readily determinable.

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

10. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Municipality:

Standards Effective 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.

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 is 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 is 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.

Standards Effective On Or After April 1, 2023:

PS 3400 Revenue is 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 Municipality continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

RURAL MUNICIPALITY OF BAYNE NO. 371

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

11. BUDGET

The Financial Plan (Budget) adopted by Council on June 10, 2020 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of reserves and/or surpluses accumulated in previous years to increase current year revenue in excess of expenditures. The budget has allocated a portion of the current year surplus to reserves for anticipated future expenditures to increase expenses ensuring adequate resources are available to support the transfer. In addition, the budget accounted for capital expenditures as expenses to ensure adequate resources are available to support these asset additions, while maintaining a surplus. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2020</u>
Budget net surplus	\$ 30,120
Add: Investment in tangible capital assets	633,000
Transfer to reserves	10,000
Less: Transfer from reserves	<u>(625,000)</u>
Budget net deficit per statement of operations	<u>\$ 48,120</u>

12. COMMITMENTS

In 2017, the Municipality entered into an agreement to participate in a regional landfill operated through REACT Waste Management District. Included in accounts payable is \$14,477 (2019 - \$28,954) relating to an initial construction levy. The Municipality is also liable for an annual levy for regular operations.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 1,109,210	1,114,218	1,109,212
Abatements and adjustments	(2,250)	(14,244)	(2,249)
Discount on current year taxes	<u>(49,690)</u>	<u>(51,797)</u>	<u>(49,692)</u>
Net municipal taxes	1,057,270	1,048,177	1,057,271
Potash tax share	64,290	60,697	64,287
Trailer license fees	-	-	-
Penalties on tax arrears	16,390	19,042	16,390
Special tax levy	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Taxes	<u>1,137,950</u>	<u>1,127,916</u>	<u>1,137,948</u>
UNCONDITIONAL GRANTS			
Revenue sharing	242,230	242,230	230,680
Organized Hamlet	-	-	-
Other (Safe restart)	<u>-</u>	<u>27,858</u>	<u>-</u>
Total Unconditional Grants	<u>242,230</u>	<u>270,088</u>	<u>230,680</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	1,380	1,496	1,375
Provincial - Central Services	-	-	-
Sasktel	1,510	1,346	1,506
Other	800	2,173	797
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants in Lieu of Taxes	<u>3,690</u>	<u>5,015</u>	<u>3,678</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,383,870</u>	<u>1,403,019</u>	<u>1,372,306</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 1,220	1,930	1,219
Sales of supplies	1,700	2,187	1,701
Other	<u>650</u>	<u>440</u>	<u>653</u>
Total Fees and Charges	3,570	4,557	3,573
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	43,570	35,251	43,571
Other (Building demolition)	<u>24,800</u>	<u>18</u>	<u>24,804</u>
Total other segmented revenue	<u>71,940</u>	<u>39,826</u>	<u>71,948</u>
Conditional Grants			
Student employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>71,940</u>	<u>39,826</u>	<u>71,948</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>71,940</u>	<u>39,826</u>	<u>71,948</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	<u>8,050</u>	<u>7,714</u>	<u>8,049</u>
Total Fees and Charges	8,050	7,714	8,049
Tangible capital asset sales - gain (loss)	-	-	-
Other (Cost recoveries)	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>8,050</u>	<u>7,714</u>	<u>8,049</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>8,050</u>	<u>7,714</u>	<u>8,049</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>8,050</u>	<u>7,714</u>	<u>8,049</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	4,660	4,239	1,255
Road Maintenance and Restoration Agreements	-	-	-
Other	-	-	-
Total Fees and Charges	<u>4,660</u>	<u>4,239</u>	<u>1,255</u>
Tangible capital asset sales - gain (loss)	(8,110)	(24,331)	(8,108)
Other	-	-	-
Total other segmented revenue	<u>(3,450)</u>	<u>(20,092)</u>	<u>(6,853)</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	1,330	2,445	1,327
Other	-	-	-
Total Conditional Grants	<u>1,330</u>	<u>2,445</u>	<u>1,327</u>
Total Operating	<u>(2,120)</u>	<u>(17,647)</u>	<u>(5,526)</u>
Capital			
Conditional Grants			
Federal Gas Tax	60,560	41,330	60,562
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	67,120	67,121	-
Total Capital	<u>127,680</u>	<u>108,451</u>	<u>60,562</u>
Restructuring Revenue	-	-	-
Total Transportation Services	<u>125,560</u>	<u>90,804</u>	<u>55,036</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other (MMSW rebate)	580	30	583
