

Rural Municipality of Wolverine No. 340

Financial Statements

December 31, 2020

Rural Municipality of Wolverine No. 340

Contents

For the year ended December 31, 2020

	Page
Management's Responsibility	
Independent Auditor's Report	
Financial Statements	
Statement 1 - Statement of Financial Position	1
Statement 2 - Statement of Operations	2
Statement 3 - Statement of Change in Net Financial Assets.	3
Statement 4 - Statement of Cash Flow	4
Notes to the Financial Statements.	5
Schedules	
Schedule 1 - Schedule of Taxes and other Unconditional Revenue	11
Schedule 2 - Schedule of Operating and Capital Revenue by Function	12
Schedule 3 - Schedule of Expenses by Function	14
Schedule 4 - Schedule of Current Year Segment Disclosure by Function	16
Schedule 5 - Schedule of Prior Year Segment Disclosure by Function	17
Schedule 6 - Schedule of Tangible Capital Assets by Object.	18
Schedule 7 - Schedule of Tangible Capital Assets by Function.	19
Schedule 8 - Schedule of Accumulated Surplus	20
Schedule 9 - Schedule of Mill Rates and Assessments	21
Schedule 10 - Schedule of Council Remuneration	22

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.

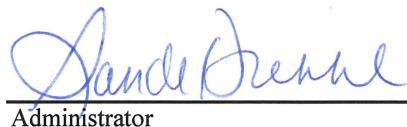
Council is composed entirely of council members who are neither management nor employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the annual financial statements. Council fulfils these responsibilities 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 16, 2021



Reeve



Administrator

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, 2020, and the statements of operations, changes in net financial assets, cash flows and the 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, 2020, and the results of its operations, changes in its net financial assets 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 16, 2021

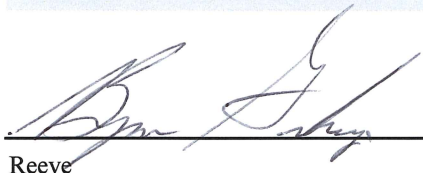
MNP LLP

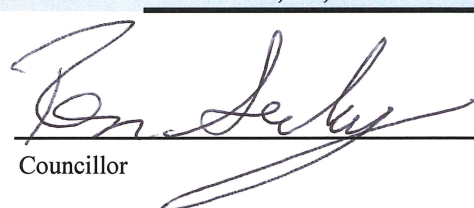
Chartered Professional Accountants

Rural Municipality of Wolverine No. 340
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	2,466,357	2,050,444
Taxes Receivable - Municipal (Note 3)	25,897	39,140
Other Accounts Receivable (Note 4)	52,190	29,750
Long-Term Investments (Note 5)	445,732	1,462,157
Land for Resale (Note 6)	15,475	15,475
Total Financial Assets	3,005,651	3,596,966
LIABILITIES		
Accounts Payable	142,942	222,442
Other Liabilities	26,546	31,072
Total Liabilities	169,488	253,514
NET FINANCIAL ASSETS	2,836,163	3,343,452
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	4,844,606	3,755,499
Prepayments and Deferred Charges	4,015	7,694
Stock and Supplies	361,979	436,051
Total Non-Financial Assets	5,210,600	4,199,244
Accumulated Surplus (Schedule 8)	8,046,763	7,542,696


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, 2020

Statement 2

	2020 Budget	2020	2019
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	1,660,939	1,686,688	1,666,014
Fees and Charges (Schedule 4, 5)	83,800	177,144	76,181
Conditional Grants (Schedule 4, 5)	7,048	7,080	6,496
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	(4,787)	70,345	(86,414)
Land Sales - Gain (Schedule 4, 5)	30,000	-	-
Investment Income and Commissions (Schedule 4, 5)	57,900	63,696	72,037
Other Revenues (Schedule 4, 5)	12,000	22,705	9,968
Total Revenues	1,846,900	2,027,658	1,744,282
Expenses			
General Government Services (Schedule 3)	249,584	226,446	249,671
Protective Services (Schedule 3)	50,900	50,417	55,170
Transportation Services (Schedule 3)	1,316,123	1,255,185	1,187,267
Environmental and Public Health Services (Schedule 3)	47,035	49,067	41,448
Planning and Development Services (Schedule 3)	45,850	44,077	21,325
Recreation and Cultural Services (Schedule 3)	11,609	9,869	14,649
Utility Services (Schedule 3)	-	-	-
Total Expenses	1,721,101	1,635,061	1,569,530
Surplus of Revenues over Expenses before Other Capital Contributions	125,799	392,597	174,752
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	28,320	111,470	58,194
Surplus of Revenues over Expenses	154,119	504,067	232,946
Accumulated Surplus, Beginning of Year	7,542,696	7,542,696	7,309,750
Accumulated Surplus, End of Year	7,696,815	8,046,763	7,542,696

