

Annual Financial Statements

And Supporting Schedules

For The

Town of Scott

As at December 31, 2020

Management's Responsibility

To the Ratepayers of the Town of Scott:

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 fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.


HRO, Chartered Professional Accountants P.C. Ltd., 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.



Deputy Mayor

June 14, 2021

Date



Administrator



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INDEPENDENT AUDITOR'S REPORT

To the Members of Town of Scott

Opinion

We have audited the financial statements of Town of Scott (the Organization), 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 Organization 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 Organization 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 Organization'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 Organization'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 Organization 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
June 14, 2021

Chartered Professional Accountants

Town of Scott
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 551,022	\$ 513,022
Taxes Receivable - Municipal (Note 3)	5,214	307
Other Accounts Receivable (Note 4)	6,721	6,041
Land for Resale (Note 5)	19,937	19,962
Long-term Investments (Note 6)	16,901	
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	599,795	539,332

LIABILITIES

Bank Indebtedness (Note 7)		
Accounts Payable	12,510	4,555
Accrued Liabilities Payable		
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 8)		
Lease Obligations		
Total Liabilities	12,510	4,555

NET FINANCIAL ASSETS	587,285	534,777
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NON-FINANCIAL ASSETS

Tangible Capital Assets (Schedule 6, 7)	139,744	138,188
Prepayments and Deferred Charges	3,567	5,974
Stock and Supplies		
Other		
Total Non-Financial Assets	143,311	144,162

Accumulated Surplus (Deficit) (Schedule 8)	\$ 730,596	\$ 678,939
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Town of Scott
Statement of Operations
As at December 31, 2020

Statement 2

	2020 Budget	2020	2019
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 99,239	\$ 103,402	\$ 97,875
Fees and Charges (Schedule 4, 5)	82,055	83,072	67,003
Conditional Grants (Schedule 4, 5)	1,282	1,282	990
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)			
Land Sales - Gain (Loss) (Schedule 4, 5)		1,975	
Investment Income and Commissions (Schedule 4, 5)	7,500	7,756	7,319
Restructurings (Schedule 4, 5)			
Other Revenues (Schedule 4, 5)			
Total Revenues	190,076	197,487	173,187

Expenses			
General Government Services (Schedule 3)	41,794	41,053	41,545
Protective Services (Schedule 3)	9,700	8,975	8,837
Transportation Services (Schedule 3)	42,860	46,758	42,047
Environmental and Public Health Services (Schedule 3)	10,700	9,827	10,274
Planning and Development Services (Schedule 3)	1,100	1,752	1,419
Recreation and Cultural Services (Schedule 3)	8,500	10,262	5,575
Utility Services (Schedule 3)	33,113	44,156	27,641
Restructurings (Schedule 3)			
Total Expenses	147,767	162,783	137,338

Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	42,309	34,704	35,849
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Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	2,200	16,953	9,271
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Surplus (Deficit) of Revenues over Expenses	\$ 44,509	51,657	45,120
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Accumulated Surplus (Deficit), Beginning of Year		678,939	633,819
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Accumulated Surplus (Deficit), End of Year	\$ 730,596	\$ 678,939	
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Town of Scott

Statement of Change in Net Financial Assets

As at December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	\$ 44,509	\$ 51,657	\$ 45,120
(Acquisition) of tangible capital assets	(26,000)	(18,634)	(7,125)
Amortization of tangible capital assets		17,078	18,063
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 revenue over expenditures	(26,000)	(1,556)	10,938
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			(3,095)
Consumption of supplies inventories			
Use of prepaid expense		2,407	
Surplus (Deficit) of expenses of other non-financial over expenditures		2,407	(3,095)
Increase (Decrease) in Net Financial Assets	\$ 18,509	52,508	52,963
Net Financial Assets - Beginning of Year		534,777	481,814
Net Financial Assets - End of Year		\$ 587,285	\$ 534,777