Total Fees and Charges	<u>580</u>	<u>30</u>	<u>583</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (Cost recoveries)	-	-	-
Total other segmented revenue	<u>580</u>	<u>30</u>	<u>583</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Pest control)	4,330	3,047	4,327
Total Conditional Grants	<u>4,330</u>	<u>3,047</u>	<u>4,327</u>
Total Operating	<u>4,910</u>	<u>3,077</u>	<u>4,910</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	<u>4,910</u>	<u>3,077</u>	<u>4,910</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other (Cost recoveries)	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
RC-Rentals	-	-	-
Other (Bowling, camping)	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other (Cost recoveries)	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other (Sask Lotteries)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Donations)	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	-	-	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 7,980	6,780	5,919
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	<u>7,980</u>	<u>6,780</u>	<u>5,919</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>7,980</u>	<u>6,780</u>	<u>5,919</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>7,980</u>	<u>6,780</u>	<u>5,919</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Donations)	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>7,980</u>	<u>6,780</u>	<u>5,919</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 218,440</u>	<u>148,201</u>	<u>145,862</u>
 SUMMARY			
Total Other Segmented Revenue	\$ 85,100	34,258	79,646
Total Conditional Grants	5,660	5,492	5,654
Total Capital Grants and Contributions	127,680	108,451	60,562
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 218,440</u>	<u>148,201</u>	<u>145,862</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 19,140	20,855	19,133
Wages and benefits	66,270	71,264	66,275
Professional/Contractual services	35,870	49,273	35,888
Utilities	5,080	6,136	5,087
Maintenance, materials, and supplies	12,840	18,069	12,840
Grants and contributions	-	-	-
	-operating	-	-
	-capital	-	-
Amortization	3,930	3,934	3,933
Interest	-	27	-
Allowance for uncollectibles	12,400	-	12,402
Other (Building demolition)	24,800	3,778	24,804
General Government Services	<u>180,330</u>	<u>173,336</u>	<u>180,362</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>180,330</u>	<u>173,336</u>	<u>180,362</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	21,710	22,493	21,711
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
	-operating	-	-
	-capital	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	26,030	30,422	26,028
Utilities	-	-	-
Maintenance, materials, and supplies	1,410	3,616	1,407
Grants and contributions	6,740	25,015	6,740
	-operating	-	29,115
	-capital	8,352	8,352
Amortization	8,350	8,352	8,352
Interest	-	-	-
Protective Services	<u>74,240</u>	<u>89,898</u>	<u>93,353</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>74,240</u>	<u>89,898</u>	<u>93,353</u>
TRANSPORTATION SERVICES			
Council remuneration	20,400	19,072	20,400
Wages and benefits	175,140	218,097	162,002
Professional/Contractual services	437,800	226,723	437,791
Utilities	5,930	6,461	5,938
Maintenance, materials, and supplies	152,530	166,627	138,135
Gravel	288,710	197,994	288,713
Grants and contributions	-	-	-
	-operating	-	-
	-capital	-	-
Amortization	116,090	109,198	116,091
Interest	-	-	-
Other	-	-	-
Transportation Services	<u>1,196,600</u>	<u>944,172</u>	<u>1,169,070</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>1,196,600</u>	<u>944,172</u>	<u>1,169,070</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	-	-
Professional/Contractual services	22,070	19,075	22,070
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public Health	120	-	116
-capital			
Waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>22,190</u>	<u>19,075</u>	<u>22,186</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>22,190</u>	<u>19,075</u>	<u>22,186</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	18,270	15,201	1,376
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>18,270</u>	<u>15,201</u>	<u>1,376</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>18,270</u>	<u>15,201</u>	<u>1,376</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating	19,040	18,591	19,045
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>19,040</u>	<u>18,591</u>	<u>19,045</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>19,040</u>	<u>18,591</u>	<u>19,045</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	\$ -	-	-
Professional/Contractual services	22,850	21,373	12,325
Utilities	4,120	7,252	4,123
Maintenance, materials, and supplies	15,650	3,903	526
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	900	903	901
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>43,520</u>	<u>33,431</u>	<u>17,875</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>43,520</u>	<u>33,431</u>	<u>17,875</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 1,554,190</u>	<u>1,293,704</u>	<u>1,503,267</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

