

R. M. of Martin No. 122

FINANCIAL STATEMENTS

Year Ended December 31, 2019

R. M. of Martin No. 122

Moosomin, Saskatchewan

December 31, 2019

Table of Contents

	Page
Management's Responsibility	1
Independent Auditors' Report	2-3
Statement of Financial Position	4
Statement of Operations	5
Statement of Change in Net Financial Assets	6
Statement of Cash Flow	7
Notes to Financial Statements	8-15
Schedule of Taxes and Other Unconditional Revenue	16
Schedule of Operating and Capital Revenue by Function	17-18
Total Expenses by Function	19-20
Schedule of Segment Disclosure by Function	21-22
Schedule of Tangible Capital Assets by Object	23
Schedule of Tangible Capital Assets by Function	24
Schedule of Accumulated Surplus	25
Schedule of Mill Rates and Assessments	26
Schedule of Council Remuneration	27

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 Martin No. 122

Opinion

We have audited the financial statements of R. M. of Martin No. 122, (the municipality), which comprise the Statement of Financial Position as at December 31, 2019 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, 2019, 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 Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
April 21, 2020

R. M. of Martin No. 122
 Moosomin, Saskatchewan
 Statement of Financial Position as at December 31, 2019

Statement 1

	2019	2018
Assets		
Financial Assets		
Cash and temporary investments - note 2	2,155,899	1,663,662
Taxes receivable - municipal - note 3	36,150	39,442
Other accounts receivable - note 4	60,909	136,619
Long-term investments - note 5	65,054	58,455
Other	<u>120,778</u>	<u>120,668</u>
Total Financial Assets	<u>2,438,790</u>	<u>2,018,846</u>
Liabilities		
Accounts payable	76,398	64,851
Long-term debt - note 6	<u>514,523</u>	<u>584,414</u>
Total Liabilities	<u>590,921</u>	<u>649,265</u>
Net Financial Assets	<u>1,847,869</u>	<u>1,369,581</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	7,267,361	7,138,361
Prepayments and deferred charges	50,031	109,837
Stock and supplies	<u>463,107</u>	<u>314,153</u>
Total Non-Financial Assets	<u>7,780,499</u>	<u>7,562,351</u>
Accumulated Surplus - schedule 8	<u>\$ 9,628,368</u>	<u>\$ 8,931,932</u>

Approved on behalf of the council:

Reeve

Councillor

R. M. of Martin No. 122
Statement of Operations
For the year ended December 31, 2019

Statement 2

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
Revenues			
Taxes and other unconditional revenue - schedule 1	1,877,740	1,878,846	1,874,486
Fees and charges - schedules 4 and 5	69,550	111,347	94,304
Conditional grants - schedules 4 and 5	300	3,949	2,188
Tangible capital asset sales - gain (loss) - schedules 4 and 5		(6,094)	(61,288)
Investment income and commissions - schedules 4 and 5	15,650	42,289	26,883
Total Revenue	<u>1,963,240</u>	<u>2,030,337</u>	<u>1,936,573</u>
Expenses - schedule 3			
General government services	217,510	208,801	215,890
Protective services	34,400	42,287	48,350
Transportation services	1,452,480	1,073,168	1,017,534
Environmental and public health services	65,050	63,999	15,689
Planning and development services	11,060	11,054	11,054
Recreation and cultural services	5,300	5,673	5,263
Utilities services	2,500	2,046	2,091
Total Expenses	<u>1,788,300</u>	<u>1,407,028</u>	<u>1,315,871</u>
Surplus of Revenues over Expenses Before Other Capital Contributions	174,940	623,309	620,702
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>59,350</u>	<u>73,127</u>	<u>591,935</u>
Surplus of Revenue over Expenses	234,290	696,436	1,212,637
Accumulated Surplus, Beginning of Year	<u>8,931,932</u>	<u>8,931,932</u>	<u>7,719,295</u>
Accumulated Surplus, End of Year	<u>\$ 9,166,222</u>	<u>\$ 9,628,368</u>	<u>\$ 8,931,932</u>

