

# **RURAL MUNICIPALITY OF LEASK NO. 464**

**Auditor's Report**

**Financial Statements**

**December 31, 2019**

## MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of

**Rural Municipality of Leask No. 464 :**

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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.

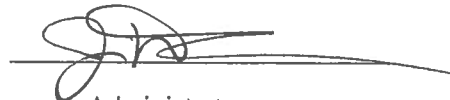
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately 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 the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Jensen Stromberg Chartered Professional Accountants, 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 administration to discuss their audit findings.



Reeve



Administrator

## INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of Rural Municipality of Leask No. 464

### *Report on the Financial Statements*

#### *Opinion*

We have audited the financial statements of **Rural Municipality of Leask No. 464**, which comprise the statement of financial position as at **December 31, 2019** and the statements of financial activities, changes in net financial assets, and changes in financial position 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 Rural Municipality as at **December 31, 2019** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Rural 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 these 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 Rural Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Rural Municipality or cease operations, or has no realistic alternative but to do so.

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

#### *Auditor's Responsibility for the Audit of the Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rural 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 Rural 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 Rural 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.

Saskatoon, Saskatchewan  
May 6, 2020

  
Chartered Professional Accountants

# RURAL MUNICIPALITY OF LEASK NO. 464

Statement 1

## STATEMENT OF FINANCIAL POSITION

December 31, 2019

with comparative figures for 2018

	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 515,674	292,630
Taxes receivable - Municipal (Note 3)	207,188	203,921
Other accounts receivable (Note 4)	37,935	88,998
Land for re-sale	-	-
Long-term investments (Note 5)	92,575	84,113
Debt charges recoverable	-	-
Other	-	-
	<hr/>	<hr/>
Total financial assets	853,372	669,662
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 6)	-	-
Accounts payable	44,859	87,668
Accrued liabilities payable	-	-
Deposits	27,059	17,534
Deferred revenue	-	-
Accrued landfill costs (Note 7)	30,000	30,000
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 8)	178,673	386,720
Lease obligations	-	-
	<hr/>	<hr/>
Total liabilities	280,591	521,922
<b>NET FINANCIAL ASSETS (DEBT)</b>	572,781	147,740
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	4,753,096	5,125,755
Prepaid and deferred charges	882	5,068
Stock and supplies	130,362	238,505
	<hr/>	<hr/>
Total non-financial assets	4,884,340	5,369,328
Accumulated Surplus (Deficit) (Schedule 8)	\$ <u>5,457,121</u>	<u>5,517,068</u>

### APPROVED ON BEHALF OF COUNCIL:

\_\_\_\_\_  
Reeve

\_\_\_\_\_  
Councillor

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF LEASK NO. 464

Statement 2

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2019  
with comparative figures for 2018

		<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,009,813	2,001,520	1,772,365
Fees and charges	(Schedule 4, 5)	129,350	118,921	163,400
Conditional grants	(Schedule 4, 5)	29,600	4,962	25,875
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	(2,450)	-
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	1,500	10,513	2,204
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	<u>1,100</u>	<u>6,643</u>	<u>1,490</u>
Total Revenues		2,171,363	2,140,109	1,965,334
Expenditures:				
General government services	(Schedule 3)	471,590	383,814	374,052
Protective services	(Schedule 3)	106,880	71,970	121,190
Transportation services	(Schedule 3)	1,273,960	1,729,386	1,464,420
Environmental and public health services	(Schedule 3)	53,430	50,784	41,993
Planning and development services	(Schedule 3)	22,500	16,783	18,400
Recreation and cultural services	(Schedule 3)	78,725	80,723	66,610
Utility services	(Schedule 3)	-	-	-
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>2,007,085</u>	<u>2,333,460</u>	<u>2,086,665</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>164,278</u>	<u>(193,351)</u>	<u>(121,331)</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>86,850</u>	<u>133,404</u>	<u>86,861</u>
Surplus (deficit) of revenues over expenditures		251,128	(59,947)	(34,470)
Accumulated surplus (deficit), beginning of year		<u>5,517,068</u>	<u>5,517,068</u>	<u>5,551,538</u>
Accumulated surplus (deficit), end of year		\$ <u>5,768,196</u>	<u>5,457,121</u>	<u>5,517,068</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464****Statement 3****STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