Schedule 4

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 4,557	7,714	4,239	30	-	-	6,780	23,320
Tangible capital asset sales - Gain (loss)	-	-	(24,331)	-	-	-	-	(24,331)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	35,251	-	-	-	-	-	-	35,251
Other revenues	18	-	-	-	-	-	-	18
Grants - Conditional	-	-	2,445	3,047	-	-	-	5,492
Grants - Capital	-	-	108,451	-	-	-	-	108,451
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>39,826</u>	<u>7,714</u>	<u>90,804</u>	<u>3,077</u>	<u>-</u>	<u>-</u>	<u>6,780</u>	<u>148,201</u>
Expenses (Schedule 3)								
Wages & Benefits	92,119	-	237,169	-	-	-	-	329,288
Professional/Contractual Services	49,273	52,915	226,723	19,075	15,201	-	21,373	384,560
Utilities	6,136	-	6,461	-	-	-	7,252	19,849
Maintenance, materials and supplies	18,069	3,616	364,621	-	-	-	3,903	390,209
Grants and contributions	-	25,015	-	-	-	18,591	-	43,606
Amortization	3,934	8,352	109,198	-	-	-	903	122,387
Interest	27	-	-	-	-	-	-	27
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	3,778	-	-	-	-	-	-	3,778
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>173,336</u>	<u>89,898</u>	<u>944,172</u>	<u>19,075</u>	<u>15,201</u>	<u>18,591</u>	<u>33,431</u>	<u>1,293,704</u>
Surplus (deficit) by function	(133,510)	(82,184)	(853,368)	(15,998)	(15,201)	(18,591)	(26,651)	(1,145,503)
Taxation and other unconditional revenue (Schedule 1)								<u>1,403,019</u>
Net Surplus (Deficit)								<u>\$ 257,516</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

Schedule 5

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 3,573	8,049	1,255	583	-	-	5,919	19,379
Tangible capital asset sales - Gain (loss)	-	-	(8,108)	-	-	-	-	(8,108)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	43,571	-	-	-	-	-	-	43,571
Other revenues	24,804	-	-	-	-	-	-	24,804
Grants - Conditional	-	-	1,327	4,327	-	-	-	5,654
Grants - Capital	-	-	60,562	-	-	-	-	60,562
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>71,948</u>	<u>8,049</u>	<u>55,036</u>	<u>4,910</u>	<u>-</u>	<u>-</u>	<u>5,919</u>	<u>145,862</u>
Expenses (Schedule 3)								
Wages & Benefits	85,408	-	182,402	-	-	-	-	267,810
Professional/Contractual Services	35,888	47,739	437,791	22,070	1,376	-	12,325	557,189
Utilities	5,087	-	5,938	-	-	-	4,123	15,148
Maintenance, materials and supplies	12,840	1,407	426,848	-	-	-	526	441,621
Grants and contributions	-	35,855	-	116	-	19,045	-	55,016
Amortization	3,933	8,352	116,091	-	-	-	901	129,277
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	12,402	-	-	-	-	-	-	12,402
Other	24,804	-	-	-	-	-	-	24,804
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>180,362</u>	<u>93,353</u>	<u>1,169,070</u>	<u>22,186</u>	<u>1,376</u>	<u>19,045</u>	<u>17,875</u>	<u>1,503,267</u>
Surplus (deficit) by function	(108,414)	(85,304)	(1,114,034)	(17,276)	(1,376)	(19,045)	(11,956)	(1,357,405)
Taxation and other unconditional revenue (Schedule 1)								<u>1,372,306</u>
Net Surplus (Deficit)								<u>\$ 14,901</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2020
with comparative figures for 2019

