

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated 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 consolidated 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 consolidated 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.

Janke LLP, an independent firm of Chartered Profession Accountants, is appointed by the Council to audit the consolidated 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.

DocuSigned by:
Jaime Orr
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Reeve

Administrator

May 12, 2021

INDEPENDENT AUDITOR'S REPORT

**To the Reeve and Council of the
RM of Connaught No. 457**

Opinion

We have audited the consolidated financial statements of RM of Connaught No. 457, (the Municipality) which comprise of the Statement of Financial Position as at December 31, 2020, and the Statements of Operations, Change in Net Financial Assets, and Cash Flow for the year then ended, and Consolidated Notes to the Financial Statements, including a summary of significant accounting policies.

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

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 Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

Tisdale, Saskatchewan
May 12, 2021



Chartered Professional Accountants

JANKE LLP

Municipality of RM of Connaught No. 457
Consolidated Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	2,655,076	1,913,130
Taxes Receivable - Municipal (Note 3)	71,447	274,221
Other Accounts Receivable (Note 4)	38,235	43,551
Land for Resale (Note 5)	399	16
Long-Term Investments (Note 6)	48,538	45,803
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)	-	-
Total Financial Assets	2,813,695	2,276,721
LIABILITIES		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	224,851	71,405
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	58,806	56,432
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 12)	26,650	41,029
Lease Obligations (Note 13)	-	-
Total Liabilities	310,307	168,866
NET FINANCIAL ASSETS (DEBT)	2,503,388	2,107,855
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	5,927,217	6,093,772
Prepayments and Deferred Charges	607	750
Stock and Supplies	147,409	14,134
Other (Note 14)	-	-
Total Non-Financial Assets	6,075,233	6,108,656
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	8,578,621	8,216,511

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

Municipality of RM of Connaught No. 457
Consolidated Statement of Operations
As at December 31, 2020

Statement 2

	2020 Budget	2020	2019
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	2,041,930	2,075,965	2,058,435
Fees and Charges (Schedule 4, 5)	19,700	29,530	56,436
Conditional Grants (Schedule 4, 5)	57,320	94,647	55,548
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	41,782
Land Sales - Gain (Schedule 4, 5)	-	-	(5,302)
Investment Income and Commissions (Schedule 4, 5)	16,500	14,124	20,933
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues	2,135,450	2,214,266	2,227,832
EXPENSES			
General Government Services (Schedule 3)	244,156	125,123	222,670
Protective Services (Schedule 3)	57,175	59,574	62,009
Transportation Services (Schedule 3)	1,252,544	1,628,289	1,647,219
Environmental and Public Health Services (Schedule 3)	76,716	77,738	95,828
Planning and Development Services (Schedule 3)	-	-	-
Recreation and Cultural Services (Schedule 3)	13,096	13,293	13,097
Utility Services (Schedule 3)	-	-	-
Restructurings (Schedule 3)	-	-	-
Total Expenses	1,643,687	1,904,017	2,040,823
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	491,763	310,249	187,009
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	38,400	51,861	76,979
Surplus (Deficit) of Revenues over Expenses	530,163	362,110	263,988
Accumulated Surplus (Deficit), Beginning of Year	8,216,511	8,216,511	7,952,523
Accumulated Surplus (Deficit), End of Year	8,746,674	8,578,621	8,216,511

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

Municipality of RM of Connaught No. 457
Consolidated Statement of Change in Net Financial Assets
As at December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	530,163	362,110	263,988
(Acquisition) of tangible capital assets	-	(472,717)	(512,795)
Amortization of tangible capital assets	-	639,272	640,157
Proceeds on disposal of tangible capital assets	-	-	51,446
Loss (gain) on the disposal of tangible capital assets	-	-	(41,782)
Transfer of assets/liabilities in restructuring transactions	-	-	2,458
Surplus (Deficit) of capital expenses over expenditures	-	166,555	139,484
(Acquisition) of supplies inventories	-	(425,067)	(35,058)
(Acquisition) of prepaid expense	-	(195)	(1,104)
Consumption of supplies inventory	-	291,792	329,220
Use of prepaid expense	-	338	1,015
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(133,132)	294,073
Increase/Decrease in Net Financial Assets	530,163	395,533	697,545
Net Financial Assets (Debt) - Beginning of Year	2,107,855	2,107,855	1,410,310
Net Financial Assets (Debt) - End of Year	2,638,018	2,503,388	2,107,855