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

Town of Scott
Statement of Cash Flow
As at December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 51,657	\$ 45,120
Amortization	17,078	18,063
Loss (gain) on disposal of tangible capital assets		
	68,735	63,183
Change in assets/liabilities		
Taxes Receivable - Municipal	(4,907)	2,331
Other Receivables	(680)	26,131
Land for Resale	25	
Other Financial Assets		
Accounts and Accrued Liabilities Payable	7,955	1,768
Deposits		
Deferred Revenue		
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use		
Prepayments and Deferred Charges	2,407	(3,095)
Other (Specify)		
Cash provided by (applied to) operating transactions	73,535	90,318
Capital:		
Acquisition of Tangible Capital Assets	(18,634)	(7,125)
Proceeds From the Disposal of Tangible Capital Assets		
Other Capital		
Cash provided by (applied to) capital transactions	(18,634)	(7,125)
Investing:		
Long-term Investments	(16,901)	
Other Investments		
Cash provided by (applied to) investing transactions	(16,901)	
Financing:		
Debt Charges Recovered		
Long-term Debt Issued		
Long-term Debt Repaid		
Other Financing		
Cash provided by (applied to) financing transactions		
Change in Cash and Temporary Investments during the year	38,000	83,193
Cash and Temporary Investments - Beginning of Year	513,022	429,829
Cash and Temporary Investments - End of Year	\$ 551,022	\$ 513,022

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

Town of Scott

- c) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board 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. Investment in mutual funds are recorded at market value.
- 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>
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
Infrastructure Assets	
Water and Sewer	40 Yrs
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) **Landfill Liability:** The municipality does not maintain a waste disposal site.
- o) **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.
- p) **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.
- q) **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.
- r) **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.

- s) **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.

- t) **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.
- u) **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.
- v) **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.

Town of Scott
Notes to the Financial Statements
As at December 31, 2020

1. Significant Accounting Policies - continued

w) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *June 8, 2020*.

x) **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.

Town of Scott
Notes to the Financial Statements
As at December 31, 2020

	2020	2019
2. Cash and Temporary Investments		
Cash	\$ 218,211	\$ 226,957
Temporary Investments		
Restricted Cash	332,811	286,065
Total Cash and Temporary Investments	\$ 551,022	\$ 513,022

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 overfunded by \$142,901 and \$96,155 as of December 31, 2020 and 2019, respectively.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 6,513	\$ 7,098
- Arrears	42,321	31,629
	48,834	38,727
- Less Allowance for Uncollectibles	(43,620)	(38,420)
Total Municipal Taxes Receivable	5,214	307

School - Current	659	670
- Arrears	3,464	2,554
Total School Taxes Receivable	4,123	3,224

Other		
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Total Taxes and Grants in Lieu Receivable	9,337	3,531
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(4,123)	(3,224)

Total Taxes Receivable - Municipal	\$ 5,214	\$ 307
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4. Other Accounts Receivable

Federal government	\$ 1,976	\$ 1,094
Provincial government	2,000	583
Local government		
Utility	2,495	4,014
Trade	250	350
Other (Specify)		
Total Other Accounts Receivable	6,721	6,041

Less Allowance for Uncollectibles

Net Other Accounts Receivable	\$ 6,721	\$ 6,041
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5. Land for Resale

Tax Title Property	\$ 46,748	\$ 46,773
Allowance for Market Value Adjustment	(27,702)	(27,702)
Net Tax Title Property	19,046	19,071

Other Land	891	891
Allowance for Market Value Adjustment		
Net Other Land	891	891

Total Land for Resale	\$ 19,937	\$ 19,962
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2020 2019

6. Long-term Investments

RBC Mutual Funds	\$ 16,901	\$
Total Long-term Investments	\$ 16,901	\$

7. Credit Facility Agreement

The municipality has a credit card with a limit of \$6,000. The balance owing at year end was \$nil (2019 - \$nil).

8. Long-term Debt

The debt limit of the municipality is \$135,769. 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)).

9. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2020 was \$nil (2019 - \$nil). 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.

10. Related Parties

During the year, there was contract services expensed totaling \$7,200 (2019 - \$7,200) in utility services paid to a member of council who was contracting to provide supervision services.

11. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

The municipality has entered into a lease agreement for farm land. Semi-annual payments are \$21,600 plus GST. The lease expires October, 2022.