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

R. M. of Martin No. 122
Statement of Change in Net Financial Assets
For the year ended December 31, 2019

Statement 3

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
Surplus	<u>234,290</u>	<u>696,436</u>	<u>1,212,637</u>
(Acquisition) of tangible capital assets	(1,687,000)	(461,880)	(1,893,577)
Amortization of tangible capital assets		318,287	242,947
Proceeds on disposal of tangible capital assets		8,500	201,400
Loss on the disposal of tangible capital assets		<u>6,094</u>	<u>61,288</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>(1,687,000)</u>	<u>(128,999)</u>	<u>(1,387,942)</u>
(Acquisition) of supplies inventories		(308,440)	(148,070)
(Acquisition) of prepaid expense			(600)
Consumption of supplies inventory		159,485	105,251
Use of prepaid expense		<u>59,806</u>	<u>61,094</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>(89,149)</u>	<u>17,675</u>
Increase (Decrease) in Net Financial Assets	(1,452,710)	478,288	(157,630)
Net Financial Assets, beginning of year	<u>1,369,581</u>	<u>1,369,581</u>	<u>1,527,211</u>
Net Financial Assets, End of Year	<u><u>\$ (83,129)</u></u>	<u><u>\$ 1,847,869</u></u>	<u><u>\$ 1,369,581</u></u>

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

R. M. of Martin No. 122
Statement of Cash Flow
For the year ended December 31, 2019

Statement 4

	2019	2018
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	696,436	1,212,637
Amortization	318,287	242,947
Loss on disposal of tangible capital assets	6,094	61,288
	<u>1,020,817</u>	<u>1,516,872</u>
Change in Assets/Liabilities		
Taxes receivable - municipal	3,292	(20,656)
Other receivables	75,710	30,559
Other financial assets	(110)	(800)
Accounts payable	11,545	34,397
Stock and supplies for use	(148,953)	(42,819)
Prepayments and deferred charges	59,806	60,493
Cash Provided by Operating Transactions	<u>1,022,107</u>	<u>1,578,046</u>
Capital:		
Acquisition of capital assets	(461,880)	(1,893,577)
Proceeds from the disposal of capital assets	8,500	201,400
Cash Applied to Capital Transactions	<u>(453,380)</u>	<u>(1,692,177)</u>
Investing:		
Long-term investments	<u>(6,599)</u>	<u>(2,503)</u>
Financing:		
Long-term debt repaid	<u>(69,891)</u>	<u>(67,828)</u>
Change in Cash and Temporary Investments During the Year	492,237	(184,462)
Cash and temporary Investments, beginning of year	<u>1,663,662</u>	<u>1,848,124</u>
Cash and Temporary Investments, End of Year	<u>\$ 2,155,899</u>	<u>\$ 1,663,662</u>

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

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

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 adopted by the municipality are as follows:

(a) Basis of accounting

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

(b) 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 Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

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) 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.

(h) 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.

(i) 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.

(j) 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:

Assets	Useful Life
General Assets	
Land	indefinite life
Land improvements	15 years
Buildings	40 years
Vehicles	10-20 years
Mobile equipment	5-20 years
Linear assets	40-60 years
Infrastructure Assets	
Paving, sidewalks and roadways	15 years

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

1. **Significant Accounting Policies** - continued

(k) 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.

(l) Capitalization of interest

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

(m) Leases

All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. 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 (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(n) Employee benefit plans

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

(o) 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. 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.

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

1. **Significant Accounting Policies** - continued

(p) Measurement uncertainty

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

The measurement of materials and supplies are based on estimates of volume and quality.

The opening asset costs of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

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

(q) Basis of segmentation/segment report

The municipality 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.

(r) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 10, 2019.

