

**Annual Financial Statements**

**And Supporting Schedules**

**For The**

**Rural Municipality of Hillsdale No. 440**

**As at December 31, 2020**

### **Management's Responsibility**

To the Ratepayers of the Rural Municipality of Hillsdale No. 440:

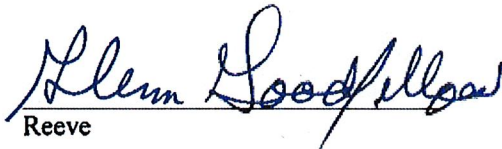
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of 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 fulfills 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.

HRO Chartered Professional Accountants, an independent association of chartered professional accountants, is appointed by 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.

April 8, 2021  
Date

  
Reeve

  
Administrator



ADDRESS:  
1321 101ST STREET  
NORTH BATTLEFORD, SK S9A 0Z9

PHONE: 306-445-6291  
FAX: 306-445-3882  
EMAIL: info@hrocpc.ca

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Rural Municipality of Hillsdale No. 440

### *Opinion*

We have audited the financial statements of Rural Municipality of Hillsdale No. 440 (the Municipality), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net financial assets, changes in accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### *Basis for 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 Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

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LORALIE A. RAICHE, CPA, CA, CFP\*

DALLAN D. OBERG, CPA, CA\*

\*DENOTES A PROFESSIONAL CORPORATION

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*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

*HRO*

North Battleford, Saskatchewan  
April 8, 2021

Chartered Professional Accountants

**Rural Municipality of Hillsdale No. 440**

**Statement of Financial Position**

**As at December 31, 2020**

Statement 1

	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	\$ 15,050,007	\$ 6,257,219
Taxes Receivable - Municipal (Note 3)	248,896	742,342
Other Accounts Receivable (Note 4)	628,954	446,952
Land for Resale (Note 5)	29,108	29,108
Long-term Investments (Note 6)	333,126	320,585
Debt Charges Recoverable		
Other (Deposit) (Note 7)	1,000,000	
<b>Total Financial Assets</b>	<b>17,290,091</b>	<b>7,796,206</b>

**LIABILITIES**

Bank Indebtedness (Note 8)		
Accounts Payable	169,029	617,102
Accrued Liabilities Payable	12,205	
Deposits		
Deferred Revenue (Note 9)	6,950	6,950
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 10)	9,000,000	
Lease Obligations		
<b>Total Liabilities</b>	<b>9,188,184</b>	<b>624,052</b>

<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>8,101,907</b>	<b>7,172,154</b>
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**NON-FINANCIAL ASSETS**

Tangible Capital Assets (Schedule 6, 7)	28,564,824	29,320,623
Prepayments and Deferred Charges	5,870	5,719
Stock and Supplies	249,935	228,944
Other		
<b>Total Non-Financial Assets</b>	<b>28,820,629</b>	<b>29,555,286</b>

<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 36,922,536</b>	<b>\$ 36,727,440</b>
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Rural Municipality of Hillsdale No. 440

Statement of Operations

As at December 31, 2020

Statement 2

	2020 Budget	2020	2019
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 4,708,155	\$ 5,251,393	\$ 6,104,531
Fees and Charges (Schedule 4, 5)	198,000	257,007	325,006
Conditional Grants (Schedule 4, 5)	199,533	38,766	17,665
Tangible Capital Asset Sales - Gain (loss) (Schedule 4, 5)		(3,457)	79,685
Land Sales - Gain (loss) (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	105,400	88,629	203,196
Restructurings (Schedule 4, 5)			
Other Revenues (Schedule 4, 5)		2,959	6,904
<b>Total Revenues</b>	<b>5,211,088</b>	<b>5,635,297</b>	<b>6,736,987</b>

