

TOWN OF MILESTONE
Financial Statements
Year Ended December 31, 2020

TOWN OF MILESTONE
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Year Ended December 31, 2020

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Management's Responsibility

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

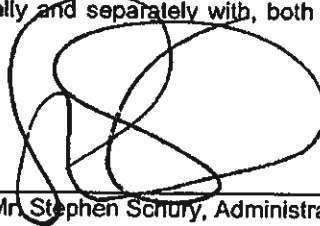
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

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



Mr. Jeff Brown, Mayor



Mr. Stephen Schury, Administrator

Milestone, SK

Date:

May 11, 2021

Independent Auditor's report

To the Council of the Town of Milestone:

Qualified Opinion

We have audited the financial statements of the Town of Milestone (the Municipality), which comprise the statement of financial position as at December 31, 2020, and the statements of operations and accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

As outlined in Note 10 to the financial statements, the Municipality maintains a solid waste landfill site for which it has not recorded an estimate of its closure and post-closure liabilities. This constitutes a departure from Canadian public sector accounting standards, which require the closure and post-closure liabilities to be recognized on a volumetric basis as the landfill site capacity is used, beginning when the site first accepts waste. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were not able to determine whether any adjustments might be necessary to the surplus of revenues over expenses and cash flows from operations for the year ended December 31, 2020, landfill closure and post-closure liabilities as at December 31, 2020 and net assets as at January 1 and December 31, 2020. Our audit opinion on the financial statements for the year ended December 31, 2019 was modified because of the effects of this departure from Canadian public sector accounting standards.

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

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 24 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2019 has been restated. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Amended Financial Statements

We draw attention to Note 25 to the financial statements, which describes that the financial statements that we originally reported on May 11, 2021 have been amended and describes the matter that gave rise to the amendment of the financial statements. Our opinion is not modified in respect of this matter.

Other Matters - Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7, 9 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Weyburn, Canada
May 11, 2021 (except for Note 25 which is as at
July 27, 2021)



Chartered Professional Accountants

TOWN OF MILESTONE
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
	Restated - see note 24	
FINANCIAL ASSETS		
Cash and Temporary Investments <i>(Note 2)</i>	\$ 161,460	\$ 282,872
Taxes Receivable - Municipal <i>(Note 3)</i>	52,773	88,083
Other Accounts Receivable <i>(Note 4)</i>	111,312	100,358
Land for Resale <i>(Note 5)</i>	-	-
Investments <i>(Note 6)</i>	31,129	34,596
Debt Charges Recoverable <i>(Note 7)</i>	-	-
Other (Specify)	-	-
Total financial assets	356,674	505,909
LIABILITIES		
Bank indebtedness <i>(Note 8)</i>	-	-
Accounts Payable	29,166	358,978
Accrued Liabilities Payable	120,411	133,344
Deposits	-	-
Deferred Revenue <i>(Note 9)</i>	122,626	9,136
Accrued Landfill Costs <i>(Note 10)</i>	-	-
Liability for Contaminated Sites <i>(Note 11)</i>	-	-
Other Liabilities	-	-
Long-Term Debt <i>(Note 12)</i>	2,108,387	2,173,179
Lease Obligations <i>(Note 13)</i>	6,163	8,943
Total liabilities	2,386,753	2,683,580
NET FINANCIAL DEBT	(2,030,079)	(2,177,671)
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	4,106,412	4,231,417
Prepayments and Deferred Charges	318	503
Stock and Supplies	-	-
Other <i>(Note 14)</i>	-	-
Total Non-Financial Assets	4,106,730	4,231,920
ACCUMULATED SURPLUS (Schedule 8)	\$ 2,076,651	\$ 2,054,249
Non-adjusting subsequent events <i>(Note 26)</i>		

TOWN OF MILESTONE
Statement of Operations and Accumulated Surplus
As at December 31, 2020

Statement 2

	Budget	2020	2019
			Restated - see note 24
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 703,762	\$ 705,792	\$ 678,510
Fees and Charges (Schedule 4, 5)	331,290	333,286	301,642
Conditional Grants (Schedule 4, 5)	1,315	16,270	-
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	500	3,074	2,624
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues other than Provincial/Federal Capital Grants and Contributions	1,036,867	1,058,422	982,776
EXPENSES			
General Government Services (Schedule 3)	122,295	220,897	124,770
Protective Services (Schedule 3)	77,632	77,192	86,482
Transportation Services (Schedule 3)	343,436	315,365	299,348
Environmental and Public Health Services (Schedule 3)	80,260	102,447	69,991
Planning and Development Services (Schedule 3)	1,000	8,870	3,628
Recreation and Cultural Services (Schedule 3)	71,306	72,627	72,461
Utility Services (Schedule 3)	307,559	310,166	337,032
Restructurings (Schedule 3)	-	-	-
Total Expenses	1,003,488	1,107,564	993,712
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	33,379	(49,142)	(10,936)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	46,041	71,544	85,462
Surplus (Deficit) of Revenues over Expenses	79,420	22,402	74,526
Accumulated Surplus, Beginning of Year (as previously reported)	2,054,249	2,155,250	2,074,308
Prior Period Adjustment	-	(101,001)	(94,585)
Accumulated Surplus, Beginning of Year (as restated)	2,054,249	2,054,249	1,979,723
ACCUMULATED SURPLUS - END OF YEAR	\$ 2,133,669	\$ 2,076,651	\$ 2,054,249

