

R. M. of St. Philips No. 301

FINANCIAL STATEMENTS

Year Ended December 31, 2020

R. M. of St. Philips No. 301

Pelly, Saskatchewan
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 is required.

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

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

Baker Tilly SK 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.



Reeve



Administrator

Independent Auditors' Report

To the Council
R. M. of St. Philips No. 301

Opinion

We have audited the financial statements of R. M. of St. Philips No. 301, (the municipality), which comprise the Statement of Financial Position as at December 31, 2020 and the Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2020, and results of its operations and its cash flow 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 Auditors' 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Council is responsible for overseeing the municipality's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
June 24, 2021

R. M. of St. Philips No. 301

Pelly, Saskatchewan

Statement 1

Statement of Financial Position as at December 31, 2020

	2020	2019
Assets		
Financial Assets		
Cash and temporary investments - note 2	342,285	320,185
Taxes receivable - municipal - note 3	93,903	121,040
Other accounts receivable - note 4	55,587	30,743
Long-term investments - note 6	30,152	28,856
Total Financial Assets	<u>521,927</u>	<u>500,824</u>
Liabilities		
Accounts payable	16,773	23,311
Deferred revenue	21,673	43,673
Long-term debt - note 7	188,374	33,026
Total Liabilities	<u>226,820</u>	<u>100,010</u>
Net Financial Assets	<u>295,107</u>	<u>400,814</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	1,191,296	860,663
Prepayments and deferred charges	5,036	111
Stock and supplies	20,149	21,992
Total Non-Financial Assets	<u>1,216,481</u>	<u>882,766</u>
Accumulated Surplus - schedule 8	<u>\$ 1,511,588</u>	<u>\$ 1,283,580</u>

Approved on behalf of the council:

Reeve

Councillor

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of St. Philips No. 301
Statement of Operations
For the year ended December 31, 2020

Statement 2

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual
Revenues			
Taxes and other unconditional revenue			
- schedule 1	821,910	835,025	794,640
Fees and charges - schedules 4 and 5	289,150	28,346	54,559
Conditional grants - schedules 4 and 5	9,830	14,372	9,181
Tangible capital asset sales - gain			
- schedules 4 and 5	39,000	20,734	
Investment income and commissions			
- schedules 4 and 5	2,130	3,629	5,921
Total Revenue	<u>1,162,020</u>	<u>902,106</u>	<u>864,301</u>
Expenses - schedule 3			
General government services	176,255	164,115	146,497
Protective services	17,730	20,258	14,728
Transportation services	976,455	526,581	641,471
Environmental and public health services	37,840	33,275	38,185
Recreation and cultural services	2,960	2,959	2,904
Total Expenses	<u>1,211,240</u>	<u>747,188</u>	<u>843,785</u>
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(49,220)	154,918	20,516
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>44,600</u>	<u>73,090</u>	<u>27,190</u>
Surplus (Deficit) of Revenue over Expenses	(4,620)	228,008	47,706
Accumulated Surplus, Beginning of Year	<u>1,283,580</u>	<u>1,283,580</u>	<u>1,235,874</u>
Accumulated Surplus, End of Year	<u>\$ 1,278,960</u>	<u>\$ 1,511,588</u>	<u>\$ 1,283,580</u>

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of St. Philips No. 301
Statement of Change in Net Financial Assets
For the year ended December 31, 2020

Statement 3

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual
Surplus	(4,620)	228,008	47,706
(Acquisition) of tangible capital assets		(421,753)	(247,914)
Amortization of tangible capital assets		72,220	71,810
Proceeds on disposal of tangible capital assets		39,634	
Loss (gain) on the disposal of tangible capital assets		(20,734)	
Surplus (Deficit) of Capital Expenses over Expenditures	0	(330,633)	(176,104)
(Acquisition) of supplies inventories		(8,790)	(7,471)
(Acquisition) of prepaid expense		(4,925)	
Consumption of supplies inventory		10,633	9,531
Use of prepaid expense			7,126
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	0	(3,082)	9,186
Increase (Decrease) in Net Financial Assets	(4,620)	(105,707)	(119,212)
Net Financial Assets, beginning of year	400,814	400,814	520,026
Net Financial Assets, End of Year	<u>\$ 396,194</u>	<u>\$ 295,107</u>	<u>\$ 400,814</u>