<b>Expenses</b>			
General Government Services (Schedule 3)	868,292	1,389,227	647,783
Protective Services (Schedule 3)	201,667	184,834	183,920
Transportation Services (Schedule 3)	3,605,113	3,754,947	2,985,770
Environmental and Public Health Services (Schedule 3)	113,803	88,516	80,156
Planning and Development Services (Schedule 3)	16,920	15,942	18,296
Recreation and Cultural Services (Schedule 3)	127,973	135,158	144,032
Utility Services (Schedule 3)			
Restructurings (Schedule 3)			
<b>Total Expenses</b>	<b>4,933,768</b>	<b>5,568,624</b>	<b>4,059,957</b>

<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>277,320</b>	<b>66,673</b>	<b>2,677,030</b>
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Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	34,399	128,423	69,742
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<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>\$ 311,719</b>	<b>195,096</b>	<b>2,746,772</b>
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<b>Accumulated Surplus (Deficit), Beginning of Year</b>		<b>36,727,440</b>	<b>33,980,668</b>
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<b>Accumulated Surplus (Deficit), End of Year</b>	<b>\$ 36,922,536</b>	<b>\$ 36,727,440</b>	
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**Rural Municipality of Hillsdale No. 440**  
**Statement of Change in Net Financial Assets**  
**As at December 31, 2020**

Statement 3

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>Surplus (Deficit)</b>	\$ 311,719	\$ 195,096	\$ 2,746,772
(Acquisition) of tangible capital assets		(1,350,003)	(7,505,096)
Amortization of tangible capital assets		2,037,845	1,599,758
Proceeds on disposal of tangible capital assets		64,500	191,300
Loss (gain) on the disposal of tangible capital assets		3,457	(79,685)
Transfer of Assets/Liabilities in Restructuring Transactions			
<b>Surplus (Deficit) of capital revenue over expenditures</b>		<b>755,799</b>	<b>(5,793,723)</b>
(Acquisition) of supplies inventories		(20,991)	
(Acquisition) of prepaid expense		(151)	(469)
Consumption of supplies inventories			523,455
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>(21,142)</b>	<b>522,986</b>
<b>Increase (Decrease) in Net Financial Assets</b>	<b>\$ 311,719</b>	<b>929,753</b>	<b>(2,523,965)</b>
<b>Net Financial Assets - Beginning of Year</b>		<b>7,172,154</b>	<b>9,696,119</b>
<b>Net Financial Assets - End of Year</b>		<b>\$ 8,101,907</b>	<b>\$ 7,172,154</b>

*The accompanying notes and schedules are an integral part of these statements.*

**Rural Municipality of Hillsdale No. 440**  
**Statement of Cash Flow**  
**As at December 31, 2020**

Statement 4

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 195,096	\$ 2,746,772
Amortization	2,037,845	1,599,758
Loss (gain) on disposal of tangible capital assets	3,457	(79,685)
	<u>2,236,398</u>	<u>4,266,845</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	493,446	(202,925)
Other Receivables	(182,002)	(194,959)
Land for Resale		
Other Financial Assets (deposit)	(1,000,000)	
Accounts and Accrued Liabilities Payable	(435,868)	404,054
Deposits		
Deferred Revenue		6,950
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use	(20,991)	523,455
Prepayments and Deferred Charges	(151)	(469)
Other (Specify)		
<b>Cash provided by (applied to) operating transactions</b>	<b>1,090,832</b>	<b>4,802,951</b>
<b>Capital:</b>		
Acquisition of Tangible Capital Assets	(1,350,003)	(7,505,096)
Proceeds From the Disposal of Tangible Capital Assets	64,500	191,300
Other Capital		
<b>Cash provided by (applied to) capital transactions</b>	<b>(1,285,503)</b>	<b>(7,313,796)</b>
<b>Investing:</b>		
Long-term Investments	(12,541)	3,001,822
Other Investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>(12,541)</b>	<b>3,001,822</b>
<b>Financing:</b>		
Debt Charges Recovered		
Long-term Debt Issued	9,000,000	
Long-term Debt Repaid		
Other Financing		
<b>Cash provided by (applied to) financing transactions</b>	<b>9,000,000</b>	
<b>Change in Cash and Temporary Investments during the year</b>	<b>8,792,788</b>	<b>490,977</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>6,257,219</b>	<b>5,766,242</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>\$ 15,050,007</b>	<b>\$ 6,257,219</b>



**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:

- a) **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.
- b) **Reporting Entity:** The financial statements consolidates 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. Entities included in these financial statements are as follows:

Entity

Rural Municipality of Hillsdale No.440

- c) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board and municipal hail are collected and remitted in accordance with relevant legislation.
- 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 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 estimate of the amount 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.