The accompanying notes are an integral part of these financial statements

MNP

Rural Municipality of Wolverine No. 340
Statement of Change in Net Financial Assets
For the year ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus	154,119	504,067	232,946
(Acquisition) of tangible capital assets	(1,455,042)	(1,553,750)	(648,324)
Amortization of tangible capital assets	378,602	367,814	303,760
Proceeds on disposal of tangible capital assets	77,200	167,174	180,000
(Gain) loss on the disposal of tangible capital assets	4,787	(70,345)	86,414
Deficit of capital expenses over expenditures	(994,453)	(1,089,107)	(78,150)
(Acquisition) consumption of supplies inventories	170,000	74,072	(207,720)
(Acquisition) use of prepaid expense	-	3,679	(7,527)
Surplus (Deficit) of expenses of other non-financial over expenditures	170,000	77,751	(215,247)
Decrease in Net Financial Assets	(670,334)	(507,289)	(60,451)
Net Financial Assets - Beginning of Year	3,343,452	3,343,452	3,403,903
Net Financial Assets - End of Year	2,673,118	2,836,163	3,343,452

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, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus	504,067	232,946
Amortization	367,814	303,760
Loss (gain) on disposal of tangible capital assets	(70,345)	86,414
	<u>801,536</u>	<u>623,120</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	13,243	28,174
Other Receivables	(22,440)	(18,178)
Accounts Payable	(79,500)	87,607
Other Liabilities	(4,526)	4,312
Stock and supplies for use	74,072	(207,720)
Prepayments and Deferred Charges	3,679	(7,527)
Net cash from operations	786,064	509,788
Capital:		
Acquisition of capital assets	(1,553,750)	(648,324)
Proceeds from the disposal of capital assets	167,174	180,000
Net cash used for capital	(1,386,576)	(468,324)
Investing:		
Long-term investments	1,016,425	(363,535)
Land for Resale	-	(15,475)
Net cash from (used for) investing	1,016,425	(379,010)
Increase (decrease) in cash resources	415,913	(337,546)
Cash and Investments - Beginning of Year	2,050,444	2,387,990
Cash and Investments - End of Year	2,466,357	2,050,444

The accompanying notes are an integral part of these financial statements

1. Significant Accounting Policies

The financial statements of the Municipality have been 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 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>
General Assets	
Land	Indefinite
Land Improvements	20 Yrs
Buildings	40 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 20 Yrs

Infrastructure Assets

Infrastructure Assets	40 Yrs
-----------------------	--------

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

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

The segments (functions) are as follows:

General Government: 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 Standards and Amendments to Standards:
Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

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

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

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

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

Effective for Fiscal Years Beginning On or After April 1, 2023:

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

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

Rural Municipality of Wolverine No. 340

Notes to the Financial Statements

For the year ended December 31, 2020

2. Cash and Temporary Investments

	2020	2019
Cash	1,059,916	1,218,607
Temporary Investments	1,406,441	831,837
Total Cash and Temporary Investments	2,466,357	2,050,444

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	23,197	26,533
- Arrears	2,700	12,607
	25,897	39,140
- Less Allowance for Uncollectibles	-	-
Total municipal taxes receivable	25,897	39,140
School - Current	7,444	8,467
- Arrears	420	6,622
Total school taxes receivable	7,864	15,089
Other - Current	-	310
- Arrears	-	-
Total other taxes receivable	-	310
Total taxes and grants in lieu receivable	33,761	54,539
Deduct taxes receivable to be collected on behalf of other organizations	(7,864)	(15,399)
Municipal and Grants in Lieu Taxes Receivable	25,897	39,140

4. Other Accounts Receivable

Federal government	35,927	17,530
Trade	11,609	3,810
Local government	4,654	8,410
Total Other Accounts Receivable	52,190	29,750
Less Allowance for Uncollectibles	-	-
Net Other Accounts Receivable	52,190	29,750

5. Long-Term Investments

Sask Association of Rural Municipalities - Self Insurance Fund	81,124	76,025
Co-operative Equity	30,010	30,010
Conexus Credit Union Term Investments	334,598	1,098,700
Scotiabank Term Investments	-	257,422
Total Long-Term Investments	445,732	1,462,157

Rural Municipality of Wolverine No. 340**Notes to the Financial Statements****For the year ended December 31, 2020**

	2020	2019
6. Land for Resale		
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	15,475
Allowance for market value adjustment	-	-
Net Other Land	15,475	15,475
Total Land for Resale	15,475	15,475

7. Bank Indebtedness

The Municipality has a line of credit to a maximum of \$550,000, bearing interest at prime plus 0.0% (2.45% at December 31, 2020), of which \$Nil was drawn as of December 31, 2020 (2019 - \$Nil).

