

RM OF GARDEN RIVER NO. 490

Auditor's Report

Financial Statements

December 31, 2020

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
RM of Garden River No. 490 :

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



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

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

INDEPENDENT AUDITOR'S REPORT

To the **Reeve and Council of RM of Garden River No. 490**

Report on the Financial Statements

Opinion

We have audited the financial statements of **RM of Garden River No. 490**, 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.

Emphasis of Matter

We draw attention to Note 12 of the financial statements, which explains that certain comparative information for the year-ended December 31, 2019 has been restated.

Other Matters

The financial statements of **RM of Garden River No. 490** for the year ended December 31, 2019 were audited by another auditor who expressed a modified opinion on those statements on January 31, 2021.

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

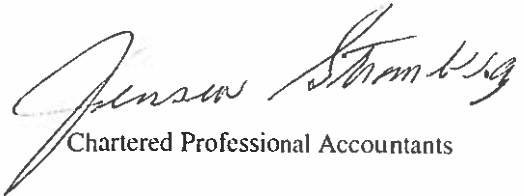
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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
September 30, 2021


Chartered Professional Accountants

RM OF GARDEN RIVER NO. 490**Statement 1****STATEMENT OF FINANCIAL POSITION**

December 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>Restated (Note 12) 2019</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 1,179,626	895,053
Taxes receivable - Municipal (Note 3)	117,927	204,316
Other accounts receivable (Note 4)	23,172	17,850
Land for re-sale (Note 5)	89,759	7,433
Long-term investments (Note 6)	34,573	62,113
Debt charges recoverable	-	-
Other	-	-
Total financial assets	<u>1,445,057</u>	<u>1,186,765</u>
<u>LIABILITIES</u>		
Bank indebtedness (Note 7)	-	-
Accounts payable	57,112	50,673
Accrued liabilities payable	2,478	-
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Contingent liabilities (Note 14)	86,000	-
Long-term debt (Note 8)	919,471	973,195
Lease obligations (Note 9)	<u>64,941</u>	<u>112,577</u>
Total liabilities	<u>1,130,002</u>	<u>1,136,445</u>
NET FINANCIAL ASSETS (DEBT)	315,055	50,320
Non-financial assets:		
Tangible capital assets	3,818,140	4,041,268
Prepaid and deferred charges	22,331	42
Stock and supplies	<u>218,943</u>	<u>233,961</u>
Total non-financial assets	<u>4,059,414</u>	<u>4,275,271</u>
Accumulated Surplus (Deficit)	<u>\$ 4,374,470</u>	<u>4,325,594</u>