- 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.
- 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.

1. Significant Accounting Policies - continued

- i) **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.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund and Property Insurance Fund, Coop Equity, and Credit Union member share accounts are accounted for on the equity basis.
- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- 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 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. The 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>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	3 to 20 Yrs
<b>Infrastructure Assets</b>	
Road Network Assets	15 to 40 Yrs

**Government Contributions:** Government contributions for the acquisition of tangible capital assets are reported as capital revenue and do not reduce the cost of the related asset.

**Works of Art and Other Unrecognized Assets:** Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

**Capitalization of Interest:** The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

**Leases:** All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. 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. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. Significant Accounting Policies - continued

- 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:
- a) an environmental standard exists;
  - b) contamination exceeds the environmental standard;
  - c) the municipality:
    - i. is directly responsible; or
    - ii. accepts responsibility;
  - d) it is expected that future economic benefits will be given up; and
  - e) a reasonable estimate of the amount can be made.
- 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. Taxes receivable and accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

- q) **Basis of Segmentation/Segment Report:** The municipality has adopted 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 neighborhood development and sustainability.

Recreation and Cultural: 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) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- s) **Land for Resale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- t) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

**1. Significant Accounting Policies - continued**

- u) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *June 4, 2020*.

- v) **New Standards and Amendments to Standards:  
Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

**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 Hillsdale No. 440**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

	2020	2019
<b>2. Cash and Temporary Investments</b>		
Cash	\$ 15,050,007	\$ 6,257,219
Temporary Investments		
Restricted Cash		
<b>Total Cash and Temporary Investments</b>	<b>\$ 15,050,007</b>	<b>\$ 6,257,219</b>

Cash and temporary investments include balances with banks, Credit Unions, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

The municipality has set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are under funded by \$4,231,040 (2019 - \$4,172,415). However, there are sufficient funds in the general account to fund the reserves.

**3. Taxes Receivable - Municipal**

Municipal - Current	\$ 130,277	\$ 116,177
- Arrears	1,845,619	1,426,165
	1,975,896	1,542,342
- Less Allowance for Uncollectibles	(1,727,000)	(800,000)
Total Municipal Taxes Receivable	248,896	742,342
School - Current	18,980	28,295
- Arrears	284,982	214,595
Total School Taxes Receivable	303,962	242,890
Other		
Total Taxes and Grants in Lieu Receivable	552,858	985,232
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(303,962)	(242,890)
<b>Total Taxes Receivable - Municipal</b>	<b>\$ 248,896</b>	<b>\$ 742,342</b>

**4. Other Accounts Receivable**

Federal government	\$ 29,042	\$ 239,323
Provincial government	9,700	
Local government	392,191	127,848
Utility		
Trade	198,021	79,781
Other (Specify)		
Total Other Accounts Receivable	628,954	446,952
Less Allowance for Uncollectibles		
<b>Net Other Accounts Receivable</b>	<b>\$ 628,954</b>	<b>\$ 446,952</b>

**5. Land for Resale**

Tax Title Property	\$ 29,108	\$ 29,108
Allowance for Market Value Adjustment		
Net Tax Title Property	29,108	29,108
Other Land		
Allowance for Market Value Adjustment		
Net Other Land		
<b>Total Land for Resale</b>	<b>\$ 29,108</b>	<b>\$ 29,108</b>