**Year ended December 31, 2019**  
 with comparative figures for 2018

	<b><u>2019</u></b> <b><u>Budget</u></b>	<b><u>2019</u></b> <b><u>Actual</u></b>	<b><u>2018</u></b> <b><u>Actual</u></b>
<b>Surplus (deficit)</b>	\$ <u>251,128</u>	<u>(59,947)</u>	<u>(34,470)</u>
(Acquisition) of tangible capital assets	-	(20,815)	(329,390)
Amortization of tangible capital assets	-	385,024	374,751
Proceeds on disposal of tangible capital assets	-	6,000	-
Loss (gain) on disposal of tangible capital assets	-	2,450	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>-</u>	<u>372,659</u>	<u>45,361</u>
(Acquisition) of supplies inventories	-	50,427	(238,506)
(Acquisition) of prepaid expenses	-	(883)	(5,068)
Consumption of supplies inventories	-	57,717	51,001
Use of prepaid expenses	<u>-</u>	<u>5,068</u>	<u>1,099</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>112,329</u>	<u>(191,474)</u>
<b>Increase (decrease) in Net Financial Assets</b>	251,128	425,041	(180,583)
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>147,740</u>	<u>147,740</u>	<u>328,323</u>
<b>Net Financial Assets (Debt)- End of year</b>	\$ <u>398,868</u>	<u>572,781</u>	<u>147,740</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464****Statement 4****STATEMENT OF CHANGES IN FINANCIAL POSITION**

**Year ended December 31, 2019**  
with comparative figures for 2018

<b>Cash provided by (used in) the following activities:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Operating:		
Surplus (deficit)	\$ (59,947)	(34,470)
Amortization	385,024	374,751
Loss (gain) on disposal of tangible capital assets	<u>2,450</u>	<u>-</u>
	327,527	340,281
Change in assets/liabilities		
Taxes receivable - Municipal	(3,266)	(44,547)
Other accounts receivable	51,063	32,577
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	(42,810)	67,681
Deposits	9,525	726
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	108,143	(187,505)
Prepayments and deferred charges	4,186	(3,969)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>454,368</u>	<u>205,244</u>
Capital:		
Acquisition of capital assets	(20,815)	(329,390)
Proceeds from the disposal of capital assets	6,000	-
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(14,815)</u>	<u>(329,390)</u>
Investing:		
Long-term investments	(8,462)	(1,417)
Other investments	<u>-</u>	<u>-</u>
Net cash used for investing	<u>(8,462)</u>	<u>(1,417)</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	184,900
Long-term debt repaid	(208,047)	(173,212)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>(208,047)</u>	<u>11,688</u>
Increase (decrease) in cash resources	223,044	(113,875)
Cash and temporary investments, beginning of year	<u>292,630</u>	<u>406,505</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 515,674</u>	<u>292,630</u>

See accompanying notes to the financial statements.



# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

**(a) Basis of Accounting**

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

**(b) Reporting Entity**

The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

**(c) 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 the relevant legislation. The amounts collected are disclosed in Note 3.

**(d) Government Transfers**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

**(e) Deferred Revenue - Fees and Charges**

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

**(f) Local Improvement Charges**

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) **Net-Financial Assets**

Net-financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(h) **Non-Financial Assets**

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

(i) **Appropriated Reserves**

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts designated are described on Schedule 8.

(j) **Property Tax Revenue**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

(k) **Investments**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment.

Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

(l) **Inventories**

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price of the inventory in the ordinary course of business.

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) **Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs 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:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery & Equipment	5 to 10 years
<i>Infrastructure Assets</i>	
Water and sewer	30 to 75 years
Road network assets	30 to 75 years

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

**Works of art and other unrecognized assets:** Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

**Capitalization of interest:** The Municipality does not capitalize interest incurred while a tangible capital asset is under construction.

**Leases:** All leases are recorded on the financial statements 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.

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

**(n) Liability for contaminated sites**

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

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

**(o) Trust Funds**

Funds held in trust for others are neither included in the Municipality's assets or equity. They are disclosed in Note 12.

**(p) Employee benefit plans**

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

**(q) Measurement Uncertainty**

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

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

The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

**(r) Basis of Segmentation/Segment Report**

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

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Municipality.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Transportation Services:** The transportation services segment is 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:** The planning and development segment provides for neighbourhood development and sustainability.