TOWN OF MILESTONE

Statement of Change in Net Financial Debt

As at December 31, 2020

Statement 3

	Budget 2020	2020	2019 <small>Restated - see note 24</small>
Surplus	\$ 79,420	\$ 22,401	\$ 74,526
(Acquisition) of tangible capital assets	-	-	(438,447)
Amortization of tangible capital assets	-	125,006	125,006
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on the disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	125,006	(313,441)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(318)	(503)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	503	359
Surplus (Deficit) of expenses of other non-financial over expenditures	-	185	(144)
Increase/Decrease in Net Financial Assets	79,420	147,592	(239,059)
Net Financial Debt - Beginning of Year	(2,177,671)	(2,177,671)	(1,938,612)
Net Financial Debt - End of Year	\$ (2,098,251)	\$ (2,030,079)	\$ (2,177,671)

TOWN OF MILESTONE
Statement of Cash Flows
As at December 31, 2020

Statement 4

Cash provided by (used for) the following activities	2020	2019
		<small>Restated - see note 24</small>
Operating:		
Surplus (Deficit)	\$ 22,402	\$ 74,526
Amortization	125,006	125,006
Loss (gain) on disposal of tangible capital assets	-	-
	<u>147,408</u>	<u>199,532</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	35,310	(5,095)
Other Receivables	(10,954)	(2,336)
Accrued Liabilities Payable	(12,933)	(163,978)
Accounts Payable	(329,812)	293,843
Deferred Revenue	113,490	7,028
Prepayments and Deferred Charges	185	(140)
	<u>(204,714)</u>	<u>129,322</u>
Cash provided by operating transactions	<u>(57,306)</u>	<u>328,854</u>
Capital:		
Acquisition of capital assets	-	(438,447)
Cash applied to capital transactions	<u>-</u>	<u>(438,447)</u>
Investing:		
Investments	3,467	(535)
Other	-	-
Cash provided by (applied to) investing transactions	<u>3,467</u>	<u>(535)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
Proceeds from callable debt financing	-	550,000
Repayment of callable debt	(64,792)	(51,657)
Repayment of obligations under capital lease	(2,781)	(2,779)
Cash provided by (applied to) financing transactions	<u>(67,573)</u>	<u>495,564</u>
Change in Cash and Temporary Investments during the year	<u>(121,412)</u>	<u>385,436</u>
Cash and Temporary Investments - Beginning of Year	<u>282,872</u>	<u>(102,564)</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 161,460</u>	<u>\$ 282,872</u>

TOWN OF MILESTONE

Notes to Financial Statements

As at December 31, 2020

1. Significant accounting policies

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

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

(a) Reporting Entity:

The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. There are no external entities consolidated into this municipality.

(b) Collection of funds for other authorities:

Collection of funds by the Municipality for school boards, Municipal Hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) Government Transfers:

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

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

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) Deferred Revenue - Fees and Charges:

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed. Resources restricted by agreement with an external party are recognized as revenue in the Municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) Local Improvement Charges:

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

(f) Net Financial Assets:

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

(g) Non-financial assets:

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

(h) Appropriated Reserves:

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

(continues)

1. Significant accounting policies (continued)

(i) **Property Tax Revenue:**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

(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 inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The Municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	NA
Buildings	25 and 40 Years
Vehicles & Equipment	
Vehicles	10 Years
Machinery and Equipment	5 to 25 Years
Infrastructure Assets	
Water & Sewer	40 Years
Road Network Assets	15 Years

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

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

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital lease are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(continues)

TOWN OF MILESTONE

Notes to Financial Statements

As at December 31, 2020

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

(m) **Landfill liability:**

The Municipality maintains a waste disposal site. The Municipality had entered into a contract with an engineering firm and has received an engineering assessment of the landfill but has not determined if the current landfill will be decommissioned or upgraded at this time. For this reason, no amount has been recorded as an asset or a liability and the auditor's report has been modified accordingly.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.

(o) **Employee benefit plans:**

Contributions to the Municipality's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to their contributions.

(p) **Liability for Contaminated Sites:**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) The Municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(q) **Measurement Uncertainty:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies 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.

(r) **Basis of segmentation/Segment report:**

The Municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

(continues)

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

The segments (functions) are as follows:

General Government: Provides for the administration of the Municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 14, 2020.