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

Municipality of RM of Connaught No. 457
Consolidated Statement of Cash Flow
As at December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	362,110	263,988
Amortization	639,272	640,157
Loss (gain) on disposal of tangible capital assets	-	(41,782)
	1,001,382	862,363
Change in assets/liabilities		
Taxes Receivable - Municipal	202,774	(33,507)
Other Receivables	5,316	(4,951)
Land for Resale	(383)	8,592
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	153,446	59,891
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs	2,374	37,685
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(133,275)	294,159
Prepayments and Deferred Charges	143	(88)
Other (Specify)	-	-
Cash provided by operating transactions	1,231,777	1,224,144
Capital:		
Acquisition of capital assets	(472,717)	(512,795)
Proceeds from the disposal of capital assets	-	51,446
Other capital	-	2,458
Cash applied to capital transactions	(472,717)	(458,891)
Investing:		
Long-term investments	(2,735)	(3,814)
Other investments	-	-
Cash provided by (applied to) investing transactions	(2,735)	(3,814)
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(14,447)	(14,247)
Other financing	-	-
Cash provided by (applied to) financing transactions	(14,447)	(14,247)
Change in Cash and Temporary Investments during the year	741,878	747,192
Cash and Temporary Investments - Beginning of Year	1,913,198	1,166,006
Cash and Temporary Investments - End of Year	2,655,076	1,913,198

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

Municipality of RM of Connaught No. 457
Notes to the Consolidated Financial Statements
As at December 31, 2020

1. Significant Accounting Policies

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

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

- a) **Reporting Entity:** The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Entity

Boreal Area Regional Waste Authority "BARWA" (4.05% interest)

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.
- Unearned government transfer amounts received will be recorded as deferred revenue.
Earned government transfer amounts not received will be recorded as an amount receivable.
- d) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis.

Municipality of RM of Connaught No. 457
Notes to the Consolidated Financial Statements
As at December 31, 2020

1. Significant Accounting Policies - continued

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

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 to 72 Yrs
Buildings	15 to 40 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	3 to 10 Yrs
Infrastructure Assets	
Infrastructure Assets	20 to 40 Yrs
Water & Sewer	40 Yrs
Road Network Assets	20 to 40 Yrs

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

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 consolidated 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.

m) **Landfill Liability:**

The municipality maintains a waste disposal site through BARWA, a municipal partnership of which the Municipality has a 4.05% interest. The Authority has elected to early adopt PS 3280 and accrued landfill costs have been recorded in accordance with PS 3280 Asset Retirement Obligations. Modified retroactive application as prescribed by PS 3280.69-.71 has been applied. Please refer to Note 10 for recommended disclosure.

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

o) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

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

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the municipality:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Municipality of RM of Connaught No. 457
Notes to the Consolidated Financial Statements
As at December 31, 2020

1. Significant Accounting Policies - continued

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

The measurement of materials and supplies 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) **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.

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 6, 2020.

- t) **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. The Municipality has elected to early adopt PS 3280.

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.

Municipality of RM of Connaught No. 457
 Notes to the Consolidated Financial Statements
 As at December 31, 2020

2. Cash and Temporary Investments

	2020	2019
Cash	1,937,145	1,235,029
Temporary Investments	-	-
Restricted Cash	717,931	678,101
Total Cash and Temporary Investments	2,655,076	1,913,130

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

3. Taxes Receivable - Municipal

	2020	2019
Municipal - Current	50,683	108,047
- Arrears	20,764	246,874
	71,447	354,921
- Less Allowance for Uncollectible	-	(80,700)
Total municipal taxes receivable	71,447	274,221
School - Current	8,699	14,848
- Arrears	2,260	30,309
Total school taxes receivable	10,959	45,157
Other	493	12,330
Total taxes and grants in lieu receivable	82,899	331,708
Deduct taxes receivable to be collected on behalf of other organizations	(11,452)	(57,487)
Total Taxes Receivable - Municipal	71,447	274,221

Municipality of RM of Connaught No. 457
 Notes to the Consolidated Financial Statements
 As at December 31, 2020

4. Other Accounts Receivable

	2020	2019
Federal Government	38,163	37,462
Provincial Government	-	-
Local Government	-	-
Utility	-	-
Trade	72	6,089
Other (Specify)	-	-
Total Other Accounts Receivable	38,235	43,551
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	38,235	43,551

