

# **RURAL MUNICIPALITY OF DUNDURN NO. 314**

**Auditor's Report**

**Financial Statements**

**December 31, 2019**

## MANAGEMENT'S RESPONSIBILITY

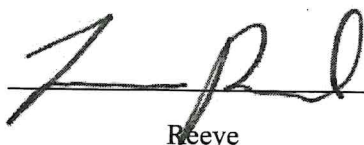
To the Ratepayers of  
**Rural Municipality of Dundurn No. 314 :**

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

The Council is composed of elected officials who are not employees of the Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by 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



Leanne Mack

Administrator



CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, C.P.A. Prof. Corp.

Jeff Stromberg, C.P.A. Prof. Corp.

## INDEPENDENT AUDITOR'S REPORT

To the **Reeve and Council of Rural Municipality of Dundurn No. 314**

### *Report on the Consolidated Financial Statements*

#### *Opinion*

We have audited the consolidated financial statements of **Rural Municipality of Dundurn No. 314**, which comprise the consolidated statement of financial position as at **December 31, 2019** and the consolidated 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 consolidated 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.

#### *Other Matters*

The financial statements of **Rural Municipality of Dundurn No. 314** for the year ended December 31, 2018 were audited by another auditor who expressed an unmodified opinion on those statements on September 26, 2019.

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

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 Consolidated Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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  
June 30, 2020

  
Chartered Professional Accountants



# RURAL MUNICIPALITY OF DUNDURN NO. 314

Statement 1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2019  
with comparative figures for 2018

	<u>2019</u>	<u>Restated (Note 17) 2018</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 2,516,163	2,384,481
Taxes receivable - Municipal (Note 3)	646,472	672,136
Other accounts receivable (Note 4)	116,476	183,563
Land for re-sale (Note 5)	13,107	-
Long-term investments (Note 6)	53,182	46,479
Debt charges recoverable	-	-
Other	-	-
	<u>3,345,400</u>	<u>3,286,659</u>
Total financial assets		
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 7)	-	-
Accounts payable	157,485	346,514
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue (Note 8)	-	14,472
Accrued landfill costs	-	-
Liability for contaminated sites (Note 12)	-	-
Other liabilities	15,239	20,441
Long-term debt (Note 9)	59,123	203,700
Lease obligations (Note 10)	<u>857,330</u>	<u>1,016,412</u>
	<u>1,089,177</u>	<u>1,601,539</u>
Total liabilities		
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>2,256,223</u>	<u>1,685,120</u>
Non-financial assets:		
Tangible capital assets	6,863,811	8,326,092
Prepaid and deferred charges	795	78,418
Stock and supplies	<u>14,506</u>	<u>38,701</u>
	<u>6,879,112</u>	<u>8,443,211</u>
Total non-financial assets		
Accumulated Surplus (Deficit)	<u>\$ 9,135,335</u>	<u>10,128,331</u>

### APPROVED ON BEHALF OF COUNCIL:

\_\_\_\_\_  
Reeve

\_\_\_\_\_  
Councillor

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF DUNDURN NO. 314

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Statement 2

Year ended December 31, 2019  
with comparative figures for 2018

		<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	Restated (Note 17) <u>2018</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,449,900	2,581,031	2,468,056
Fees and charges	(Schedule 4, 5)	449,730	527,046	751,131
Conditional grants	(Schedule 4, 5)	4,200	32,440	1,430
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	20,588	(1,189)
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	18,300	(9,305)	20,836
Restructurings		-	1,555,614	-
Other revenues	(Schedule 4, 5)	<u>5,000</u>	<u>2,645</u>	<u>7,850</u>
Total Revenues		2,927,130	4,710,059	3,248,114
Expenditures:				
General government services	(Schedule 3)	602,990	541,902	492,014
Protective services	(Schedule 3)	215,260	236,069	316,376
Transportation services	(Schedule 3)	1,575,450	1,994,981	1,953,743
Environmental and public health services	(Schedule 3)	65,860	72,369	54,986
Planning and development services	(Schedule 3)	33,500	52,655	62,207
Recreation and cultural services	(Schedule 3)	44,000	33,174	42,375
Utility services	(Schedule 3)	68,500	135,352	179,640
Restructurings		-	2,816,416	-
Total Expenditures		<u>2,605,560</u>	<u>5,882,918</u>	<u>3,101,341</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>321,570</u>	<u>(1,172,859)</u>	<u>146,773</u>
Provincial/Federal capital grants and contributions		<u>51,140</u>	<u>179,863</u>	<u>70,143</u>
Surplus (deficit) of revenues over expenditures		372,710	(992,996)	216,916
Accumulated surplus (deficit), beginning of year		<u>10,128,331</u>	<u>10,128,331</u>	<u>9,911,415</u>
Accumulated surplus (deficit), end of year		\$ <u>10,501,041</u>	<u>9,135,335</u>	<u>10,128,331</u>