**Recreation and Culture:** The recreation and culture segment provides for community services through the provision of recreation and leisure services.

**Utility Services:** The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

#### (s) **New Accounting Standards**

Effective January 1, 2019, the Municipality adopted the following Canadian public sector accounting standard:

**PS 3430 Restructuring Transactions** defines a restructuring transaction and establishes standards for measuring assets and liabilities transferred in a restructuring transactions. The Municipality did not have any restructuring transactions.

### 2. CASH AND TEMPORARY INVESTMENTS

	<u>2019</u>	<u>2018</u>
Cash	\$ 515,674	292,630
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 515,674</u>	<u>292,630</u>

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

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2019</u>	<u>2018</u>
Municipal: - Current	\$ 103,918	98,762
- Arrears	<u>103,270</u>	<u>107,940</u>
	207,188	206,702
Less: allowance for uncollectibles	<u>-</u>	<u>(2,782)</u>
Total municipal taxes receivable	<u>207,188</u>	<u>203,920</u>
School: - Current	42,890	40,766
- Arrears	<u>43,600</u>	<u>49,892</u>
Total school taxes receivable	<u>86,490</u>	<u>90,658</u>
Other: - Current	4,530	9,542
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>4,530</u>	<u>9,542</u>
Total taxes and grants in lieu receivable	298,208	304,120
Deduct taxes receivable to be collected on behalf of other organizations	<u>(91,019)</u>	<u>(100,199)</u>
Total taxes receivable - Municipal	<u>\$ 207,188</u>	<u>203,921</u>

### 4. OTHER ACCOUNTS RECEIVABLE

	<u>2019</u>	<u>2018</u>
Federal government	\$ 9,255	30,405
Provincial government	26,876	35,558
Local government	-	-
Utility	-	-
Trade	1,804	23,035
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	37,935	88,998
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 37,935</u>	<u>88,998</u>

### 5. LONG-TERM INVESTMENTS

	<u>2019</u>	<u>2018</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ 92,575	84,113

### 6. BANK INDEBTEDNESS

#### Credit Arrangements

At December 31, 2019, the Municipality had a line of credit totaling \$450,000, none of which was drawn.

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 7. ACCRUED LANDFILL COSTS

	<u>2019</u>	<u>2018</u>
Accrued landfill costs	\$ <u>30,000</u>	\$ <u>30,000</u>

In 2019 the Municipality has accrued an overall liability for environmental matters which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

### 8. LONG-TERM DEBT

a) The authorized debt limit for the Municipality is \$1,423,485. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

b) Bank loans:

	<u>2019</u>	<u>2018</u>
RBC loan payable in monthly instalments of \$10,137 including interest at 2.26%, maturing July, 2020.	\$ 70,419	189,010
RBC loan payable in monthly instalments of \$2,329 including interest at 2.26%, maturing July, 2020.	16,183	43,433
RBC loan payable in monthly instalments of \$2,016 plus interest at 3.37%, maturing June, 2021.	32,612	56,804
RBC loan payable in monthly instalments of \$3,393 including interest at 3.37%, maturing June, 2021.	<u>59,459</u>	<u>97,473</u>
	<u>\$ 178,673</u>	<u>386,720</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2019	\$ -	-	-	216,032
2020	150,115	2,763	152,878	152,853
2021	28,558	258	28,816	28,789
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
Thereafter	-	-	-	-
Balance	<u>\$ 178,673</u>	<u>3,021</u>	<u>181,694</u>	<u>397,674</u>

# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 9. CONTINGENT LIABILITIES

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

### 10. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2019 was \$48,586 (2018 - \$35,614). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Based on the latest information available (December 31, 2018 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$463,236,000. This is based on the most recent actuarial valuation, completed December 31, 2017. The Rural Municipality's portion of this is not readily determinable.

### 11. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Rural Municipality:

#### **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. The standard is 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 foreign currency.

**PS 3041 Portfolio Investments** replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. The standard is effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

**PS 3450 Financial Instruments** is a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

**PS 3280 Asset Retirement Obligations** is 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 the new standard, existing Solid Waste Landfill Closure and Post-Closure Liability Section 3270 will be withdrawn.

#### **Standards Effective On Or After April 1, 2022**

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

The Rural Municipality continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.