# Rural Municipality of Hillsdale No. 440

## Notes to the Financial Statements

As at December 31, 2020

### 6. Long-term Investments

	2020	2019
Lloydminster & District Co-op - equity	\$ 19,516	19,048
Pine Island Lodge - shares	100	100
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	56,307	53,828
Sask. Assoc. of Rural Municipalities - Tax Loss Compensation Fund	227,198	217,604
Synergy Credit Union - equity	30,000	30,000
Synergy Credit Union - shares	5	5
<b>Total Long-term Investments</b>	<b>\$ 333,126</b>	<b>\$ 320,585</b>

### 7. Other

Deposit on land	\$ 1,000,000	
Other (Specify)		
<b>Total Other</b>	<b>\$ 1,000,000</b>	

### 8. Credit Facility agreement

The municipality has a credit facility agreement with its financial institution that covers a revolving operating line of credit in the amount of \$750,000.

Interest on the line of credit is 2.2% (2019 - 3.7%). Security for the line of credit is the assignment of the municipality's municipal taxes receivable. There was no balance owing at year end under this line of credit in 2020 or 2019.

### 9. Deferred Revenue

Prepaid lease fees	\$ 6,950	\$ 6,950
<b>Total Deferred Revenue</b>	<b>\$ 6,950</b>	<b>\$ 6,950</b>

### 10. Long-term Debt

The debt limit of the municipality is \$6,095,658. 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)*).

Debenture debt has been issued by the Saskatchewan Municipal Board for financing a gravel pit acquisition. Annual payments are \$983,679 including interest at 1.65%. The debt is due December 2030.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2021	\$ 835,179	\$ 148,500	\$ 983,679	
2022	848,960	134,719	983,679	
2023	862,967	120,712	983,679	
2024	877,206	106,473	983,679	
2025	891,680	91,999	983,679	
Thereafter	4,684,008	234,387	4,918,395	
<b>Balance</b>	<b>\$ 9,000,000</b>	<b>\$ 836,790</b>	<b>\$ 9,836,790</b>	

**Rural Municipality of Hillsdale No. 440**

**Notes to the Financial Statements**

**As at December 31, 2020**

**11. 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 \$56,106 (2019 - \$54,496). 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.

**12. Subsequent Events**

Subsequent to year end, the municipality purchased two parcels of land and gravel pit for a total of \$10,251,000. A debenture was issued in December, 2020 for \$9,000,000 included in Note 10. The deal closed January 27, 2021.

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Taxes and Other Unconditional Revenue**  
**As at December 31, 2020**

Schedule 1

	2020 Budget	2020	2019
<b>TAXES</b>			
General municipal tax levy	\$ 4,477,228	\$ 4,721,679	\$ 5,845,456
Abatements and adjustments		(9,105)	(11,862)
Discount on current year taxes	(217,000)	(179,626)	(273,042)
<b>Net Municipal Taxes</b>	4,260,228	4,532,948	5,560,552
Potash tax share			
Trailer license fees			
Penalties on tax arrears	200,000	378,633	278,405
Special tax levy			
Other (Specify)			
<b>Total Taxes</b>	<b>4,460,228</b>	<b>4,911,581</b>	<b>5,838,957</b>

**UNCONDITIONAL GRANTS**

Revenue Sharing	226,167	311,059	226,167
Organized Hamlet			
<b>Total Unconditional Grants</b>	<b>226,167</b>	<b>311,059</b>	<b>226,167</b>

**GRANTS IN LIEU OF TAXES**

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	20,850	18,174	22,298
Other (Sask. Environment and resource management)	910	986	926
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement		9,593	16,183
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
SaskEnergy Surcharge			
Other (Specify)			
<b>Total Grants in Lieu of Taxes</b>	<b>21,760</b>	<b>28,753</b>	<b>39,407</b>

<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 4,708,155</b>	<b>\$ 5,251,393</b>	<b>\$ 6,104,531</b>
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**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2020**