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF DUNDURN NO. 314

## CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Statement 3

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ 372,710	(992,996)	216,916
(Acquisition) of tangible capital assets	-	(174,996)	(245,986)
Amortization of tangible capital assets	-	424,727	511,141
Proceeds on disposal of tangible capital assets	-	20,588	-
Loss (gain) on disposal of tangible capital assets	-	(20,588)	1,189
Loss (gain) on disposal of investments	-	38,130	-
Transfer of assets/liabilities in restructuring transactions	-	1,174,426	-
<b>Surplus (deficit) of capital expenses over expenditures</b>	-	1,462,287	266,344
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(796)	(78,418)
Consumption of supplies inventories	-	24,191	38,701
Use of prepaid expenses	-	78,417	-
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	-	101,812	(39,717)
<b>Increase (decrease) in Net Financial Assets</b>	372,710	571,103	443,543
<b>Net Financial Assets (Debt) - Beginning of the year</b>	1,685,120	1,685,120	1,241,577
<b>Net Financial Assets (Debt)- End of year</b>	\$ 2,057,830	2,256,223	1,685,120

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF DUNDURN NO. 314

**Statement 4**

## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

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

	<b><u>2019</u></b>	<b><u>Restated (Note 17) 2018</u></b>
<b>Cash provided by (used in) the following activities:</b>		
Operating:		
Surplus (deficit)	\$ (992,996)	216,916
Amortization	424,727	511,141
Loss (gain) on disposal of tangible capital assets	(20,588)	1,189
Loss (gain) on disposal of investments	38,130	-
Restructuring (surplus) deficit	<u>865,608</u>	<u>-</u>
	314,881	729,246
Change in assets/liabilities		
Taxes receivable - Municipal	25,665	(13,950)
Other accounts receivable	67,086	121,894
Land for re-sale	(13,108)	-
Other financial assets	-	-
Accounts and accrued liabilities payable	(189,034)	(38,004)
Deposits	-	-
Deferred revenue	(14,472)	6,802
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	(5,201)	20,461
Stock and supplies	24,195	38,701
Prepayments and deferred charges	77,623	(78,418)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>287,635</u>	<u>786,732</u>
Capital:		
Acquisition of capital assets	174,996	(245,986)
Proceeds from the disposal of capital assets	(20,588)	-
Other capital	<u>-</u>	<u>-</u>
Net cash from (used for) capital	<u>154,408</u>	<u>(245,986)</u>
Investing:		
Long-term investments	(6,703)	(3,978)
Other investments	<u>-</u>	<u>-</u>
Net cash used for investing	<u>(6,703)</u>	<u>(3,978)</u>
Financing activities:		
Long-term debt issued	-	-
Long-term debt repaid	(144,576)	(68,115)
Lease obligations repaid	<u>(159,082)</u>	<u>(152,159)</u>
Net cash used for financing	<u>(303,658)</u>	<u>(220,274)</u>
Increase (decrease) in cash resources	131,682	316,494
Cash and temporary investments, beginning of year	<u>2,384,481</u>	<u>2,067,987</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 2,516,163</u>	<u>2,384,481</u>
See accompanying notes to the financial statements.		



# RURAL MUNICIPALITY OF DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2019

### 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated 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.

Entities included in these financial statements are as follows:

Entity

*Dundurn and Area Wastewater Utility*

All inter-organizational transactions and balances have been eliminated.

**(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.

**(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 DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED 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.

Investments in government partnerships are accounted for on the proportionate consolidation method.

#### (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 DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED 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.

#### (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 its contributions.

#### (o) **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

# RURAL MUNICIPALITY OF DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2019

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.

### (p) 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.

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.

### (q) 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 had two restructuring transactions in the current year (Note 15).