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,105,960	1,206,779	1,125,439
Fees and charges	(Schedule 4, 5)	52,050	58,314	57,027
Conditional grants	(Schedule 4, 5)	13,170	108,723	13,999
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	-
Land sales - gain (loss)	(Schedule 4, 5)	-	(2,416)	21,710
Investment income and commissions	(Schedule 4, 5)	8,900	8,419	13,416
Restructurings	(Schedule 4, 5)	-	-	-
Total Revenues		<u>1,180,080</u>	<u>1,379,819</u>	<u>1,231,591</u>
Expenditures:				
General government services	(Schedule 3)	230,650	357,300	246,261
Protective services	(Schedule 3)	63,000	64,122	62,034
Transportation services	(Schedule 3)	724,100	926,366	784,840
Environmental and public health services	(Schedule 3)	43,500	37,502	33,938
Planning and development services	(Schedule 3)	17,500	16,523	10,045
Recreation and cultural services	(Schedule 3)	12,000	12,214	11,632
Utility services	(Schedule 3)	-	-	-
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>1,090,750</u>	<u>1,414,027</u>	<u>1,148,750</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>89,330</u>	<u>(34,208)</u>	<u>82,841</u>
Provincial/Federal capital grants and contributions		<u>86,570</u>	<u>83,084</u>	<u>304,718</u>
Surplus (deficit) of revenues over expenditures		175,900	48,876	387,559
Accumulated surplus (deficit), beginning of year		<u>4,325,594</u>	<u>4,325,594</u>	<u>3,938,035</u>
Accumulated surplus (deficit), end of year		<u>\$ 4,501,494</u>	<u>4,374,470</u>	<u>4,325,594</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
Surplus (deficit)	\$ <u>175,900</u>	<u>48,876</u>	<u>387,559</u>
(Acquisition) of tangible capital assets	(50,000)	(109,090)	(935,095)
Amortization of tangible capital assets	-	332,218	328,432
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of capital expenses over expenditures	<u>(50,000)</u>	<u>223,128</u>	<u>(606,663)</u>
(Acquisition) of supplies inventories	-	(218,941)	(233,961)
(Acquisition) of prepaid expenses	-	(22,331)	(45)
Consumption of supplies inventories	-	233,961	112,940
Use of prepaid expenses	<u>-</u>	<u>42</u>	<u>42</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(7,269)</u>	<u>(121,024)</u>
Increase (decrease) in Net Financial Assets	125,900	264,735	(340,128)
Net Financial Assets (Debt) - Beginning of the year	<u>50,320</u>	<u>50,320</u>	<u>390,448</u>
Net Financial Assets (Debt)- End of year	\$ <u>176,220</u>	<u>315,055</u>	<u>50,320</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2020
with comparative figures for 2019

	<u>2020</u>	<u>Restated (Note 12) 2019</u>
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 48,876	387,559
Amortization	332,218	328,432
Loss (gain) on disposal of tangible capital assets	-	-
	<u>381,094</u>	<u>715,991</u>
Change in assets/liabilities		
Taxes receivable - Municipal	92,656	27,766
Other accounts receivable	(11,876)	28,129
Land for re-sale	(82,325)	(7,433)
Other financial assets	-	-
Accounts and accrued liabilities payable	95,205	43,833
Deposits	-	-
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	15,018	(121,021)
Prepayments and deferred charges	(22,288)	-
Other	-	-
Net cash from operations	<u>467,484</u>	<u>687,265</u>
Capital:		
Acquisition of capital assets	(109,090)	(935,095)
Proceeds from the disposal of capital assets	-	-
Other capital	-	-
Net cash used for capital	<u>(109,090)</u>	<u>(935,095)</u>
Investing:		
Long-term investments	27,539	(2,087)
Other investments	-	-
Net cash from (used for) investing	<u>27,539</u>	<u>(2,087)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	97,533	816,470
Long-term debt repaid	(198,893)	(127,769)
Other financing	-	-
Net cash from (used for) financing	<u>(101,360)</u>	<u>688,701</u>
Increase (decrease) in cash resources	284,573	438,784
Cash and temporary investments, beginning of year	<u>895,053</u>	<u>456,269</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 1,179,626</u>	<u>895,053</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490
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. 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.

RM OF GARDEN RIVER NO. 490
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 investment in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund is 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.

RM OF GARDEN RIVER NO. 490

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	15 years
Buildings	40 years
Vehicles and equipment	
Vehicles	10 years
Machinery & Equipment	5 to 20 years
<i>Infrastructure Assets</i>	
Infrastructure assets	15 to 40 years
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.

(n) **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.

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) 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.

(p) 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.

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.

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

2. CASH AND TEMPORARY INVESTMENTS

	<u>2020</u>	<u>2019</u>
Cash	\$ 1,179,626	895,053
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 1,179,626</u>	<u>895,053</u>