8. Long-Term Debt

The debt limit of the Municipality is \$1,075,521. 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(1)).

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 2020, the Municipality's share was \$7,547. The anticipated levy for the next year is \$7,547. The commitment will be fulfilled in 2021.

11. Budget

On May 15, 2020, 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
Notes to the Financial Statements
For the year ended December 31, 2020

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 2020 was \$38,698 (2019 - \$37,921). 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 the current year's presentation.

14. Significant event

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Municipality as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Rural Municipality of Wolverine No. 340
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	950,395	950,395	951,841
Abatements and adjustments	(3,000)	(1,041)	(5,154)
Discount on current year taxes	(32,000)	(35,080)	(31,563)
Net Municipal Taxes	915,395	914,274	915,124
Potash tax share	593,283	593,283	628,370
Penalties on tax arrears	4,000	2,206	5,602
Total Taxes	1,512,678	1,509,763	1,549,096
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	148,190	148,220	116,847
Safe Restart	-	28,634	-
Total Unconditional Grants	148,190	176,854	116,847
GRANTS IN LIEU OF TAXES			
Provincial	71	71	71
Total Grants in Lieu of Taxes	71	71	71
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,660,939	1,686,688	1,666,014

Rural Municipality of Wolverine No. 340
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sales of supplies	1,200	1,139	2,428
- Other (<i>Licenses, permits, rentals</i>)	1,500	2,798	1,051
Total Fees and Charges	2,700	3,937	3,479
- Land sales - gain	30,000	-	-
- Investment income and commissions	57,900	63,696	72,037
- Other (<i>Post Office outlet, WCB rebate</i>)	12,000	8,273	9,968
Total Other Segmented Revenue	102,600	75,906	85,484
Total Operating	102,600	75,906	85,484
Total General Government Services	102,600	75,906	85,484

PROTECTIVE SERVICES

Operating

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

TRANSPORTATION SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Custom work	40,000	128,916	30,088
- Sales of supplies	13,000	16,577	12,792
- Road maintenance and restoration agreements	22,100	19,291	25,154
Total Fees and Charges	75,100	164,784	68,034
- Tangible capital asset sales - gain (loss)	(4,787)	70,345	(86,414)
- Other (<i>Insurance Proceeds</i>)	-	14,432	-
Total Other Segmented Revenue	70,313	249,561	(18,380)
Total Operating	70,313	249,561	(18,380)

Capital

Conditional Grants			
- Federal Gas Tax	28,320	42,480	58,194
- Municipal Economic Enhancement Program	-	68,990	-
Total Capital	28,320	111,470	58,194
Total Transportation Services	98,633	361,031	39,814

Rural Municipality of Wolverine No. 340
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sale of supplies	-	60	20
- Other (<i>Beaver bounties</i>)	3,000	4,370	1,600
Total Other Segmented Revenue	3,000	4,430	1,620
Conditional Grants			
- Local government	4,000	4,032	3,448
Total Conditional Grants	4,000	4,032	3,448
Total Operating	4,000	4,032	3,448
Total Environmental and Public Health Services	7,000	8,462	5,068

RECREATION AND CULTURAL SERVICES

Operating			
Conditional Grants			
- Sask Lotteries Community Grant Program	3,048	3,048	3,048
Total Conditional Grants	3,048	3,048	3,048
Total Operating	3,048	3,048	3,048
Total Recreation and Cultural Services	3,048	3,048	3,048

UTILITY SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	3,000	3,993	3,048
Total Fees and Charges	3,000	3,993	3,048
Total Other Segmented Revenue	3,000	3,993	3,048
Total Operating	3,000	3,993	3,048
Total Utility Services	3,000	3,993	3,048

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	214,281	452,440	136,462
--	----------------	----------------	----------------

SUMMARY

Total Other Segmented Revenue	178,913	333,890	71,772
Total Conditional Grants	7,048	7,080	6,496
Total Capital Grants and Contributions	28,320	111,470	58,194
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	214,281	452,440	136,462

