

R. M. of Martin No. 122

FINANCIAL STATEMENTS

Year Ended December 31, 2020

R. M. of Martin No. 122

Moosomin, Saskatchewan

December 31, 2020

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 - Deputy



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, 2020 and the Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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



Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
April 18, 2021

R. M. of Martin No. 122
 Moosomin, Saskatchewan
 Statement of Financial Position as at December 31, 2020

Statement 1

	2020	2019
Assets		
Financial Assets		
Cash and temporary investments - note 2	2,064,885	2,155,899
Taxes receivable - municipal - note 3	16,502	36,150
Other accounts receivable - note 4	115,547	60,909
Long-term investments - note 5	69,501	65,054
Other	<u>120,782</u>	<u>120,778</u>
Total Financial Assets	<u>2,387,217</u>	<u>2,438,790</u>
Liabilities		
Accounts payable	37,410	76,397
Deferred revenue	8,526	
Long-term debt - note 6	<u>442,582</u>	<u>514,523</u>
Total Liabilities	<u>488,518</u>	<u>590,920</u>
Net Financial Assets	<u>1,898,699</u>	<u>1,847,870</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	8,076,907	7,267,360
Prepayments and deferred charges	10,120	50,031
Stock and supplies	<u>391,903</u>	<u>463,107</u>
Total Non-Financial Assets	<u>8,478,930</u>	<u>7,780,498</u>
Accumulated Surplus - schedule 8	<u>\$ 10,377,629</u>	<u>\$ 9,628,368</u>

Approved on behalf of the council:

 Reeve

 Councillor

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

R. M. of Martin No. 122
Statement of Operations
For the year ended December 31, 2020

Statement 2

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
Revenues			
Taxes and other unconditional revenue - schedule 1	1,954,510	1,953,617	1,878,846
Fees and charges - schedules 4 and 5	77,440	89,305	105,347
Conditional grants - schedules 4 and 5	3,000	2,774	3,949
Tangible capital asset sales - gain (loss) - schedules 4 and 5			(6,094)
Investment income and commissions - schedules 4 and 5	<u>40,800</u>	<u>29,574</u>	<u>42,289</u>
Total Revenue	<u>2,075,750</u>	<u>2,075,270</u>	<u>2,024,337</u>
Expenses - schedule 3			
General government services	239,120	249,207	208,801
Protective services	66,640	57,211	42,287
Transportation services	1,539,960	1,074,758	1,073,168
Environmental and public health services	18,040	25,107	63,999
Planning and development services	11,160	11,254	11,054
Recreation and cultural services	5,800	5,441	5,673
Utilities services	<u>2,550</u>	<u>2,584</u>	<u>2,046</u>
Total Expenses	<u>1,883,270</u>	<u>1,425,562</u>	<u>1,407,028</u>
Surplus of Revenues over Expenses Before Other Capital Contributions	192,480	649,708	617,309
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>56,000</u>	<u>99,553</u>	<u>79,127</u>
Surplus of Revenue over Expenses	248,480	749,261	696,436
Accumulated Surplus, Beginning of Year	<u>9,628,368</u>	<u>9,628,368</u>	<u>8,931,932</u>
Accumulated Surplus, End of Year	<u>\$ 9,876,848</u>	<u>\$ 10,377,629</u>	<u>\$ 9,628,368</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, 2020

Statement 3

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
Surplus	<u>248,480</u>	<u>749,261</u>	<u>696,436</u>
(Acquisition) of tangible capital assets	(1,687,000)	(1,144,565)	(461,880)
Amortization of tangible capital assets		335,019	318,287
Proceeds on disposal of tangible capital assets			8,500
Loss on the disposal of tangible capital assets			<u>6,094</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>(1,687,000)</u>	<u>(809,546)</u>	<u>(128,999)</u>
(Acquisition) of supplies inventories		(176,907)	(308,440)
Consumption of supplies inventory		248,110	159,486
Use of prepaid expense		<u>39,911</u>	<u>59,806</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>111,114</u>	<u>(89,148)</u>
Increase (Decrease) in Net Financial Assets	(1,438,520)	50,829	478,289
Net Financial Assets, beginning of year	<u>1,847,870</u>	<u>1,847,870</u>	<u>1,369,581</u>
Net Financial Assets, End of Year	<u>\$ 409,350</u>	<u>\$ 1,898,699</u>	<u>\$ 1,847,870</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, 2020