(t) **New Accounting Standards and Amendments to Standards:**

Future Accounting Standards, Effective for fiscal years beginning on or after April 1, 2022:

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

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

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

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

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

Effective for fiscal years beginning on or After April 1, 2023:

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

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

TOWN OF MILESTONE

Notes to Financial Statements

As at December 31, 2020

2.	Cash and Temporary Investments		
		<u>2020</u>	<u>2019</u>
	Affinity Credit Union - operating account	\$ 161,360	\$ 282,772
	Petty cash	100	100
	Total Cash and Temporary Investments	\$ 161,460	\$ 282,872
<p>Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for other than specific current purposes is included in restricted cash.</p>			
3.	Taxes Receivable - Municipal		
		<u>2020</u>	<u>2019</u>
	<u>Municipal</u>		
	- Current	\$ 42,898	\$ 59,961
	- Arrears	40,499	46,506
		<u>83,398</u>	106,468
	Less - allowance for uncollectibles	(31,024)	(18,784)
	Total municipal taxes receivable	<u>52,373</u>	87,683
	<u>School</u>		
	- Current	14,592	18,893
	- Arrears	11,321	10,027
	Total school taxes receivable	<u>25,913</u>	28,920
	Other	<u>400</u>	400
	Total taxes and grants in lieu receivable	<u>78,686</u>	117,003
	Deduct taxes receivable to be collected on behalf of other organizations	<u>(25,913)</u>	(28,920)
	Total Taxes Receivable - Municipal	\$ 52,773	\$ 88,083
4.	Other Accounts Receivable		
		<u>2020</u>	<u>2019</u>
	Federal Government	\$ 5,530	\$ 37,282
	Provincial Government	4,310	3,969
	Local Government	51,111	24,560
	Utility	27,972	31,112
	Trade	2,750	2,750
	Other	22,139	3,114
	Total Other Accounts Receivable	<u>113,812</u>	102,787
	Less: allowance for uncollectibles	<u>(2,500)</u>	(2,429)
	Net Other Accounts Receivable	\$ 111,312	\$ 100,358
5.	Land for Resale		
		<u>2020</u>	<u>2019</u>
	Tax Title Property	\$ 67,946	\$ 12,737
	Allowance for market value adjustment	(67,946)	(12,737)
	Net Tax Title Property	<u>-</u>	-
	Land for Resale	-	-
	Allowance for market value adjustment	-	-
	Net Other Land	<u>-</u>	-
	Total Land for Resale	\$ -	\$ -

TOWN OF MILESTONE
Notes to Financial Statements
As at December 31, 2020

6. Investments	2020	2019
Short-term Investments		
Affinity Credit Union - term deposit	\$ 30,929	\$ 30,592
Long-term Investments		
Prairie Sky Co-operative - membership	200	4,004
Total Investments	\$ 31,129	\$ 34,596

Term deposit is reported at acquisition cost with no interest accrued to the year end date as the amount is not material. It is a one year term, bearing interest at 0.35%, maturing in September 2021.

Membership is reported at amortized cost. It is classified as long term due to withdrawal restrictions which limit the Municipality's ability to access the funds.

7. Debt Charges Recoverable
This note does not pertain to this municipality.

8. Bank Indebtedness
Credit Arrangements
At December 31, 2020, the Municipality had lines of credit totaling \$200,000 (2019 - \$200,000), bearing interest at 2.95% (2019 - 4.45%) per annum, none of which were drawn. The line of credit is secured by a general security agreement:

9. Deferred Revenue	2020	2019
<u>Municipal Economic Enhancement Program</u>		
Balance - Beginning of Year	\$ -	\$ -
Additions during the year	100,466	-
Reductions during the year	-	-
Balance - End of Year	100,466	-
<u>Prepaid Property Taxes</u>		
Balance - Beginning of Year	5,583	-
Additions during the year	11,280	5,583
Reductions during the year	(5,583)	-
Balance - End of Year	11,280	5,583
<u>Rink Donations</u>		
Balance - Beginning of Year	1,118	823
Additions during the year	14,203	18,150
Reductions during the year	(8,119)	(17,855)
Balance - End of Year	7,202	1,118
<u>Prepaid Utilities</u>		
Balance - Beginning of Year	2,435	1,285
Additions during the year	3,678	2,435
Reductions during the year	(2,435)	(1,285)
Balance - End of Year	3,678	2,435
Grand total	\$ 122,626	\$ 9,136

10. **Accrued Landfill Costs**

The Municipality maintains a solid waste disposal site for which it has not recorded an estimate of its closure and post-closure liabilities. The Municipality had entered into a contract with an engineering firm in 2019 and has received an engineering assessment of the landfill during 2020 but has not determined if the current landfill will be decommissioned or upgraded at this time. For this reason, the Municipality has not estimated or recorded its closure and post-closure liabilities. This constitutes a departure from Canadian public sector accounting standards, which require the closure and post-closure liabilities to be recognized on a volumetric basis as the landfill site capacity is used, beginning when the site first accepts waste.