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of St. Philips No. 301
Statement of Cash Flow
For the year ended December 31, 2020

Statement 4

	2020	2019
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	228,008	47,706
Amortization	72,220	71,810
Loss (gain) on disposal of tangible capital assets	(20,734)	
	<u>279,494</u>	<u>119,516</u>
Change in Assets/Liabilities		
Taxes receivable - municipal	27,136	(6,388)
Other receivables	(24,844)	4,859
Accounts payable	(6,537)	5,858
Deferred revenue	(22,000)	1,601
Stock and supplies for use	1,843	2,060
Prepayments and deferred charges	(4,925)	7,126
Cash Provided by Operating Transactions	<u>250,167</u>	<u>134,632</u>
Capital:		
Acquisition of capital assets	(421,753)	(247,914)
Proceeds from the disposal of capital assets	39,634	
Cash Applied to Capital Transactions	<u>(382,119)</u>	<u>(247,914)</u>
Investing:		
Additions to long-term investments	(1,296)	(1,682)
Financing:		
Long-term debt issued	238,380	
Long-term debt repaid	(83,032)	(31,321)
Cash Provided by (Applied to) Financing Transactions	<u>155,348</u>	<u>(31,321)</u>
Change in Cash and Temporary Investments During the Year	22,100	(146,285)
Cash and temporary investments, beginning of year	<u>320,185</u>	<u>466,470</u>
Cash and Temporary Investments, End of Year	<u>\$ 342,285</u>	<u>\$ 320,185</u>

*The notes to financial statements are an integral
part of these financial statements.*

1. Significant Accounting Policies

The financial statements of the municipality are 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 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) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 3.

(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 are 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:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a 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.

(d) Deferred revenue - fees and charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(e) 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.

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

1. Significant Accounting Policies - continued

(f) 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.

(g) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with maturity dates longer than one year from the date of the Statement of Financial Position have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities Self-Insurance Fund are accounted for on the equity basis.

(h) 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.

(i) 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 tangible capital assets that are recognized at a nominal value are disclosed in schedule 6. 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 municipality's tangible capital asset useful lives are estimated as follows:

Asset	Useful Life
General Assets	
Land	indefinite
Land improvements	40 years
Buildings	60 years
Vehicles	10 years
Mobile equipment	10-20 years
Linear assets	35-40 years
Infrastructure Assets	
Paving, sidewalks and roadways	35-40 years

(j) 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.

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

1. Significant Accounting Policies - continued

(k) Capitalization of interest

The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

(l) 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.

(m) 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. Penalties on overdue taxes are recorded in the period levied.

All other revenue is recorded when received, or receivable, collection is likely, and the amount can be reasonably determined.

(n) 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 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.

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

1. Significant Accounting Policies - continued

(o) Basis of segmentation/segment report

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

The segments (functions) are as follows:

General government: provides for the administration of the municipality.

Protective services: comprised of expenses for police and fire protection.

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

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

Planning and development: provides for neighbourhood development and sustainability.

Recreation and culture: provides for community services through the provision of recreation and leisure services.

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

(p) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 18, 2020.

(q) 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 remeasurement gains and losses separate from the statement of operations arising from the remeasurement 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 remeasurement gains and losses.

PS 3041 Portfolio investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, 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.

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

1. Significant Accounting Policies - continued

(q) New standards and amendments to standards - continued

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 remeasurement 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 derecognition 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.