Rural Municipality of Wolverine No. 340

Schedule of Expenses by Function

For the year ended December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	40,800	35,878	41,486
Wages and benefits	111,600	109,490	106,531
Professional/Contractual services	68,050	59,485	67,779
Utilities	8,400	7,701	7,733
Maintenance, materials and supplies	12,400	12,858	9,632
Grants and contributions - operating	500	50	50
Amortization	7,334	8,288	8,288
Allowance for uncollectibles (recoveries)	-	(7,371)	7,371
Other	500	67	801
Total Government Services	249,584	226,446	249,671

PROTECTIVE SERVICES

Police protection

Professional/Contractual services	22,500	23,119	22,316
Grants and contributions - operating	200	100	200

Fire protection

Professional/Contractual services	600	600	600
Grants and contributions - operating	27,600	26,598	32,054

Total Protective Services	50,900	50,417	55,170
----------------------------------	---------------	---------------	---------------

TRANSPORTATION SERVICES

Wages and benefits	479,700	449,559	459,807
Professional/Contractual services	20,500	30,708	17,258
Utilities	18,850	15,392	14,400
Maintenance, materials, and supplies	276,005	235,642	256,994
Gravel	149,800	164,358	143,336
Amortization	371,268	359,526	295,472
Interest	-	-	-

Total Transportation Services	1,316,123	1,255,185	1,187,267
--------------------------------------	------------------	------------------	------------------

Rural Municipality of Wolverine No. 340

Schedule of Expenses by Function

For the year ended December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	4,700	2,822	3,666
Professional/Contractual services	28,000	31,762	23,817
Utilities	2,000	1,985	1,901
Maintenance, materials and supplies	3,000	3,725	3,829
Grants and contributions - operating			
○ Public Health	9,335	8,235	8,235
Other (<i>Water well samples</i>)	-	538	-
Total Environmental and Public Health Services	47,035	49,067	41,448
PLANNING AND DEVELOPMENT SERVICES			
Professional/Contractual services	44,600	44,077	20,625
Grants and contributions - operating	-	-	-
Other (<i>Donations</i>)	1,250	-	700
Total Planning and Development Services	45,850	44,077	21,325
RECREATION AND CULTURAL SERVICES			
Professional/Contractual services	3,700	3,691	3,643
Grants and contributions - operating	7,909	6,178	11,006
Total Recreation and Cultural Services	11,609	9,869	14,649
TOTAL EXPENSES BY FUNCTION	1,721,101	1,635,061	1,569,530

Rural Municipality of Wolverine No. 340
Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	3,937	-	164,784	4,430	-	-	3,993	177,144
Tangible Capital Asset Sales - Gain (Loss)	-	-	70,345	-	-	-	-	70,345
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	63,696	-	-	-	-	-	-	63,696
Other Revenues	8,273	-	14,432	-	-	-	-	22,705
Grants - Conditional	-	-	-	4,032	-	3,048	-	7,080
- Capital	-	-	111,470	-	-	-	-	111,470
Total revenues	75,906	-	361,031	8,462	-	3,048	3,993	452,440
Expenses (Schedule 3)								
Wages & Benefits	145,368	-	449,559	2,822	-	-	-	597,749
Professional/Contractual Services	59,485	23,719	30,708	31,762	44,077	3,691	-	193,442
Utilities	7,701	-	15,392	1,985	-	-	-	25,078
Maintenance Materials and Supplies	12,858	-	400,000	3,725	-	-	-	416,583
Grants and Contributions	50	26,698	-	8,235	-	6,178	-	41,161
Amortization	8,288	-	359,526	-	-	-	-	367,814
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles (recoveries)	(7,371)	-	-	-	-	-	-	(7,371)
Other	67	-	-	538	-	-	-	605
Total expenses	226,446	50,417	1,255,185	49,067	44,077	9,869	-	1,635,061
Surplus (Deficit) by Function	(150,540)	(50,417)	(894,154)	(40,605)	(44,077)	(6,821)	3,993	(1,182,621)

Taxation and other unconditional revenue (Schedule 1)

1,686,688

Net Surplus

504,067

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

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	3,479	-	68,034	1,620	-	-	3,048	76,181
Tangible Capital Asset Sales - Gain (Loss)	-	-	(86,414)	-	-	-	-	(86,414)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
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
Total revenues	85,484	-	39,814	5,068	-	3,048	3,048	136,462
Expenses (Schedule 3)								
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	7,371	-	-	-	-	-	-	7,371
Other	801	-	-	-	700	-	-	1,501
Total expenses	249,671	55,170	1,187,267	41,448	21,325	14,649	-	1,569,530
Surplus (Deficit) by Function	(164,187)	(55,170)	(1,147,453)	(36,380)	(21,325)	(11,601)	3,048	(1,433,068)

