
RURAL MUNICIPALITY OF GREAT BEND NO. 405

FINANCIAL STATEMENTS

DECEMBER 31, 2020



Vantage
CHARTERED PROFESSIONAL ACCOUNTANTS

Management's Responsibility

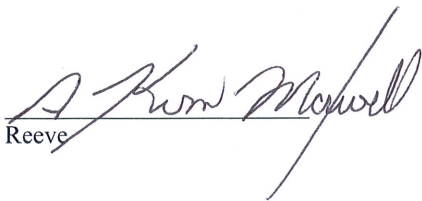
To the Ratepayers of Rural Municipality of Great Bend No. 405

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

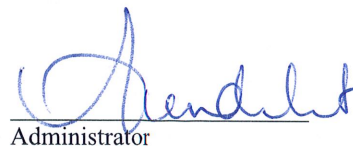
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately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

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



Reeve



Administrator

June 9, 2021

INDEPENDENT AUDITORS' REPORT

Reeve and Council
Rural Municipality of Great Bend No. 405
Borden, Saskatchewan

Qualified Opinion

We have audited the accompanying financial statements of the Rural Municipality of Great Bend No. 405, which comprise the statement of financial position as at December 31, 2020, the statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Great Bend No. 405 as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The municipality has interests in the Yellowbend Landfill Association Inc. and Borden Golf Club which are government partnerships. The municipality has not recorded in its financial statements these interests using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. The effect on the financial statements has not been determined.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Rural Municipality of Great Bend No. 405 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 the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Rural Municipality of Great Bend No. 405's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The logo for Vantage Chartered Professional Accountants, featuring the word "Vantage" in a stylized, cursive script.

Chartered Professional Accountants

North Battleford, Saskatchewan
June 9, 2021

Rural Municipality of Great Bend No. 405
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	939,440	1,055,858
Taxes Receivable - Municipal (Note 3)	93,317	63,277
Other Accounts Receivable (Note 4)	133,368	130,905
Land for Resale		
Long-Term Investments (Note 5)	75,599	70,927
Debt Charges Recoverable		
Other (<i>Specify</i>)		
Total Financial Assets	1,241,724	1,320,967
LIABILITIES		
Bank Indebtedness		
Accounts Payable	75,156	73,834
Accrued Liabilities Payable		
Deposits		
Deferred Revenue	2,645	
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 7)	112,527	
Lease Obligations		
Total Liabilities	190,328	73,834
NET FINANCIAL ASSETS (DEBT)	1,051,396	1,247,133
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	3,234,299	3,001,404
Prepayments and Deferred Charges	15,161	6,326
Stock and Supplies	53,500	60,195
Other		
Total Non-Financial Assets	3,302,960	3,067,925
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	4,354,356	4,315,058

Rural Municipality of Great Bend No. 405
Statement of Operations
For the year ended December 31, 2020

Statement 2

	2020 Budget	2020	2019
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	1,125,424	1,153,559	1,064,498
Fees and Charges (Schedule 4, 5)	71,725	68,605	114,163
Conditional Grants (Schedule 4, 5)	52,422	57,240	83,257
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)			(15,700)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	9,400	11,322	10,471
Restructurings (Schedule 4,5)			
Other Revenues (Schedule 4, 5)			16,500
Total Revenues	1,258,971	1,290,726	1,273,189
EXPENSES			
General Government Services (Schedule 3)	195,137	195,717	245,744
Protective Services (Schedule 3)	45,795	47,392	45,500
Transportation Services (Schedule 3)	1,085,082	1,059,527	937,715
Environmental and Public Health Services (Schedule 3)	49,375	41,918	41,735
Planning and Development Services (Schedule 3)	18,000	16,460	20,900
Recreation and Cultural Services (Schedule 3)	10,839	8,619	9,358
Utility Services (Schedule 3)			
Restructurings (Schedule 3)			
Total Expenses	1,404,228	1,369,633	1,300,952
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(145,257)	(78,907)	(27,763)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	104,807	118,205	62,371
Surplus (Deficit) of Revenues over Expenses	(40,450)	39,298	34,608
Accumulated Surplus (Deficit), Beginning of Year	4,315,058	4,315,058	4,280,450
Accumulated Surplus (Deficit), End of Year	4,274,608	4,354,356	4,315,058