# RURAL MUNICIPALITY OF DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2019

### 2. CASH AND TEMPORARY INVESTMENTS

	<u>2019</u>	<u>Restated (Note 17) 2018</u>
Cash	\$ 2,011,108	2,384,481
Temporary investments	<u>505,055</u>	<u>-</u>
	<u>\$ 2,516,163</u>	<u>2,384,481</u>

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

### 3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2019</u>	<u>Restated (Note 17) 2018</u>
Municipal: - Current	\$ 263,795	408,307
- Arrears	<u>382,677</u>	<u>263,829</u>
	646,472	672,136
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>646,472</u>	<u>672,136</u>
School: - Current	178,269	184,379
- Arrears	<u>172,780</u>	<u>150,581</u>
Total school taxes receivable	<u>351,049</u>	<u>334,960</u>
Other: - Current	1,159	1,168
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>1,159</u>	<u>1,168</u>
Total taxes and grants in lieu receivable	998,680	1,008,264
Deduct taxes receivable to be collected on behalf of other organizations	<u>(352,207)</u>	<u>(336,128)</u>
Total taxes receivable - Municipal	<u>\$ 646,472</u>	<u>672,136</u>

**RURAL MUNICIPALITY OF DUNDURN NO. 314**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2019**

**4. OTHER ACCOUNTS RECEIVABLE**

	<u>2019</u>	<b>Restated (Note 17) 2018</b>
Federal government	\$ 32,778	26,866
Provincial government	-	-
Local government	-	-
Utility	-	-
Trade	103,408	120,769
Other	<u>4,539</u>	<u>35,928</u>
Total other accounts receivable	140,725	183,563
Less: allowance for uncollectibles	<u>(24,249)</u>	<u>-</u>
Net other accounts receivable	<u>\$ 116,476</u>	<u>183,563</u>

**5. LAND FOR RESALE**

	<u>2019</u>	<b>Restated (Note 17) 2018</b>
Tax title property	\$ 15,682	-
Less: - allowance for market value adjustment	-	-
- due to other taxing authorities	<u>(2,575)</u>	<u>-</u>
Net tax title Property	<u>13,107</u>	<u>-</u>
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ 13,107</u>	<u>-</u>

**6. LONG-TERM INVESTMENTS**

	<u>2019</u>	<b>Restated (Note 17) 2018</b>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ <u>53,182</u>	<u>46,479</u>

**7. 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 DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2019

### 8. DEFERRED REVENUE

	<u>2019</u>	Restated (Note 17) <u>2018</u>
Prepaid taxes	\$ <u>-</u>	\$ <u>14,472</u>

### 9. LONG-TERM DEBT

a) The authorized debt limit for the Municipality is \$811,653. 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) Loan debt:

	<u>2019</u>	Restated (Note 17) <u>2018</u>
Loan, repayable in annual payments of \$60,653.14; including interest at 2.99%; matures in 2020.	\$ <u>59,123</u>	<u>115,350</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2020	\$ 59,123	\$ 1,768	\$ 60,891	\$ 116,299
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ <u>59,123</u>	\$ <u>1,768</u>	\$ <u>60,891</u>	\$ <u>116,299</u>

### 10. LEASE OBLIGATIONS

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

2020	\$ 196,810
2021	232,968
2022	<u>510,988</u>
Total future minimum lease payments	940,766
Amounts representing interest at a weighted average rate of 5%	<u>79,564</u>
Capital lease liability	\$ <u>857,330</u>

**RURAL MUNICIPALITY OF DUNDURN NO. 314**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2019**

**11. 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 \$31,052 (2018 - \$34,057). The benefits accrued to the municipality's employees from MEPP are calculated using the following: contributions are 9% of salary with the Municipality matching all the employees' contributions to the plan.

Based on the latest information available (December 31, 2019 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$658,468,000. This is based on the most recent actuarial valuation, completed December 31, 2018. The Rural Municipality's portion of this is not readily determinable.

**12. 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.

**13. COMPARATIVE FIGURES**

The prior year's comparative figures have been reclassified to conform to the current year's method of presentation.



# RURAL MUNICIPALITY OF DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2019

### 14. INVESTMENT IN A GOVERNMENT PARTNERSHIP

The following summarizes the financial information of the government partnership in the Dundurn and Area Wastewater Utility (DAWWU). As at December 31, 2018, the Municipality had a proportionate share of 40.84%. On January 1, 2019, the Municipality sold 10 shares to one of the partners resulting in a proportionate share of 40.26% on December 31, 2019 of the following:

Statement of Financial Position	2019	Restated (Note 17) 2018
Cash	\$ 179,395	184,339
Accounts receivable	<u>11,272</u>	<u>13,272</u>
Total financial assets	190,667	197,611
Accounts payable and accrued liabilities	<u>12,637</u>	<u>12,450</u>
Net financial assets	<u>178,030</u>	<u>185,161</u>
Tangible capital assets	1,652,017	7,345,104
Accumulated surplus	<u>1,830,047</u>	<u>7,530,265</u>
Statement of Operations		
Revenues	\$ <u>147,024</u>	<u>144,957</u>
Expenditures	121,404	145,616
Amortization of Tangible Capital Assets	58,888	247,103
Restructuring	<u>5,664,883</u>	<u>-</u>
Total expenditures	<u>5,845,175</u>	<u>392,719</u>
Current surplus (deficit)	<u>(5,698,151)</u>	<u>(247,762)</u>