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

1. **Significant Accounting Policies** - continued

(s) New accounting standards

Effective January 1, 2019, the municipality adopted the following standard to comply with Public Sector Accounting Standards (PSAS). This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

PS 3430 Restructuring transactions provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis.

Future accounting standards

Effective on or after April 1, 2021:

PS 1201 Financial statement presentation replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. 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.

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

PS 3280 Asset retirement obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. 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 on or after April 1, 2022:

PS 3400 Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

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

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

	2019	2018
2. Cash and Temporary Investments		
Cash	1,674,503	1,477,048
Temporary investments	<u>481,396</u>	<u>186,614</u>
Total Cash and Temporary Investments	<u>\$ 2,155,899</u>	<u>\$ 1,663,662</u>

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

	2019	2018
3. Taxes and Grants In Lieu Receivable		
Municipal - current	25,237	36,908
Municipal - arrears	<u>12,914</u>	<u>4,535</u>
	38,151	41,443
Less: Allowance for uncollectibles	<u>2,000</u>	<u>2,000</u>
Total municipal taxes receivable	<u>36,151</u>	<u>39,443</u>
School - current	8,225	13,460
School - arrears	<u>6,433</u>	<u>2,172</u>
Total school taxes receivable	<u>14,658</u>	<u>15,632</u>
Other	<u>5,606</u>	<u>3,765</u>
Total taxes and grants in lieu receivable	56,415	58,840
Less: Taxes receivable to be collected on behalf of other organizations	<u>20,265</u>	<u>19,398</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 36,150</u>	<u>\$ 39,442</u>
4. Other Accounts Receivable		
Provincial government		315
Trade	20,586	42,950
Other	<u>40,323</u>	<u>93,354</u>
Net Other Accounts Receivable	<u>\$ 60,909</u>	<u>\$ 136,619</u>

5. Long-Term Investments		
Sask. Assoc. of Rural Municipalities - Self-Insurance Fund	64,949	58,350
Other	<u>105</u>	<u>105</u>
	<u>\$ 65,054</u>	<u>\$ 58,455</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 Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

6. Long-Term Debt

The debt limit of the municipality for 2020 is \$1,746,808. 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).

- (a) Bank loan is repayable at 3.02% with monthly blended repayments of \$7,211 principal and interest.

Future principal and interest payments are as follows:

	Principal	Interest	2019 Total	2018 Total
2019				86,532
2020	71,944	14,588	86,532	86,532
2021	74,189	12,343	86,532	86,532
2022	76,461	10,071	86,532	86,532
2023	78,802	7,730	86,532	86,532
Thereafter	<u>213,127</u>	<u>8,635</u>	<u>221,762</u>	<u>221,806</u>
	<u>\$ 514,523</u>	<u>\$ 53,367</u>	<u>\$ 567,890</u>	<u>\$ 654,466</u>

7. 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:

	2019	2018
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 32,144	\$ 30,301
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As per the most recently audited financial statements dated December 31, 2018, the plan surplus is \$463,236,000.

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2019

8. 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.

9. Subsequent Events

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 Martin No. 122
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2019

Schedule 1

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
Taxes			
General municipal tax levy	1,451,810	1,451,864	1,457,989
Discount on current year taxes	(42,460)	(42,626)	(42,459)
Net municipal taxes	<u>1,409,350</u>	<u>1,409,238</u>	<u>1,415,530</u>
Potash tax share	183,930	183,934	178,665
Penalties on tax arrears	<u>1,300</u>	<u>2,502</u>	<u>1,280</u>
Total Taxes	<u>1,594,580</u>	<u>1,595,674</u>	<u>1,595,475</u>
Unconditional Grants			
Equalization (revenue sharing)	<u>135,110</u>	<u>135,115</u>	<u>130,954</u>
Total Unconditional Grants	<u>135,110</u>	<u>135,115</u>	<u>130,954</u>
Grants In Lieu of Taxes			
Provincial			
Wildlife	1,170	1,175	1,175
Community pasture	9,160	9,160	9,160
SaskTel	470	465	465
Local/Other			
C.P.R. mainline	135,010	135,014	135,014
Treaty land entitlement	<u>2,240</u>	<u>2,243</u>	<u>2,243</u>
Total Grants In Lieu of Taxes	<u>148,050</u>	<u>148,057</u>	<u>148,057</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 1,877,740</u>	<u>\$ 1,878,846</u>	<u>\$ 1,874,486</u>