11. **Amended financial statements**

The Municipality does not currently have a liability for any contaminated sites in the community. All properties that have environmentally risky histories are still under the ownership of the corporation or individual that operated on the property and all property tax and/or other liabilities to the Municipality are current. There is currently no risk that any of these properties will become the responsibility of the Municipality.

12. **Long-term Debt**

The debt limit of the Municipality is \$783,639. 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 Municipality has attained authorization to exceed the debt limit by the Saskatchewan Municipal Board for expansion of the water treatment facility.

Affinity Credit Union: \$908,594 principal balance, bearing interest at 4.23% per annum, repayable in annual blended payments of \$73,000. The loan matures on August 1, 2038.

Future principal repayments are estimated as follows:

	Principal	Interest	2020
Year			
2021	\$ 34,566	\$ 38,434	\$ 73,000
2022	36,028	36,972	73,000
2023	37,553	35,447	73,000
2024	39,048	33,952	73,000
2025	40,793	32,207	73,000
Thereafter	720,606	30,482	751,088
Balance	908,594	207,494	1,116,088

Affinity Credit Union: \$660,936 principal balance, bearing interest at 4.23% per annum, repayable in annual blended payments of \$49,500. The loan matures on August 1, 2026.

Future principal repayments are estimated as follows:

Year			
2021	20,574	28,926	49,500
2022	22,434	27,066	49,500
2023	23,383	26,117	49,500
2024	24,303	25,197	49,500
2025	25,400	24,100	49,500
Thereafter	544,843	23,047	567,890
Balance	660,937	154,453	815,390

Affinity Credit Union: \$538,857 principal balance, bearing interest at 3.810% per annum, repayable in semi-annual blended payments of \$17,155. The loan matures on December 30, 2029.

Future principal repayments are estimated as follows:

Year			
2021	\$ 17,498	\$ 16,812	\$ 34,310
2022	18,059	16,251	34,310
2023	18,638	15,672	34,310
2024	19,193	15,117	34,310
2025	18,030	16,277	34,307
Thereafter	447,438	17,047	464,485
Balance	538,856	97,176	636,032

TOWN OF MILESTONE

Notes to Financial Statements

As at December 31, 2020

13. Lease Obligations

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

<u>Year</u>	<u>Payment Amount</u>
2021	\$ 2,779
2022	2,779
2023	<u>606</u>
Total future minimum lease payments	<u>\$ 6,164</u>

14. Other Non-financial Assets

This note does not pertain to this municipality.

15. Contingent Liabilities

Council was made aware of the risk that one of its tax title properties has issues with asbestos that will require remediation prior to the demolition of the property. Management has sought cost estimates from qualified contractors to address this issue, however, none have come back with a final quote as of the issuance of these statements. Management has booked the median amount of \$35,000 as a liability in these statements based on the ranges discussed with various contractors.

16. Pension Plan

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Municipality's pension expense in 2020 was \$24,424. The benefits accrued to the Municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	<u>2020</u>	<u>2019</u>
<u>Details of MEPP</u>		
Number of active members	6	4
Member contribution rates (percentage of salary):		
Employee contribution - general members	9.00%	9.00%
Employer contribution - general members	9.00%	9.00%
Employee contribution - designated members (police officers and firefighters)	12.50%	12.50%
Employer contribution - designated members (police officers and fire fighters)	12.50%	12.50%
Member contributions for the year	12,212	8,288
Employer contributions for the year	12,212	8,288
Financial position of the plan:		
Plan assets	-	2,819,222,000
Plan liabilities	-	<u>2,160,754,000</u>
Accounting pension surplus	\$ -	<u>\$ 658,468,000</u>

2020 year's maximum pensionable amount (YMPE) \$58,700

2020 financial position of the plan was not available as of the date of this report.

TOWN OF MILESTONE

Notes to Financial Statements

As at December 31, 2020

17. Comparative Figures

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

18. Trusts Administered by the Municipality

This note does not pertain to this municipality.

19. Related Parties

This note does not pertain to this municipality.

20. Contingent Assets

This note does not pertain to this municipality.

21. Contractual Rights

This note does not pertain to this municipality.

22. Restructuring Transactions

This note does not pertain to this municipality.

23. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	<u>2020</u>
Budget surplus per Statement of Operations	79,420
Less: Transfers to other funds	<u>(78,000)</u>
Per approved municipal budget	<u>\$ 1,420</u>

TOWN OF MILESTONE

Notes to Financial Statements

As at December 31, 2020

24. Prior Period Adjustment

The Municipality has restated the December 31, 2019 year end figures presented for comparative purposes to correct the following for errors;

a) In years prior to 2019, the Municipality had entered into an agreement related to compensated absences with a long term employee. Under PSAS a liability for this compensated absence is required to be recorded in the periods in which the employee rendered services to the Municipality in return for the benefits. As a result, accrued liabilities were increased by \$89,035 and opening accumulated surplus was reduced by \$89,035; and

b) The Municipality determined that accrued liabilities related to accumulated vacation pay payable to employees was not recorded in 2019 and prior. As a result accrued liabilities were increased by \$11,965, expenses were increased by \$6,416 and opening accumulated surplus was reduced by \$5,549.