	2020	2019
2. Cash and Temporary Investments		
Cash	241,735	270,185
Temporary investments	<u>100,550</u>	<u>50,000</u>
Total Cash and Temporary Investments	<u>\$ 342,285</u>	<u>\$ 320,185</u>

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

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

	2020	2019
3. Taxes and Grants In Lieu Receivable		
Municipal - current	63,948	86,648
Municipal - arrears	<u>36,886</u>	<u>45,155</u>
	100,834	131,803
Less: Allowance for uncollectibles	<u>6,931</u>	<u>10,763</u>
Total municipal taxes receivable	<u>93,903</u>	<u>121,040</u>
School - current	11,133	14,593
School - arrears	<u>4,116</u>	<u>4,871</u>
Total school taxes receivable	<u>15,249</u>	<u>19,464</u>
Other	<u>(17)</u>	<u>0</u>
Total taxes and grants in lieu receivable	109,135	140,504
Less: Taxes receivable to be collected on behalf of other organizations	<u>15,232</u>	<u>19,464</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 93,903</u>	<u>\$ 121,040</u>
4. Other Accounts Receivable		
Trade	33,807	23,109
Other	<u>26,913</u>	<u>12,767</u>
Total other accounts receivable	60,720	35,876
Less: Allowance for uncollectibles	<u>5,133</u>	<u>5,133</u>
Net Other Accounts Receivable	<u>\$ 55,587</u>	<u>\$ 30,743</u>
5. Land for Resale		
Tax title property	371	371
Less: Allowance for market value adjustment	<u>371</u>	<u>371</u>
Total Land for Resale	<u>\$ 0</u>	<u>\$ 0</u>
6. Long-Term Investments		
Sask. Assoc. of Rural Municipalities - Self-Insurance Fund	29,425	28,129
Equity in Co-operatives	<u>727</u>	<u>727</u>
	<u>\$ 30,152</u>	<u>\$ 28,856</u>

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

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

7. Long-Term Debt

(a) The debt limit of the municipality for 2021 is \$630,705. 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).

(b) Bank loan is repayable in annual instalments of \$15,778 including interest at 3.74% to Affinity Credit Union. The loan matured in 2020.

Future principal and interest payments are as follows:

	Principal	Interest	2020 Total	2019 Total
2020	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,778</u>

(c) Bank loan is repayable in annual instalments of \$17,940 including interest at 3.94% to Affinity Credit Union. The bank loan was paid out in 2020.

Future principal repayments are estimated as follows:

	Principal	Interest	2020 Total	2019 Total
2020				18,582
2021				1,604
	<u>\$ 188,374</u>	<u>\$ 16,155</u>	<u>\$ 204,529</u>	<u>\$ 20,186</u>

(d) Bank loan is repayable in annual instalments of \$52,828 including interest at 3.49% to Affinity Credit Union. The bank loan matures in 2024.

Future principal repayments are estimated as follows:

	Principal	Interest	2020 Total	2019 Total
2021	46,254	6,574	52,828	
2022	47,868	4,960	52,828	
2023	49,539	3,289	52,828	
2024	<u>44,713</u>	<u>1,332</u>	<u>46,045</u>	
	<u>188,374</u>	<u>16,155</u>	<u>204,529</u>	<u>20,186</u>

R. M. of St. Philips No. 301
Notes to Financial Statements
For the year ended December 31, 2020

8. Employee Benefit Plans

The municipality participates in contributory defined benefit pension plan for all of its employees. For defined benefit plans considered to be multi-employer plans, contributions are expensed when they are due and payable. The municipality currently participates in the Municipal Employees Pension Plan.

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the municipality cannot be easily determined.

Accordingly, the multi-employer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these financial statements. The benefit expense reflected in the financial statements is equal to the municipality's contributions for the year.

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2020	2019
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 16,132	\$ 15,027
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As per the most recently audited financial statements dated December 31, 2019, the plan surplus is \$658,468,000.

9. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

10. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the municipality's environment and in the global markets, possible disruption in supply chains and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the municipality's operations. The extent of this outbreak and related containment measures on the municipality's operations cannot be reliably estimated at this time.