5. Land for Resale

	2020	2019
Tax Title Property	1,923	1,540
Allowance for market value adjustment	(1,524)	(1,524)
Net Tax Title Property	399	16
Other Land	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
Total Land for Resale	399	16

6. Long-Term Investments

	2020	2019
Sask Assoc. of Rural Municipalities - Self Insurance Fund	18,485	17,737
Sask Assoc. of Rural Municipalities - Property Insurance Fund	19,059	17,073
Equity - Credit Union	3,450	3,450
Equity - Coop	7,544	7,543
Other (Specify)	-	-
Total Long-Term Investments	48,538	45,803

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

Marketable securities are valued at the lower of cost and market value. Market value at [date] was [\$] ([Prior Year] - [\$]).

[Marketable securities/Portfolio investments] represent investments in common shares [of public companies] and are stated at the lower of cost or market value. At year-end, cost was substantially the same as the quoted market value.

7. Debt Charges Recoverable

	2020	2019
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
Total Debt Charges Recoverable	-	-

The municipality has undertaken a project with [describe nature of project and identify partners]. The municipality assumed the long-term financing of [\$ - amount]; however, [\$ - amount] plus interest at [#] % is recoverable from [name of municipality] with respect to this financing. Amounts are recoverable in annual principal instalments of [\$] plus interest, and mature [date].

Future debt charges recoverable are as follows:

Year	Principal	Interest	Total
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	-	-	-
2025	-	-	-
Thereafter	-	-	-
Balance	-	-	-

Municipality of RM of Connaught No. 457

Notes to the Consolidated Financial Statements

As at December 31, 2020

8. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to [\$] ([prior year] - [\$]) and bearing interest at prime plus [# %]. Assets pledged as collateral are [describe assets].

Credit Arrangements

[Disclosure appropriate where lines of credit have been authorized, but no amount is drawn at the financial statement date]

At [date], the Municipality had lines of credit totaling [\$], none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Hypothecation of certain preferred shares (market value at [date] of [\$]).

9. Deferred Revenue

	2020	2019
[Describe deferred revenue]	-	-
Total Deferred Revenue	-	-

10. Accrued Landfill Costs

	2020	2019
Environmental Liabilities	58,806	56,432

Under Provincial legislation, the Municipality has a liability for closure and post-closure care costs for the landfill site operated by BARWA. The Authority estimates that the landfill will continue to be used until close in approximately 2090. The present operating plan anticipates the eventual opening and closing of eight cells within the landfill site in addition to previously closed cells. As at December 31, 2020 one cell was in operation and was approximately 20% full, with an estimated useful life of 8 remaining years. A second cell is full and currently under going closure and post-closure procedures.

Costs for closure and post-closure care of each cell are based on managements best estimates and post-closure care is expected to cover a period of 25 years. The present value of these costs has been calculated using a discount rate equivalent to the Authority's average long-term borrowing rate of 4.0% and inflation rate of 2.0%. This total present value of \$1,450,955, of which the Municipality's share is \$58,806 (2019 -\$56,432) has been accrued in the Statement of Financial Position.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, monitoring ground and surface water, treatment and monitoring of leachates, ongoing environmental monitoring site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to future events using the best information available to management. Actual results may vary significantly from these estimates and any variances will be recognized prospectively as a change in estimate when applicable.

11. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of [\$] ([prior year] - [\$]) for remediation of [name of the contaminated sites] using [name of the valuation method]. The nature of the liability is [description of the nature of the liability including the event of transaction creating the liability]. The assumptions used in estimating the liability include [descriptions of assumptions and measurement basis used]. The amount of estimated recoveries is [\$] ([prior year] - [\$]).

[Note: additional disclosure is required of the estimated total undiscounted expenditures and discount rate (when a net present value technique is used), as well as the reason for not recognizing a liability, if appropriate.]

Municipality of **RM of Connaught No. 457**
Notes to the Consolidated Financial Statements
As at December 31, 2020

12. Long-Term Debt

a) The debt limit of the municipality is \$1,793,998. 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)).