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

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2020</u>	<u>Restated (Note 12) 2019</u>
Municipal: - Current	\$ 66,831	85,137
- Arrears	<u>51,925</u>	<u>126,273</u>
	118,756	211,410
Less: allowance for uncollectibles	<u>(829)</u>	<u>(7,094)</u>
Total municipal taxes receivable	<u>117,927</u>	<u>204,316</u>
School: - Current	17,625	22,445
- Arrears	<u>15,013</u>	<u>45,302</u>
Total school taxes receivable	<u>32,638</u>	<u>67,747</u>
Other: - Current	3,440	3,739
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>3,440</u>	<u>3,739</u>
Total taxes and grants in lieu receivable	154,005	275,802
Deduct taxes receivable to be collected on behalf of other organizations	<u>(36,078)</u>	<u>(71,486)</u>
Total taxes receivable - Municipal	<u>\$ 117,927</u>	<u>204,316</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>Restated (Note 12) 2019</u>
Federal government	\$ 23,172	17,300
Provincial government	-	-
Local government	-	-
Utility	-	-
Trade	-	550
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	23,172	17,850
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 23,172</u>	<u>17,850</u>

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

5. LAND FOR RESALE

	<u>2020</u>	<u>2019</u>
Tax title property	\$ 89,759	7,433
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net tax title property	<u>89,759</u>	<u>7,433</u>
Total land for resale	<u>\$ 89,759</u>	<u>7,433</u>

6. LONG-TERM INVESTMENTS

	<u>2020</u>	<u>2019</u>
Sask. Assoc. of Rural Municipalities - Liability self-insurance fund	\$ 34,540	33,035
Other long term investments:		
GICs	-	29,045
Co-op	<u>33</u>	<u>33</u>
Total long term investments	<u>\$ 34,573</u>	<u>62,113</u>

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2020, the Municipality had a line of credit totaling \$300,000 bearing interest at 2.45%, none of which was drawn.

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

8. LONG-TERM DEBT

The authorized debt limit for the Municipality is \$882,231. 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.

	<u>2020</u>	<u>2019</u>
Conexus Credit Union loan payable in monthly instalments of \$5,450 including interest at 4.54%, maturing July 2022.	\$ 359,378	407,229
Conexus Credit Union loan payable in monthly instalments of \$5,252 including interest at 4.54%, maturing July 2022.	346,335	392,447
Northwest Bridge Services Ltd. loan payable in annual instalments of \$63,163 including interest at 5.0%, maturing August 2022.	119,032	173,519
Conexus Credit Union loan payable in monthly instalments of \$962 including interest at 3.45%, maturing August 2030.	<u>94,726</u>	<u>-</u>
	<u>\$ 919,471</u>	<u>973,195</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2021	\$ 164,047	39,089	203,136
2022	173,513	31,371	204,884
2023	116,772	23,201	139,973
2024	122,083	17,890	139,973
2025	127,637	12,336	139,973
Thereafter	<u>215,419</u>	<u>9,506</u>	<u>224,925</u>
Balance	<u>\$ 919,471</u>	<u>133,393</u>	<u>1,052,864</u>

9. LEASE OBLIGATIONS

Future minimum lease payments under the capital leases together with the balance of the obligation due under capital leases are as follows:

2021	\$ 45,261
2022	<u>23,260</u>
Total future minimum lease payments	<u>68,521</u>
Amounts representing interest at a weighted average rate of 6%	<u>(3,580)</u>
Capital lease liability	<u>\$ 64,941</u>

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

10. 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.

11. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2020 was \$16,831 (2019 - \$17,515). 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 Rural Municipality's portion of this is not readily determinable.

12. CORRECTION OF AN ERROR

During the 2020 year, management determined that several accounts had not properly been recorded in past years. The 2019 comparatives in the following accounts have been restated to correct this error.