**RURAL MUNICIPALITY OF DUNDURN NO. 314**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2019**

**15. RESTRUCTURING TRANSACTIONS**

On January 1, 2019 the Municipality received the transfer of lift stations and forcemains and the responsibility for the ongoing operation of the assets from the Dundurn and Area Wastewater Utility (DAWWU). The restructuring was to reduce DAWWU's scope of its operations to be exclusive to the operation of the lagoon and infrastructure directly related to the lagoon.

The assets transferred have been recorded at DAWWU's carrying value at the time of the transfer, totalling \$1,555,614. This amount has been recorded as water and sewer infrastructure revenue during the year. The restructuring did not involve any other transfer of compensation, liabilities, or contractual obligations and the restructuring process did not incur any significant restructuring-related costs.

As part of the government partnership in DAWWU, the Municipality must also record its proportionate consolidation of the restructuring transfer out of these assets above. The assets transferred out have been recorded at the Municipality's proportionate amount of DAWWU's carrying value at the time of the transfer totalling \$2,280,878 and this amount has been recorded as water and sewer infrastructure expense during the year.

On January 1, 2019 the Municipality transferred protective services equipment, cash, accounts receivable, accounts payable, and long-term debt and the responsibility for the ongoing operation of the assets to the Dundurn & District Fire Commission (DFD). The restructuring was for the purpose of constituting and creating a First Response and Fire Fighting Commission. The carrying amount of assets transferred of \$457,572 is recorded as an expense during the year. The restructuring did not involve any other transfer of compensation, liabilities, or contractual obligations and the restructuring process did not incur any significant restructuring-related costs.

**16. BUDGET**

The Financial Plan (Budget) adopted by Council on June 4, 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 budget expensed all tangible capital expenditures rather than including amortization expense. 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		\$ 28,050
Add:	Investment in tangible capital assets	442,660
	Transfer to reserves	77,000
Less:	Transfer from reserves	<u>(175,000)</u>
Budget surplus per statement of operations		\$ <u><u>372,710</u></u>

# RURAL MUNICIPALITY OF DUNDURN NO. 314

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2019

### 17. CORRECTION OF AN ERROR

During the 2019 year, management determined that several accounts had not properly been recorded in past years, and an investment in a government partnership had not been proportionately consolidated. The 2018 comparatives in the following accounts have been restated to correct this error.

	<u>Originally stated</u>	<u>Adjustment</u>	<u>Restated</u>
Cash and temporary investments	\$ 2,310,571	\$ 73,911	\$ 2,384,481
Taxes receivable	672,137	-	672,136
Other accounts receivable	192,024	(8,461)	183,563
Long term investments	<u>250,597</u>	<u>(204,118)</u>	<u>46,479</u>
Total financial assets	<u>3,425,329</u>	<u>(138,668)</u>	<u>3,286,659</u>
Bank indebtedness	-	346,514	346,514
Accounts payable	343,110	(343,110)	-
Deposits	-	14,472	14,472
Deferred revenue	33,232	(33,232)	-
Liability for contaminated sites	-	20,441	20,441
Long term debt	175,688	28,012	203,700
Lease obligations	<u>971,025</u>	<u>45,387</u>	<u>1,016,412</u>
Total liabilities	<u>1,523,055</u>	<u>78,484</u>	<u>1,601,539</u>
NET FINANCIAL ASSETS (DEBT)	<u>1,902,274</u>	<u>(60,184)</u>	<u>1,685,120</u>
Tangible capital assets	5,220,863	3,105,229	8,326,092
Prepaid and deferred charges	78,418	-	78,418
Stock and supplies	38,701	-	38,701
Accumulated surplus (Deficit)	<u>7,240,256</u>	<u>3,045,045</u>	<u>10,128,331</u>
Total revenues	3,242,673	5,441	3,248,114
Total expenditures	3,090,785	10,556	3,101,341