Long term debt represents the Municipalities interest in the long-term debt of BARWA. The loans are secured by general security agreements, bear interest at 3.19% to 5.5% and mature on November 15, 2022.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2021	14,020	-	14,020	14,020
2022	12,111	-	12,111	10,400
2023	429	-	429	-
2024	-	-	-	-
2025	-	-	-	-
Thereafter	-	-	-	-
Balance	26,560	-	26,560	24,420

Bank loans are repayable [describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
Thereafter	-	-	-	-
Balance	-	-	-	-

13. Lease Obligations

[Description of capital leases including interest rates, expiry dates and significant conditions of the lease agreements]

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

Year	Payment Amount
2021	-
2022	-
2023	-
2024	-
2025	-
Thereafter	-
Total future minimum lease payments	-
Amounts representing interest at a weighted average rate of _____%	-
Capital Lease Liability	-

Municipality of RM of Connaught No. 457
Notes to the Consolidated Financial Statements
As at December 31, 2020

14. Other Non-financial Assets

[List if any]

<u>2020</u>	<u>2019</u>
-	-

15. 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.

16. 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 \$_____ (2019 - \$24,563). 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.

17. Comparative Figures

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

18. Trusts Administered by the Municipality

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

[Description of Trust i.e. Cemetery]

	<u>Current Year Total</u>	<u>Prior Year Total</u>
Balance - Beginning of Year	-	-
Revenue (<i>Specify</i>)	-	-
Interest revenue	-	-
Expenditure (<i>Specify</i>)	-	-
Balance - End of Year	<u>-</u>	<u>-</u>

19. Related Parties

The financial statements include transactions with related parties.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

20. Contingent Assets

Contingent assets are not recorded in the financial statements.

21. 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:

Contractual Rights Type	Describe Nature Time and Extent	2020	2021	2022	2023	2024	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease Revenue]</i>		[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	-	[\$]
Contractual Rights 1		-	-	-	-	-	-	-	-	-
Contractual Rights 2		-	-	-	-	-	-	-	-	-
Contractual Rights 3		-	-	-	-	-	-	-	-	-
<i>[Other Specify]</i>		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-

22. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets *[identify those that apply]*. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type ¹	Describe Nature Time and Extent	2020	2021	2022	2023	2024	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease Revenue]</i>		[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	-	[\$]
Contractual Obligations 1		-	-	-	-	-	-	-	-	-
Contractual Obligations 2		-	-	-	-	-	-	-	-	-
Contractual Obligations 3		-	-	-	-	-	-	-	-	-
<i>[Other Specify]</i>		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-

¹ See Note 13 for Capital Lease obligations.

23. Subsequent event

Subsequent to the end of the fiscal year, the Municipality has withdrawn from their participation in Boreal Area Regional Waste Authority, effectively disposing of their assets and liabilities in relation to the Waste Authority in accordance with the agreement governing the Waste Authority.

Municipality of RM of Connaught No. 457
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	1,913,250	1,914,261	1,912,145
Abatements and adjustments	(3,000)	-	(2,134)
Discount on current year taxes	(155,000)	(154,629)	(154,106)
Net Municipal Taxes	1,755,250	1,759,632	1,755,905
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	20,000	15,228	34,062
Special tax levy	-	-	-
Other (<i>Specify</i>)	600	-	-
Total Taxes	1,775,850	1,774,860	1,789,967
UNCONDITIONAL GRANTS			
Revenue Sharing	266,080	266,148	268,468
Safe Restart Program	-	34,957	-
Total Unconditional Grants	266,080	301,105	268,468
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial	-	-	-
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other (<i>Specify</i>)	-	-	-
Local/Other	-	-	-
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other (<i>Specify</i>)	-	-	-
Other Government Transfers	-	-	-
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other (<i>Specify</i>)	-	-	-
Total Grants in Lieu of Taxes	-	-	-
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	2,041,930	2,075,965	2,058,435

Municipality of RM of Connaught No. 457
 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	600	446	529
- Other - Rentals, tax cert, office services	2,200	4,142	6,277
Total Fees and Charges	2,800	4,588	6,806
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	(5,302)
- Investment income and commissions	16,500	14,124	20,933
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	19,300	18,712	22,437
Conditional Grants			
- Student Employment	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	19,300	18,712	22,437
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total General Government Services	19,300	18,712	22,437

PROTECTIVE SERVICES**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other (<i>Specify</i>)	15,000	1,421	6,589
Total Fees and Charges	15,000	1,421	6,589
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	15,000	1,421	6,589
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	15,000	1,421	6,589

Capital

Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Protective Services	15,000	1,421	6,589