Contractual Rights Type	Describe Nature Time and Extent	2019	2020	2021	2022	2023	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
Farm land lease		\$ 43,200	\$ 43,200	\$ 43,200	\$ 43,200				\$ 172,800	
Total		\$ 43,200	\$ 43,200	\$ 43,200	\$ 43,200				\$ 172,800	

Town of Scott
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	\$ 63,287	\$ 63,287	\$ 63,983
Abatements and adjustments			
Discount on current year taxes	(2,500)	(2,632)	(2,536)
Net Municipal Taxes	60,787	60,655	61,447
Potash tax share			
Trailer license fees			
Penalties on tax arrears	4,600	4,662	3,966
Special tax levy			
Other (Specify)			
Total Taxes	65,387	65,317	65,413

UNCONDITIONAL GRANTS

Revenue Sharing	18,552	18,552	16,920
Safe Restart Grant		4,355	
Total Unconditional Grants	18,552	22,907	16,920

GRANTS IN LIEU OF TAXES

Federal		8,000	8,042	8,041
Provincial				
S.P.C. Electrical				
SaskEnergy Gas	2,100	1,961	2,187	
TransGas				
Central Services				
SaskTel	700	774	774	
Other (Specify)				
Local/Other				
Housing Authority				
C.P.R. Mainline				
Treaty Land Entitlement				
Other (Specify)				
Other Government Transfers				
S.P.C. Surcharge	4,500	4,401	4,540	
SaskEnergy Surcharge				
Other (Specify)				
Total Grants in Lieu of Taxes	15,300	15,178	15,542	

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 99,239	\$ 103,402	\$ 97,875
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Town of Scott
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Other (Rentals, permits, tax certificates)	\$ 49,720	\$ 49,061	\$ 35,833
Total Fees and Charges	49,720	49,061	35,833
- Tangible capital asset sales - gain (loss)			
- Land sales - gain		1,975	
- Investment income and commissions	7,500	7,756	7,319
- Other (Specify)			
Total Other Segmented Revenue	57,220	58,792	43,152
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	57,220	58,792	43,152
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total General Government Services	57,220	58,792	43,152

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Protective Services			

Town of Scott
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work		150	
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges		150	
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		150	
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating		150	
Capital			
Conditional Grants			
- Federal Gas Tax	2,200	6,461	9,271
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)			
- Provincial Disaster Assistance			
- Other (MEEP)		10,492	
Total Capital	2,200	16,953	9,271
Restructuring Revenue (Specify, if any)			
Total Transportation Services	2,200	17,103	9,271

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	3,000	3,513	2,926
- Other (MMSW)	1,135	1,136	741
Total Fees and Charges	4,135	4,649	3,667
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	4,135	4,649	3,667
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating	4,135	4,649	3,667
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	4,135	4,649	3,667

Town of Scott
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 3

	2020 Budget	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- 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			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- Other (Sask Lotteries)	1,282	1,282	990
Total Conditional Grants	1,282	1,282	990
Total Operating	1,282	1,282	990
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Recreation and Cultural Services	1,282	1,282	990

Town of Scott
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 4

	2020 Budget	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	17,000	17,745	16,739
- Sewer	11,000	11,267	10,464
- Other (Bulk water/connection fees)	200	200	300
Total Fees and Charges	28,200	29,212	27,503
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	28,200	29,212	27,503
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	28,200	29,212	27,503
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Utility Services	28,200	29,212	27,503
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 93,037	\$ 111,038	\$ 84,583
SUMMARY			
Total Other Segmented Revenue	\$ 89,555	\$ 92,803	\$ 74,322
Total Conditional Grants	1,282	1,282	990
Total Capital Grants and Contributions	2,200	16,953	9,271
Restructuring Revenue			
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 93,037	\$ 111,038	\$ 84,583

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 8,200	\$ 7,051	\$ 6,860
Wages and benefits			
Professional/Contractual services	29,794	27,756	24,629
Utilities	500	424	419
Maintenance, materials and supplies	3,300	147	1,058
Grants and contributions - operating - capital			
Amortization		475	1
Interest			
Allowance for uncollectibles		5,200	8,578
Other (Specify)			
General Government Services	41,794	41,053	41,545
Restructuring (Specify, if any)			
Total General Government Services	41,794	41,053	41,545

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	9,000	8,333	8,106
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating - capital			
Other (Specify)			

Fire protections

Wages and benefits			
Professional/Contractual services	700	642	731
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating - capital			
Amortization			
Interest			
Other (Specify)			

Protective Services	9,700	8,975	8,837
Restructuring (Specify, if any)			
Total Protective Services	9,700	8,975	8,837