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

R. M. of Martin No. 122
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2019

Schedule 2-1

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	600	3,500	5,180
Other	250	310	830
Total Fees and Charges	<u>850</u>	<u>3,810</u>	<u>6,010</u>
Investment income and commissions	15,650	42,289	26,883
Total Other Segmented Revenue	<u>16,500</u>	<u>46,099</u>	<u>32,893</u>
Total General Government Services	<u>\$ 16,500</u>	<u>\$ 46,099</u>	<u>\$ 32,893</u>
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Fire fees	2,000	2,678	4,590
Total Other Segmented Revenue	<u>2,000</u>	<u>2,678</u>	<u>4,590</u>
Total Protective Services	<u>\$ 2,000</u>	<u>\$ 2,678</u>	<u>\$ 4,590</u>
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	6,100	14,796	21,827
Sale of supplies	2,500	693	7,308
Licenses and permits	1,000	1,825	1,175
Road maintenance and restoration agreements	30,000	48,799	31,155
Other	27,000	37,695	22,213
Total Fees and Charges	<u>66,600</u>	<u>103,808</u>	<u>83,678</u>
Tangible capital asset sales - gain (loss)		(6,094)	(61,288)
Total Other Segmented Revenue	<u>66,600</u>	<u>97,714</u>	<u>22,390</u>
Total Operating	<u>66,600</u>	<u>97,714</u>	<u>22,390</u>
Capital			
Conditional Grants			
Gas tax	20,350	40,127	20,346
Heavy haul	33,000	33,000	33,000
Designated/municipal road - bridges			538,589
Other	6,000		
Total Capital	<u>59,350</u>	<u>73,127</u>	<u>591,935</u>
Total Transportation Services	<u>\$ 125,950</u>	<u>\$ 170,841</u>	<u>\$ 614,325</u>

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

R. M. of Martin No. 122
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2019

Schedule 2-2

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	100	1,051	26
Total Other Segmented Revenue	<u>100</u>	<u>1,051</u>	<u>26</u>
Conditional Grants			
Pest control	300	3,949	2,188
Total Conditional Grants	<u>300</u>	<u>3,949</u>	<u>2,188</u>
Total Environmental and Public Health Services	<u>\$ 400</u>	<u>\$ 5,000</u>	<u>\$ 2,214</u>
Total Operating and Capital Revenue by Function	<u>\$ 144,850</u>	<u>\$ 224,618</u>	<u>\$ 654,022</u>
Summary			
Total Other Segmented Revenue	85,200	147,542	59,899
Total Conditional Grants	300	3,949	2,188
Total Capital Grants and Contributions	<u>59,350</u>	<u>73,127</u>	<u>591,935</u>
Total Operating and Capital Revenue by Function	<u>\$ 144,850</u>	<u>\$ 224,618</u>	<u>\$ 654,022</u>

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 part of these financial statements.*

