

**Rural Municipality of Wolverine No. 340**

**Financial Statements**

*December 31, 2019*

# Rural Municipality of Wolverine No. 340

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*For the year ended December 31, 2019*

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## Management's Responsibility

To the Ratepayers of the Rural Municipality of Wolverine No. 340:

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. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

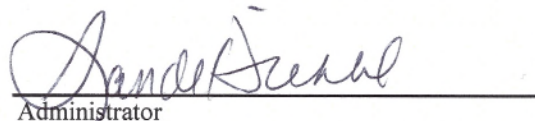
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Council is composed entirely of council members who are neither management nor employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the annual financial statements. Council fulfils these responsibilities by reviewing the financial information and discussing relevant matters with management. Council is also responsible for the appointment of the Municipality's external auditors.

MNP LLP is appointed by 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 with both management and Council to discuss their audit findings.

March 20, 2020

  
Reeve

  
Administrator

# Independent Auditor's Report

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To the Reeve and Councillors of the Rural Municipality of Wolverine No. 340:

## Opinion

We have audited the financial statements of the Rural Municipality of Wolverine No. 340 (the "Municipality"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net financial assets, cash flows and related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2019, and the results of its operations and its 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 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, Reeve and Council for the Financial Statements

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

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

The Reeve and council are responsible for overseeing the Municipality's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Reeve and council 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.

Humboldt, Saskatchewan

March 20, 2020

*MNP* LLP

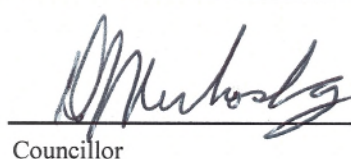
Chartered Professional Accountants

Rural Municipality of Wolverine No. 340  
 Statement of Financial Position  
 As at December 31, 2019

Statement 1

	2019	2018
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 2)	2,377,519	2,387,990
Taxes Receivable - Municipal (Note 3)	39,140	67,314
Other Accounts Receivable (Note 4)	29,750	11,572
Long-Term Investments (Note 5)	1,135,082	1,098,622
Land for Resale (Note 6)	15,475	-
<b>Total Financial Assets</b>	<b>3,596,966</b>	<b>3,565,498</b>
<b>LIABILITIES</b>		
Accounts Payable	222,442	134,835
Other Liabilities	31,072	26,760
<b>Total Liabilities</b>	<b>253,514</b>	<b>161,595</b>
<b>NET FINANCIAL ASSETS</b>	<b>3,343,452</b>	<b>3,403,903</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule 6, 7)	3,755,499	3,677,349
Prepayments and Deferred Charges	7,694	167
Stock and Supplies	436,051	228,331
<b>Total Non-Financial Assets</b>	<b>4,199,244</b>	<b>3,905,847</b>
<b>Accumulated Surplus (Schedule 8)</b>	<b>7,542,696</b>	<b>7,309,750</b>

  
 \_\_\_\_\_  
 Reeve

  
 \_\_\_\_\_  
 Councillor

The accompanying notes are an integral part of these financial statements

Rural Municipality of Wolverine No. 340

Statement of Operations

For the year ended December 31, 2019

Statement 2

	2019 Budget	2019	2018
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	1,665,522	1,666,014	1,546,634
Fees and Charges (Schedule 4, 5)	67,350	76,181	96,930
Conditional Grants (Schedule 4, 5)	5,596	6,496	3,088
Tangible Capital Asset Sales - Loss (Schedule 4, 5)	(86,414)	(86,414)	(2,472)
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	44,523	72,037	35,067
Other Revenues (Schedule 4, 5)	7,500	9,968	8,137
<b>Total Revenues</b>	<b>1,704,077</b>	<b>1,744,282</b>	<b>1,687,384</b>
<b>Expenses</b>			
General Government Services (Schedule 3)	262,328	249,671	224,342
Protective Services (Schedule 3)	52,800	55,170	38,371
Transportation Services (Schedule 3)	1,788,347	1,187,267	1,305,101
Environmental and Public Health Services (Schedule 3)	48,735	41,448	42,394
Planning and Development Services (Schedule 3)	45,800	21,325	30,802
Recreation and Cultural Services (Schedule 3)	10,359	14,649	9,842
Utility Services (Schedule 3)	-	-	-
<b>Total Expenses</b>	<b>2,208,369</b>	<b>1,569,530</b>	<b>1,650,852</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(504,292)</b>	<b>174,752</b>	<b>36,532</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	29,046	58,194	28,350
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>(475,246)</b>	<b>232,946</b>	<b>64,882</b>
<b>Accumulated Surplus, Beginning of Year</b>	<b>7,309,750</b>	<b>7,309,750</b>	<b>7,244,868</b>
<b>Accumulated Surplus, End of Year</b>	<b>6,834,504</b>	<b>7,542,696</b>	<b>7,309,750</b>