Statement 4

	2020	2019
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	749,261	696,436
Amortization	335,019	318,287
Loss on disposal of tangible capital assets		6,094
	1,084,280	1,020,817
Change in Assets/Liabilities		
Taxes receivable - municipal	19,648	3,292
Other receivables	(54,637)	75,710
Other financial assets	(5)	(110)
Accounts payable	(38,988)	11,547
Deferred revenue	8,526	
Stock and supplies for use	71,203	(148,953)
Prepayments and deferred charges	39,911	59,806
Cash Provided by Operating Transactions	1,129,938	1,022,109
Capital:		
Acquisition of capital assets	(1,144,565)	(461,880)
Proceeds from the disposal of capital assets		8,500
Cash Applied to Capital Transactions	(1,144,565)	(453,380)
Investing:		
Additions to long-term investments	(4,447)	(6,601)
Financing:		
Long-term debt repaid	(71,940)	(69,891)
Change in Cash and Temporary Investments During the Year	(91,014)	492,237
Cash and temporary Investments, beginning of year	2,155,899	1,663,662
Cash and Temporary Investments, End of Year	\$ 2,064,885	\$ 2,155,899

*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, 2020

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, 2020

1. **Significant Accounting Policies** - continued

(f) Non-financial assets

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

(g) 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, 2020

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) 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, 2020

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 15, 2020.

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2020

1. **Significant Accounting Policies** - continued

(s) New standards and amendments to standards

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

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

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

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

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

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

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

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

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

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2020

	2020	2019
2. Cash and Temporary Investments		
Cash	1,501,812	1,674,503
Temporary investments	<u>563,073</u>	<u>481,396</u>
Total Cash and Temporary Investments	<u>\$ 2,064,885</u>	<u>\$ 2,155,899</u>

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

	2020	2019
3. Taxes and Grants In Lieu Receivable		
Municipal - current	19,859	25,237
Municipal - arrears	<u>19,437</u>	<u>12,914</u>
	39,296	38,151
Less: Allowance for uncollectibles	<u>22,793</u>	<u>2,000</u>
Total municipal taxes receivable	<u>16,503</u>	<u>36,151</u>
School - current	5,930	8,225
School - arrears	<u>10,649</u>	<u>6,433</u>
Total school taxes receivable	<u>16,579</u>	<u>14,658</u>
Other	<u>4,584</u>	<u>5,606</u>
Total taxes and grants in lieu receivable	37,666	56,415
Less: Taxes receivable to be collected on behalf of other organizations	<u>21,164</u>	<u>20,265</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 16,502</u>	<u>\$ 36,150</u>
4. Other Accounts Receivable		
Provincial government	42,152	
Trade	5,819	20,586
Other	<u>67,576</u>	<u>40,323</u>
Net Other Accounts Receivable	<u>\$ 115,547</u>	<u>\$ 60,909</u>

5. Long-Term Investments		
SARM - Self-Insurance Fund	69,396	64,949
Other	<u>105</u>	<u>105</u>
	<u>\$ 69,501</u>	<u>\$ 65,054</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, 2020

6. Long-Term Debt

The debt limit of the municipality for 2021 is \$1,719,203. 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	2020 Total	2019 Total
2020				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
2024	81,199	5,333	86,532	86,532
Thereafter	<u>131,931</u>	<u>3,302</u>	<u>135,233</u>	<u>135,230</u>
	<u>\$ 442,582</u>	<u>\$ 38,779</u>	<u>\$ 481,361</u>	<u>\$ 567,890</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:

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

Contributions to the plan during the year were as follows:

Benefit expense	\$ 35,905	\$ 32,144
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As per the most recently audited financial statements dated December 31, 2019, the plan surplus is \$658,468,000.