Rural Municipality of Great Bend No. 405
Statement of Change in Net Financial Assets
For the year ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	(40,450)	39,298	34,608
(Acquisition) of tangible capital assets		(456,307)	(14,980)
Amortization of tangible capital assets		199,564	198,729
Proceeds from the disposal of tangible capital assets		23,848	62,500
Loss (gain) on disposal of tangible capital assets			15,700
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures		(232,895)	261,949
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(8,835)	(5,318)
Consumption of supplies inventory		6,695	89,091
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures		(2,140)	83,773
Increase/Decrease in Net Financial Assets	(40,450)	(195,737)	380,330
Net Financial Assets (Debt) - Beginning of Year	1,247,133	1,247,133	866,803
Net Financial Assets (Debt) - End of Year	1,206,683	1,051,396	1,247,133

Rural Municipality of Great Bend No. 405
Statement of Cash Flow
For the year ended December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	39,298	34,608
Amortization of tangible capital assets	199,564	198,729
Loss (gain) on disposal of tangible capital assets		15,700
	238,862	249,037
Change in assets/liabilities		
Taxes Receivable - Municipal	(30,040)	(801)
Other Receivables	(2,463)	37,975
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	1,322	(88,358)
Deposits		
Deferred Revenue	2,645	
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies	6,695	89,091
Prepayments and Deferred Charges	(8,835)	(5,318)
Other (<i>Specify</i>)		
Cash provided by operating transactions	208,186	281,626
Capital:		
Acquisition of tangible capital assets	(456,307)	(14,980)
Proceeds from the disposal of tangible capital assets	23,848	62,500
Other capital		
Cash applied to capital transactions	(432,459)	47,520
Investing:		
Long-term investments	(4,672)	(6,880)
Other investments		
Cash provided by (applied to) investing transactions	(4,672)	(6,880)
Financing:		
Debt charges recovered		
Long-term debt issued	133,788	
Long-term debt repaid	(21,261)	
Other financing		
Cash provided by (applied to) financing transactions	112,527	
Change in Cash and Temporary Investments during the year	(116,418)	322,266
Cash and Temporary Investments - Beginning of Year	1,055,858	733,592
Cash and Temporary Investments - End of Year	939,440	1,055,858

Rural Municipality of Great Bend No. 405
Notes to the Financial Statements
For the year ended December 31, 2020

1. Significant Accounting Policies

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

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

- a) **Reporting Entity:** The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.
- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
 - a) the transfers are authorized
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

- d) **Deferred Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms 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.

1. Significant Accounting Policies - continued

- k) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
Infrastructure Assets	
Infrastructure Assets	
Road Network Assets	15 to 40 Yrs

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.

- m) **Landfill Liability:** The municipality is a member of the Yellowbend Landfill Association, along with the Village of Borden and the Town of Radisson. Costs are shared on a proportionate arrangement between participating authorities.
- The municipality is required to fund the closure of the landfill site and provide for post-closure care of the facility. No amount has been recorded in relation to the landfill obligation as the Municipality is currently unable to estimate closure and post-closure costs.
- 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 their contributions.
- o) **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:
- an environmental standard exists;
 - contamination exceeds the environmental standard;
 - the municipality:
 - is directly responsible; or
 - accepts responsibility;
 - it is expected that future economic benefits will be given up; and
 - a reasonable estimate of the amount can be made.
- p) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies is based on estimates of volume and quality.

The 'Opening Asset Costs' of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

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

1. Significant Accounting Policies - continued

- 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 borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for police and fire protection.

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

- r) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 10, 2020.

New Standards and Amendments to Standards:

- s) **Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

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

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

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

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

Effective for Fiscal Years Beginning On or After April 1, 2023:

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

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

Rural Municipality of Great Bend No. 405

Notes to the Financial Statements

For the year ended December 31, 2020

2. Cash and Temporary Investments

	2020	2019
Cash	849,833	846,836
Temporary Investments	51,175	50,000
Restricted Cash	38,432	159,022
Total Cash and Temporary Investments	939,440	1,055,858