The accompanying notes are an integral part of these financial statements

**Rural Municipality of Wolverine No. 340**  
**Statement of Change in Net Financial Assets**  
**For the year ended December 31, 2019**

Statement 3

	<b>2019 Budget</b>	<b>2019</b>	<b>2018</b>
<b>Surplus (Deficit)</b>	(475,246)	232,946	64,882
(Acquisition) of tangible capital assets	(654,692)	(648,324)	(200,528)
Amortization of tangible capital assets	303,760	303,760	324,885
Proceeds on disposal of tangible capital assets	180,000	180,000	85,725
Loss on the disposal of tangible capital assets	86,414	86,414	2,472
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>(84,518)</b>	<b>(78,150)</b>	<b>212,554</b>
(Acquisition) consumption of supplies inventories	-	(207,720)	90,492
Acquisition of prepaid expense	-	(7,527)	(153)
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>(215,247)</b>	<b>90,339</b>
<b>Increase (Decrease) in Net Financial Assets</b>	<b>(559,764)</b>	<b>(60,451)</b>	<b>367,775</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>3,403,903</b>	<b>3,403,903</b>	<b>3,036,128</b>
<b>Net Financial Assets - End of Year</b>	<b>2,844,139</b>	<b>3,343,452</b>	<b>3,403,903</b>

*The accompanying notes are an integral part of these financial statements*



Rural Municipality of Wolverine No. 340  
Statement of Cash Flow  
For the year ended December 31, 2019

Statement 4

	2019	2018
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus	232,946	64,882
Amortization	303,760	324,885
Loss on disposal of tangible capital assets	86,414	2,472
	<u>623,120</u>	<u>392,239</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	28,174	6,196
Other Receivables	(18,178)	262,529
Accounts Payable	87,607	118,361
Other Liabilities	4,312	2,793
Stock and supplies for use	(207,720)	90,492
Prepayments and Deferred Charges	(7,527)	(153)
<b>Net cash from operations</b>	<b>509,788</b>	<b>872,457</b>
<b>Capital:</b>		
Acquisition of capital assets	(648,324)	(200,528)
Proceeds from the disposal of capital assets	180,000	85,725
<b>Net cash used for capital</b>	<b>(468,324)</b>	<b>(114,803)</b>
<b>Investing:</b>		
Long-term investments	(36,460)	(768,697)
Land for Resale	(15,475)	-
<b>Net cash used for investing</b>	<b>(51,935)</b>	<b>(768,697)</b>
<b>Decrease in cash resources</b>	<b>(10,471)</b>	<b>(11,043)</b>
<b>Cash and Investments - Beginning of Year</b>	<b>2,387,990</b>	<b>2,399,033</b>
<b>Cash and Investments - End of Year</b>	<b>2,377,519</b>	<b>2,387,990</b>

The accompanying notes are an integral part of these financial statements

**1. Significant Accounting Policies**

The financial statements of the Municipality are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the Municipality are as follows:

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

- a) **Reporting Entity:** The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all of the organizations that are owned or controlled by the Municipality and that are, therefore, accountable to the Council for the administration of their financial affairs and resources. For the purpose of the financial statements of the Municipality, there are no additional organizations that require consolidation.
- b) **Collection of funds for other authorities:** Collection of funds by the Municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed on Note 3.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
  - a) the transfer is authorized;
  - b) any eligibility criteria have been met; and
  - c) a reasonable estimate of the amount can be made.

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.

- d) **Deferred Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Net-Financial Assets:** Net-Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- f) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- g) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- h) **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.

1. Significant Accounting Policies - continued

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

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	20 Yrs
Buildings	40 Yrs
<b>Vehicles &amp; Equipment</b>	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	40 Yrs

- l) **Employee Benefit Plans:** Contributions to the Municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to their contributions.
- m) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality. Amortization is based on the estimated useful lives of tangible capital assets.