R. M. of St. Philips No. 301
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2020

Schedule 1

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual
Taxes			
General municipal tax levy	625,540	625,553	625,495
Abatements and adjustments	(200)	(467)	(253)
Discount on current year taxes	(25,400)	(26,356)	(25,401)
Net municipal taxes	<u>599,940</u>	<u>598,730</u>	<u>599,841</u>
Penalties on tax arrears	<u>6,000</u>	<u>7,238</u>	<u>10,233</u>
Total Taxes	<u>605,940</u>	<u>605,968</u>	<u>610,074</u>
Unconditional Grants			
Equalization (revenue sharing)	209,930	209,881	178,514
Safe Restart program	<u> </u>	<u>13,124</u>	<u> </u>
Total Unconditional Grants	<u>209,930</u>	<u>223,005</u>	<u>178,514</u>
Grants In Lieu of Taxes			
Provincial			
Wildlife	3,390	3,394	3,394
Other	20	24	24
Local/Other			
Treaty land entitlement	<u>2,630</u>	<u>2,634</u>	<u>2,634</u>
Total Grants In Lieu of Taxes	<u>6,040</u>	<u>6,052</u>	<u>6,052</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 821,910</u>	<u>\$ 835,025</u>	<u>\$ 794,640</u>

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of St. Philips No. 301Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2-1

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	400	400	250
Sale of supplies	600	390	1,399
Expense recoveries	340	368	340
Other	238,440	224	1,208
Total Fees and Charges	239,780	1,382	3,197
Investment income and commissions	2,130	3,629	5,921
Total Other Segmented Revenue	241,910	5,011	9,118
Total General Government Services	\$ 241,910	\$ 5,011	\$ 9,118
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	11,700	8,255	11,840
Sale of supplies	14,170	5,553	15,236
Licenses and permits	20,000	11,641	20,520
Other	3,500	1,515	3,766
Total Fees and Charges	49,370	26,964	51,362
Tangible capital asset sales - gain (loss)	39,000	20,734	
Total Other Segmented Revenue	88,370	47,698	51,362
Conditional Grants			
Municipal Economic Enhancement Program	2,400	4,830	2,400
Total Conditional Grants	2,400	4,830	2,400
Total Operating	90,770	52,528	53,762
Capital			
Conditional Grants			
Gas tax	12,980	41,470	27,190
Municipal Economic Enhancement Program	31,620	31,620	
Total Capital	44,600	73,090	27,190
Total Transportation Services	\$ 135,370	\$ 125,618	\$ 80,952

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part of these financial statements.*

R. M. of St. Philips No. 301

Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2-2

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual
Environmental and Public Health Services			
Conditional Grants			
Beaver control	4,460	7,470	3,810
Provincial Rat Eradication Program	2,970	2,072	2,971
Total Conditional Grants	<u>7,430</u>	<u>9,542</u>	<u>6,781</u>
Total Environmental and Public Health Services	<u>\$ 7,430</u>	<u>\$ 9,542</u>	<u>\$ 6,781</u>
Total Operating and Capital Revenue by Function	<u>\$ 384,710</u>	<u>\$ 140,171</u>	<u>\$ 96,851</u>
Summary			
Total Other Segmented Revenue	330,280	52,709	60,480
Total Conditional Grants	9,830	14,372	9,181
Total Capital Grants and Contributions	<u>44,600</u>	<u>73,090</u>	<u>27,190</u>
Total Operating and Capital Revenue by Function	<u>\$ 384,710</u>	<u>\$ 140,171</u>	<u>\$ 96,851</u>

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part of these financial statements.*

R. M. of St. Philips No. 301
 Total Expenses by Function
 For the year ended December 31, 2020

Schedule 3-1

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual
General Government Services			
Council remuneration and travel	18,660	19,640	18,497
Wages and benefits	75,145	63,530	66,692
Professional/Contractual services	61,330	62,887	51,301
Utilities	1,390	1,407	960
Maintenance, materials and supplies	10,220	9,781	10,058
Grants and contributions - operating	3,280	3,150	575
Amortization		768	258
Insurance	6,200	6,737	6,186
Interest	30	48	18
Allowance for uncollectibles		(3,833)	(8,048)
Total General Government Services	\$ 176,255	\$ 164,115	\$ 146,497
Protective Services			
Police protection			
Professional/Contractual services	10,230	10,596	10,228
Fire protection			
Grants and contributions - operating	7,500	9,662	4,500
Total Protective Services	\$ 17,730	\$ 20,258	\$ 14,728
Transportation Services			
Wages and benefits	198,230	207,490	187,091
Professional/Contractual services	24,810	5,813	42,292
Utilities	4,500	4,643	4,210
Maintenance, materials and supplies	238,660	130,517	185,777
Gravel	166,985	106,666	150,549
Amortization	343,270	71,452	71,552
Total Transportation Services	\$ 976,455	\$ 526,581	\$ 641,471
Environmental and Public Health Services			
Professional/Contractual services	\$ 37,840	\$ 33,275	\$ 38,185
Recreation and Cultural Services			
Libraries	\$ 2,960	\$ 2,959	\$ 2,904
Total Expenses by Function	\$ 1,211,240	\$ 747,188	\$ 843,785