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>TAXES</b>			
General municipal tax levy	\$ 1,896,980	1,896,179	1,827,816
Abatements and adjustments	-	(8,553)	(6,247)
Discount on current year taxes	<u>(70,000)</u>	<u>(76,283)</u>	<u>(68,663)</u>
<b>Net municipal taxes</b>	1,826,980	1,811,343	1,752,906
Potash tax share	201,000	201,537	187,026
Trailer license fees	-	-	-
Penalties on tax arrears	90,000	113,543	88,141
Special tax levy	-	-	-
Other	-	-	-
<b>Total Taxes</b>	<u>2,117,980</u>	<u>2,126,423</u>	<u>2,028,073</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	200,000	320,821	306,271
Organized Hamlet	-	-	-
Other	-	-	-
<b>Total Unconditional Grants</b>	<u>200,000</u>	<u>320,821</u>	<u>306,271</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	130,000	131,865	131,790
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Provincial - Central Services	-	-	-
Sasktel	-	-	-
Other	1,920	1,922	1,922
 Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<u>131,920</u>	<u>133,787</u>	<u>133,712</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 2,449,900</u>	<u>2,581,031</u>	<u>2,468,056</u>

See accompanying notes to the financial statements.



## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 5,400	3,098	7,149
Sales of supplies	2,000	825	1,927
Other (Rentals, Permits, and licenses)	47,830	62,895	65,874
Total Fees and Charges	55,230	66,818	74,950
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	18,300	28,825	20,836
Other	-	-	-
Total other segmented revenue	73,530	95,643	95,786
Conditional Grants			
Student employment	-	-	-
Other (FCM)	-	16,140	-
Total Conditional Grants	-	16,140	-
<b>Total Operating</b>	<u>73,530</u>	<u>111,783</u>	<u>95,786</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>73,530</u>	<u>111,783</u>	<u>95,786</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other	150	5,650	150,844
Total Fees and Charges	150	5,650	150,844
Tangible capital asset sales - gain (loss)	-	-	(1,189)
Other	-	-	-
Total other segmented revenue	150	5,650	149,655
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>150</u>	<u>5,650</u>	<u>149,655</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>150</u>	<u>5,650</u>	<u>149,655</u>

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>Restated</u> <u>(Note 17)</u> <u>2018</u> <u>Actual</u>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 45,000	39,925	44,345
Sales of supplies	6,300	46,855	37,355
Road Maintenance and Restoration Agreements	150,000	127,759	180,875
Other	-	-	-
Total Fees and Charges	<u>201,300</u>	<u>214,539</u>	<u>262,575</u>
Tangible capital asset sales - gain (loss)	-	20,588	-
Other	-	-	-
Total other segmented revenue	<u>201,300</u>	<u>235,127</u>	<u>262,575</u>
Conditional Grants			
Federal - Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>201,300</u>	<u>235,127</u>	<u>262,575</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	51,140	179,863	70,143
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>51,140</u>	<u>179,863</u>	<u>70,143</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>252,440</u>	<u>414,990</u>	<u>332,718</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	20,000	20,376	17,667
Other	500	3,825	3,363
Total Fees and Charges	<u>20,500</u>	<u>24,201</u>	<u>21,030</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (cemetery fees)	5,000	2,645	7,850
Total other segmented revenue	<u>25,500</u>	<u>26,846</u>	<u>28,880</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	3,000	1,035	-
Other (pest control)	1,200	-	1,430
Total Conditional Grants	<u>4,200</u>	<u>1,035</u>	<u>1,430</u>
<b>Total Operating</b>	<u>29,700</u>	<u>27,881</u>	<u>30,310</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
<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>29,700</u>	<u>27,881</u>	<u>30,310</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <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	\$ 148,350	186,120	211,831
Other (Cost recoveries)	-	-	-
Total Fees and Charges	148,350	186,120	211,831
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	148,350	186,120	211,831
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>148,350</u>	<u>186,120</u>	<u>211,831</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>148,350</u>	<u>186,120</u>	<u>211,831</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 (Sask Lotteries)	-	15,265	-
Total Conditional Grants	-	15,265	-
<b>Total Operating</b>	<u>-</u>	<u>15,265</u>	<u>-</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (CIF, Affinity CU)	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>-</u>	<u>15,265</u>	<u>-</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 1,000	1,238	118
Sewer	23,200	28,480	29,783
Other	-	-	-
Total Fees and Charges	24,200	29,718	29,901
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	-	(38,130)	-
Other	-	-	-
Total other segmented revenue	24,200	(8,412)	29,901
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	24,200	(8,412)	29,901
<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>	-	1,555,614	-
<b>Total Utility Services</b>	24,200	1,547,202	29,901
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	\$ 528,370	2,308,891	850,201
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 473,030	540,974	778,628
Total Conditional Grants	4,200	32,440	1,430
Total Capital Grants and Contributions	51,140	179,863	70,143
Restructuring Revenue	-	1,555,614	-
<b>TOTAL REVENUE BY FUNCTION</b>	\$ 528,370	2,308,891	850,201

See accompanying notes to the financial statements.



## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 90,000	121,271	81,934
Wages and benefits	243,800	169,639	185,617
Professional/Contractual services	200,140	153,131	145,588
Utilities	10,600	10,416	9,744
Maintenance, materials, and supplies	18,550	27,502	20,231
Grants and contributions	8,000	14,682	6,497
-operating	-	-	-
-capital	-	-	-
Amortization	-	4,463	4,463
Interest	31,900	40,798	37,940
Allowance for uncollectibles	-	-	-
<b>General Government Services</b>	<u>602,990</u>	<u>541,902</u>	<u>492,014</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>602,990</u>	<u>541,902</u>	<u>492,014</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	112,000	111,764	110,766
Amortization	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	-	229	44,417
Professional/Contractual services	-	5,500	46,565
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	50,218
Grants and contributions	55,000	54,913	-
-operating	48,260	47,750	-
-capital	-	15,913	64,227
Amortization	-	-	183
Interest	-	-	-
Other	-	-	-
<b>Protective Services</b>	<u>215,260</u>	<u>236,069</u>	<u>316,376</u>
<b>Restructuring</b>	<u>-</u>	<u>535,538</u>	<u>-</u>
<b>Total Protective Services</b>	<u>215,260</u>	<u>771,607</u>	<u>316,376</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	395,150	397,118	317,164
Professional/Contractual services	888,000	866,439	1,018,420
Utilities	14,800	12,547	13,071
Maintenance, materials, and supplies	277,500	316,346	192,084
Gravel	-	438	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	339,765	341,544
Interest	-	52,457	71,460
Allowance for uncollectibles	-	7,360	-
Other	-	2,511	-
<b>Transportation Services</b>	<u>1,575,450</u>	<u>1,994,981</u>	<u>1,953,743</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>1,575,450</u>	<u>1,994,981</u>	<u>1,953,743</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ -	-	-
Professional/Contractual services	63,210	69,627	52,518
Utilities	650	706	568
Maintenance, materials, and supplies	-	86	-
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	2,000	1,950	1,900
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Environmental and Public Health Services</b>	<u>65,860</u>	<u>72,369</u>	<u>54,986</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services</b>	<u>65,860</u>	<u>72,369</u>	<u>54,986</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	33,500	35,766	62,207
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Allowance for uncollectibles	-	16,889	-
<b>Planning and Development Services</b>	<u>33,500</u>	<u>52,655</u>	<u>62,207</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>33,500</u>	<u>52,655</u>	<u>62,207</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	44,000	9,691	20,282
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	23,483	22,093
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<u>44,000</u>	<u>33,174</u>	<u>42,375</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>44,000</u>	<u>33,174</u>	<u>42,375</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## 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>	Restated (Note 17) <u>2018</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ -	-	-
Professional/Contractual services	65,300	58,804	74,524
Utilities	3,200	2,563	4,209
Maintenance, materials, and supplies	-	9,399	-
Grants and contributions -operating	-	-	-
-capital	-	-	-
Amortization	-	64,586	100,907
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Utility Services</b>	<u>68,500</u>	<u>135,352</u>	<u>179,640</u>
<b>Restructuring</b>	<u>-</u>	<u>2,280,878</u>	<u>-</u>
<b>Total Utility Services</b>	<u>68,500</u>	<u>2,416,230</u>	<u>179,640</u>
 <b>TOTAL EXPENDITURES BY FUNCTION</b>	 \$ <u>2,605,560</u>	 <u>5,882,918</u>	 <u>3,101,341</u>

See accompanying notes to the financial statements.