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 Receivable - Municipal

	2020	2019
Municipal - Current	71,553	50,371
- Arrears	21,764	12,906
	93,317	63,277
- Less Allowance for Uncollectible		
Total municipal taxes receivable	93,317	63,277
School - Current	20,714	15,802
- Arrears	3,922	3,252
Total school taxes receivable	24,636	19,054
Other	12,273	4,222
Total taxes and grants in lieu receivable	130,226	86,553
Deduct taxes receivable to be collected on behalf of other organizations	(36,909)	(23,276)
Total Taxes Receivable - Municipal	93,317	63,277

4. Other Accounts Receivable

	2020	2019
Federal Government	6,883	4,373
Provincial Government		
Local Government	38,000	49,000
Utility		
Trade	88,485	77,532
Other (<i>Specify</i>)		
Total Other Accounts Receivable	133,368	130,905
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	133,368	130,905

Rural Municipality of Great Bend No. 405
Notes to the Financial Statements
For the year ended December 31, 2020

5. Long-Term Investments

	2020	2019
Sask Association of Rural Municipalities - Self Insurance Fund	52,740	50,392
Sask Association of Rural Municipalities - Property Self Insurance Fund	22,849	20,525
Other (<i>Specify</i>)	10	10
Total Long-Term Investments	75,599	70,927

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

6. Bank Indebtedness

Credit Arrangements

At December 31, 2020, the Municipality had a line of credit totaling \$150,000, none of which was drawn.

7. Long-Term Debt

The debt limit of the municipality is \$953,100. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

The Affinity Credit Union loan is repayable at \$3,902 monthly including interest at 3.19%.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2021	43,871	2,952	46,823	
2022	45,291	1,532	46,823	
2023	23,365	219	23,584	
2024				
2025				
Thereafter				
Balance	112,527	4,703	117,230	

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.

The municipality may be contingently liable for future claims pertaining to Yellowbend Landfill Association.

9. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer 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's pension expense in 2020 was \$24,963. 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.

Rural Municipality of Great Bend No. 405

Notes to the Financial Statements

For the year ended December 31, 2020

10. Comparative Figures

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

11. Trusts Administered by the Municipality

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

William Johnston Trust

	Current Year Total	Prior Year Total
Balance - Beginning of Year	79,270	77,598
Revenue (<i>Specify</i>)		
Interest revenue	831	1,672
Expenditure (<i>Specify</i>)		
Balance - End of Year	80,101	79,270

12. Subsequent Events

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern.” This coronavirus continues to spread throughout the world and has adversely impacted global commercial activity and has contributed to significant declines and volatility in financial markets. The extent of COVID-19’s effect on the municipality’s operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict. The rapid development and fluidity of this situation make it impossible to ascertain the ultimate adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the municipality, its performance, and its financial results.

Rural Municipality of Great Bend No. 405
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	894,119	891,998	842,381
Abatements and adjustments		(254)	
Discount on current year taxes	(31,125)	(33,572)	(30,415)
Net Municipal Taxes	862,994	858,172	811,966
Potash tax share			
Trailer license fees			
Penalties on tax arrears	5,920	6,776	6,378
Special tax levy			
Other (<i>Specify</i>)	460	140	
Total Taxes	869,374	865,088	818,344
UNCONDITIONAL GRANTS			
Revenue Sharing	252,509	252,509	242,613
Safe Restart Program		30,364	
Total Unconditional Grants	252,509	282,873	242,613
GRANTS IN LIEU OF TAXES			
Federal	1,057	1,100	1,057
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	2,484	4,498	2,484
Other (<i>Specify</i>)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (<i>Specify</i>)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (<i>Specify</i>)			
Total Grants in Lieu of Taxes	3,541	5,598	3,541
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,125,424	1,153,559	1,064,498

Rural Municipality of Great Bend No. 405
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	700	981	1,088
- Sales of supplies	1,850	1,049	2,895
- Other (<i>Specify</i>)	275	1,592	1,860
Total Fees and Charges	2,825	3,622	5,843
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	9,400	11,322	10,471
- Other (<i>Dedicated lands payment</i>)			16,500
Total Other Segmented Revenue	12,225	14,944	32,814
Conditional Grants			
- FCM (Asset Management)			18,152
- Targeted Sector Support Initiative		5,105	
- Other (<i>SARM - MAIP</i>)	1,667	1,667	18,333
Total Conditional Grants	1,667	6,772	36,485
Total Operating	13,892	21,716	69,299
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total General Government Services	13,892	21,716	69,299