	<u>Original</u>	<u>Adjustment</u>	<u>Restated</u>
Taxes receivable	\$ 193,701	\$ 10,616	204,317
Other accounts receivable	14,713	2,848	17,561
Land for re-sale	<u>13,103</u>	<u>(5,669)</u>	<u>7,434</u>
Total financial assets	<u>1,178,683</u>	<u>7,795</u>	<u>1,186,478</u>
Accounts payable	46,393	1,544	47,937
Lease obligations	<u>-</u>	<u>112,577</u>	<u>112,577</u>
Total financial liabilities	<u>46,393</u>	<u>114,121</u>	<u>160,514</u>
NET FINANCIAL ASSETS (DEBT)	<u>1,022,035</u>	<u>114,121</u>	<u>1,136,156</u>
 Tangible capital assets	 3,790,599	 250,669	 4,041,268
Stock and supplies	<u>112,940</u>	<u>121,021</u>	<u>233,961</u>
Accumulated surplus (deficit)	<u>4,060,227</u>	<u>265,364</u>	<u>4,325,591</u>
 Total revenues	 1,531,751	 4,557	 1,536,308
Total expenditures	<u>1,237,483</u>	<u>(88,730)</u>	<u>1,148,753</u>
Surplus (deficit) of revenues over expenditures	\$ <u>294,268</u>	<u>93,287</u>	<u>387,555</u>

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

13.COMPARATIVE FIGURES

The prior year's comparative figures have been reclassified to conform to the current year's method of presentation.

14.CONTINGENT LIABILITIES

1) The Municipality has been named as a defendant in a legal action alleging wrongful dismissal, tort damages, breaches of the Saskatchewan Human Rights Code, and punitive damages. Management is of the opinion that it has a strong defense against breaches of the Saskatchewan Human Rights Code. Potential tort damages, if any, are underterminable as of the date of these financial statements. Total damages for wrongful dismissal and punitive are estimated to be between \$86,000 and \$133,000. A provision for possible loss has been included in these financial statements.

2) The Municipality has been named as a defendant in a legal action alleging that a former councillor approved a project, of which the Municipality is refusing to pay the contractor as it was not approved by Council. The action seeks approximately \$200,000. Management is unable to determine potential liability, if any, from this action. Any settlement will be reflected as a charge to income in the year that the action is settled or that an outcome is reasonably determinable. No provision for possible loss has been included in these financial statements.

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

15. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Rural 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 Rural 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.

RM OF GARDEN RIVER NO. 490
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

16.BUDGET

The Financial Plan (Budget) adopted by Council on March 20, 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 budgeted surplus does not include amounts budgeted for capital purchases, or capital lease payments. 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	\$ 43,900
Add: Investment in tangible capital assets	50,000
Capital lease payments	<u>82,000</u>
Budget surplus per statement of operations	\$ <u>175,900</u>