The impact on the 2019 figures are as follows:

	Previously Reported	Adjustments	Restated
Statement of Financial Position			
Accrued Liabilities	\$ 32,343	\$ 101,001	\$ 133,344
Total Liabilities	2,582,579	101,001	2,683,580
Net Financial Debt	(2,076,670)	(101,001)	(2,177,671)
Accumulated Surplus	2,155,250	(101,001)	2,054,249
Statement of Operations			
General Government Services	122,312	2,458	124,770
Transportation Services	295,390	3,958	299,348
Total Expenses	987,296	6,416	993,712
Deficit of Revenues over Expenses	80,942	(6,416)	74,526
Accumulated Surplus - End of Year	2,155,250	(101,001)	2,054,249
Statement of Changes in Net Financial Assets			
Surplus	80,942	(6,416)	74,526
Increase/Decrease in Net Financial Assets	(232,643)	(6,416)	(239,059)
Net Financial Assets (Debt) - End of Year	(2,076,670)	(101,001)	(2,177,671)
Statement of Cash Flows			
Surplus (Deficit)	80,942	(6,416)	74,526
Accrued liabilities payable	(170,394)	6,416	(163,978)

25. Amended financial statements

The financial statements for the year ended December 31, 2020 as originally issued were amended to correct an error. 2020 Accumulated Surplus as reported on the Statement of Financial Position has increased from \$1,975,651 as originally reported to \$2,076,651. Also a result of this error, in the Statement of Operations and Accumulated Surplus, the following changes have been made:

- 2020 Accumulated Surplus, Beginning of Year (as previously reported) has increased from \$2,054,249 to \$2,155,250
- 2020 Accumulated Surplus, Beginning of Year (as restated) has increased from \$1,953,249 to \$2,054,249
- 2020 Accumulated Surplus – End of Year has increased from \$1,975,651 to \$2,076,651
- Schedule 8 – Schedule of Accumulated Surplus was as also amended to reflect this change in 2020 Total Accumulated Surplus.

26. Impacts of COVID-19

The outbreak of a novel strain of coronavirus (“COVID-19”) was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Municipality took steps to ensure that mandated health protocols were followed to protect both the public and its staff during the ongoing pandemic. Recreational and cultural activities saw a decrease in revenues as facilities had to be closed and programming was suspended for periods of time, and when operations resumed, there were mandated health protocols to adhere to. Ongoing operations of recreational and cultural activities in the Municipality will continue to be affected by the ongoing pandemic until health protocols are updated by the Province and adjusted or removed in response to the ongoing risk. The Provincially funded Safe Restart grant was the only covid related funding the Municipality received during the year.

TOWN OF MILESTONE

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2020

Schedule 1

	Budget 2020	2020	2019
TAXES			
General municipal tax levy	\$ 507,380	\$ 507,381	\$ 513,824
Abatements and adjustments	(3,344)	(35,273)	(10,807)
Discount on current year taxes	(20,000)	(23,499)	(23,646)
Net Municipal Taxes	484,036	448,609	479,371
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,500	4,315	3,858
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	486,536	452,924	483,229
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	160,275	160,275	144,648
Organized Hamlet	-	-	-
Safe Restart	-	41,698	-
Total Unconditional Grants	160,275	201,973	144,648
GRANTS IN LIEU OF TAXES			
Federal	3,350	4,790	2,131
Provincial			
S.P.C. Electrical	36,535	31,947	34,009
SaskEnergy Gas	16,116	13,196	14,493
Transgas	-	-	-
SPMC - Municipal share	-	-	-
SaskTel	950	962	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	56,951	50,895	50,633
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 703,762	\$ 705,792	\$ 678,510

TOWN OF MILESTONE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 1

	Budget 2020	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 21,900	\$ 27,159	\$ 25,558
- Custom work	-	-	-
- Other	-	-	-
Total Fees and Charges	21,900	27,159	25,558
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	-	-
- Investment income and commissions	500	3,074	2,624
- Other	-	-	-
Total Other Segmented Revenue	22,400	30,233	28,182
Conditional Grants			
- Student Employment	1,315	8,151	-
- Other	-	-	-
Total Conditional Grants	1,315	8,151	-
Total Operating	23,715	38,384	28,182
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total General Government Services	23,715	38,384	28,182
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	2,000	2,170	2,963
Total Fees and Charges	2,000	2,170	2,963
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	2,000	2,170	2,963
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	2,000	2,170	2,963
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Protective Services	\$ 2,000	\$ 2,170	\$ 2,963