Municipality of RM of Connaught No. 457
 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	1,900	2,854	4,787
- Sales of supplies	-	1,266	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other (Insurance proceeds)	-	9,668	-
Total Fees and Charges	1,900	13,788	4,787
- Tangible capital asset sales - gain (loss)	-	-	41,782
- Other (Specify)	-	-	-
Total Other Segmented Revenue	1,900	13,788	46,569
Conditional Grants			
- RIRG (CTP)	45,200	-	45,200
- Student Employment	-	-	-
- Other (MEEP)	-	84,225	-
Total Conditional Grants	45,200	84,225	45,200
Total Operating	47,100	98,013	91,769
Capital			
Conditional Grants			
- Federal Gas Tax	38,400	51,861	76,979
- ICIP	-	-	-
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Capital	38,400	51,861	76,979
Restructuring Revenue (Specify, if any)	-	-	-
Total Transportation Services	85,500	149,874	168,748

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	-	9,434	38,115
- Other (Specify)	-	299	139
Total Fees and Charges	-	9,733	38,254
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	-	9,733	38,254
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local government	-	-	-
- Other - Pest Control	8,400	6,701	6,627
Total Conditional Grants	8,400	6,701	6,627
Total Operating	8,400	16,434	44,881
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	8,400	16,434	44,881

Municipality of RM of Connaught No. 457
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2020

Schedule 2 - 3

PLANNING AND DEVELOPMENT SERVICES

	2020 Budget	2020	2019
--	-------------	------	------

Operating

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

Capital

Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (<i>Specify</i>)	-	-	-

Total CapitalRestructuring Revenue (*Specify, if any*)

Total Planning and Development Services

	-	-	-
	-	-	-
	-	-	-

RECREATION AND CULTURAL SERVICES**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other (<i>Specify</i>)	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other - Sask Lotteries, etc.	3,720	3,721	3,721
Total Conditional Grants	3,720	3,721	3,721
Total Operating	3,720	3,721	3,721

Capital

Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (<i>Specify</i>)	-	-	-

Total CapitalRestructuring Revenue (*Specify, if any*)

Total Recreation and Cultural Services

	-	-	-
	-	-	-
	3,720	3,721	3,721

Municipality of **RM of Connaught No. 457**
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	-	-	-
- Sewer	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (<i>Specify</i>)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (<i>Specify, if any</i>)	-	-	-
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	131,920	190,162	246,376

SUMMARY

Total Other Segmented Revenue	36,200	43,654	113,849
Total Conditional Grants	57,320	94,647	55,548
Total Capital Grants and Contributions	38,400	51,861	76,979
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	131,920	190,162	246,376

Municipality of RM of Connaught No. 457

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	17,475	24,449	38,074
Wages and benefits	114,425	90,708	83,093
Professional/Contractual services	76,856	63,444	65,528
Utilities	7,700	7,171	5,306
Maintenance, materials and supplies	27,700	8,586	21,348
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	9,321	9,321
Interest	-	-	-
Allowance for uncollectible	-	(78,556)	-
Other (<i>Specify</i>)	-	-	-
General Government Services	244,156	125,123	222,670
Restructuring (<i>Specify, if any</i>)	-	-	-
Total General Government Services	244,156	125,123	222,670

PROTECTIVE SERVICES**Police protection**

Wages and benefits	-	-	-
Professional/Contractual services	27,240	28,225	27,244
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other (<i>Specify</i>)	-	-	-

Fire protection

Wages and benefits	-	-	-
Professional/Contractual services	19,935	21,349	24,765
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	10,000	10,000	10,000
Amortization	-	-	-
Interest	-	-	-
Other (<i>Specify</i>)	-	-	-

Protective Services

Restructuring (*Specify, if any*)

Total Protective Services

	57,175	59,574	62,009
	-	-	-
	57,175	59,574	62,009

TRANSPORTATION SERVICES

Wages and benefits	251,910	213,967	256,316
Professional/Contractual Services	92,100	158,581	168,813
Utilities	9,404	9,624	8,946
Maintenance, materials, and supplies	335,500	253,348	254,621
Gravel	563,630	369,643	334,521
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	623,126	624,002
Interest	-	-	-
Other (<i>Specify</i>)	-	-	-

Transportation Services

Restructuring (*Specify, if any*)