*The notes to financial statements are an integral
 part of these financial statements.*

R. M. of St. Philips No. 301
Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	1,382		26,964					28,346
Tangible capital asset sales - gain			20,734					20,734
Investment income and commissions	3,629							3,629
Grants - conditional			4,830	9,542				14,372
Grants - capital			73,090					73,090
Total Revenues	<u>5,011</u>	<u>0</u>	<u>125,618</u>	<u>9,542</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>140,171</u>
Expenses - schedule 3								
Wages and benefits	63,530		207,490					271,020
Professional/contractual services	82,527	10,596	5,813	33,275				132,211
Utilities	1,407		4,643					6,050
Maintenance materials and supplies	9,781		237,183					246,964
Grants and contributions	3,150	9,662						12,812
Amortization	768		71,452					72,220
Insurance	6,737							6,737
Libraries						2,959		2,959
Interest	48							48
Allowance for uncollectibles	(3,833)							(3,833)
Total Expenses	<u>164,115</u>	<u>20,258</u>	<u>526,581</u>	<u>33,275</u>	<u>0</u>	<u>2,959</u>	<u>0</u>	<u>747,188</u>
Surplus (Deficit) by Function	<u>\$ (159,104)</u>	<u>\$ (20,258)</u>	<u>\$ (400,963)</u>	<u>\$ (23,733)</u>	<u>\$ 0</u>	<u>\$ (2,959)</u>	<u>\$ 0</u>	<u>(607,017)</u>
Taxation and other unconditional revenue - schedule 1								<u>835,025</u>
Net Surplus								<u>\$ 228,008</u>

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of St. Philips No. 301
Schedule of Segment Disclosure by Function
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	3,197		51,362					54,559
Investment income and commissions	5,921							5,921
Grants - conditional			2,400	6,781				9,181
Grants - capital			27,190					27,190
Total Revenues	<u>9,118</u>	<u>0</u>	<u>80,952</u>	<u>6,781</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>96,851</u>
Expenses - schedule 3								
Wages and benefits	66,692		187,091					253,783
Professional/contractual services	69,798	10,228	42,292	38,185				160,503
Utilities	960		4,210					5,170
Maintenance materials and supplies	10,058		336,326					346,384
Grants and contributions	575	4,500						5,075
Amortization	258		71,552					71,810
Insurance	6,186							6,186
Libraries						2,904		2,904
Interest	18							18
Allowance for uncollectibles	(8,048)							(8,048)
Total Expenses	<u>146,497</u>	<u>14,728</u>	<u>641,471</u>	<u>38,185</u>	<u>0</u>	<u>2,904</u>	<u>0</u>	<u>843,785</u>
Surplus (Deficit) by Function	<u>\$ (137,379)</u>	<u>\$ (14,728)</u>	<u>\$ (560,519)</u>	<u>\$ (31,404)</u>	<u>\$ 0</u>	<u>\$ (2,904)</u>	<u>\$ 0</u>	<u>(746,934)</u>
Taxation and other unconditional revenue - schedule 1								<u>794,640</u>
Net Surplus								<u>\$ 47,706</u>

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of St. Philips No. 301
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2020