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 877,760	902,466	892,297
Abatements and adjustments	(10,000)	(14,227)	(21,582)
Discount on current year taxes	<u>(37,200)</u>	<u>(38,148)</u>	<u>(39,188)</u>
Net municipal taxes	830,560	850,091	831,527
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	9,180	18,380	25,368
Special tax levy	-	-	-
Other (tax enforcement)	<u>-</u>	<u>-</u>	<u>-</u>
Total Taxes	<u>839,740</u>	<u>868,471</u>	<u>856,895</u>
UNCONDITIONAL GRANTS			
Revenue sharing	265,280	295,393	265,731
Organized Hamlet	-	-	-
Other (Safe restart)	<u>-</u>	<u>40,028</u>	<u>-</u>
Total Unconditional Grants	<u>265,280</u>	<u>335,421</u>	<u>265,731</u>
GRANTS IN LIEU OF TAXES			
Federal	-	851	1,721
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Provincial - Central Services	-	-	-
Sasktel	940	2,036	1,092
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other (land annexation)	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants in Lieu of Taxes	<u>940</u>	<u>2,887</u>	<u>2,813</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,105,960</u>	<u>1,206,779</u>	<u>1,125,439</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	-	-	-
Road Maintenance and Restoration Agreements	380	408	375
Other	-	-	-
Total Fees and Charges	<u>380</u>	<u>408</u>	<u>375</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>380</u>	<u>408</u>	<u>375</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>380</u>	<u>408</u>	<u>375</u>
Capital			
Conditional Grants			
Federal Gas Tax	39,170	59,384	80,625
MREP (Heavy Haul, CTP, Municipal Bridges)	47,400	23,700	-
Provincial Disaster Assistance	-	-	-
Other (PDAP)	-	-	224,093
Total Capital	<u>86,570</u>	<u>83,084</u>	<u>304,718</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>86,950</u>	<u>83,492</u>	<u>305,093</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other (cemetary fees)	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Student employment	-	-	-
Local government	3,140	4,634	4,496
Other (MEEP)	-	96,442	-
Other (pest and weed control)	4,210	1,348	3,137
Total Conditional Grants	<u>7,350</u>	<u>102,424</u>	<u>7,633</u>
Total Operating	<u>7,350</u>	<u>102,424</u>	<u>7,633</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>7,350</u>	<u>102,424</u>	<u>7,633</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other (Water Security Agency)	1,750	-	1,750
Total Conditional Grants	1,750	-	1,750
Total Operating	<u>1,750</u>	<u>-</u>	<u>1,750</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>1,750</u>	<u>-</u>	<u>1,750</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
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 Lotteries)	4,070	4,261	4,616
Total Conditional Grants	4,070	4,261	4,616
Total Operating	<u>4,070</u>	<u>4,261</u>	<u>4,616</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>4,070</u>	<u>4,261</u>	<u>4,616</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other	-	-	-
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	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 160,690</u>	<u>256,124</u>	<u>410,870</u>
SUMMARY			
Total Other Segmented Revenue	\$ 60,950	64,317	92,153
Total Conditional Grants	13,170	108,723	13,999
Total Capital Grants and Contributions	86,570	83,084	304,718
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 160,690</u>	<u>256,124</u>	<u>410,870</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 36,800	23,347	32,874
Wages and benefits	89,600	86,047	86,954
Professional/Contractual services	77,100	162,658	56,888
Utilities	9,450	11,016	9,075
Maintenance, materials, and supplies	11,000	16,349	12,232
Grants and contributions	4,700	-	4,616
-operating	-	-	-
-capital	-	-	-
Amortization	-	916	484
Interest	2,000	56,967	43,138
Allowance for uncollectibles	-	-	-
General Government Services	<u>230,650</u>	<u>357,300</u>	<u>246,261</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>230,650</u>	<u>357,300</u>	<u>246,261</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	32,000	32,319	31,195
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	31,000	31,803	30,839
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	<u>63,000</u>	<u>64,122</u>	<u>62,034</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>63,000</u>	<u>64,122</u>	<u>62,034</u>
TRANSPORTATION SERVICES			
Wages and benefits	205,100	215,649	177,632
Professional/Contractual services	10,000	2,060	5,895
Utilities	8,500	7,454	6,945
Maintenance, materials, and supplies	500,500	369,901	266,420
Gravel	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	331,302	327,948
Interest	-	-	-
Other	-	-	-
Transportation Services	<u>724,100</u>	<u>926,366</u>	<u>784,840</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>724,100</u>	<u>926,366</u>	<u>784,840</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 8,000	9,320	9,083
Professional/Contractual services	35,500	28,182	24,855
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>43,500</u>	<u>37,502</u>	<u>33,938</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>43,500</u>	<u>37,502</u>	<u>33,938</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	2,500	(25)	1,704
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Zoning bylaw)	15,000	16,548	8,341
Planning and Development Services	<u>17,500</u>	<u>16,523</u>	<u>10,045</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>17,500</u>	<u>16,523</u>	<u>10,045</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	12,000	12,214	11,632
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>12,000</u>	<u>12,214</u>	<u>11,632</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>12,000</u>	<u>12,214</u>	<u>11,632</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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>Restated</u> <u>(Note 12)</u> <u>2019</u> <u>Actual</u>
UTILITY SERVICES			
Wages and benefits	\$ -	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL EXPENDITURES BY FUNCTION	 \$ <u>1,090,750</u>	 <u>1,414,027</u>	 <u>1,148,750</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