Schedule 2 - 1

	2020 Budget	2020	2019
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,000	\$ 1,879	\$ 1,458
- Sales of supplies	1,500	1,117	1,491
- Other (General office services)	3,200	3,281	3,532
Total Fees and Charges	5,700	6,277	6,481
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	105,400	88,629	203,196
- Other (SARM)		600	3,295
Total Other Segmented Revenue	111,100	95,506	212,972
Conditional Grants			
- Student Employment		22,846	
- Other			
Total Conditional Grants		22,846	
<b>Total Operating</b>	111,100	118,352	212,972
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total General Government Services</b>	111,100	118,352	212,972

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (fire fees)	500	2,499	4,426
Total Fees and Charges	500	2,499	4,426
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	500	2,499	4,426
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	500	2,499	4,426
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Protective Services</b>	500	2,499	4,426

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2020**

Schedule 2 - 2

	2020 Budget	2020	2019
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	20,000	5,292	27,026
- Sales of supplies	1,000	2,731	1,161
- Road Maintenance and Restoration Agreements	35,000	76,170	108,275
- Frontage			
- Other (Licenses and permits)	14,500	22,605	20,735
Total Fees and Charges	70,500	106,798	157,197
- Tangible capital asset sales - gain (loss)		(3,457)	79,685
- Other (Specify)			
Total Other Segmented Revenue	70,500	103,341	236,882
Conditional Grants			
- RIRG (CTP)	9,700	9,700	9,700
- Student Employment			
- Other (R.M. of Manitou Lake)	183,188		
Total Conditional Grants	192,888	9,700	9,700
<b>Total Operating</b>	263,388	113,041	246,582
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	34,399	48,941	69,742
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)			
- Provincial Disaster Assistance			
- Other (MEEP)		79,482	
<b>Total Capital</b>	34,399	128,423	69,742
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Transportation Services</b>	<b>297,787</b>	<b>241,464</b>	<b>316,324</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	4,000	5,237	4,641
- Other (Pest Control)	2,300	7,404	4,272
Total Fees and Charges	6,300	12,641	8,913
- Tangible capital asset sales - gain (loss)			
- Other (Cemetery & Vet Service Board)		2,359	3,609
Total Other Segmented Revenue	6,300	15,000	12,522
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (PREP)	6,645	6,220	7,965
Total Conditional Grants	6,645	6,220	7,965
<b>Total Operating</b>	12,945	21,220	20,487
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Environmental and Public Health Services</b>	<b>12,945</b>	<b>21,220</b>	<b>20,487</b>

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2020**

Schedule 2 - 3

	2020 Budget	2020	2019
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			1,000
- Other (Pasture and oil well surface lease)	115,000	127,982	144,774
Total Fees and Charges	115,000	127,982	145,774
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	115,000	127,982	145,774
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	115,000	127,982	145,774
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	115,000	127,982	145,774

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (donations)		810	2,215
Total Fees and Charges		810	2,215
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		810	2,215
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>		810	2,215
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>		810	2,215

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2020**

Schedule 2 - 4

	2020 Budget	2020	2019
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>			
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			
<b>Restructuring Revenue (Specify, if any)</b>			
<b>Total Utility Services</b>			
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 537,332</b>	<b>\$ 512,327</b>	<b>\$ 702,198</b>

**SUMMARY**

Total Other Segmented Revenue	\$ 303,400	\$ 345,138	\$ 614,791
Total Conditional Grants	199,533	38,766	17,665
Total Capital Grants and Contributions	34,399	128,423	69,742
Restructuring Revenue			
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 537,332</b>	<b>\$ 512,327</b>	<b>\$ 702,198</b>

**Rural Municipality of Hillsdale No. 440**
**Total Expenses by Function**
**As at December 31, 2020**

Schedule 3 - 1

	2020 Budget	2020	2019
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 38,500	\$ 28,224	\$ 29,966
Wages and benefits	328,000	313,403	279,917
Professional/Contractual services	97,800	80,291	92,424
Utilities	8,300	7,899	7,390
Maintenance, materials and supplies	30,100	16,568	22,906
Grants and contributions - operating	600	850	600
- capital			
Amortization	14,742	14,742	14,480
Interest			
Allowance for uncollectibles	350,000	927,000	200,000
Other (Appeal fees)	250	250	100
<b>General Government Services</b>	<b>868,292</b>	<b>1,389,227</b>	<b>647,783</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total General Government Services</b>	<b>868,292</b>	<b>1,389,227</b>	<b>647,783</b>