R. M. of Martin No. 122
Notes to Financial Statements
For the year ended December 31, 2020

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, 2020

Schedule 1

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
Taxes			
General municipal tax levy	1,458,800	1,458,798	1,451,864
Discount on current year taxes	(42,630)	(42,331)	(42,626)
Net municipal taxes	<u>1,416,170</u>	<u>1,416,467</u>	<u>1,409,238</u>
Potash tax share	203,590	183,857	183,934
Penalties on tax arrears	<u>2,000</u>	<u>3,212</u>	<u>2,502</u>
Total Taxes	<u>1,621,760</u>	<u>1,603,536</u>	<u>1,595,674</u>
Unconditional Grants			
Equalization (revenue sharing)	184,700	184,759	135,115
Safe Restart Program	<u> </u>	<u>17,240</u>	<u> </u>
Total Unconditional Grants	<u>184,700</u>	<u>201,999</u>	<u>135,115</u>
Grants In Lieu of Taxes			
Provincial			
Wildlife	1,170	1,175	1,175
Community pasture	9,160	9,160	9,160
SaskTel	470	490	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>148,082</u>	<u>148,057</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 1,954,510</u>	<u>\$ 1,953,617</u>	<u>\$ 1,878,846</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, 2020

Schedule 2-1

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	2,160	2,671	3,500
Other	310	300	310
Total Fees and Charges	<u>2,470</u>	<u>2,971</u>	<u>3,810</u>
Investment income and commissions	40,800	29,574	42,289
Total Other Segmented Revenue	<u>43,270</u>	<u>32,545</u>	<u>46,099</u>
Total General Government Services	<u>\$ 43,270</u>	<u>\$ 32,545</u>	<u>\$ 46,099</u>
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Fire fees	2,000	2,269	2,678
Total Other Segmented Revenue	<u>2,000</u>	<u>2,269</u>	<u>2,678</u>
Total Protective Services	<u>\$ 2,000</u>	<u>\$ 2,269</u>	<u>\$ 2,678</u>
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	8,580	17,384	14,796
Sale of supplies	690	5,920	693
Licenses and permits	1,000	175	1,825
Road maintenance and restoration agreements	30,000	10,847	48,799
Other	32,600	43,483	31,695
Total Fees and Charges	<u>72,870</u>	<u>77,809</u>	<u>97,808</u>
Tangible capital asset sales - gain (loss)	0	0	(6,094)
Total Other Segmented Revenue	<u>72,870</u>	<u>77,809</u>	<u>91,714</u>
Total Operating	<u>72,870</u>	<u>77,809</u>	<u>91,714</u>
Capital			
Conditional Grants			
Gas tax	17,000	17,051	40,127
Heavy haul	33,000	34,964	33,000
Municipal Economic Enhancement Program		41,538	
Other	6,000	6,000	6,000
Total Capital	<u>56,000</u>	<u>99,553</u>	<u>79,127</u>
Total Transportation Services	<u>\$ 128,870</u>	<u>\$ 177,362</u>	<u>\$ 170,841</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, 2020

Schedule 2-2

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	100	6,256	1,051
Total Other Segmented Revenue	<u>100</u>	<u>6,256</u>	<u>1,051</u>
Conditional Grants			
Pest control	3,000	2,774	3,949
Total Conditional Grants	<u>3,000</u>	<u>2,774</u>	<u>3,949</u>
Total Environmental and Public Health Services	<u>\$ 3,100</u>	<u>\$ 9,030</u>	<u>\$ 5,000</u>
Total Operating and Capital Revenue by Function	<u>\$ 177,240</u>	<u>\$ 221,206</u>	<u>\$ 224,618</u>
Summary			
Total Other Segmented Revenue	118,240	118,879	141,542
Total Conditional Grants	3,000	2,774	3,949
Total Capital Grants and Contributions	<u>56,000</u>	<u>99,553</u>	<u>79,127</u>
Total Operating and Capital Revenue by Function	<u>\$ 177,240</u>	<u>\$ 221,206</u>	<u>\$ 224,618</u>

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

R. M. of Martin No. 122
 Total Expenses by Function
 For the year ended December 31, 2020

Schedule 3-1

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
General Government Services			
Council remuneration and travel	49,980	34,637	43,196
Wages and benefits	105,340	108,989	95,157
Professional/Contractual services	37,660	41,050	32,885
Utilities	6,600	5,823	5,322
Maintenance, materials and supplies	26,040	13,710	19,334
Grants and contributions - operating	550	12,150	550
Insurance	11,490	11,133	11,486
Interest	460	459	449
Allowance for uncollectibles		20,793	
Other	1,000	463	422
Total General Government Services	\$ 239,120	\$ 249,207	\$ 208,801
Protective Services			
Police protection			
Professional/Contractual services	13,440	13,920	13,436
Grants and contributions - operating	200	200	200
Fire protection			
Professional/Contractual services	3,000	380	3,039
Grants and contributions - operating	50,000	42,711	25,612
Total Protective Services	\$ 66,640	\$ 57,211	\$ 42,287
Transportation Services			
Wages and benefits	416,110	344,484	332,557
Professional/Contractual services	510,000	49,425	43,910
Utilities	12,920	10,749	10,169
Maintenance, materials and supplies	37,320	17,000	32,703
Gravel	235,500	207,217	128,160
Machinery costs/fuel/blades	187,300	28,839	107,344
Culverts/drainage	15,000	17,481	19,970
Amortization		335,019	318,287
Interest	16,000	14,604	16,645
Other	109,810	49,940	63,423
Total Transportation Services	\$ 1,539,960	\$ 1,074,758	\$ 1,073,168