# RURAL MUNICIPALITY OF LEASK NO. 464

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

### 12. TRUSTS ADMINISTERED BY THE MUNICIPALITY

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

<b>Green Fund</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Balance, beginning of year	\$ 97,173	111,021
Interest	830	39
Expenditures	<u>(27,359)</u>	<u>(13,887)</u>
Balance, end of year	\$ <u>70,644</u>	<u>97,173</u>

### 13. BUDGET

The Financial Plan (Budget) adopted by Council on May 23, 2019 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus does not include amounts budgeted for capital purchases, issuance or repayment of debt, or transfers to or from reserves. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<b><u>2019</u></b>
Budget net surplus	\$ 1,476
Add: Investment in tangible capital assets	37,000
Transfer to reserves	1,000
Debt repaid	218,652
Less: Transfer from reserves	<u>(7,000)</u>
Budget surplus per statement of operations	\$ <u>251,128</u>

## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2019

with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>TAXES</b>			
General municipal tax levy	\$ 1,517,593	1,516,228	1,375,234
Abatements and adjustments	(2,000)	(3,998)	(20,694)
Discount on current year taxes	<u>(50,650)</u>	<u>(65,743)</u>	<u>(61,149)</u>
<b>Net municipal taxes</b>	1,464,943	1,446,487	1,293,391
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	20,200	24,110	22,261
Special tax levy	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Taxes</b>	<u>1,485,143</u>	<u>1,470,597</u>	<u>1,315,652</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	494,660	494,660	425,149
Organized Hamlet	6,360	6,357	6,211
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Unconditional Grants</b>	<u>501,020</u>	<u>501,017</u>	<u>431,360</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	400	254	399
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	750	4,380	2,438
Provincial - Central Services	-	-	-
Sasktel	-	-	-
Other	22,500	25,272	22,516
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Grants in Lieu of Taxes</b>	<u>23,650</u>	<u>29,906</u>	<u>25,353</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 2,009,813</u>	<u>2,001,520</u>	<u>1,772,365</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	1,750	-
Sales of supplies	4,000	6,109	3,653
Other (tax enforcement, license/permits. misc.)	24,850	22,378	19,712
Total Fees and Charges	28,850	30,237	23,365
Tangible capital asset sales - gain (loss)	-	(2,450)	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	1,500	10,513	2,204
Other	-	-	-
Total other segmented revenue	30,350	38,300	25,569
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>30,350</u>	<u>38,300</u>	<u>25,569</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>30,350</u>	<u>38,300</u>	<u>25,569</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (fire fees)	40,000	35,166	89,434
Total Fees and Charges	40,000	35,166	89,434
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	500
Total other segmented revenue	40,000	35,166	89,934
Conditional Grants			
Student employment	-	-	-
Local government	-	-	4,589
Other	-	-	-
Total Conditional Grants	-	-	4,589
<b>Total Operating</b>	<u>40,000</u>	<u>35,166</u>	<u>94,523</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>40,000</u>	<u>35,166</u>	<u>94,523</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 20,000	13,549	10,192
Sales of supplies	10,000	3,907	11,376
Road Maintenance and Restoration Agreements	10,000	17,895	10,660
Other (gravel extraction fee)	<u>5,500</u>	<u>5,757</u>	<u>-</u>
Total Fees and Charges	<u>45,500</u>	<u>41,108</u>	<u>32,228</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>45,500</u>	<u>41,108</u>	<u>32,228</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>45,500</u>	<u>41,108</u>	<u>32,228</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	47,350	93,785	47,353
MREP (Heavy Haul, CTP, Municipal Bridges)	25,500	25,500	25,500
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>72,850</u>	<u>119,285</u>	<u>72,853</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>118,350</u>	<u>160,393</u>	<u>105,081</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	2,500	3,395	2,793
Other (clinic rent)	<u>1,000</u>	<u>-</u>	<u>922</u>
Total Fees and Charges	<u>3,500</u>	<u>3,395</u>	<u>3,715</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (MMSW)	<u>1,100</u>	<u>6,643</u>	<u>990</u>
Total other segmented revenue	<u>4,600</u>	<u>10,038</u>	<u>4,705</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Pest & weed control)	<u>29,600</u>	<u>4,962</u>	<u>21,286</u>
Total Conditional Grants	<u>29,600</u>	<u>4,962</u>	<u>21,286</u>
<b>Total Operating</b>	<u>34,200</u>	<u>15,000</u>	<u>25,991</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services Services</b>	<u>34,200</u>	<u>15,000</u>	<u>25,991</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other (Building & development permits)	11,500	9,015	14,658
Total Fees and Charges	11,500	9,015	14,658
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	11,500	9,015	14,658
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>11,500</u>	<u>9,015</u>	<u>14,658</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>11,500</u>	<u>9,015</u>	<u>14,658</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other (Insurance proceeds)	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Donations	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (Green fund)	14,000	14,119	14,008
<b>Total Capital</b>	<u>14,000</u>	<u>14,119</u>	<u>14,008</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>14,000</u>	<u>14,119</u>	<u>14,008</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Utility Services</b>	-	-	-
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 248,400</u>	<u>271,993</u>	<u>279,830</u>