TRANSPORTATION SERVICES

Wages and benefits	23,760	23,437	15,342
Professional/Contractual Services	1,500	1,824	1,351
Utilities	5,000	5,164	4,929
Maintenance, materials and supplies	10,600	5,365	9,063
Gravel	2,000	2,888	1,823
Grants and contributions - operating - capital			
Amortization		8,080	9,539
Interest			
Other (Specify)			

Transportation Services	42,860	46,758	42,047
Restructuring (Specify, if any)			
Total Transportation Services	42,860	46,758	42,047

Town of Scott

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	8,700	7,827	8,274
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
o Waste disposal			
o Public Health	2,000	2,000	2,000
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (Specify)			
Environmental and Public Health Services	10,700	9,827	10,274
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	10,700	9,827	10,274

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	1,100	1,752	1,419
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Planning and Development Services	1,100	1,752	1,419
Restructuring (Specify, if any)			
Total Planning and Development Services	1,100	1,752	1,419

RECREATION AND CULTURAL SERVICES

Wages and benefits	5,000	2,894	
Professional/Contractual services	600	561	554
Utilities	2,400	2,547	2,284
Maintenance, materials and supplies		1,307	
Grants and contributions - operating	500	1,755	1,539
- capital			
Amortization		1,198	1,198
Interest			
Allowance for uncollectibles			
Other (Specify)			
Recreation and Cultural Services	8,500	10,262	5,575
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	8,500	10,262	5,575

Town of Scott
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services	22,463	24,077	9,584
Utilities	8,800	8,932	8,301
Maintenance, materials and supplies	1,850	3,822	2,431
Grants and contributions - operating			
- capital			
Amortization		7,325	7,325
Interest			
Allowance for uncollectibles			
Other (Specify)			
Utility Services	33,113	44,156	27,641
Restructuring (<i>Specify, if any</i>)			
Total Utility Services	33,113	44,156	27,641
TOTAL EXPENSES BY FUNCTION	\$ 147,767	\$ 162,783	\$ 137,338

Town of Scott
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
Revenues (Schedule 2)								
Fees and Charges	\$ 49,061	\$	\$ 150	\$ 4,649	\$	\$	\$ 29,212	\$ 83,072
Tangible Capital Asset Sales - Gain								
Land Sales - Gain	1,975							1,975
Investment Income and Commissions	7,756							7,756
Other Revenues								
Grants - Conditional						1,282		1,282
- Capital			16,953					16,953
Restructurings								
Total Revenues	58,792		17,103	4,649		1,282	29,212	111,038
Expenses (Schedule 3)								
Wages & Benefits	7,051		23,437			2,894		33,382
Professional/ Contractual Services	27,756	8,975	1,824	7,827	1,752	561	24,077	72,772
Utilities	424		5,164			2,547	8,932	17,067
Maintenance, Materials and Supplies	147		8,253			1,307	3,822	13,529
Grants and Contributions				2,000		1,755		3,755
Amortization	475		8,080			1,198	7,325	17,078
Interest								
Allowance for Uncollectibles	5,200							5,200
Other								
Restructurings								
Total Expenses	41,053	8,975	46,758	9,827	1,752	10,262	44,156	162,783
Surplus (Deficit) by Function	\$ 17,739	\$ (8,975)	\$ (29,655)	\$ (5,178)	\$ (1,752)	\$ (8,980)	\$ (14,944)	(51,745)

Taxation and Other Unconditional Revenue (Schedule 1) 103,402

Net Surplus (Deficit) \$ 51,657

Town of Scott
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
Revenues (Schedule 2)								
Fees and Charges	\$ 35,833	\$	\$	\$ 3,667	\$	\$	\$ 27,503	\$ 67,003
Tangible Capital Asset Sales - Gain								
Land Sales - Gain								
Investment Income and Commissions	7,319							7,319
Other Revenues								
Grants - Conditional						990		990
- Capital			9,271					9,271
Restructurings								
Total Revenues	43,152		9,271	3,667		990	27,503	84,583
Expenses (Schedule 3)								
Wages & Benefits	6,860		15,342					22,202
Professional/ Contractual Services	24,629	8,837	1,351	8,274	1,419	554	9,584	54,648
Utilities	419		4,929			2,284	8,301	15,933
Maintenance, Materials and Supplies	1,058		10,886				2,431	14,375
Grants and Contributions				2,000		1,539		3,539
Amortization	1		9,539			1,198	7,325	18,063
Interest								
Allowance for Uncollectibles	8,578							8,578
Other								
Restructurings								
Total Expenses	41,545	8,837	42,047	10,274	1,419	5,575	27,641	137,338
Surplus (Deficit) by Function	\$ 1,607	\$ (8,837)	\$ (32,776)	\$ (6,607)	\$ (1,419)	\$ (4,585)	\$ (138)	(52,755)