R. M. of Martin No. 122
 Total Expenses by Function
 For the year ended December 31, 2019

Schedule 3-1

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
General Government Services			
Council remuneration and travel	48,260	43,196	44,821
Wages and benefits	94,410	95,157	84,426
Professional/Contractual services	34,240	33,334	35,462
Utilities	6,540	5,322	5,998
Maintenance, materials and supplies	21,500	19,334	31,973
Grants and contributions - operating	550	550	50
Insurance	11,000	11,486	11,935
Interest	10		7
Other	1,000	422	1,218
	<u>217,510</u>	<u>208,801</u>	<u>215,890</u>
Total General Government Services	\$ 217,510	\$ 208,801	\$ 215,890
Protective Services			
Police protection			
Professional/Contractual services	13,200	13,436	13,190
Grants and contributions - operating	200	200	200
Fire protection			
Professional/Contractual services	3,000	3,039	6,886
Grants and contributions - operating	18,000	25,612	28,074
	<u>34,400</u>	<u>42,287</u>	<u>48,350</u>
Total Protective Services	\$ 34,400	\$ 42,287	\$ 48,350
Transportation Services			
Wages and benefits	394,040	332,557	367,513
Professional/Contractual services	408,000	43,910	45,048
Utilities	13,300	10,169	10,400
Maintenance, materials and supplies	65,550	32,703	44,344
Gravel	220,500	128,160	75,996
Machinery costs/fuel/blades	186,600	107,344	132,233
Culverts/drainage	40,000	19,970	18,579
Amortization		318,287	242,947
Interest	27,340	16,645	18,707
Other	97,150	63,423	61,767
	<u>1,452,480</u>	<u>1,073,168</u>	<u>1,017,534</u>
Total Transportation Services	\$ 1,452,480	\$ 1,073,168	\$ 1,017,534

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 part of these financial statements.*

R. M. of Martin No. 122
 Total Expenses by Function
 For the year ended December 31, 2019

Schedule 3-2

	2019 Budget [Note 1(r)]	2019 Actual	2018 Actual
Environmental and Public Health Services			
Contractual services - waste		437	
Maintenance, materials and supplies	11,000	8,617	11,644
Grants and contributions - operating	52,600	52,500	2,600
Grants and contributions - public health	<u>1,450</u>	<u>2,445</u>	<u>1,445</u>
Total Environmental and Public Health Services	<u>\$ 65,050</u>	<u>\$ 63,999</u>	<u>\$ 15,689</u>
Planning and Development Services			
Professional/Contractual services	10,960	10,954	10,954
Grants and contributions - operating	<u>100</u>	<u>100</u>	<u>100</u>
Total Planning and Development Services	<u>\$ 11,060</u>	<u>\$ 11,054</u>	<u>\$ 11,054</u>
Recreation and Cultural Services			
Grants and contributions - operating	1,500	1,400	1,450
Libraries	<u>3,800</u>	<u>4,273</u>	<u>3,813</u>
Total Recreation and Cultural Services	<u>\$ 5,300</u>	<u>\$ 5,673</u>	<u>\$ 5,263</u>
Utility Services			
Contractual services			300
Utilities	2,000	1,603	1,637
Maintenance, materials and supplies	<u>500</u>	<u>443</u>	<u>154</u>
Total Utility Services	<u>\$ 2,500</u>	<u>\$ 2,046</u>	<u>\$ 2,091</u>
Total Expenses by Function	<u>\$ 1,788,300</u>	<u>\$ 1,407,028</u>	<u>\$ 1,315,871</u>