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

1. Significant Accounting Policies - continued

- n) **Basis of Segmentation/Segment Report:** The Municipality has adopted the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: 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 delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

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

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

**Future Accounting Standards:**

**Effective On or After April 1, 2021:**

**PS 1201 Financial Statement Presentation**, replaces PS 1200 with revised general reporting principals and standards of presentation and disclosure in government financial statements. Effective in the period PS 3450 and PS 2601 are adopted.

**PS 2601 Foreign Currency Translation**, replaces PS 2600 with revised guidelines on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency.

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

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

**PS 3280 Asset Retirement Obligations**, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. As this standard includes solid waste landfill sites and post-closing obligations upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

**Effective On or After April 1, 2022:**

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

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

Rural Municipality of Wolverine No. 340

Notes to the Financial Statements

For the year ended December 31, 2019

	2019	2018
<b>2. Cash and Temporary Investments</b>		
Cash	1,218,607	1,573,765
Temporary Investments	1,158,912	814,225
<b>Total Cash and Temporary Investments</b>	<b>2,377,519</b>	<b>2,387,990</b>

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**

Municipal - Current	26,533	33,298
- Arrears	12,607	34,016
	<b>39,140</b>	67,314
- Less Allowance for Uncollectibles	-	-
Total municipal taxes receivable	<b>39,140</b>	67,314
School - Current	8,467	20,226
- Arrears	6,622	19,666
Total school taxes receivable	<b>15,089</b>	39,892
Other - Current	310	1,048
- Arrears	-	-
Total other taxes receivable	<b>310</b>	1,048
Total taxes and grants in lieu receivable	<b>54,539</b>	108,254
Deduct taxes receivable to be collected on behalf of other organizations	<b>(15,399)</b>	(40,940)
<b>Municipal and Grants in Lieu Taxes Receivable</b>	<b>39,140</b>	67,314

**4. Other Accounts Receivable**

Federal government	17,530	6,243
Trade	3,810	3,398
Provincial government	8,410	1,931
Total Other Accounts Receivable	<b>29,750</b>	11,572
Less Allowance for Uncollectibles	-	-
<b>Net Other Accounts Receivable</b>	<b>29,750</b>	11,572

**5. Long-Term Investments**

Sask Association of Rural Municipalities - Self Insurance Fund	76,025	68,612
Co-operative Equity	30,010	30,010
Conexus Credit Union Term Investments	771,625	1,000,000
Scotiabank Term Investments	257,422	-
<b>Total Long-Term Investments</b>	<b>1,135,082</b>	1,098,622

**Rural Municipality of Wolverine No. 340**

**Notes to the Financial Statements**

**For the year ended December 31, 2019**

	2018	2017
<b>6. Land for Resale</b>		
Tax title property	8,894	-
Allowance for market value adjustment	(7,371)	-
Deduct portion due to other tax authority (school)	(1,523)	-
Net Tax Title Property	-	-
Other land	15,475	-
Allowance for market value adjustment	-	-
Net Other Land	15,475	-
<b>Total Land for Resale</b>	<b>15,475</b>	<b>-</b>

**7. Bank Indebtedness**

The Municipality has a line of credit to a maximum of \$550,000, bearing interest at prime plus 0.5% (4.45% at December 31, 2019), of which \$Nil was drawn as of December 31, 2019 (2018 - \$Nil).

**8. Long-Term Debt**

The debt limit of the Municipality is \$990,039. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161).

**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.

The Municipality, together with a number of other rural and urban municipalities, is a member of the Regional Authority of Carlton Trail - Waste Management District Ltd. ("REACT"). REACT is governed by the Department of Saskatchewan Environment and Resource Management ("SERM") and is responsible for waste collection, landfill operations and future site restoration costs. Expenditures that relate to on-going environmental and reclamation programs are charged against revenues as incurred. Future site restoration costs are recognized based on assumptions, engineering studies and estimates to the costs of future removal and site restoration. Changes to the underlying assumptions or legislative change in the future could have a material impact on the financial statements. As these costs are not readily determinable, the Municipality has not provided for future site restoration costs.

**10. Commitment**

The Municipality has entered into an agreement with the Lanigan and District Fire Association (the "Association") to assist in funding future capital expenditures for a ten year period commencing in 2012. In each year during the agreement period, the annual commitment will be calculated based on the Municipality's share of the yearly levy assessed. In 2019, the Municipality's share was \$7,547. The anticipated levy for the next 2 years is \$7,547 per year. The commitment will be fulfilled in 2021.