Taxation and Other Unconditional Revenue (Schedule 1)

97,875

Net Surplus (Deficit)

\$ 45,120

Town of Scott
Schedule of Tangible Capital Assets by Object
As at December 31, 2020

Schedule 6

		2020					2019		
		General Assets					General/ Infrastructure Assets Under Construction	Total	Total
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets		
<i>Assets</i>	Asset Cost								
	Opening Asset costs	\$ 26	\$ 7,125	\$ 155,666		\$ 89,863	\$ 196,376	\$	\$ 441,931
	Additions during the year		4,049					14,585	7,125
	Disposals and write-downs during the year								
	Transfers (from) assets under construction								
	Transfer of Capital Assets related to restructuring								
	Closing Asset Costs	26	11,174	155,666		89,863	196,376	14,585	449,056
<i>Amortization</i>	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs			125,785		60,436	124,647		292,805
	Add: Amortization taken		475	3,517		7,730	5,356		18,063
	Less: Accumulated amortization on disposals								
	Transfer of Capital Assets related to restructuring								
	Closing Accumulated Amortization Costs		475	129,302		68,166	130,003		310,868
Net Book Value		\$ 26	\$ 10,699	\$ 26,364		\$ 21,697	\$ 66,373	\$ 14,585	\$ 138,188

1. Total contributed/donated assets received in 2020: \$ -

2. List of assets recognized at nominal value in 2020 are:

- Infrastructure Assets \$ -
- Vehicles \$ -
- Machinery and Equipment \$ -

Town of Scott
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	\$ 7,144		\$ 99,302	\$ 1		\$ 62,939	\$ 279,670	\$ 449,056	\$ 441,931
	Additions during the year	4,049					14,585		18,634	7,125
	Disposals and write-downs during the year									
	Transfer of Capital Assets related to restructuring									
Closing Asset Costs		11,193		99,302	1		77,524	279,670	467,690	449,056
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	3		62,086	1		44,774	204,004	310,868	292,805
	Add: Amortization taken	475		8,080			1,198	7,325	17,078	18,063
	Less: Accumulated amortization on disposals									
	Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs		478		70,166	1		45,972	211,329	327,946	310,868
Net Book Value		\$ 10,715		\$ 29,136			\$ 31,552	\$ 68,341	\$ 139,744	\$ 138,188

Town of Scott
Schedule of Accumulated Surplus
As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 350,841	\$ 50,101	\$ 400,942
APPROPRIATED RESERVES			
Machinery and Equipment	27,000		27,000
Public Reserve	56,000		56,000
Capital Trust	24,391		24,391
Utility	50,000		50,000
Recreation	30,619		30,619
Fire Capital	1,900		1,900
Total Appropriated	189,910		189,910
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	138,188	1,556	139,744
Less: Related debt			
Net Investment in Tangible Capital Assets	138,188	1,556	139,744
Total Accumulated Surplus	\$ 678,939	\$ 51,657	\$ 730,596

Town of Scott
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	\$ 202,455	\$ 2,065,680			\$ 748,900		\$ 3,017,035
Regional Park Assessment							
Total Assessment							3,017,035
Mill Rate Factor(s)	0.7	0.5			1.0		
Total Base/Minimum Tax (generated for each property class)		29,450			2,100		31,550
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 2,338	\$ 46,492			\$ 14,457		\$ 63,287

MILL RATES:	MILLS
Average Municipal*	20.9766
Average School*	4.4732
Potash Mill Rate	
Uniform Municipal Mill Rate	16.5000

* **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).

Town of Scott
Schedule of Council Remuneration
As at December 31, 2020
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Eric Schell	\$ 1,140	\$ 60	\$ 1,200
Councillor	Duane Mann	700		700
Councillor	Emeric Greenwald	2,020	30	2,050
Councillor	Norbert Gerein	1,600	160	1,760
Councillor	Stewart Brandt	1,340	26	1,366
Councillor	Gil Risling	100		100
Total		\$ 6,900	\$ 276	\$ 7,176