**PROTECTIVE SERVICES**
**Police protection**

Wages and benefits			
Professional/Contractual services	90,613	95,135	90,613
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

**Fire protections**

Wages and benefits			
Professional/Contractual services	111,054	89,699	93,307
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			

<b>Protective Services</b>	<b>201,667</b>	<b>184,834</b>	<b>183,920</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Protective Services</b>	<b>201,667</b>	<b>184,834</b>	<b>183,920</b>

**TRANSPORTATION SERVICES**

Wages and benefits	525,000	461,965	479,493
Professional/Contractual Services	177,375	288,420	147,387
Utilities	19,800	16,034	16,932
Maintenance, materials and supplies	337,800	393,853	299,669
Gravel	515,000	558,315	458,807
Grants and contributions - operating			
- capital			
Amortization	2,030,138	2,021,005	1,583,482
Interest		12,205	
Other (Allowance)		3,150	

<b>Transportation Services</b>	<b>3,605,113</b>	<b>3,754,947</b>	<b>2,985,770</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Transportation Services</b>	<b>3,605,113</b>	<b>3,754,947</b>	<b>2,985,770</b>

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits			
Professional/Contractual services	91,730	63,037	71,160
Utilities	1,200	819	1,023
Maintenance, materials and supplies	9,200	13,487	1,800
Grants and contributions - operating			
o Waste disposal			
o Public Health	10,500	10,000	5,000
- capital			
o Waste disposal			
o Public Health			
Amortization	1,173	1,173	1,173
Interest			
Other (Specify)			
<b>Environmental and Public Health Services</b>	113,803	88,516	80,156
<b>Restructuring (Specify, if any)</b>			
<b>Total Environmental and Public Health Services</b>	<b>113,803</b>	<b>88,516</b>	<b>80,156</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits			
Professional/Contractual Services	16,297	15,017	17,673
Grants and contributions - operating			
- capital			
Amortization	623	925	623
Interest			
Other (Specify)			
<b>Planning and Development Services</b>	16,920	15,942	18,296
<b>Restructuring (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	<b>16,920</b>	<b>15,942</b>	<b>18,296</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits			
Professional/Contractual services	6,973	6,973	6,973
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	121,000	128,185	137,059
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
<b>Recreation and Cultural Services</b>	127,973	135,158	144,032
<b>Restructuring (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>	<b>127,973</b>	<b>135,158</b>	<b>144,032</b>

**Rural Municipality of Hillsdale No. 440**

**Total Expenses by Function**

**As at December 31, 2020**

Schedule 3 - 3

	2020 Budget	2020	2019
<b>UTILITY SERVICES</b>			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
Utility Services			
Restructuring ( <i>Specify, if any</i> )			
<b>Total Utility Services</b>			
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 4,933,768</b>	<b>\$ 5,568,624</b>	<b>\$ 4,059,957</b>

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Segment Disclosure by Function**  
**As at December 31, 2020**