**SUMMARY**

Total Other Segmented Revenue	\$ 131,950	133,627	167,094
Total Conditional Grants	29,600	4,962	25,875
Total Capital Grants and Contributions	86,850	133,404	86,861
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 248,400</u>	<u>271,993</u>	<u>279,830</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2019

with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 65,000	58,251	48,813
Wages and benefits	241,000	189,821	197,135
Professional/Contractual services	151,200	122,945	106,161
Utilities	9,500	7,228	8,594
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	1,000	184	1,813
-capital	-	-	-
Amortization	-	-	2,994
Interest	3,890	5,385	8,542
Allowance for uncollectibles	-	-	-
<b>General Government Services</b>	<u>471,590</u>	<u>383,814</u>	<u>374,052</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>471,590</u>	<u>383,814</u>	<u>374,052</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	37,800	31,549	47,317
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	17,700	9,827	20,300
Professional/Contractual services	12,500	7,009	7,105
Utilities	12,300	7,510	10,465
Maintenance, materials, and supplies	24,380	6,807	34,113
Grants and contributions -operating	-	45	-
-capital	-	-	-
Amortization	-	7,690	800
Interest	2,200	1,533	1,090
Other	-	-	-
<b>Protective Services</b>	<u>106,880</u>	<u>71,970</u>	<u>121,190</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>106,880</u>	<u>71,970</u>	<u>121,190</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	470,000	426,167	388,891
Professional/Contractual services	165,000	148,739	102,095
Utilities	8,500	8,085	8,204
Maintenance, materials, and supplies	272,500	277,952	271,173
Gravel	350,000	490,571	320,696
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	374,282	369,572
Interest	7,960	3,590	3,789
Other	-	-	-
<b>Transportation Services</b>	<u>1,273,960</u>	<u>1,729,386</u>	<u>1,464,420</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>1,273,960</u>	<u>1,729,386</u>	<u>1,464,420</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	9,000	5,285	5,559
Professional/Contractual services	39,500	40,569	33,004
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	1,500	1,500	-
Public health	3,430	3,430	3,430
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Environmental and Public Health Services</b>	<u>53,430</u>	<u>50,784</u>	<u>41,993</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services</b>	<u>53,430</u>	<u>50,784</u>	<u>41,993</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	22,500	16,783	18,400
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Planning and Development Services</b>	<u>22,500</u>	<u>16,783</u>	<u>18,400</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>22,500</u>	<u>16,783</u>	<u>18,400</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	3,175	2,046	6,045
Utilities	-	-	-
Maintenance, materials, and supplies	400	-	664
Grants and contributions	-	-	-
-operating	27,000	26,293	25,209
-capital	-	-	-
Amortization	-	3,052	1,385
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other (Hamlet activities)	48,150	49,332	33,307
<b>Recreation and Cultural Services</b>	<u>78,725</u>	<u>80,723</u>	<u>66,610</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>78,725</u>	<u>80,723</u>	<u>66,610</u>

See accompanying notes to the financial statements.