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	\$ 57,906	-	408	-	-	-	-	58,314
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	(2,416)	-	-	-	-	-	-	(2,416)
Investment income and commissions	8,419	-	-	-	-	-	-	8,419
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	2,038	-	-	102,424	-	4,261	-	108,723
Grants - Capital	-	-	83,084	-	-	-	-	83,084
Restructurings	-	-	-	-	-	-	-	-
Total revenues	65,947	-	83,492	102,424	-	4,261	-	256,124
Expenses (Schedule 3)								
Wages & Benefits	109,394	-	215,649	9,320	-	-	-	334,363
Professional/Contractual Services	162,658	64,122	2,060	28,182	(25)	-	-	256,997
Utilities	11,016	-	7,454	-	-	-	-	18,470
Maintenance, materials and supplies	16,349	-	369,901	-	-	-	-	386,250
Grants and contributions	-	-	-	-	-	12,214	-	12,214
Amortization	916	-	331,302	-	-	-	-	332,218
Interest	56,967	-	-	-	-	-	-	56,967
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	16,548	-	-	16,548
Restructurings	-	-	-	-	-	-	-	-
Total expenses	357,300	64,122	926,366	37,502	16,523	12,214	-	1,414,027
Surplus (deficit) by function	(291,353)	(64,122)	(842,874)	64,922	(16,523)	(7,953)	-	(1,157,903)
Taxation and other unconditional revenue (Schedule 1)								1,206,779
Net Surplus (Deficit)								\$ 48,876

See accompanying notes to the financial statements.

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2019 (Restated - Note 12)

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 56,652	-	375	-	-	-	-	57,027
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	21,710	-	-	-	-	-	-	21,710
Investment income and commissions	13,416	-	-	-	-	-	-	13,416
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	7,633	1,750	4,616	-	13,999
Grants - Capital	-	-	304,718	-	-	-	-	304,718
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>91,778</u>	<u>-</u>	<u>305,093</u>	<u>7,633</u>	<u>1,750</u>	<u>4,616</u>	<u>-</u>	<u>410,870</u>
Expenses (Schedule 3)								
Wages & Benefits	119,828	-	177,632	9,083	-	-	-	306,543
Professional/Contractual Services	56,888	62,034	5,895	24,855	1,704	-	-	151,376
Utilities	9,075	-	6,945	-	-	-	-	16,020
Maintenance, materials and supplies	12,232	-	266,420	-	-	-	-	278,652
Grants and contributions	4,616	-	-	-	-	11,632	-	16,248
Amortization	484	-	327,948	-	-	-	-	328,432
Interest	43,138	-	-	-	-	-	-	43,138
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	8,341	-	-	8,341
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>246,261</u>	<u>62,034</u>	<u>784,840</u>	<u>33,938</u>	<u>10,045</u>	<u>11,632</u>	<u>-</u>	<u>1,148,750</u>
Surplus (deficit) by function	(154,483)	(62,034)	(479,747)	(26,305)	(8,295)	(7,016)	-	(737,880)
Taxation and other unconditional revenue (Schedule 1)								<u>1,125,439</u>
Net Surplus (Deficit)								<u>\$ 387,559</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2020
with comparative figures for 2019

	2020							Restated (Note 12) 2019
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Total	Total
Asset cost								
Opening asset costs	\$ 620	-	136,988	670,021	937,514	8,269,039	-	10,014,182
Additions during the year	-	-	106,928	-	2,162	-	-	109,090
Disposals and write-downs during the year	-	-	-	(8,465)	-	-	-	(8,465)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>620</u>	<u>-</u>	<u>243,916</u>	<u>661,556</u>	<u>939,676</u>	<u>8,269,039</u>	<u>-</u>	<u>10,114,807</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	-	136,988	271,448	94,477	5,470,001	-	5,972,914
Add: Amortization taken	-	-	2,673	53,743	94,426	181,376	-	332,218
Less: Accumulated amortization on disposals	-	-	-	(8,465)	-	-	-	(8,465)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>-</u>	<u>139,661</u>	<u>316,726</u>	<u>188,903</u>	<u>5,651,377</u>	<u>-</u>	<u>6,296,667</u>
Net book value	<u>\$ 620</u>	<u>-</u>	<u>104,255</u>	<u>344,830</u>	<u>750,773</u>	<u>2,617,662</u>	<u>-</u>	<u>4,041,268</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.