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

R. M. of Martin No. 122
 Total Expenses by Function
 For the year ended December 31, 2020

Schedule 3-2

	2020 Budget [Note 1(r)]	2020 Actual	2019 Actual
Environmental and Public Health Services			
Contractual services - waste	440		437
Maintenance, materials and supplies	10,500	18,062	8,617
Grants and contributions - operating	2,600	2,600	52,500
Grants and contributions - public health	<u>4,500</u>	<u>4,445</u>	<u>2,445</u>
Total Environmental and Public Health Services	\$ <u>18,040</u>	\$ <u>25,107</u>	\$ <u>63,999</u>
Planning and Development Services			
Professional/Contractual services	10,960	11,154	10,954
Grants and contributions - operating	<u>200</u>	<u>100</u>	<u>100</u>
Total Planning and Development Services	\$ <u>11,160</u>	\$ <u>11,254</u>	\$ <u>11,054</u>
Recreation and Cultural Services			
Grants and contributions - operating	1,300	1,100	1,400
Libraries	<u>4,500</u>	<u>4,341</u>	<u>4,273</u>
Total Recreation and Cultural Services	\$ <u>5,800</u>	\$ <u>5,441</u>	\$ <u>5,673</u>
Utility Services			
Utilities	2,000	1,611	1,603
Maintenance, materials and supplies	<u>550</u>	<u>973</u>	<u>443</u>
Total Utility Services	\$ <u>2,550</u>	\$ <u>2,584</u>	\$ <u>2,046</u>
Total Expenses by Function	\$ <u>1,883,270</u>	\$ <u>1,425,562</u>	\$ <u>1,407,028</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, 2020

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	2,971	2,269	77,809	6,256				89,305
Investment income and commissions	29,574							29,574
Grants - conditional				2,774				2,774
Grants - capital			99,553					99,553
Total Revenues	<u>32,545</u>	<u>2,269</u>	<u>177,362</u>	<u>9,030</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>221,206</u>
Expenses - schedule 3								
Wages and benefits	108,989		344,484					453,473
Professional/contractual services	75,687	14,300	49,425		11,154			150,566
Utilities	5,823		10,749				1,611	18,183
Maintenance materials and supplies	13,710		224,217	18,062			973	256,962
Machinery costs/fuel/blades			28,839					28,839
Culverts/drainage			17,481					17,481
Grants and contributions	12,150	42,911		7,045	100	1,100		63,306
Amortization			335,019					335,019
Insurance	11,133							11,133
Libraries						4,341		4,341
Interest	459		14,604					15,063
Allowance for uncollectibles	20,793							20,793
Other	463		49,940					50,403
Total Expenses	<u>249,207</u>	<u>57,211</u>	<u>1,074,758</u>	<u>25,107</u>	<u>11,254</u>	<u>5,441</u>	<u>2,584</u>	<u>1,425,562</u>
Surplus (Deficit) by Function	<u>\$ (216,662)</u>	<u>\$ (54,942)</u>	<u>\$ (897,396)</u>	<u>\$ (16,077)</u>	<u>\$ (11,254)</u>	<u>\$ (5,441)</u>	<u>\$ (2,584)</u>	<u>(1,204,356)</u>
Taxation and other unconditional revenue - schedule 1								<u>1,953,617</u>
Net Surplus								<u>\$ 749,261</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 January 1, 2020

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	3,810	2,678	97,808	1,051				105,347
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			79,127					79,127
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	76,081	16,475	43,910	437	10,954			147,857
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	449		16,645					17,094
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>