Total Transportation Services

	1,252,544	1,628,289	1,647,219
	-	-	-
	1,252,544	1,628,289	1,647,219

Municipality of RM of Connaught No. 457
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	74,000	69,326	82,541
Utilities	-	-	-
Maintenance, materials and supplies	-	1,587	3,937
Grants and contributions - operating			
o Waste disposal	-	-	-
o Public Health	2,716	-	2,516
- capital			
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	-	6,825	6,834
Interest	-	-	-
Other (<i>Specify</i>)	-	-	-
Environmental and Public Health Services	76,716	77,738	95,828
Restructuring (Specify, if any)	-	-	-
Total Environmental and Public Health Services	76,716	77,738	95,828
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual Services	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (<i>Specify</i>)	-	-	-
Planning and Development Services	-	-	-
Restructuring (Specify, if any)	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	9,376	9,845	9,376
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	3,720	3,448	3,721
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectible	-	-	-
Other (<i>Specify</i>)	-	-	-
Recreation and Cultural Services	13,096	13,293	13,097
Restructuring (Specify, if any)	-	-	-
Total Recreation and Cultural Services	13,096	13,293	13,097

Municipality of RM of Connaught No. 457
Total Expenses by Function
 As at December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for Uncollectible	-	-	-
Other (<i>Specify</i>)	-	-	-
Utility Services	-	-	-
Restructuring (Specify, if any)	-	-	-
Total Utility Services	-	-	-
 TOTAL EXPENSES BY FUNCTION	 1,643,687	 1,904,017	 2,040,823

Municipality of RM of Connaught No. 457
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	4,588	1,421	13,788	9,733	-	-	-	29,530
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	14,124	-	-	-	-	-	-	14,124
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	84,225	6,701	-	3,721	-	94,647
- Capital	-	-	51,861	-	-	-	-	51,861
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	18,712	1,421	149,874	16,434	-	3,721	-	190,162
Expenses (Schedule 3)								
Wages & Benefits	115,157	-	213,967	-	-	-	-	329,124
Professional/ Contractual Services	63,444	49,574	158,581	69,326	-	9,845	-	350,770
Utilities	7,171	-	9,624	-	-	-	-	16,795
Maintenance Materials and Supplies	8,586	-	622,991	1,587	-	-	-	633,164
Grants and Contributions	-	10,000	-	-	-	3,448	-	13,448
Amortization	9,321	-	623,126	6,825	-	-	-	639,272
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	(78,556)	-	-	-	-	-	-	(78,556)
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	125,123	59,574	1,628,289	77,738	-	13,293	-	1,904,017
Surplus (Deficit) by Function	(106,411)	(58,153)	(1,478,415)	(61,304)	-	(9,572)	-	(1,713,855)
Taxes and other unconditional revenue (Schedule 1)								2,075,965
Net Surplus (Deficit)								362,110

Municipality of **RM of Connaught No. 457**
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	6,806	6,589	4,787	38,254	-	-	-	56,436
Tangible Capital Asset Sales - Gain	-	-	41,782	-	-	-	-	41,782
Land Sales - Gain	(5,302)	-	-	-	-	-	-	(5,302)
Investment Income and Commissions	20,933	-	-	-	-	-	-	20,933
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	45,200	6,627	-	3,721	-	55,548
- Capital	-	-	76,979	-	-	-	-	76,979
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	22,437	6,589	168,748	44,881	-	3,721	-	246,376
Expenses (Schedule 3)								
Wages & Benefits	121,167	-	256,316	-	-	-	-	377,483
Professional/ Contractual Services	65,528	52,009	168,813	82,541	-	9,376	-	378,267
Utilities	5,306	-	8,946	-	-	-	-	14,252
Maintenance Materials and Supplies	21,348	-	589,142	3,937	-	-	-	614,427
Grants and Contributions	-	10,000	-	2,516	-	3,721	-	16,237
Amortization	9,321	-	624,002	6,834	-	-	-	640,157
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	222,670	62,009	1,647,219	95,828	-	13,097	-	2,040,823
Surplus (Deficit) by Function	(200,233)	(55,420)	(1,478,471)	(50,947)	-	(9,376)	-	(1,794,447)
Taxes and other unconditional revenue (Schedule 1)								2,058,435
Net Surplus (Deficit)								263,988

Municipality of
 RM of Connaught No. 457
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2020