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 6,277	\$ 2,499	\$ 106,798	\$ 12,641	\$ 127,982	\$ 810		\$ 257,007
Tangible Capital Asset Sales - Gain (loss)			(3,457)					(3,457)
Land Sales - Gain								
Investment Income and Commissions	88,629							88,629
Other Revenues	600			2,359				2,959
Grants - Conditional	22,846		9,700	6,220				38,766
- Capital			128,423					128,423
Restructurings								
<b>Total Revenues</b>	<b>118,352</b>	<b>2,499</b>	<b>241,464</b>	<b>21,220</b>	<b>127,982</b>	<b>810</b>		<b>512,327</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	341,627		461,965					803,592
Professional/ Contractual Services	80,291	184,834	288,420	63,037	15,017	6,973		638,572
Utilities	7,899		16,034	819				24,752
Maintenance, Materials and Supplies	16,568		952,168	13,487				982,223
Grants and Contributions	850			10,000		128,185		139,035
Amortization	14,742		2,021,005	1,173	925			2,037,845
Interest			12,205					12,205
Allowance for Uncollectibles	927,000							927,000
Other	250		3,150					3,400
Restructurings								
<b>Total Expenses</b>	<b>1,389,227</b>	<b>184,834</b>	<b>3,754,947</b>	<b>88,516</b>	<b>15,942</b>	<b>135,158</b>		<b>5,568,624</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (1,270,875)</b>	<b>\$ (182,335)</b>	<b>\$ (3,513,483)</b>	<b>\$ (67,296)</b>	<b>\$ 112,040</b>	<b>\$ (134,348)</b>		<b>(5,056,297)</b>

Taxation and Other Unconditional Revenue (Schedule 1) 5,251,393

**Net Surplus (Deficit)** \$ 195,096



Rural Municipality of Hillsdale No. 440  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 6,481	\$ 4,426	\$ 157,197	\$ 8,913	\$ 145,774	\$ 2,215		\$ 325,006
Tangible Capital Asset Sales - Gain (loss)			79,685					79,685
Land Sales - Gain								
Investment Income and Commissions	203,196							203,196
Other Revenues	3,295			3,609				6,904
Grants - Conditional			9,700	7,965				17,665
- Capital			69,742					69,742
Restructurings								
<b>Total Revenues</b>	<b>212,972</b>	<b>4,426</b>	<b>316,324</b>	<b>20,487</b>	<b>145,774</b>	<b>2,215</b>		<b>702,198</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	309,883		479,493					789,376
Professional/ Contractual Services	92,424	183,920	147,387	71,160	17,673	6,973		519,537
Utilities	7,390		16,932	1,023				25,345
Maintenance, Materials and Supplies	22,906		758,476	1,800				783,182
Grants and Contributions	600			5,000		137,059		142,659
Amortization	14,480		1,583,482	1,173	623			1,599,758
Interest								
Allowance for Uncollectibles	200,000							200,000
Other	100							100
Restructurings								
<b>Total Expenses</b>	<b>647,783</b>	<b>183,920</b>	<b>2,985,770</b>	<b>80,156</b>	<b>18,296</b>	<b>144,032</b>		<b>4,059,957</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (434,811)</b>	<b>\$ (179,494)</b>	<b>\$ (2,669,446)</b>	<b>\$ (59,669)</b>	<b>\$ 127,478</b>	<b>\$ (141,817)</b>		<b>(3,357,759)</b>
Taxation and Other Unconditional Revenue (Schedule 1)								<u>6,104,531</u>
<b>Net Surplus (Deficit)</b>								<u><u>\$ 2,746,772</u></u>

		2020						2019		
	General Assets						Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				
Assets	Asset Cost									
	Opening Asset costs	\$ 987,450	\$ 88,447	\$ 1,178,023	\$ 151,063	\$ 2,964,737	\$ 39,515,019	\$ 658,982	\$ 45,543,721	\$ 38,384,245
	Additions during the year		12,684		35,304	225,171	918,876	157,968	1,350,003	7,505,096
	Disposals and write-downs during the year					(127,980)			(127,980)	(345,620)
	Transfers (from) assets under construction						646,478	(646,478)		
	Transfer of Capital Assets related to restructuring									
Closing Asset Costs		987,450	101,131	1,178,023	186,367	3,061,928	41,080,373	170,472	46,765,744	45,543,721
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs		31,810	283,076	45,158	965,053	14,898,001		16,223,098	14,857,345
	Add: Amortization taken		5,896	24,651	11,688	216,966	1,778,644		2,037,845	1,599,758
	Less: Accumulated amortization on disposals					(60,023)			(60,023)	(234,005)
	Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs			37,706	307,727	56,846	1,121,996	16,676,645		18,200,920	16,223,098
Net Book Value		\$ 987,450	\$ 63,425	\$ 870,296	\$ 129,521	\$ 1,939,932	\$ 24,403,728	\$ 170,472	\$ 28,564,824	\$ 29,320,623