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (<i>Specify</i>)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating			

Capital

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Protective Services			

Rural Municipality of Great Bend No. 405
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	9,000	14,635	13,286
- Sales of supplies	400	2,068	6,301
- Road Maintenance and Restoration Agreements	37,000	27,990	50,168
- Frontage			
- Other (<i>Gravel licences</i>)	15,000	14,121	20,466
Total Fees and Charges	61,400	58,814	90,221
- Tangible capital asset sales - gain (loss)			(15,700)
- Other (<i>Specify</i>)			
Total Other Segmented Revenue	61,400	58,814	74,521
Conditional Grants			
- MREP (CTP)			
- Student Employment	3,170	3,170	
- Other (<i>Clearing the path maintenance</i>)	43,300	44,050	43,300
Total Conditional Grants	46,470	47,220	43,300
Total Operating	107,870	106,034	117,821
Capital			
Conditional Grants			
- Federal Gas Tax	30,030	45,047	62,371
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (<i>MEEP</i>)	73,158	73,158	
Total Capital	103,188	118,205	62,371
Restructuring Revenue (<i>Specify, if any</i>)			
Total Transportation Services	211,058	224,239	180,192

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees			
- Other (<i>Pest control supplies</i>)	1,500	1,213	1,773
Total Fees and Charges	1,500	1,213	1,773
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue	1,500	1,213	1,773
Conditional Grants			
- Student Employment			
- TAPD			
- Local government	290		290
- Other (<i>SARM - Pest and weed control</i>)	3,995	3,248	3,182
Total Conditional Grants	4,285	3,248	3,472
Total Operating	5,785	4,461	5,245
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Environmental and Public Health Services	5,785	4,461	5,245

Rural Municipality of Great Bend No. 405
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 3

	2020 Budget	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	6,000	4,956	16,326
- Other (<i>Specify</i>)			
Total Fees and Charges	6,000	4,956	16,326
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue	6,000	4,956	16,326
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating	6,000	4,956	16,326
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Planning and Development Services	6,000	4,956	16,326

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (<i>Specify</i>)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (<i>Sask Lotteries</i>)	1,619		
Total Capital	1,619		
Restructuring Revenue (<i>Specify, if any</i>)			
Total Recreation and Cultural Services	1,619		

Rural Municipality of Great Bend No. 405
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 4

	2020 Budget	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (<i>Specify</i>)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
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 (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Utility Services			
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	238,354	255,372	271,062

SUMMARY

Total Other Segmented Revenue	81,125	79,927	125,434
Total Conditional Grants	52,422	57,240	83,257
Total Capital Grants and Contributions	104,807	118,205	62,371
Restructuring Revenue			
TOTAL REVENUE BY FUNCTION	238,354	255,372	271,062

Rural Municipality of Great Bend No. 405
Total Expenses by Function
For the year ended December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	26,530	20,338	23,896
Wages and benefits	89,680	91,750	138,018
Professional/Contractual services	46,580	52,540	47,295
Utilities	10,500	8,612	8,852
Maintenance, materials and supplies	18,800	19,742	24,637
Grants and contributions - operating	1,375	695	1,375
- capital			
Amortization	1,487	1,487	1,487
Interest	185	553	184
Allowance for uncollectible			
Other (<i>Specify</i>)			
General Government Services	195,137	195,717	245,744
Restructuring (<i>Specify, if any</i>)			
Total General Government Services	195,137	195,717	245,744

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	23,670	24,516	23,664
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other (<i>Specify</i>)	200	200	200

Fire protection

Wages and benefits			
Professional/Contractual services	20,670	21,676	20,636
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	1,255	1,000	1,000
- capital			
Amortization			
Interest			
Other (<i>Specify</i>)			

Protective Services	45,795	47,392	45,500
Restructuring (<i>Specify, if any</i>)			
Total Protective Services	45,795	47,392	45,500

TRANSPORTATION SERVICES

Council remuneration and travel	13,450	6,790	12,000
Wages and benefits	269,903	265,739	288,113
Professional/Contractual Services	252,884	170,794	121,595
Utilities	7,245	6,756	6,629
Maintenance, materials and supplies	194,000	141,285	218,090
Gravel	150,000	267,935	94,046
Grants and contributions - operating			
- capital			
Amortization	197,600	198,077	197,242
Interest		2,151	
Other (<i>Specify</i>)			