# Schedule 4

## RURAL MUNICIPALITY OF DUNDURN NO. 314

### CONSOLIDATED 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	\$ 66,818	5,650	214,539	24,201	186,120	-	29,718	527,046
Tangible capital asset sales - Gain (loss)	-	-	20,588	-	-	-	-	20,588
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	28,825	-	-	-	-	-	(38,130)	(9,305)
Other revenues	-	-	-	2,645	-	-	-	2,645
Grants - Conditional	16,140	-	-	1,035	-	15,265	-	32,440
Grants - Capital	-	-	179,863	-	-	-	-	179,863
Restructurings	-	-	-	-	-	-	1,555,614	1,555,614
<b>Total revenues</b>	<b>111,783</b>	<b>5,650</b>	<b>414,990</b>	<b>27,881</b>	<b>186,120</b>	<b>15,265</b>	<b>1,547,202</b>	<b>2,308,891</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	290,910	229	397,118	-	-	-	-	688,257
Professional/Contractual Services	153,131	117,264	866,439	69,627	35,766	9,691	58,804	1,310,722
Utilities	10,416	-	12,547	706	-	-	2,563	26,232
Maintenance, materials and supplies	27,502	-	316,784	86	-	-	9,399	353,771
Grants and contributions	14,682	102,663	-	1,950	-	23,483	-	142,778
Amortization	4,463	15,913	339,765	-	-	-	64,586	424,727
Interest	40,798	-	52,457	-	-	-	-	93,255
Allowance for uncollectibles.	-	-	7,360	-	16,889	-	-	24,249
Other	-	-	2,511	-	-	-	-	2,511
Restructurings	-	535,538	-	-	-	-	2,280,878	2,816,416
<b>Total expenses</b>	<b>541,902</b>	<b>771,607</b>	<b>1,994,981</b>	<b>72,369</b>	<b>52,655</b>	<b>33,174</b>	<b>2,416,230</b>	<b>5,882,918</b>
<b>Surplus (deficit) by function</b>	<b>(430,119)</b>	<b>(765,957)</b>	<b>(1,579,991)</b>	<b>(44,488)</b>	<b>133,465</b>	<b>(17,909)</b>	<b>(869,028)</b>	<b>(3,574,027)</b>
Taxation and other unconditional revenue (Schedule 1)								
<b>Net Surplus (Deficit)</b>								<b>2,581,031</b>
								<b>\$ (992,996)</b>

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF DUNDURN NO. 314

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

**Schedule 5**

Year ended December 31, 2018 (Restated - Note 17)

	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	\$ 74,950	150,844	262,575	21,030	211,831	-	29,901	751,131
Tangible capital asset sales - Gain (loss)	-	(1,189)	-	-	-	-	-	(1,189)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	20,836	-	-	-	-	-	-	20,836
Other revenues	-	-	-	7,850	-	-	-	7,850
Grants - Conditional	-	-	-	1,430	-	-	-	1,430
Grants - Capital	-	-	70,143	-	-	-	-	70,143
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>95,786</u>	<u>149,655</u>	<u>332,718</u>	<u>30,310</u>	<u>211,831</u>	<u>-</u>	<u>29,901</u>	<u>850,201</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	267,551	44,417	317,164	-	-	-	-	629,132
Professional/Contractual Services	145,588	157,331	1,018,420	52,518	62,207	20,282	74,524	1,530,870
Utilities	9,744	-	13,071	568	-	-	4,209	27,592
Maintenance, materials and supplies	20,231	50,218	192,084	-	-	-	-	262,533
Grants and contributions	6,497	-	-	1,900	-	22,093	-	30,490
Amortization	4,463	64,227	341,544	-	-	-	100,907	511,141
Interest	37,940	183	71,460	-	-	-	-	109,583
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>492,014</u>	<u>316,376</u>	<u>1,953,743</u>	<u>54,986</u>	<u>62,207</u>	<u>42,375</u>	<u>179,640</u>	<u>3,101,341</u>
<b>Surplus (deficit) by function</b>								
Taxation and other unconditional revenue (Schedule 1)	(396,228)	(166,721)	(1,621,025)	(24,676)	149,624	(42,375)	(149,739)	(2,251,140)
<b>Net Surplus (Deficit)</b>								<u>\$ 216,916</u>

See accompanying notes to the financial statements.

**RURAL MUNICIPALITY OF DUNDURN NO. 314**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**

Year ended December 31, 2019  
with comparative figures for 2018

	2019							Restated (Note 17) 2018	
	General Assets			Infrastructure Assets	General /	Total	Total		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment				Assets Under Construction
Asset cost									
Opening asset costs	\$ 497,080	5,978	1,070,989	207,542	2,663,686	10,465,134	-	14,910,407	
Additions during the year	-	-	-	-	174,996	-	-	174,996	
Disposals and write-downs during the year	-	-	-	-	(14,802)	-	-	(14,802)	
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	(615,081)	(1,013,240)	-	(1,628,321)	
Closing asset costs	497,080	5,978	1,070,989	207,542	2,208,799	9,451,894	-	14,910,407	
Accumulated amortization cost									
Opening accumulated amortization costs	-	-	312,876	25,793	567,685	5,677,961	-	6,584,315	
Add: Amortization taken	-	-	25,204	20,754	209,624	169,145	-	424,727	
Less: Accumulated amortization on disposals	-	-	-	-	(14,802)	-	-	(14,802)	
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	(157,509)	(258,262)	-	(415,771)	
Closing accumulated amortization costs	-	-	338,080	46,547	604,998	5,588,844	-	6,584,315	
Net book value	\$ 497,080	5,978	732,909	160,995	1,603,801	3,863,050	-	8,326,092	
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 DUNDURN NO. 314** **CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**