**11. Budget**

On May 9, 2019, the Council approved its operating budget on planned expenses relating to the current year funding and other current year sources of revenue.

Rural Municipality of Wolverine No. 340  
 Schedule of Taxes and Other Unconditional Revenue  
 For the year ended December 31, 2019

Schedule 1

	2019 Budget	2019	2018
<b>TAXES</b>			
General municipal tax levy	951,841	951,841	876,230
Abatements and adjustments	(5,000)	(5,154)	(1,200)
Discount on current year taxes	(32,000)	(31,563)	(30,190)
<b>Net Municipal Taxes</b>	<b>914,841</b>	<b>915,124</b>	<b>844,840</b>
Potash tax share	629,764	628,370	583,478
Penalties on tax arrears	4,000	5,602	5,564
<b>Total Taxes</b>	<b>1,548,605</b>	<b>1,549,096</b>	<b>1,433,882</b>
<b>UNCONDITIONAL GRANTS</b>			
Equalization (Revenue Sharing)	116,847	116,847	112,685
<b>Total Unconditional Grants</b>	<b>116,847</b>	<b>116,847</b>	<b>112,685</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Provincial	70	71	67
<b>Total Grants in Lieu of Taxes</b>	<b>70</b>	<b>71</b>	<b>67</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>1,665,522</b>	<b>1,666,014</b>	<b>1,546,634</b>

**Rural Municipality of Wolverine No. 340**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2019**

**12. Pension Plan**

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2019 was \$37,921 (2018-\$33,613). 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.

**13. Comparative Figures**

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



Rural Municipality of Wolverine No. 340  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended December 31, 2019

Schedule 2 - 1

	2019 Budget	2019	2018
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Sales of supplies	1,300	2,428	1,410
- Other ( <i>Licenses, permits, rentals</i> )	8,900	1,051	14,700
Total Fees and Charges	10,200	3,479	16,110
- Investment income and commissions	44,523	72,037	35,067
- Other ( <i>Post Office outlet, WCB rebate</i> )	7,500	9,968	8,137
Total Other Segmented Revenue	62,223	85,484	59,314
<b>Total Operating</b>	62,223	85,484	59,314
<b>Total General Government Services</b>	<b>62,223</b>	<b>85,484</b>	<b>59,314</b>

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other ( <i>Fire fees</i> )	-	-	-
Total Fees and Charges	-	-	-
Total Other Segmented Revenue	-	-	-
<b>Total Operating</b>	-	-	-
<b>Total Protective Services</b>	-	-	-

**TRANSPORTATION SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Custom work	25,000	30,088	46,141
- Sales of supplies	8,000	12,792	7,751
- Road maintenance and restoration agreements	20,150	25,154	21,256
Total Fees and Charges	53,150	68,034	75,148
- Tangible capital asset sales - loss	(86,414)	(86,414)	(2,472)
Total Other Segmented Revenue	(33,264)	(18,380)	72,676
Conditional Grants			
- Saskatchewan Water Security Agency	-	-	-
- Trans Gas	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	(33,264)	(18,380)	72,676

**Capital**

Conditional Grants			
- Federal Gas Tax	29,046	58,194	28,350
- Provincial Disaster Assistance	-	-	-
<b>Total Capital</b>	29,046	58,194	28,350
<b>Total Transportation Services</b>	<b>(4,218)</b>	<b>39,814</b>	<b>101,026</b>

Rural Municipality of Wolverine No. 340  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended December 31, 2019

Schedule 2 - 2

	2019 Budget	2019	2018
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Sale of supplies	-	20	10
- Other ( <i>Beaver bounties</i> )	1,000	1,600	2,357
Total Other Segmented Revenue	1,000	1,620	2,367
Conditional Grants			
- Local government	2,500	3,448	-
- Provincial government	150	-	142
Total Conditional Grants	2,650	3,448	142
<b>Total Operating</b>	<b>2,650</b>	<b>3,448</b>	<b>142</b>
<b>Total Environmental and Public Health Services</b>	<b>3,650</b>	<b>5,068</b>	<b>2,509</b>

**RECREATION AND CULTURAL SERVICES**

**Operating**

Conditional Grants			
- Sask Lotteries Community Grant Program	2,946	3,048	2,946
Total Conditional Grants	2,946	3,048	2,946
<b>Total Operating</b>	<b>2,946</b>	<b>3,048</b>	<b>2,946</b>
<b>Total Recreation and Cultural Services</b>	<b>2,946</b>	<b>3,048</b>	<b>2,946</b>