TOWN OF MILESTONE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 2

	Budget 2020	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ 2,000	\$ -	\$ 652
- Custom work	5,000	1,300	5,633
- Sales of supplies	-	-	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	7,000	1,300	6,285
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	7,000	1,300	6,285
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	7,000	1,300	6,285
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- ICIP	-	-	-
- RIRG (Heavy haul, CTP, Bridge and Large Culvert)	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Transportation Services	7,000	1,300	6,285
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	1,000	170	700
- Waste and Disposal Fees	53,952	54,785	52,639
- Other	-	-	-
Total Fees and Charges	54,952	54,955	53,339
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	54,952	54,955	53,339
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other, local housing authority	-	-	-
Total Conditional Grants	-	-	-
Total Operating	54,952	54,955	53,339
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- ICIP	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	4,800	9,682	6,193
Total Capital	4,800	9,682	6,193
Restructuring revenue	-	-	-
Total Environmental and Public Health Services	\$ 59,752	\$ 64,637	\$ 59,532

TOWN OF MILESTONE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 3

	Budget 2020	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	20,000	17,482	18,936
- Other	-	-	-
Total Fees and Charges	20,000	17,482	18,936
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	20,000	17,482	18,936
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	8,119	-
- Other	-	-	-
Total Conditional Grants	-	8,119	-
Total Operating	20,000	25,601	18,936
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Recreation and Cultural Services	\$ 20,000	\$ 25,601	\$ 18,936

TOWN OF MILESTONE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2020

Schedule 2 - 4

	Budget 2020	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	108,996	113,300	108,773
- Sewer	116,442	116,920	85,788
Other (Interest Income)	-	-	-
Total Fees and Charges	225,438	230,220	194,561
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	225,438	230,220	194,561
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	225,438	230,220	194,561
Capital			
Conditional Grants			
- Gas Tax	41,241	61,862	79,269
- Sask Water Corp.	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	41,241	61,862	79,269
Restructuring revenue	-	-	-
Total Utility Services	266,679	292,082	273,830
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 379,146	\$ 424,174	\$ 389,728

SUMMARY

Total Other Segmented Revenue	\$ 331,790	\$ 336,360	\$ 304,266
Total Conditional Grants	1,315	16,270	-
Total Capital Grants and Contributions	46,041	71,544	85,462
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 379,146	\$ 424,174	\$ 389,728

TOWN OF MILESTONE

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 1

	Budget Re	2020	Restated - see note 24 2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 10,260	\$ 10,078	\$ 13,327
Wages and benefits	54,310	55,807	56,716
Professional/Contractual services	34,361	34,661	34,060
Utilities	4,252	4,277	3,716
Maintenance, materials and supplies	15,112	17,794	12,810
Grants and contributions			
- Operating	1,500	296	480
- capital	-	-	-
Interest	2,500	30,463	3,157
Allowance For Uncollectibles	-	67,521	504
Other (Service Awards)	-	-	-
General Government Services	122,295	220,897	124,770
Restructuring	-	-	-
Total General Government Services	122,295	220,897	124,770
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	52,532	54,423	54,323
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
- Operating	-	-	-
- Capital	200	-	-
Other (Police)	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	3,685	5,231	2,374
Utilities	9,615	9,054	9,478
Maintenance, Materials and Supplies	9,600	665	10,864
Grants and contributions			
- Operating	2,000	1,790	3,414
- Capital	-	-	-
Amortization	-	6,029	6,029
Interest	-	-	-
Other	-	-	-
Protective Services	77,632	77,192	86,482
Restructuring	-	-	-
Total Protective Services	77,632	77,192	86,482
TRANSPORTATION SERVICES			
Wages and Benefits	199,317	150,026	155,578
Professional/Contractual Services	34,052	33,617	17,939
Utilities	16,399	16,725	17,206
Maintenance, Materials and Supplies	62,398	79,572	78,299
Gravel	5,000	5,099	-
Grants and contributions			
- Operating	-	-	-
- Capital	26,270	-	-
Amortization	-	30,326	30,326
Interest	-	-	-
Other	-	-	-
Transportation Services	343,436	315,365	299,348
Restructuring	-	-	-
Total Transportation Services	\$ 343,436	\$ 315,365	\$ 299,348