## RURAL MUNICIPALITY OF LEASK NO. 464

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Utility Services</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>TOTAL EXPENDITURES BY FUNCTION</b>	 \$ <u>2,007,085</u>	 <u>2,333,460</u>	 <u>2,086,665</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464**  
**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

Year ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 30,237	35,166	41,108	3,395	9,015	-	-	118,921
Tangible capital asset sales - Gain (loss)	(2,450)	-	-	-	-	-	-	(2,450)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	10,513	-	-	-	-	-	-	10,513
Other revenues	-	-	-	6,643	-	-	-	6,643
Grants - Conditional	-	-	-	4,962	-	-	-	4,962
Grants - Capital	-	-	119,285	-	-	14,119	-	133,404
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>38,300</b>	<b>35,166</b>	<b>160,393</b>	<b>15,000</b>	<b>9,015</b>	<b>14,119</b>	<b>-</b>	<b>271,993</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	248,072	9,827	426,167	5,285	-	-	-	689,351
Professional/Contractual Services	122,945	38,558	148,739	40,569	16,783	2,046	-	369,640
Utilities	7,228	7,510	8,085	-	-	-	-	22,823
Maintenance, materials and supplies	-	6,807	768,523	-	-	49,332	-	824,662
Grants and contributions	184	45	-	4,930	-	26,293	-	31,452
Amortization	-	7,690	374,282	-	-	3,052	-	385,024
Interest	5,385	1,533	3,590	-	-	-	-	10,508
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>383,814</b>	<b>71,970</b>	<b>1,729,386</b>	<b>50,784</b>	<b>16,783</b>	<b>80,723</b>	<b>-</b>	<b>2,333,460</b>
<b>Surplus (deficit) by function</b>	<b>(345,514)</b>	<b>(36,804)</b>	<b>(1,568,993)</b>	<b>(35,784)</b>	<b>(7,768)</b>	<b>(66,604)</b>	<b>-</b>	<b>(2,061,467)</b>
Taxation and other unconditional revenue (Schedule 1)								<u>2,001,520</u>
<b>Net Surplus (Deficit)</b>								<u>\$ (59,947)</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464**  
**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

**Year ended December 31, 2018**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 23,365	89,434	32,228	3,715	14,658	-	-	163,400
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	2,204	-	-	-	-	-	-	2,204
Other revenues	-	500	-	990	-	-	-	1,490
Grants - Conditional	-	4,589	-	21,286	-	-	-	25,875
Grants - Capital	-	-	72,853	-	-	14,008	-	86,861
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>25,569</u>	<u>94,523</u>	<u>105,081</u>	<u>25,991</u>	<u>14,658</u>	<u>14,008</u>	<u>-</u>	<u>279,830</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	245,948	20,300	388,891	5,559	-	-	-	660,698
Professional/Contractual Services	106,161	54,422	102,095	33,004	18,400	6,045	-	320,127
Utilities	8,594	10,465	8,204	-	-	-	-	27,263
Maintenance, materials and supplies	-	34,113	591,869	-	-	33,971	-	659,953
Grants and contributions	1,813	-	-	3,430	-	25,209	-	30,452
Amortization	2,994	800	369,572	-	-	1,385	-	374,751
Interest	8,542	1,090	3,789	-	-	-	-	13,421
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>374,052</u>	<u>121,190</u>	<u>1,464,420</u>	<u>41,993</u>	<u>18,400</u>	<u>66,610</u>	<u>-</u>	<u>2,086,665</u>
<b>Surplus (deficit) by function</b>	<u>(348,483)</u>	<u>(26,667)</u>	<u>(1,359,339)</u>	<u>(16,002)</u>	<u>(3,742)</u>	<u>(52,602)</u>	<u>-</u>	<u>(1,806,835)</u>
Taxation and other unconditional revenue (Schedule 1)								<u>1,772,365</u>
<b>Net Surplus (Deficit)</b>								<u>\$ (34,470)</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**