RM OF GARDEN RIVER NO. 490

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2020
with comparative figures for 2019

	2020							Restated (Note 12) 2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								Total
Opening asset costs	\$ 140,027	-	9,874,155	-	-	-	-	10,014,182
Additions during the year	2,162	-	106,928	-	-	-	-	109,090
Disposals and write-downs during the year	-	-	(8,465)	-	-	-	-	(8,465)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	142,189	-	9,972,618	-	-	-	-	10,114,807
Accumulated amortization cost								
Opening accumulated amortization costs	137,956	-	5,834,958	-	-	-	-	5,972,914
Add: Amortization taken	916	-	331,302	-	-	-	-	332,218
Less: Accumulated amortization on disposals	-	-	(8,465)	-	-	-	-	(8,465)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	138,872	-	6,157,795	-	-	-	-	6,296,667
Net book value	\$ 3,317	-	3,814,823	-	-	-	-	3,818,140

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490
SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2020

	<u>Restated</u> <u>(Note 12)</u> <u>2019</u>	<u>Changes</u>	<u>2020</u>
UNAPPROPRIATED SURPLUS	\$ <u>1,262,533</u>	<u>168,244</u>	<u>1,430,777</u>
APPROPRIATED RESERVES			
Machinery and equipment	-	-	-
Public reserve	62,564	2,400	64,964
Capital trust	45,000	-	45,000
Utility	-	-	-
Total Appropriated	<u>107,564</u>	<u>2,400</u>	<u>109,964</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	4,041,268	(223,128)	3,818,140
Less: Related debt	<u>(1,085,771)</u>	<u>101,360</u>	<u>(984,411)</u>
Net Investment in Tangible Capital Assets	<u>2,955,497</u>	<u>(121,768)</u>	<u>2,833,729</u>
Total Accumulated Surplus	\$ <u>4,325,594</u>	<u>48,876</u>	<u>4,374,470</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2020

	PROPERTY CLASS						Total
	<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	\$ 72,364,860	29,291,195	-	13,925	1,207,200	-	\$ 102,877,180
Regional Park Assessment							-
Total Assessment							\$ 102,877,180
Mill Rate Factor(s)	0.6720	1.3500	-	1.3500	1.2500		
Total Base/Minimum Tax (generated for each property class)	<u>231,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,600</u>		<u>234,200</u>
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ <u>593,887</u>	<u>294,597</u>	<u>-</u>	<u>140</u>	<u>13,842</u>		<u>902,466</u>

MILL RATES:

	<u>MILLS</u>
Average Municipal*	8.772
Average School*	2.250
Potash Mill Rate	-
Uniform Municipal Mill Rate	7.450

* 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.

RM OF GARDEN RIVER NO. 490
SCHEDULE OF COUNCIL REMUNERATION
Year ended December 31, 2020

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	Ryan Scragg	\$ 4,585	2,686	7,271
Councillor	Dewell Meyers	2,800	861	3,661
Councillor	Jaret Kosowan	3,100	762	3,862
Councillor	John Kowalik	3,180	1,302	4,482
Councillor	Larry Adamko	4,465	1,432	5,897
Councillor	Ted Boryski	2,700	785	3,485
Councillor	Travis Podbielski	3,400	744	4,144
Total		<u>\$ 24,230</u>	<u>8,572</u>	<u>32,802</u>

See accompanying notes to the financial statements.

RM OF GARDEN RIVER NO. 490**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.