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

R. M. of Martin No. 122
 Schedule of Segment Disclosure by Function
 For the year ended December 31, 2019

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	3,810	2,678	103,808	1,051				111,347
Tangible capital asset sales - gain (loss)			(6,094)					(6,094)
Investment income and commissions	42,289							42,289
Grants - conditional				3,949				3,949
Grants - capital			73,127					73,127
Total Revenues	<u>46,099</u>	<u>2,678</u>	<u>170,841</u>	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>224,618</u>
Expenses - schedule 3								
Wages and benefits	95,157		332,557					427,714
Professional/contractual services	76,530	16,475	43,910	437	10,954			148,306
Utilities	5,322		10,169				1,603	17,094
Maintenance materials and supplies	19,334		160,863	8,617			443	189,257
Machinery costs/fuel/blades			107,344					107,344
Culverts/drainage			19,970					19,970
Grants and contributions	550	25,812		54,945	100	1,400		82,807
Amortization			318,287					318,287
Insurance	11,486							11,486
Libraries						4,273		4,273
Interest			16,645					16,645
Other	422		63,423					63,845
Total Expenses	<u>208,801</u>	<u>42,287</u>	<u>1,073,168</u>	<u>63,999</u>	<u>11,054</u>	<u>5,673</u>	<u>2,046</u>	<u>1,407,028</u>
Surplus (Deficit) by Function	<u>\$ (162,702)</u>	<u>\$ (39,609)</u>	<u>\$ (902,327)</u>	<u>\$ (58,999)</u>	<u>\$ (11,054)</u>	<u>\$ (5,673)</u>	<u>\$ (2,046)</u>	<u>(1,182,410)</u>
Taxation and other unconditional revenue - schedule 1								<u>1,878,846</u>
Net Surplus								<u>\$ 696,436</u>

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 part of these financial statements.*

R. M. of Martin No. 122
 Schedule of Segment Disclosure by Function
 For the year ended December 31, 2018

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	6,010	4,590	83,678	26				94,304
Tangible capital asset sales - gain (loss)			(61,288)					(61,288)
Investment income and commissions	26,883							26,883
Grants - conditional				2,188				2,188
Grants - capital			591,935					591,935
Total Revenues	<u>32,893</u>	<u>4,590</u>	<u>614,325</u>	<u>2,214</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>654,022</u>
Expenses - schedule 3								
Wages and benefits	84,426		367,513					451,939
Professional/contractual services	80,283	20,076	45,048		10,954		300	156,661
Utilities	5,998		10,400				1,637	18,035
Maintenance materials and supplies	31,973		120,340	11,644			154	164,111
Machinery costs/fuel/blades			132,233					132,233
Culverts/drainage			18,579					18,579
Grants and contributions	50	28,274		4,045	100	1,450		33,919
Amortization			242,947					242,947
Insurance	11,935							11,935
Libraries						3,813		3,813
Interest	7		18,707					18,714
Other	1,218		61,767					62,985
Total Expenses	<u>215,890</u>	<u>48,350</u>	<u>1,017,534</u>	<u>15,689</u>	<u>11,054</u>	<u>5,263</u>	<u>2,091</u>	<u>1,315,871</u>
Surplus (Deficit) by Function	<u>\$ (182,997)</u>	<u>\$ (43,760)</u>	<u>\$ (403,209)</u>	<u>\$ (13,475)</u>	<u>\$ (11,054)</u>	<u>\$ (5,263)</u>	<u>\$ (2,091)</u>	<u>(661,849)</u>
Taxation and other unconditional revenue - schedule 1								<u>1,874,486</u>
Net Surplus								<u>\$ 1,212,637</u>

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 part of these financial statements.*

R. M. of Martin No. 122
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2019

Schedule 6

	2019							2018	
	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	172,535	23,020	1,011,267	311,847	1,124,741	8,806,389	447,544	11,897,343	10,533,953
Additions during the year					24,639	390,548	46,693	461,880	1,893,577
Disposals and write-down during the year					(23,188)			(23,188)	(530,187)
Transfer (from) assets under construction						447,544	(447,544)		
Closing Asset Costs	<u>172,535</u>	<u>23,020</u>	<u>1,011,267</u>	<u>311,847</u>	<u>1,126,192</u>	<u>9,644,481</u>	<u>46,693</u>	<u>12,336,035</u>	<u>11,897,343</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	19,142	43,320	90,755	307,832	4,297,933	0	4,758,982	4,783,535
Add: Amortization taken		575	25,253	19,124	82,401	190,934		318,287	242,947
Less: Accumulated amortization on disposals					8,595			8,595	267,500
Closing Accumulated Amortization Costs	<u>0</u>	<u>19,717</u>	<u>68,573</u>	<u>109,879</u>	<u>381,638</u>	<u>4,488,867</u>	<u>0</u>	<u>5,068,674</u>	<u>4,758,982</u>
Net Book Value	<u>\$ 172,535</u>	<u>\$ 3,303</u>	<u>\$ 942,694</u>	<u>\$ 201,968</u>	<u>\$ 744,554</u>	<u>\$ 5,155,614</u>	<u>\$ 46,693</u>	<u>\$ 7,267,361</u>	<u>\$ 7,138,361</u>