TOWN OF MILESTONE

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	Budget 2020	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	55,260	101,868	64,252
Utilities	-	-	-
Maintenance, Materials and Supplies	20,000	-	608
Grants and contributions			
- Operating	-	-	-
waste disposal	-	-	-
Public Health	-	-	-
- Capital	-	-	-
waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Housing/Nursing Surplus	5,000	579	5,131
Environmental and Public Health Services	80,260	102,447	69,991
Restructuring	-	-	-
Total Environmental and Public Health Services	80,260	102,447	69,991
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	-	8,045	2,915
Grants and contributions			
- Operating	1,000	825	713
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Specify)	-	-	-
Planning and Development Services	1,000	8,870	3,628
Restructuring	-	-	-
Total Planning and Development Services	1,000	8,870	3,628
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	29,724	28,841	29,287
Professional/Contractual Services	10,300	9,209	11,110
Utilities	10,277	10,467	9,018
Maintenance, Materials, and Supplies	9,270	11,012	10,362
Grants and contributions			
- Operating	11,735	11,958	11,544
- Capital	-	-	-
Amortization	-	1,140	1,140
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other (Specify)	-	-	-
Recreation and Cultural Services	71,306	72,627	72,461
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 71,306	\$ 72,627	\$ 72,461

TOWN OF MILESTONE

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 3

	Budget 2020	2020	2019
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	66,092	48,892	80,815
Utilities	39,657	39,188	39,336
Maintenance, Materials and Supplies	45,000	43,502	59,432
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	-	87,511	87,511
Interest	156,810	91,073	69,938
Allowance For Uncollectibles	-	-	-
Other (Specify)	-	-	-
Utility Services	307,559	310,166	337,032
Restructuring	-	-	-
Total Utility Services	307,559	310,166	337,032
TOTAL EXPENSES BY FUNCTION	\$ 1,003,488	\$ 1,107,564	\$ 993,712

TOWN OF MILESTONE
Schedule of Segment Disclosure by Function
As at December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 27,159	\$ 2,170	\$ 1,300	\$ 54,955	\$ -	\$ 17,482	\$ 230,220	\$ 333,286
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	3,074	-	-	-	-	-	-	3,074
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	8,151	-	-	-	-	8,119	-	16,270
- Capital	-	-	-	9,682	-	-	61,862	71,544
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	38,384	2,170	1,300	64,637	-	25,601	292,082	424,174
Expenses (Schedule 3)								
Wages and Benefits	65,885	-	150,026	-	-	28,841	-	244,752
Professional/Contractual Services	34,661	59,654	33,617	101,868	8,045	9,209	48,892	295,946
Utilities	4,277	9,054	16,725	-	-	10,467	39,188	79,711
Maintenance Material and Supplies	17,794	665	84,671	-	-	11,012	43,502	157,644
Grants and Contributions	296	1,790	-	-	825	11,958	-	14,869
Amortization	-	6,029	30,326	-	-	1,140	87,511	125,006
Interest	30,463	-	-	-	-	-	91,073	121,536
Allowance for Uncollectibles	67,521	-	-	-	-	-	-	67,521
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	579	-	-	-	579
Total Expenses	220,897	77,192	315,365	102,447	8,870	72,627	310,166	1,107,564
Surplus (Deficit) by Function	(182,513)	(75,022)	(314,065)	(37,810)	(8,870)	(47,026)	(18,084)	(683,390)
Taxes and other unconditional revenue (Schedule 1)								<u>705,792</u>
Net Surplus (Deficit)								<u>\$ 22,402</u>

See notes to financial statements

TOWN OF MILESTONE
Schedule of Segment Disclosure by Function
As at December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Restated - see note 24 Total
Revenues (Schedule 2)								
Fees and Charges	\$ 25,558	\$ 2,963	\$ 6,285	\$ 53,339	\$ -	\$ 18,936	\$ 194,561	\$ 301,642
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	2,624	-	-	-	-	-	-	2,624
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	-	-	-
- Capital	-	-	-	6,193	-	-	79,269	85,462
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	28,182	2,963	6,285	59,532	-	18,936	273,830	389,728
Expenses (Schedule 3)								
Wages and Benefits	70,043	-	155,578	-	-	29,287	-	254,908
Professional/Contractual Services	34,060	56,697	17,939	64,252	2,915	11,110	80,815	267,788
Utilities	3,716	9,478	17,206	-	-	9,018	39,336	78,754
Maintenance Material and Supplies	12,810	10,864	78,299	608	-	10,362	59,432	172,375
Grants and Contributions	480	3,414	-	-	713	11,544	-	16,151
Amortization	-	6,029	30,326	-	-	1,140	87,511	125,006
Interest	3,157	-	-	-	-	-	69,938	73,095
Allowance for Uncollectibles	504	-	-	-	-	-	-	504
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	5,131	-	-	-	5,131
Total Expenses	124,770	86,482	299,348	69,991	3,628	72,461	337,032	993,712
Surplus (Deficit) by Function	(96,588)	(83,519)	(293,063)	(10,459)	(3,628)	(53,525)	(63,202)	(603,984)
Taxes and other unconditional revenue (Schedule 1)								678,510
Net Surplus (Deficit)								\$ 74,526

See notes to financial statements

TOWN OF MILESTONE
Schedule of Tangible Capital Assets by Object
As at December 31, 2020