**UTILITY SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Water	3,000	3,048	3,305
Total Fees and Charges	3,000	3,048	3,305
Total Other Segmented Revenue	3,000	3,048	3,305
<b>Total Operating</b>	<b>3,000</b>	<b>3,048</b>	<b>3,305</b>
<b>Total Utility Services</b>	<b>3,000</b>	<b>3,048</b>	<b>3,305</b>

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>67,601</b>	<b>136,462</b>	<b>169,100</b>
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**SUMMARY**

Total Other Segmented Revenue	32,959	71,772	137,662
Total Conditional Grants	5,596	6,496	3,088
Total Capital Grants and Contributions	29,046	58,194	28,350
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>67,601</b>	<b>136,462</b>	<b>169,100</b>

Rural Municipality of Wolverine No. 340

Schedule of Expenses by Function

For the year ended December 31, 2019

Schedule 3 - 1

	2019 Budget	2019	2018
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	39,570	41,486	36,756
Wages and benefits	112,500	106,531	102,020
Professional/Contractual services	78,150	67,779	58,570
Utilities	8,400	7,733	7,975
Maintenance, materials and supplies	12,900	9,632	8,200
Grants and contributions - operating	2,000	50	2,300
Amortization	8,288	8,288	8,288
Allowance for uncollectibles	-	7,371	-
Other	520	801	233
<b>Total Government Services</b>	<b>262,328</b>	<b>249,671</b>	<b>224,342</b>

**PROTECTIVE SERVICES**

**Police protection**

Professional/Contractual services	22,000	22,316	21,908
Grants and contributions - operating	200	200	200

**Fire protection**

Professional/Contractual services	600	600	580
Grants and contributions - operating	30,000	32,054	15,683

<b>Total Protective Services</b>	<b>52,800</b>	<b>55,170</b>	<b>38,371</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	491,200	459,807	446,072
Professional/Contractual services	267,800	17,258	20,092
Utilities	13,350	14,400	12,161
Maintenance, materials, and supplies	324,125	256,994	278,559
Gravel	396,400	143,336	231,620
Amortization	295,472	295,472	316,597
Interest	-	-	-

<b>Total Transportation Services</b>	<b>1,788,347</b>	<b>1,187,267</b>	<b>1,305,101</b>
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Rural Municipality of Wolverine No. 340

Schedule of Expenses by Function

For the year ended December 31, 2019

Schedule 3 - 2

	2019 Budget	2019	2018
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	4,600	3,666	3,614
Professional/Contractual services	28,500	23,817	21,708
Utilities	2,300	1,901	2,085
Maintenance, materials and supplies	4,000	3,829	3,679
Grants and contributions - operating			
o Public Health	8,335	8,235	11,190
Other ( <i>Water well samples</i> )	1,000	-	118
<b>Total Environmental and Public Health Services</b>	<b>48,735</b>	<b>41,448</b>	<b>42,394</b>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Professional/Contractual services	44,550	20,625	29,702
Grants and contributions - operating	-	-	-
Other ( <i>Donations</i> )	1,250	700	1,100
<b>Total Planning and Development Services</b>	<b>45,800</b>	<b>21,325</b>	<b>30,802</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
Professional/Contractual services	3,650	3,643	3,595
Grants and contributions - operating	6,709	11,006	6,247
<b>Total Recreation and Cultural Services</b>	<b>10,359</b>	<b>14,649</b>	<b>9,842</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>2,208,369</b>	<b>1,569,530</b>	<b>1,650,852</b>

Rural Municipality of Wolverine No. 340  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2019