**Year ended December 31, 2019**  
with comparative figures for 2018

	2019						2018
	General Assets			Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	
<b>Asset cost</b>							
Opening asset costs	\$ 87,858	10,626	87,952	285,708	1,447,968	8,715,052	10,635,164
Additions during the year	-	-	-	-	-	20,815	20,815
Disposals and write-downs during the year	-	-	-	(16,899)	-	-	(16,899)
Transfers (from) assets under construction	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>87,858</u>	<u>10,626</u>	<u>87,952</u>	<u>268,809</u>	<u>1,447,968</u>	<u>8,735,867</u>	<u>10,635,164</u>
<b>Accumulated amortization cost</b>							
Opening accumulated amortization costs	-	6,029	74,641	66,140	503,082	4,859,517	5,509,409
Add: Amortization taken	-	1,005	380	34,172	138,600	210,867	385,024
Less: Accumulated amortization on disposals	-	-	-	(8,449)	-	-	(8,449)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>7,034</u>	<u>75,021</u>	<u>91,863</u>	<u>641,682</u>	<u>5,070,384</u>	<u>5,509,409</u>
<b>Net book value</b>	<u>\$ 87,858</u>	<u>3,592</u>	<u>12,931</u>	<u>176,946</u>	<u>806,286</u>	<u>3,665,483</u>	<u>5,125,755</u>

1. Total contributed/donated assets received in 2019: \$ -

2. List of assets recognized at nominal value in 2019 are:

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

3. Amount of interest capitalized in 2019: \$ -

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**Year ended December 31, 2019**  
with comparative figures for 2018

	2019							2018
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 40,747	90,555	10,385,772	578	-	117,512	-	10,635,164
Additions during the year	-	-	20,815	-	-	-	-	20,815
Disposals and write-downs during the year	-	-	(16,899)	-	-	-	-	(16,899)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	40,747	90,555	10,389,688	578	-	117,512	-	10,635,164
Accumulated amortization cost								
Opening accumulated amortization costs	40,507	19,255	5,441,718	-	-	7,929	-	5,509,409
Add: Amortization taken	-	7,690	374,282	-	-	3,052	-	385,024
Less: Accumulated amortization on disposals	-	-	(8,449)	-	-	-	-	(8,449)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	40,507	26,945	5,807,551	-	-	10,981	-	5,509,409
Net book value	\$ 240	63,610	4,582,137	578	-	106,531	-	5,125,755

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2019

	<u>2018</u>	<u>Changes</u>	<u>2019</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>389,791</u>	<u>111,356</u>	<u>501,147</u>
<b>APPROPRIATED RESERVES</b>			
Machinery and equipment	290,868	10	290,878
Public reserve	27,830	(6,077)	21,753
Capital trust	-	-	-
Utility	-	-	-
Other	<u>8,624</u>	<u>-</u>	<u>8,624</u>
<b>Total Appropriated</b>	<u>327,322</u>	<u>(6,067)</u>	<u>321,255</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	5,125,755	(372,659)	4,753,096
Less: Related debt	<u>(386,719)</u>	<u>208,046</u>	<u>(178,673)</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>4,739,036</u>	<u>(164,613)</u>	<u>4,574,423</u>
<b>Total Accumulated Surplus</b>	\$ <u>5,517,068</u>	<u>(59,947)</u>	<u>5,457,121</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464**  
**SCHEDULE OF MILL RATES AND ASSESSMENTS**

Year ended December 31, 2019  
 with comparative figures for 2018

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	\$ 104,349,335	25,895,840	-	46,527,110	2,418,900	-
Regional Park Assessment						
Total Assessment						\$ 179,191,185
Mill Rate Factor(s)	1.0000	0.8000	-	-	1.6500	
Total Base/Minimum Tax (generated for each property class)						
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,022,624	198,251	-	256,239	39,114	1,516,228

MILL RATES:	MILLS
Average Municipal*	8.462
Average School*	2.583
Potash Mill Rate	-
Uniform Municipal Mill Rate	9.800

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

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF LEASK NO. 464****SCHEDULE OF COUNCIL REMUNERATION**

**Year ended December 31, 2019**  
with comparative figures for 2018

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Reeve	Len Cantin	\$ 6,610	3,700	10,310
Councillor	Real Diehl	4,600	3,153	7,753
Councillor	Robert Girod	6,730	3,267	9,997
Councillor	Clarke Gossen	4,510	3,604	8,114
Councillor	Edward Musich	4,240	1,924	6,164
Councillor	Gordon Stieb	4,430	3,049	7,479
Councillor	Grant Thiel	2,180	1,725	3,905
Total		<u>\$ 33,300</u>	<u>20,422</u>	<u>53,722</u>

See accompanying notes to the financial statements.



## RURAL MUNICIPALITY OF LEASK NO. 464

## SCHEDULE OF RESTRUCTURING

Year ended December 31, 2019

## Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>\$ -</b>

See accompanying notes to the financial statements.