Schedule 6

	2020								2019 Total
	General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment				
Asset cost									
Opening Asset costs	\$ 62,462	\$ -	\$ 368,649	\$ 206,487	\$ 302,180	\$ 4,368,246	\$ 407,590	\$ 5,715,614	\$ 5,277,167
Additions during the year	-	-	-	-	-	-	-	-	438,447
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	407,590	(407,590)	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
Closing Asset Costs	62,462	-	368,649	206,487	302,180	4,775,836	-	5,715,614	5,715,614
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	-	139,643	83,338	194,258	1,066,958	-	1,484,197	1,359,192
Add: Amortization taken	-	-	2,768	8,650	19,234	94,353	-	125,005	125,005
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	142,411	91,988	213,492	1,161,311	-	1,609,202	1,484,197
Net Book Value	\$ 62,462	\$ -	\$ 226,238	\$ 114,499	\$ 88,688	\$ 3,614,525	\$ -	\$ 4,106,412	\$ 4,231,417

1. Total contributed donated assets received in 2020: \$ -
2. List of assets recognized at nominal value in 2020 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -
 - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2020: \$ -

See notes to financial statements

TOWN OF MILESTONE
Schedule of Tangible Capital Assets by Function
As at December 31, 2020

Schedule 7

	2020								
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	2018 Total
Asset cost									
Opening Asset costs	\$ 56,610	\$ 176,582	\$ 1,069,981	\$ 18,154	\$ 22,169	\$ 193,857	\$ 4,178,261	\$ 5,715,614	\$ 5,277,167
Additions during the year	-	-	-	-	-	-	-	-	438,447
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
Closing Asset Costs	56,610	176,582	1,069,981	18,154	22,169	193,857	4,178,261	5,715,614	5,715,614
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	3,773	60,353	853,759	12,000	-	85,049	469,263	1,484,197	1,359,192
Add: Amortization taken	-	6,028	30,326	-	-	1,140	87,511	125,005	125,005
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	3,773	66,381	884,085	12,000	-	86,189	556,774	1,609,202	1,484,197
Net Book Value	\$ 52,837	\$ 110,201	\$ 185,896	\$ 6,154	\$ 22,169	\$ 107,668	\$ 3,621,487	\$ 4,106,412	\$ 4,231,417

See notes to financial statements

TOWN OF MILESTONE

Schedule of Accumulated Surplus

As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ (103,046)	\$ 79,835	\$ (23,211)
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	22,000	-	22,000
Capital Trust	86,000	-	86,000
Utility	-	-	-
Other	-	-	-
Total Appropriated	108,000	-	108,000
ORGANIZED HAMLETS			
- Organized Hamlet of	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	4,231,417	(125,005)	4,106,412
Less: related debt	(2,173,179)	64,792	(2,108,387)
Less: lease obligations	(8,943)	2,780	(6,163)
Net Investment in Tangible Capital Assets	2,049,295	(57,433)	1,991,862
Total Accumulated Surplus	\$ 2,054,249	\$ 22,402	\$ 2,076,651

TOWN OF MILESTONE
Schedule of Mill Rates and Assessments
As at December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ -	\$ 50,061,360	\$ -	\$ -	\$ 4,644,200	\$ -	\$ 54,705,560
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	-	50,061,360	-	-	4,644,200	-	54,705,560
Mill Rate Factor(s)	-	1.0000	-	-	1.0000	-	-
Total Base/Minimum Tax (generated for each property class)	-	231,540	-	-	24,360	-	255,900
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ -	\$ 461,672	\$ -	\$ -	\$ 45,709	\$ -	\$ 507,381

MILL RATES:

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

MILLS	
	9.2748
	4.3025
	-
	4.5970

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

TOWN OF MILESTONE

Schedule of Council Remuneration

As at December 31, 2020

Schedule 10

		Name	Remuneration	Reimbursed Costs	Total
Position					
Mayor	Jeff Brown	\$	1,400	\$ -	\$ 1,400
Councillor	Rena Ohrt		1,040	-	1,040
Councillor	Mike Gallias		960	-	960
Councillor	Judy Moorhead		800	-	800
Councillor	Mike Sjodin		1,040	-	1,040
Councillor	Greg Treleaven		880	-	880
Councillor	Kevin Siebert		80	-	80
Councillor	Jamey Wolfe		80	-	80
Councillor	Ian Wourms		-	-	-
Conference fees			-	3,978	3,978
Total		\$	6,280	\$ 3,978	\$ 10,258

There was a general municipal election held in 2020 which is why there are more than seven total members of Council showing above. Mayor Brown and Councillors Ohrt, Gallias, Sjodin and Treleaven were all re-elected and were members of Council for the entire year. Councillor Moorhead was a member of Council from January to November 8 and retired. Councillors Siebert and Wolfe were newly elected and were members of Council from November 9 to December 31. Councillor Wourms resigned his seat on January 14, 2020.