	2020							2019	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Total		
Asset cost									
Opening asset costs	\$ 73,040	-	191,712	-	1,136,932	4,070,808	-	5,472,492	5,458,200
Additions during the year	-	-	-	-	675,314	-	-	675,314	14,292
Disposals and write-downs during the year	-	-	-	-	(100,915)	-	-	(100,915)	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>73,040</u>	<u>-</u>	<u>191,712</u>	<u>-</u>	<u>1,711,331</u>	<u>4,070,808</u>	<u>-</u>	<u>6,046,891</u>	<u>5,472,492</u>
Accumulated amortization cost									
Opening accumulated amortization costs	-	-	117,708	-	222,169	2,916,404	-	3,256,281	3,139,420
Add: Amortization taken	-	-	4,484	-	51,351	66,552	-	122,387	129,277
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(12,416)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>-</u>	<u>122,192</u>	<u>-</u>	<u>273,520</u>	<u>2,982,956</u>	<u>-</u>	<u>3,378,668</u>	<u>3,256,281</u>
Net book value	<u>\$ 73,040</u>	<u>-</u>	<u>69,520</u>	<u>-</u>	<u>1,437,811</u>	<u>1,087,852</u>	<u>-</u>	<u>2,668,223</u>	<u>2,216,211</u>
1. Total contributed/donated assets received in 2020:			\$ -						
2. List of assets recognized at nominal value in 2020 are:									
-Infrastructure Assets			\$ -						
-Vehicles			\$ -						
-Machinery and Equipment			\$ -						
3. Amount of interest capitalized in 2020:			\$ -						

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	2020							2019	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	
Asset cost									
Opening asset costs	\$ 191,354	104,114	5,108,222	-	-	-	68,802	5,472,492	5,458,200
Additions during the year	-	-	675,314	-	-	-	-	675,314	14,292
Disposals and write-downs during the year	-	-	(100,915)	-	-	-	-	(100,915)	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>191,354</u>	<u>104,114</u>	<u>5,682,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,802</u>	<u>6,046,891</u>	<u>5,472,492</u>
Accumulated amortization cost									
Opening accumulated amortization costs	102,735	75,958	3,015,769	-	-	-	61,819	3,256,281	3,139,420
Add: Amortization taken	3,934	8,352	109,198	-	-	-	903	122,387	129,277
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(12,416)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>106,669</u>	<u>84,310</u>	<u>3,124,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,722</u>	<u>3,378,668</u>	<u>3,256,281</u>
Net book value	<u>\$ 84,685</u>	<u>19,804</u>	<u>2,557,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,080</u>	<u>2,668,223</u>	<u>2,216,211</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2020

	<u>2019</u>	<u>Changes</u>	<u>2020</u>
UNAPPROPRIATED SURPLUS	\$ <u>1,244,513</u>	<u>420,504</u>	<u>1,665,017</u>
APPROPRIATED RESERVES			
Fire and protective services	10,000	10,000	20,000
Public reserve	-	-	-
Capital trust	-	-	-
Utility	-	-	-
Other	<u>1,144,500</u>	<u>(625,000)</u>	<u>519,500</u>
Total Appropriated	<u>1,154,500</u>	<u>(615,000)</u>	<u>539,500</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,216,211	452,012	2,668,223
Less: Related debt	<u>-</u>	<u>-</u>	<u>-</u>
Net Investment in Tangible Capital Assets	<u>2,216,211</u>	<u>452,012</u>	<u>2,668,223</u>
Total Accumulated Surplus	<u>\$ 4,615,224</u>	<u>257,516</u>	<u>4,872,740</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2020
with comparative figures for 2019

	<u>PROPERTY CLASS</u>						<u>Total</u>
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	
Taxable Assessment	\$ 106,125,620	6,914,373	-	-	4,269,100	-	\$ 117,309,093
Regional Park Assessment							-
Total Assessment							\$ 117,309,093
Mill Rate Factor(s)	1.0000	1.0000	1.0000	1.0000	1.0000		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-		-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,007,996	65,673	-	-	40,549		1,114,218

<u>MILL RATES:</u>	<u>MILLS</u>
Average Municipal*	9.498
Average School*	1.764
Potash Mill Rate	-
Uniform Municipal Mill Rate	9.498

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2020
with comparative figures for 2019

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Danny Picouye	\$ 4,320	568	4,888
Councillor	Ken Weiman	4,000	202	4,202
Councillor	John White	4,320	1,061	5,381
Councillor	Glenn Yaworski	3,600	466	4,066
Councillor	Delmer Hering	4,320	115	4,435
Councillor	Terry Weiman	4,160	-	4,160
Councillor	Maurice Hounjet	3,040	694	3,734
Councillor	Mike Kane	640	-	640
Councillor	Darren Maroniuk	640	55	695
Total		<u>\$ 29,040</u>	<u>3,161</u>	<u>32,201</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF BAYNE NO. 371

SCHEDULE OF RESTRUCTURING

Year ended December 31, 2020

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		-
Total Net Carrying Amount Received (Transferred)	\$	-

See accompanying notes to the financial statements.