Rural Municipality of Hillsdale No. 440  
Schedule of Tangible Capital Assets by Function  
As at December 31, 2020

Schedule 7

		2020						2019		
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total	Total
Assets	Asset Cost									
	Opening Asset costs	\$ 685,714		\$ 44,458,667	\$ 25,343	\$ 373,997			\$ 45,543,721	\$ 38,384,245
	Additions during the year			1,337,319	12,684				1,350,003	7,505,096
	Disposals and write-downs during the year			(127,980)					(127,980)	(345,620)
	Transfer of Capital Assets related to restructuring									
Closing Asset Costs		685,714		45,668,006	38,027	373,997			46,765,744	45,543,721
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	175,347		16,035,495	9,500	2,756			16,223,098	14,857,345
	Add: Amortization taken	14,742		2,021,005	1,173	925			2,037,845	1,599,758
	Less: Accumulated amortization on disposals			(60,023)					(60,023)	(234,005)
	Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs		190,089		17,996,477	10,673	3,681			18,200,920	16,223,098
Net Book Value		\$ 495,625		\$ 27,671,529	\$ 27,354	\$ 370,316			\$ 28,564,824	\$ 29,320,623

Rural Municipality of Hillsdale No. 440  
Schedule of Accumulated Surplus  
As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 3,234,402	\$ 892,270	\$ 4,126,672
APPROPRIATED RESERVES			
Machinery and Equipment			
Public Reserve	1,701		1,701
Capital Trust			
Utility			
Other (Future Capital)	4,170,714	58,625	4,229,339
Total Appropriated	4,172,415	58,625	4,231,040
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	29,320,623	(755,799)	28,564,824
Less: Related debt			
Net Investment in Tangible Capital Assets	29,320,623	(755,799)	28,564,824
Total Accumulated Surplus	\$ 36,727,440	\$ 195,096	\$ 36,922,536

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Mill Rates and Assessments**  
**As at December 31, 2020**

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
<b>Taxable Assessment</b>	\$ 105,080,960	\$ 8,613,469		\$ 26,960	\$ 51,785,425		<b>\$ 165,506,814</b>
<b>Regional Park Assessment</b>							
<b>Total Assessment</b>							<b>165,506,814</b>
<b>Mill Rate Factor(s)</b>	1.065	1.37			7.5		
<b>Total Base/Minimum Tax</b> (generated for each property class)		25,375			1,597,050		<b>1,622,425</b>
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	\$ 678,182	\$ 92,576		\$ 224	\$ 3,950,697		<b>\$ 4,721,679</b>

<b>MILL RATES:</b>	<b>MILLS</b>
<b>Average Municipal*</b>	28.5286
<b>Average School*</b>	3.8541
<b>Potash Mill Rate</b>	
<b>Uniform Municipal Mill Rate</b>	6.0600

\* **Average Mill Rates** (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

**Rural Municipality of Hillsdale No. 440**  
**Schedule of Council Remuneration**  
**As at December 31, 2020**  
*(Unaudited)*

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Reeve	Glenn Goodfellow	\$ 7,000	\$ 1,006	\$ <b>8,006</b>
Councillor	Trevor McCrea	4,980	751	<b>5,731</b>
Councillor	Jerry Petovello	5,375	1,207	<b>6,582</b>
Councillor	Bernadette Poppleton	4,750	366	<b>5,116</b>
Councillor	Vincent Murphy	4,875	764	<b>5,639</b>
Councillor	Floyd Whitney	5,000	390	<b>5,390</b>
Councillor	Dale (Chip) Chibri	4,562	452	<b>5,014</b>
<b>Total</b>		<b>\$ 36,542</b>	<b>\$ 4,936</b>	<b>\$ 41,478</b>