Schedule 6

	2020							2019	
	General Assets				Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets		Total	
Assets									
Asset cost									
Opening Asset costs	39,876	113,238	515,121	54,255	1,431,332	15,152,806	411,315	17,717,943	17,266,108
Additions during the year	-	-	5,766	-	-	88,101	378,850	472,717	512,795
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(60,960)
Transfers (from) assets under construction	-	-	-	-	-	-	(411,315)	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	411,315	-	-	-
Closing Asset Costs	39,876	113,238	520,887	54,255	1,431,332	15,652,222	378,850	18,190,660	17,717,943
Amortization									
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	16,787	173,942	36,295	1,063,529	10,333,618	-	11,624,171	11,032,850
Add: Amortization taken	-	6,392	12,897	4,190	154,025	461,768	-	639,272	640,157
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	(51,294)
Adjustments	-	-	-	-	-	-	-	-	2,458
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated	-	23,179	186,839	40,485	1,217,554	10,795,386	-	12,263,443	11,624,171
Net Book Value	39,876	90,059	334,048	13,770	213,778	4,856,836	378,850	5,927,217	6,093,772

Municipality of
 RM of Connaught No. 457
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2020

Schedule 7

Assets	2020						2019	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening Asset costs	328,240	-	17,274,587	115,116	-	-	-	17,717,943
Additions during the year	-	-	472,717	-	-	-	-	472,717
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(60,960)
Closing Asset Costs	328,240	-	17,747,304	115,116	-	-	-	17,717,943
Accumulated								
Opening Accumulated Amortization Costs	104,595	-	11,509,250	10,326	-	-	-	11,624,171
Add: Amortization taken	9,321	-	623,126	6,825	-	-	-	639,272
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(51,294)
Closing Accumulated Amortization Costs	113,916	-	12,132,376	17,151	-	-	-	12,263,443
Net Book Value	214,324	-	5,614,928	97,965	-	-	-	5,927,217

Municipality of RM of Connaught No. 457
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	1,490,912	479,329	1,970,241
APPROPRIATED RESERVES			
Machinery and Equipment	35,000	-	35,000
Public Reserve	5,990	-	5,990
Capital Trust	606,510	-	606,510
Utility	-	-	-
Other (Health Care)	25,356	34,957	60,313
Total Appropriated	672,856	34,957	707,813
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	6,093,772	(166,555)	5,927,217
Less: Related debt	(41,029)	14,379	(26,650)
Net Investment in Tangible Capital Assets	6,052,743	(152,176)	5,900,567
Total Accumulated Surplus	8,216,511	362,110	8,578,621

Municipality of RM of Connaught No. 457
 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	145,523,200	8,331,950	-	-	7,832,600	-	161,687,750
Regional Park Assessment							
Total Assessment							
Mill Rate Factor(s)	0.90	0.80	-	-	2.90		161,687,750
Total Base/Minimum Tax (generated for each property class)	150,400	-	-	-	-		150,400
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,591,080	73,321	-	-	249,860		1,914,261

MILL RATES: MILLS

Average Municipal*	11.84
Average School*	1.80
Potash Mill Rate	-
Uniform Municipal Mill Rate	11.00

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

Municipality of **RM of Connaught No. 457**
Schedule of Council Remuneration
As at December 31, 2020

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Arthur Lalonde	2,440	863	3,303
Reeve	Ian Boxall	2,785	830	3,615
Councillor	Guy McCrea	1,640	472	2,112
Councillor	Dale Poggemiller	3,670	988	4,658
Councillor	Dan Marchildon	2,375	841	3,216
Councillor	Brad Schiltroth	1,610	433	2,043
Councillor	Gary Jones	4,220	2,129	6,349
Councillor	Quentin Thibault	350	-	350
Councillor	Lyndon Wrigley	350	76	426
Total		19,440	6,632	26,072

RM OF CONNAUGHT #457

PO Box 25
Tisdale, SK
S0E 1T0

May 12, 2021
Confidential

Janke LLP
PO Box 1930
Tisdale Saskatchewan S0E 1T0

Dear Sir / Madam:

This representation letter is provided in connection with your audit of the financial statements of RM of Connaught #457 for the year ended December 31, 2020, for the purpose of you expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

1. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated November 25, 2020 for:

- a. Preparing and fairly presenting the financial statements in accordance with Canadian public sector accounting standards;
- b. Providing you with:
 - i. Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:
 - A. Accounting records, supporting data and other relevant documentation,
 - B. Minutes of meetings (such as shareholders, board of directors and audit committees) or summaries of actions taken for which minutes have not yet been prepared, and
 - C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
 - ii. Additional information that you have requested from us for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
- c. Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- d. Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

2. Fraud and Non Compliance

We have disclosed to you:

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:
 - i. Management;

2. Fraud and Non Compliance (continued)

- ii. Employees who have significant roles in internal control; or
- iii. Others where the fraud could have a material effect on the financial statements;
- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the financial statements.