Transportation Services	1,085,082	1,059,527	937,715
Restructuring (<i>Specify, if any</i>)			
Total Transportation Services	1,085,082	1,059,527	937,715

Rural Municipality of Great Bend No. 405

Total Expenses by Function

For the year ended December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	19,150	9,887	18,611
Utilities			
Maintenance, materials and supplies	10,125	12,031	3,060
Grants and contributions - operating			
o Waste disposal	20,100	20,000	20,064
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (<i>Specify</i>)			
Environmental and Public Health Services	49,375	41,918	41,735
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	49,375	41,918	41,735

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	18,000	16,460	20,900
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (<i>Specify</i>)			
Planning and Development Services	18,000	16,460	20,900
Restructuring (Specify, if any)			
Total Planning and Development Services	18,000	16,460	20,900

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	9,839	7,419	7,418
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	1,000	1,200	1,940
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)			
Recreation and Cultural Services	10,839	8,619	9,358
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	10,839	8,619	9,358

Rural Municipality of Great Bend No. 405
Total Expenses by Function
For the year ended December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)			
Utility Services			
Restructuring (Specify, if any)			
Total Utility Services			
TOTAL EXPENSES BY FUNCTION	1,404,228	1,369,633	1,300,952

Rural Municipality of Great Bend No. 405
Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	3,622		58,814	1,213	4,956			68,605
Tangible Capital Asset Sales - Loss								
Land Sales - Gain								
Investment Income and Commissions	11,322							11,322
Other Revenues								
Grants - Conditional	6,772		47,220	3,248				57,240
- Capital			118,205					118,205
Restructurings								
Total Revenues	21,716		224,239	4,461	4,956			255,372
Expenses (Schedule 3)								
Wages and Benefits	112,088		272,529					384,617
Professional/Contractual Services	52,540	46,192	170,794	9,887	16,460	7,419		303,292
Utilities	8,612		6,756					15,368
Maintenance Materials and Supplies	19,742		409,220	12,031				440,993
Grants and Contributions	695	1,000		20,000		1,200		22,895
Amortization	1,487		198,077					199,564
Interest	553		2,151					2,704
Allowance for Uncollectible								
Restructurings								
Other		200						200
Total Expenses	195,717	47,392	1,059,527	41,918	16,460	8,619		1,369,633
Surplus (Deficit) by Function	(174,001)	(47,392)	(835,288)	(37,457)	(11,504)	(8,619)		(1,114,261)

Taxes and other unconditional revenue (Schedule 1)

1,153,559

Net Surplus (Deficit)

39,298

Rural Municipality of Great Bend No. 405
Schedule of Segment Disclosure by Function
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	5,843		90,221	1,773	16,326			114,163
Tangible Capital Asset Sales - Gain (Loss)			(15,700)					(15,700)
Land Sales - Gain								
Investment Income and Commissions	10,471							10,471
Other Revenues	16,500							16,500
Grants - Conditional	36,485		43,300	3,472				83,257
- Capital			62,371					62,371
Restructurings								
Total Revenues	69,299		180,192	5,245	16,326			271,062
Expenses (Schedule 3)								
Wages and Benefits	161,914		300,113					462,027
Professional/Contractual Services	47,295	44,300	121,595	18,611	20,900	7,418		260,119
Utilities	8,852		6,629					15,481
Maintenance Materials and Supplies	24,637		312,136	3,060				339,833
Grants and Contributions	1,375	1,000		20,064		1,940		24,379
Amortization	1,487		197,242					198,729
Interest	184							184
Allowance for Uncollectible								
Restructurings								
Other		200						200
Total Expenses	245,744	45,500	937,715	41,735	20,900	9,358		1,300,952
Surplus (Deficit) by Function	(176,445)	(45,500)	(757,523)	(36,490)	(4,574)	(9,358)		(1,029,890)
Taxes and other unconditional revenue (Schedule 1)								1,064,498
Net Surplus (Deficit)								34,608

Rural Municipality of Great Bend No. 405
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2020