Taxation and other unconditional revenue (Schedule 1)

1,666,014

Net Surplus

232,946

Rural Municipality of Wolverine No. 340
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2020

Schedule 6

		2020						2019	
		General Assets					Infrastructure Assets	Building	
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Assets Under Construction	Total
Assets	Asset cost								
	Opening Asset costs	39,626	16,449	426,387	100,000	2,445,177	5,004,670	6,350	8,038,659
	Additions during the year	12,668	-	1,248,708	-	166,970	125,404	-	1,553,750
	Disposals and write-downs during the year	-	-	-	-	(229,638)	-	-	(229,638)
	Transfers (from) assets under construction	-	-	6,350	-	-	-	(6,350)	-
	Closing Asset Costs	52,294	16,449	1,681,445	100,000	2,382,509	5,130,074	-	9,362,771
Amortization	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs	-	16,449	84,133	28,252	1,056,060	3,098,266	-	4,283,160
	Add: Amortization taken	-	-	8,495	10,000	245,629	103,690	-	367,814
	Less: Accumulated amortization on disposals	-	-	-	-	(132,809)	-	-	(132,809)
	Closing Accumulated Amortization Costs	-	16,449	92,628	38,252	1,168,880	3,201,956	-	4,518,165
	Net Book Value	52,294	-	1,588,817	61,748	1,213,629	1,928,118	-	4,844,606

1. Total contributed/donated assets received in 2020 \$ -
2. List of assets recognized at nominal value in 2020 are:
 - Infrastructure Assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2020 \$ -

Rural Municipality of Wolverine No. 340
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2020

Schedule 7

		2020							2019
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Assets	Asset cost								
	Opening Asset costs	457,717	-	7,564,493	16,449	-	-	-	8,038,659
	Additions during the year	12,668	-	1,541,082	-	-	-	-	1,553,750
	Disposals and write-downs during the year	-	-	(229,638)	-	-	-	-	(229,638)
Closing Asset Costs		470,385	-	8,875,937	16,449	-	-	-	9,362,771
Amortization	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs	82,683	-	4,184,028	16,449	-	-	-	4,283,160
	Add: Amortization taken	8,288	-	359,526	-	-	-	-	367,814
	Less: Accumulated amortization on disposals	-	-	(132,809)	-	-	-	-	(132,809)
Closing Accumulated Amortization Costs		90,971	-	4,410,745	16,449	-	-	-	4,518,165
Net Book Value		379,414	-	4,465,192	-	-	-	-	4,844,606
									3,755,499

Rural Municipality of Wolverine No. 340
Schedule of Accumulated Surplus
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	1,598,905	(137,787)	1,461,118
APPROPRIATED RESERVES			
Machinery and Equipment	603,895	10,047	613,942
Public Reserve	9,364	61	9,425
Other - Fire Fighting Equipment	4,300	29	4,329
Future Building Construction	516,387	(516,387)	-
Future Expenditures	542,853	50,119	592,972
Gravel	106,251	1,221	107,472
Future Road Construction	403,663	7,247	410,910
Cemetery	-	400	400
Employee Training	1,579	10	1,589
Total Appropriated	2,188,292	(447,253)	1,741,039
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	3,755,499	1,089,107	4,844,606
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	3,755,499	1,089,107	4,844,606
Total Accumulated Surplus	7,542,696	504,067	8,046,763

Rural Municipality of Wolverine No. 340
Schedule of Mill Rates and Assessments
For the year ended December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	92,725,675	24,051,278	-	-	2,940,900	-	119,717,853
Regional Park Assessment							-
Total Assessment							119,717,853
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)	794,474	114,075	-	-	41,846		950,395

MILL RATES:

MILLS

Average Municipal*	7.9386
Average School*	2.0893
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, 2020

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Bryan Gibney	7,425	1,179	8,604
Sandy Flory	5,850	146	5,996
Dennis Merkosky	4,500	514	5,014
Ron Suchy	4,050	438	4,488
Blaine Possberg	3,713	245	3,958
Elise Dale	3,150	277	3,427
Donald Williams	2,988	76	3,064
Joan Nemeth-Syroteuk	562	49	611
Rod Dale	562	90	652
Total	32,800	3,014	35,814