3. Related Parties

We have disclosed to you the identity of all of the Municipality's related-party relationships and transactions of which we are aware. This includes sales, purchases, loans, transfers of assets, liabilities and services, leasing agreements, guarantees, non-monetary transactions, and transactions for no consideration for the period ended as well as related balances due to or from such parties at the period end.

All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

4. Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

5. Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

6. Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

7. Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

8. Misstatements

The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole.

9. Accounting policies

All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.

10. Contractual compliance

We have complied with the terms and conditions of all contractual agreements that could have a material effect, in the event of non-compliance, on the financial statements.

11. Direct liabilities

We have recorded in the accounts all known liabilities of our Municipality as at December 31, 2020 except for trivial amounts.

12. Inventories

12. Inventories (continued)

The inventories of raw material, work in progress, finished goods and supplies as at December 31, 2020 were the property of our entity and were determined by actual count, weight or measurement. They do not include any items billed to customers but not shipped, any items returned by customers for which credits have not been recorded, any items on consignment, bill-and-hold arrangements, or other arrangements either owned by us or by our suppliers.

Inventories were measured at the lower of actual cost and net realizable value. Cost is determined by the average cost method.

In pricing the inventories, due allowance was made for slow-moving, obsolete, unsaleable or unusable items.

Inventories were measured on the same basis and were determined in the same manner as inventories at the end of the preceding period.

13. Impairment of long-lived assets

We have evaluated long-lived assets for recoverability whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Management acknowledges that when the long-lived asset is not recoverable, an impairment loss is recognized in earnings at the amount by which the carrying amount exceeds its fair value.

14. Journal entries

We have approved all journal entries and other adjustments proposed by you, and they have been included in our financial statements.

15. Liabilities and contingencies

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

16. Long-term investments

All long-term investments owned by our Municipality are recorded in the accounts. The long-term investments are valued using the equity method, and an appropriate impairment loss has been recognized in earnings when a significant adverse change in the expected timing or amount of future cash flows from investments has been identified. When the extent of such an impairment has decreased, a reversal of the previously recognized impairment loss has been recognized in earnings.

All income earned for the period ended December 31, 2020 on those long-term investments has been recorded in the accounts.

17. Material measurement uncertainties

The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

18. Tangible Capital Assets

Tangible capital assets are recorded at cost. We have good and valid title to all items of property and equipment reflected in the accounts relating thereto, and there are no liens or encumbrances on our assets. During the period ended December 31, 2020, no material amounts relating to additions or improvements of property and equipment were charged to expense. The provision for amortization is based on the cost and expected economic useful lives of the property using the straight-line method.

The property, leasehold improvement and equipment accounts, and the related allowances for amortization have been adjusted for all important items of such assets that were idle, obsolete, sold, dismantled, abandoned or otherwise disposed of for the period ended December 31, 2020 and for all prior periods.

We have evaluated property and equipment for recoverability in accordance with the provisions of the CPA Canada Handbook – Accounting, Part II, Section 3063 (Impairment of Long-Lived Assets). Impairment losses have been recognized in earnings when required.

19. Receivables

The accounts receivable reflected in the accounts constitute valid claims against customers and other debtors.

19. Receivables (continued)

Receivables known to be uncollectible have been written off, and adequate provision has been made for anticipated adjustments or losses in connection with the collection of receivables.

20. Regulatory compliance

We are up to date with all corporate filings and annual returns. This includes all Canada Revenue Agency and HST/GST/PST returns.

21. Revenue recognition

We have recorded all revenue that met the following criteria:

- a. Persuasive evidence of an arrangement exists;
- b. Delivery has occurred, or services have been rendered;
- c. Price is fixed or determinable; and
- d. Collectability is reasonably assured.

22. Subsequent events

There have been no events between the balance sheet date and the date of this letter that would require recognition or disclosure in the financial statements.

There have been no events subsequent to the balance sheet date of the comparative financial statements that would require adjustment or disclosure in the current financial statements.

23. None of the councillors were in debt to the Municipality

None of the councillors were in debt to the Municipality, other than in the ordinary course of business at the period-end or at any time during the period.

Acknowledged and agreed on behalf of RM of Connaught #457 by:

Mr. Ian Boxall, Reeve

DocuSigned by:

Jaime Orr

Mrs. Jaime Orr, Administrator

May 12, 2021

Date signed

May 12, 2021

Date signed