Schedule 6

	2020							2019	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	65,900	0	38,649	0	724,837	2,450,368	0	3,279,754	3,034,712
Additions during the year	605				349,404	67,041	4,703	421,753	247,914
Disposals and write-down during the year					(189,000)			(189,000)	(2,872)
Closing Asset Costs	<u>66,505</u>	<u>0</u>	<u>38,649</u>	<u>0</u>	<u>885,241</u>	<u>2,517,409</u>	<u>4,703</u>	<u>3,512,507</u>	<u>3,279,754</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	0	23,374	0	257,905	2,137,812	0	2,419,091	2,350,153
Add: Amortization taken			1,096		46,253	24,871		72,220	71,810
Less: Accumulated amortization on disposals					170,100			170,100	2,872
Closing Accumulated Amortization Costs	<u>0</u>	<u>0</u>	<u>24,470</u>	<u>0</u>	<u>134,058</u>	<u>2,162,683</u>	<u>0</u>	<u>2,321,211</u>	<u>2,419,091</u>
Net Book Value	<u>\$ 66,505</u>	<u>\$ 0</u>	<u>\$ 14,179</u>	<u>\$ 0</u>	<u>\$ 751,183</u>	<u>\$ 354,726</u>	<u>\$ 4,703</u>	<u>\$ 1,191,296</u>	<u>\$ 860,663</u>

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part of these financial statements.*

R. M. of St. Philips No. 301
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2020

Schedule 7

	2020							2019
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	20,100	0	3,259,654	0	0	0	0	3,279,754
Additions during the year			421,753					421,753
Disposals and write-down during the year			(189,000)					(189,000)
Closing Asset Costs	<u>20,100</u>	<u>0</u>	<u>3,492,407</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,512,507</u>
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	13,406	0	2,405,685	0	0	0	0	2,419,091
Add: Amortization taken	768		71,452					72,220
Less: Accumulated amortization on disposals			170,100					170,100
Closing Accumulated Amortization Costs	<u>14,174</u>	<u>0</u>	<u>2,307,037</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,321,211</u>
Net Book Value	<u>\$ 5,926</u>	<u>\$ 0</u>	<u>\$ 1,185,370</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,191,296</u>

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R. M. of St. Philips No. 301
Schedule of Accumulated Surplus
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
Unappropriated Surplus	<u>405,943</u>	<u>40,035</u>	<u>445,978</u>
Appropriated Surplus			
Other			
Future expenditures	50,000	3,000	53,000
Other reserves-#3	<u>50,000</u>	<u>9,688</u>	<u>9,688</u>
	<u>50,000</u>	<u>12,688</u>	<u>62,688</u>
Total Appropriated	<u>50,000</u>	<u>12,688</u>	<u>62,688</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	860,663	330,633	1,191,296
Less: Related debt	<u>33,026</u>	<u>155,348</u>	<u>188,374</u>
Net Investment in Tangible Capital Assets	<u>827,637</u>	<u>175,285</u>	<u>1,002,922</u>
Total Accumulated Surplus	<u>\$ 1,283,580</u>	<u>\$ 228,008</u>	<u>\$ 1,511,588</u>

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part of these financial statements.*

R. M. of St. Philips No. 301
Schedule of Mill Rates and Assessments
For the year ended December 31, 2020

Schedule 9

	Property Class					Total	
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial		Potash Mine(s)
Taxable Assessment	64,151,610	1,968,225			298,100		66,417,935
Regional Park Assessment							
Total Assessment							66,417,935
Mill Rate Factor(s)	1.0000	1.0000			1.0000		
Total Base/Minimum Tax (generated for each property class)		21,150					21,150
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	583,779	39,061			2,713		625,553
Mill Rates:	Mills						
Average Municipal*	9.4184						
Average School*	1.5310						
Potash Mill Rate							
Uniform Municipal Mill Rate	9.1000						

*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).

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part of these financial statements.*

R. M. of St. Philips No. 301
Schedule of Council Remuneration
For the year ended December 31, 2020

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Gil Comeault	2,583	691	3,274
Larry Mosiuk	8,880	2,765	11,645
Brian Federation	1,358	421	1,779
Ron Sorrell	11,500	3,190	14,690
Bernard Mosiuk	16,011	3,327	19,338
Conrad Vogel	<u>12,175</u>	<u>3,327</u>	<u>15,502</u>
	<u>\$ 52,507</u>	<u>\$ 13,721</u>	<u>\$ 66,228</u>

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