Schedule 6

		2020						2019	
		General Assets					Infrastructure Assets	General/Infrastructure	
		Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear assets	Assets Under Construction	Total
Assets	Asset costs								
	Opening Asset Costs	213,808	38,709	258,603	312,569	1,764,954	3,055,934	9,536	5,654,113
	Additions during the year					224,485	231,822		456,307
	Disposals and write-downs during the year					(23,848)			(23,848)
	Transfers (from) assets under construction					9,536		(9,536)	Nil
	Transfer of capital assets related to restructuring (Schedule 11)								
	Closing Asset Costs	213,808	38,709	258,603	312,569	1,975,127	3,287,756	Nil	6,086,572
Amortization	Accumulated Amortization Costs								
	Opening Accumulated Amortization Costs		25,133	124,269	122,923	505,890	1,874,494		2,652,709
	Add: Amortization taken		2,285	5,054	29,855	93,080	69,290		199,564
	Less: Accumulated amortization on disposals								(45,800)
	Transfer of capital assets related to restructuring (Schedule 11)								
	Closing Accumulated Amortization Costs		27,418	129,323	152,778	598,970	1,943,784		2,852,273
	Net Book Value	213,808	11,291	129,280	159,791	1,376,157	1,343,972		3,234,299

1. Total contributed/donated assets received in 2020

Nil

are:

- Infrastructure Assets

Nil

- Vehicles

Nil

- Machinery and Equipment

Nil

3. Amount of interest capitalized in Schedule 6

Nil

Rural Municipality of Great Bend No. 405
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2020

Schedule 7

		2020							2019
		General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total
Assets	Asset costs								
	Opening Asset Costs	78,027		5,572,786			3,300		5,654,113
	Additions during the year			456,307					456,307
	Disposals and write-downs during the year			(23,848)					(23,848)
	Transfer of capital assets related to restructuring (Schedule 11)								
Closing Asset Costs		78,027		6,005,245			3,300		6,086,572
Amortization	Accumulated Amortization Costs								
	Opening Accumulated Amortization Costs	58,911		2,593,798					2,652,709
	Add: Amortization taken	1,487		198,077					199,564
	Less: Accumulated amortization on disposals								(45,800)
	Transfer of capital assets related to restructuring (Schedule 11)								
Closing Accumulated Amortization Costs		60,398		2,791,875					2,852,273
Net Book Value		17,629		3,213,370			3,300		3,234,299
									3,001,404

Rural Municipality of Great Bend No. 405
Schedule of Accumulated Surplus
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	1,247,071	(194,883)	1,052,188

APPROPRIATED RESERVES

Machinery and Equipment	50,000	1,175	51,175
Public Reserve			
Capital Trust			
Utility			
Other (<i>Specify</i>)	16,583	111	16,694
Total Appropriated	66,583	1,286	67,869

ORGANIZED HAMLETS (add lines if required)

Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Total Organized Hamlets			

INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	3,001,404	232,895	3,234,299
Less: Related debt			
Net Investment in Tangible Capital Assets	3,001,404	232,895	3,234,299

Total Accumulated Surplus	4,315,058	39,298	4,354,356
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Rural Municipality of Great Bend No. 405

Schedule of Mill Rates and Assessments

For the year ended December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	97,513,605	20,465,276			2,483,500		120,462,381
Regional Park Assessment							
Total Assessment							120,462,381
Mill Rate Factor(s)	1.0700	1.0000			1.8000		
Total Base/Minimum Tax (generated for each property class)							
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	719,943	141,210			30,845		891,998

MILL RATES: MILLS

Average Municipal*	7.4048
Average School*	1.9868
Potash Mill Rate	
Uniform Municipal Mill Rate	6.9000

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

Rural Municipality of Great Bend No. 405
Schedule of Council Remuneration
For the year ended December 31, 2020

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Ron Saunders	3,900	1,360	5,260
Councillor	Greg Orchard	1,650	331	1,981
Councillor	Scott Sutherland	3,000	54	3,054
Reeve/Councillor	Kim Maxwell	3,450	689	4,139
Councillor	Dave Amson	338	26	364
Councillor	Gary Nickel	2,402	700	3,102
Councillor	Ian Hosegood	2,850	350	3,200
Councillor	Erwin Hamp	2,250	265	2,515
Total		19,840	3,775	23,615