Schedule 4

	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	3,479	-	68,034	1,620	-	-	3,048	76,181
Tangible Capital Asset Sales - Loss	-	-	(86,414)	-	-	-	-	(86,414)
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	72,037	-	-	-	-	-	-	72,037
Other Revenues	9,968	-	-	-	-	-	-	9,968
Grants - Conditional	-	-	-	3,448	-	3,048	-	6,496
- Capital	-	-	58,194	-	-	-	-	58,194
<b>Total revenues</b>	<b>85,484</b>	<b>-</b>	<b>39,814</b>	<b>5,068</b>	<b>-</b>	<b>3,048</b>	<b>3,048</b>	<b>136,462</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	148,017	-	459,807	3,666	-	-	-	611,490
Professional/Contractual Services	67,779	22,916	17,258	23,817	20,625	3,643	-	156,038
Utilities	7,733	-	14,400	1,901	-	-	-	24,034
Maintenance Materials and Supplies	9,632	-	400,330	3,829	-	-	-	413,791
Grants and Contributions	50	32,254	-	8,235	-	11,006	-	51,545
Amortization	8,288	-	295,472	-	-	-	-	303,760
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	7,371	-	-	-	-	-	-	7,371
Other	801	-	-	-	700	-	-	1,501
<b>Total expenses</b>	<b>249,671</b>	<b>55,170</b>	<b>1,187,267</b>	<b>41,448</b>	<b>21,325</b>	<b>14,649</b>	<b>-</b>	<b>1,569,530</b>
<b>Surplus (Deficit) by Function</b>	<b>(164,187)</b>	<b>(55,170)</b>	<b>(1,147,453)</b>	<b>(36,380)</b>	<b>(21,325)</b>	<b>(11,601)</b>	<b>3,048</b>	<b>(1,433,068)</b>
Taxation and other unconditional revenue (Schedule 1)								1,666,014
<b>Net Surplus</b>								<b>232,946</b>



Rural Municipality of Wolverine No. 340  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2018

Schedule 5

	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	16,110	-	75,148	2,367	-	-	3,305	96,930
Tangible Capital Asset Sales - Loss	-	-	(2,472)	-	-	-	-	(2,472)
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	35,067	-	-	-	-	-	-	35,067
Other Revenues	8,137	-	-	-	-	-	-	8,137
Grants - Conditional	-	-	-	142	-	2,946	-	3,088
- Capital	-	-	28,350	-	-	-	-	28,350
<b>Total revenues</b>	<b>59,314</b>	<b>-</b>	<b>101,026</b>	<b>2,509</b>	<b>-</b>	<b>2,946</b>	<b>3,305</b>	<b>169,100</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	138,776	-	446,072	3,614	-	-	-	588,462
Professional/Contractual Services	58,570	22,488	20,092	21,708	29,702	3,595	-	156,155
Utilities	7,975	-	12,161	2,085	-	-	-	22,221
Maintenance Materials and Supplies	8,200	-	510,179	3,679	-	-	-	522,058
Grants and Contributions	2,300	15,883	-	11,190	-	6,247	-	35,620
Amortization	8,288	-	316,597	-	-	-	-	324,885
Interest	-	-	-	-	-	-	-	-
Other	233	-	-	118	1,100	-	-	1,451
<b>Total expenses</b>	<b>224,342</b>	<b>38,371</b>	<b>1,305,101</b>	<b>42,394</b>	<b>30,802</b>	<b>9,842</b>	<b>-</b>	<b>1,650,852</b>
<b>Surplus (Deficit) by Function</b>	<b>(165,028)</b>	<b>(38,371)</b>	<b>(1,204,075)</b>	<b>(39,885)</b>	<b>(30,802)</b>	<b>(6,896)</b>	<b>3,305</b>	<b>(1,481,752)</b>
Taxation and other unconditional revenue (Schedule 1)								1,546,634
<b>Net Surplus</b>								<b>64,882</b>



Rural Municipality of Wolverine No. 340  
 Schedule of Tangible Capital Assets by Object  
 For the year ended December 31, 2019

Schedule 6

	2019							2018		
	General Assets				Infrastructure Assets	Building Assets Under Construction	Total	Total	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment					Linear assets
<b>Asset cost</b>										
Opening Asset costs	34,160	16,449	426,387	100,000	2,436,077	4,757,854	-	7,770,927	7,699,882	
Additions during the year	5,466	-	-	-	389,692	246,816	6,350	648,324	200,528	
Disposals and write-downs during the year	-	-	-	-	(380,592)	-	-	(380,592)	(129,483)	
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	
<b>Closing Asset Costs</b>	<b>39,626</b>	<b>16,449</b>	<b>426,387</b>	<b>100,000</b>	<b>2,445,177</b>	<b>5,004,670</b>	<b>6,350</b>	<b>8,038,659</b>	<b>7,770,927</b>	
<b>Accumulated Amortization Cost</b>										
Opening Accumulated Amortization Costs	-	16,449	75,638	18,252	983,479	2,999,760	-	4,093,578	3,809,979	
Add: Amortization taken	-	-	8,495	10,000	186,759	98,506	-	303,760	324,885	
Less: Accumulated amortization on disposals	-	-	-	-	(114,178)	-	-	(114,178)	(41,286)	
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>16,449</b>	<b>84,133</b>	<b>28,252</b>	<b>1,056,060</b>	<b>3,098,266</b>	<b>-</b>	<b>4,283,160</b>	<b>4,093,578</b>	
<b>Net Book Value</b>	<b>39,626</b>	<b>-</b>	<b>342,254</b>	<b>71,748</b>	<b>1,389,117</b>	<b>1,906,404</b>	<b>6,350</b>	<b>3,755,499</b>	<b>3,677,349</b>	