Year ended December 31, 2019  
with comparative figures for 2018

	2019							Restated (Note 17) 2018
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	
Asset cost							Total	Total
Opening asset costs	\$ 167,675	676,231	10,325,215	39,485	-	-	3,701,802	14,910,407
Additions during the year	-	-	174,996	-	-	-	-	174,996
Disposals and write-downs during the year	-	-	(14,802)	-	-	-	-	(14,802)
Transfer of assets related to restructuring (Schedule 11)	-	(615,081)	-	-	-	-	(1,013,240)	(1,628,321)
Closing asset costs	167,675	61,150	10,485,409	39,485	-	-	2,688,562	13,442,280
Accumulated amortization cost								
Opening accumulated amortization costs	61,211	147,711	5,673,053	-	-	-	702,340	6,584,315
Add: Amortization taken	4,463	15,913	339,765	-	-	-	64,586	424,727
Less: Accumulated amortization on disposals	-	-	(14,802)	-	-	-	-	(14,802)
Transfer of assets related to restructuring (Schedule 11)	-	(157,509)	-	-	-	-	(258,262)	(415,771)
Closing accumulated amortization costs	65,674	6,115	5,998,016	-	-	-	508,664	6,578,469
Net book value	\$ 102,001	55,035	4,487,393	39,485	-	-	2,179,898	6,863,811
								8,326,092

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2019

	Restated (Note 17) <u>2018</u>	<u>Changes</u>	<u>2019</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>1,892,772</u>	<u>203,695</u>	<u>2,096,467</u>
<b>APPROPRIATED RESERVES</b>			
Machinery and equipment	422,422	-	422,422
Public reserve	658,242	10,847	669,089
Capital trust	48,915	(48,915)	-
Utility	-	-	-
<b>Total Appropriated</b>	<u>1,129,579</u>	<u>(38,068)</u>	<u>1,091,511</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	8,326,092	(1,462,281)	6,863,811
Less: Related debt	<u>(1,220,112)</u>	<u>303,658</u>	<u>(916,454)</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>7,105,980</u>	<u>(1,158,623)</u>	<u>5,947,357</u>
<b>Total Accumulated Surplus</b>	\$ <u>10,128,331</u>	<u>(992,996)</u>	<u>9,135,335</u>

See accompanying notes to the financial statements.

# **RURAL MUNICIPALITY OF DUNDURN NO. 314**

## **SCHEDULE OF MILL RATES AND ASSESSMENTS**

Year ended December 31, 2019

	PROPERTY CLASS					Total
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial &amp; Industrial</u>	<u>Potash Mine(s)</u>
<b>Taxable Assessment</b>	\$ 48,275,365	253,114,645	75,520	334,320	12,620,300	\$ 314,420,150
<b>Regional Park Assessment</b>						
<b>Total Assessment</b>						\$ 314,420,150
<b>Mill Rate Factor(s)</b>	0.8000	1.0000	1.0000	1.0000	0.7000	
<b>Total Base/Minimum Tax</b> (generated for each property class)	-	-	-	-	7,959	7,959
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	\$ 243,319	1,594,622	476	2,106	55,656	1,896,179

<b>MILL RATES:</b>	<u>MILLS</u>
Average Municipal*	6.031
Average School*	3.790
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.300

\* 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 DUNDURN NO. 314

## SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2019

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Reeve	Trevor Reid	\$ 31,525	3,757	35,282
Councillor	David Aldred	13,763	977	14,740
Councillor	Andrew Olson	20,314	1,661	21,975
Councillor	Werner Falk	9,889	846	10,735
Councillor	Fred Baran	14,350	3,216	17,566
Councillor	Fred Scott	7,839	941	8,780
Total		<u>\$ 97,680</u>	<u>11,398</u>	<u>109,078</u>

See accompanying notes to the financial statements.

## RURAL MUNICIPALITY OF DUNDURN NO. 314

## SCHEDULE OF RESTRUCTURING

Year ended December 31, 2019

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

Cash and temporary investments	\$ (149,000)
Taxes Receivable - Municipal	-
Other accounts receivable	(18,567)
Land for resale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	1,251
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	88,350
Lease obligations	-
Tangible capital assets	(1,182,836)
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>\$ <u>(1,260,802)</u></b>

See accompanying notes to the financial statements.