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part of these financial statements.*

R. M. of Martin No. 122
 Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2019

Schedule 7

	2019							2018	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	0	0	11,897,343	0	0	0	0	11,897,343	10,533,953
Additions during the year			461,880					461,880	1,893,577
Disposals and write-down during the year			(23,188)					(23,188)	(530,187)
Closing Asset Costs	<u>0</u>	<u>0</u>	<u>12,336,035</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,336,035</u>	<u>11,897,343</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	0	4,758,982	0	0	0	0	4,758,982	4,783,535
Add: Amortization taken			318,287					318,287	242,947
Less: Accumulated amortization on disposals			8,595					8,595	267,500
Closing Accumulated Amortization Costs	<u>0</u>	<u>0</u>	<u>5,068,674</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,068,674</u>	<u>4,758,982</u>
Net Book Value	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,267,361</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,267,361</u>	<u>\$ 7,138,361</u>

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R. M. of Martin No. 122
 Schedule of Accumulated Surplus
 For the year ended December 31, 2019

Schedule 8

	2018	Changes	2019
Unappropriated Surplus	<u>2,191,371</u>	<u>72,763</u>	<u>2,264,134</u>
Appropriated Surplus			
Public reserve	5,000	5,133	10,133
Capital trust reserve	100,000	462,650	562,650
Other			
Health care	<u>81,614</u>	<u>(43,001)</u>	<u>38,613</u>
Total Appropriated	<u>186,614</u>	<u>424,782</u>	<u>611,396</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	7,138,361	129,000	7,267,361
Less: Related debt	<u>584,414</u>	<u>(69,891)</u>	<u>514,523</u>
Net Investment in Tangible Capital Assets	<u>6,553,947</u>	<u>198,891</u>	<u>6,752,838</u>
Total Accumulated Surplus	<u>\$ 8,931,932</u>	<u>\$ 696,436</u>	<u>\$ 9,628,368</u>

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 part of these financial statements.*

R. M. of Martin No. 122
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2019

Schedule 9

	<u>Property Class</u>				Total
	Agriculture	Residential	Condominium Residential	Commercial & Industrial	
Taxable Assessment	59,412,595	8,546,820		64,190,500	132,149,915
Regional Park Assessment					132,149,915
Total Assessment					132,149,915
Mill Rate Factor(s)	0.55	0.58		1.62	
Total Base/Minimum Tax (generated for each property class)	350			25	375
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	335,148	50,811		1,065,905	1,451,864
Mill Rates:					
		Mills			
Average Municipal*		10.9865			
Average School*		5.3832			
Potash Mill Rate					
Uniform Municipal Mill Rate		10.2500			

*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).

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

R. M. of Martin No. 122
Schedule of Council Remuneration
For the year ended December 31, 2019

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Gerald Flaman	9,230	295	9,525
Wayne Beckett	6,713	600	7,313
Glen Ekert	6,460	194	6,654
Peter Currie	9,400	1,083	10,483
Hal Garrett	6,142	48	6,190
Ray Donald	8,242	48	8,290
John Gordon	6,915	369	7,284
	<u>6,915</u>	<u>369</u>	<u>7,284</u>
	<u>\$ 53,102</u>	<u>\$ 2,637</u>	<u>\$ 55,739</u>

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