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 \$ -



Rural Municipality of Wolverine No. 340  
 Schedule of Tangible Capital Assets by Function  
 For the year ended December 31, 2019

Schedule 7

	2019						2018	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
<b>Assets</b>								
Asset cost								
Opening Asset costs	452,251	-	7,302,227	16,449	-	-	-	7,699,882
Additions during the year	5,466	-	642,858	-	-	-	-	200,528
Disposals and write-downs during the year	-	-	(380,592)	-	-	-	-	(129,483)
<b>Closing Asset Costs</b>	<b>457,717</b>	<b>-</b>	<b>7,564,493</b>	<b>16,449</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,770,927</b>
<b>Amortization</b>								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	74,395	-	4,002,734	16,449	-	-	-	3,809,979
Add: Amortization taken	8,288	-	295,472	-	-	-	-	324,885
Less: Accumulated amortization on disposals	-	-	(114,178)	-	-	-	-	(41,286)
<b>Closing Accumulated Amortization Costs</b>	<b>82,683</b>	<b>-</b>	<b>4,184,028</b>	<b>16,449</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,093,578</b>
<b>Net Book Value</b>	<b>375,034</b>	<b>-</b>	<b>3,380,465</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,677,349</b>



Rural Municipality of Wolverine No. 340  
 Schedule of Accumulated Surplus  
 For the year ended December 31, 2019

Schedule 8

	2018	Changes	2019
<b>UNAPPROPRIATED SURPLUS</b>	<b>1,491,101</b>	<b>107,804</b>	<b>1,598,905</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	591,351	12,544	603,895
Public Reserve	8,866	498	9,364
Other - Fire Fighting Equipment	4,221	79	4,300
Future Building Construction	506,779	9,608	516,387
Future Expenditures	526,155	16,698	542,853
Gravel	104,462	1,789	106,251
Future Road Construction	397,916	5,747	403,663
Employee Training	1,550	29	1,579
<b>Total Appropriated</b>	<b>2,141,300</b>	<b>46,992</b>	<b>2,188,292</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	3,677,349	78,150	3,755,499
Less: Related debt	-	-	-
<b>Net Investment in Tangible Capital Assets</b>	<b>3,677,349</b>	<b>78,150</b>	<b>3,755,499</b>
<b>Total Accumulated Surplus</b>	<b>7,309,750</b>	<b>232,946</b>	<b>7,542,696</b>

Rural Municipality of Wolverine No. 340  
 Schedule of Mill Rates and Assessments  
 For the year ended December 31, 2019

	PROPERTY CLASS							Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)		
Taxable Assessment	92,732,235	24,344,277	-	-	2,940,900	-	120,017,412	
Regional Park Assessment							-	
Total Assessment							120,017,412	
Mill Rate Factor(s)	1.12	0.62	-	-	1.86			
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-	-	-	
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	794,530	115,465	-	-	41,846	-	951,841	

MILL RATES: MILLS

Average Municipal*	7.9309
Average School*	2.0942
Potash Mill Rate	-
Uniform Municipal Mill Rate	7.6500

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

**Rural Municipality of Wolverine No. 340**  
**Schedule of Council Remuneration**  
**For the year ended December 31, 2019**

Schedule 10

<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Bryan Gibney	8,100	1,334	9,434
Sandy Flory	5,625	356	5,981
Blaine Possberg	5,738	685	6,423
Dennis Merkosky	4,781	535	5,316
Elise Dale	3,487	425	3,912
Ron Suchy	3,375	500	3,875
Craig Bartel	1,519	274	1,793
Donald Williams	1,463	59	1,522
<b>Total</b>	<b>34,088</b>	<b>4,168</b>	<b>38,256</b>