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

R. M. of Martin No. 122
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2020

Schedule 6

	2020							2019	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	172,535	23,020	1,011,267	311,847	1,126,192	9,644,481	46,693	12,336,035	11,897,343
Additions during the year					249,999	894,567		1,144,566	461,880
Disposals and write-down during the year									(23,188)
Transfer (from) assets under construction						46,693	(46,693)		
Closing Asset Costs	<u>172,535</u>	<u>23,020</u>	<u>1,011,267</u>	<u>311,847</u>	<u>1,376,191</u>	<u>10,585,741</u>	<u>0</u>	<u>13,480,601</u>	<u>12,336,035</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	19,717	68,573	109,879	381,639	4,488,867	0	5,068,675	4,758,983
Add: Amortization taken		575	25,253	17,511	81,915	209,765		335,019	318,287
Less: Accumulated amortization on disposals									8,595
Closing Accumulated Amortization Costs	<u>0</u>	<u>20,292</u>	<u>93,826</u>	<u>127,390</u>	<u>463,554</u>	<u>4,698,632</u>	<u>0</u>	<u>5,403,694</u>	<u>5,068,675</u>
Net Book Value	<u>\$ 172,535</u>	<u>\$ 2,728</u>	<u>\$ 917,441</u>	<u>\$ 184,457</u>	<u>\$ 912,637</u>	<u>\$ 5,887,109</u>	<u>\$ 0</u>	<u>\$ 8,076,907</u>	<u>\$ 7,267,360</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, 2020

Schedule 7

	2020							2019	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	0	0	12,336,035	0	0	0	0	12,336,035	11,897,343
Additions during the year			1,144,566					1,144,566	461,880
Disposals and write-down during the year									(23,188)
Closing Asset Costs	<u>0</u>	<u>0</u>	<u>13,480,601</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,480,601</u>	<u>12,336,035</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	0	5,068,675	0	0	0	0	5,068,675	4,758,983
Add: Amortization taken			335,019					335,019	318,287
Less: Accumulated amortization on disposals									8,595
Closing Accumulated Amortization Costs	<u>0</u>	<u>0</u>	<u>5,403,694</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,403,694</u>	<u>5,068,675</u>
Net Book Value	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,076,907</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,076,907</u>	<u>\$ 7,267,360</u>

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 part of these financial statements.*

R. M. of Martin No. 122
 Schedule of Accumulated Surplus
 For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
Unappropriated Surplus	<u>2,264,135</u>	<u>(83,904)</u>	<u>2,180,231</u>
Appropriated Surplus			
Public reserve	10,133	40,203	50,336
Capital trust reserve	562,650	(94,301)	468,349
Other			
Health care	<u>38,613</u>	<u>5,775</u>	<u>44,388</u>
Total Appropriated	<u>611,396</u>	<u>(48,323)</u>	<u>563,073</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	7,267,360	809,547	8,076,907
Less: Related debt	<u>514,523</u>	<u>(71,941)</u>	<u>442,582</u>
Net Investment in Tangible Capital Assets	<u>6,752,837</u>	<u>881,488</u>	<u>7,634,325</u>
Total Accumulated Surplus	<u>\$ 9,628,368</u>	<u>\$ 749,261</u>	<u>\$ 10,377,629</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, 2020

Schedule 9

	<u>Property Class</u>				Total
	Agriculture	Residential	Condominium Residential	Commercial & Industrial	
Taxable Assessment	59,413,365	9,079,450		64,110,600	132,603,415
Regional Park Assessment					
Total Assessment					132,603,415
Mill Rate Factor(s)	0.55	0.58		1.62	
Total Base/Minimum Tax (generated for each property class)	1,650	6,850		50	8,550
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	335,760	58,435		1,064,603	1,458,798
Mill Rates:	Mills				
Average Municipal*	11.0012				
Average School*	5.3755				
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, 2020

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Gerald Flaman	6,100	248	6,348
Garry Bonkowski	1,200	52	1,252
Wayne Beckett	3,750	50	3,800
Chris Leeds	1,000	24	1,024
Glen Ekert	6,050	182	6,232
Peter Currie	7,700	750	8,450
Hal Garrett	7,100	764	7,864
Ray Donald	7,350	910	8,260
John Gordon	6,600	497	7,097
	<u>6,600</u>	<u>497</u>	<u>7,097</u>
	<u>\$ 46,850</u>	<u>\$ 3,477</u>	<u>\$ 50,327</u>

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