

**RURAL MUNICIPAL ADMINISTRATORS'  
ASSOCIATION OF SASKATCHEWAN**

**Financial Statements**

**Year Ended December 31, 2020**

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
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**Year Ended December 31, 2020**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Rural Municipal Administrators' Association of Saskatchewan

### *Opinion*

We have audited the financial statements of Rural Municipal Administrators' Association of Saskatchewan (the Association), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flows 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 Association as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *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 Association in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.

*(continues)*

Independent Auditor's Report to the Members of Rural Municipal Administrators' Association of Saskatchewan (*continued*)

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 Association'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 Association'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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Regina, Saskatchewan  
March 16, 2021

  
Dudley & Company LLP  
Chartered Professional Accountants



**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Statement of Financial Position**  
**December 31, 2020**

	2020	2019 <i>Restated</i>
<b>ASSETS</b>		
CURRENT		
Cash	\$ 429,862	\$ 309,183
Accounts receivable	6,794	1,659
Prepaid expenses	2,490	12,138
	439,146	322,980
CAPITAL ASSETS <i>(Note 4)</i>	773	324
LONG TERM INVESTMENTS	30,592	30,005
	470,511	353,309
<b>TOTAL ASSETS</b>		
	<b>\$ 470,511</b>	<b>\$ 353,309</b>
<b>LIABILITIES AND NET ASSETS</b>		
DEFERRED REVENUE	\$ 37,100	\$ -
NET ASSETS		
General Fund	433,411	353,309
	433,411	353,309
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 470,511</b>	<b>\$ 353,309</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Statement of Operations**  
**Year Ended December 31, 2020**

	2020	2019
<b>REVENUES</b>		
Membership fees <i>(Schedule 1)</i>	\$ 147,910	\$ 145,810
Convention revenue <i>(Schedule 2)</i>	-	63,265
Workshop Fund <i>(Schedule 6)</i>	33,505	40,094
Board of Examiners revenue <i>(Schedule 3)</i>	23,397	15,744
Career Fair grant	-	1,616
Interest	3,334	3,455
Yearbook revenue	270	-
Other grants	735	841
Miscellaneous revenue	-	120
	<u>209,151</u>	<u>270,945</u>
<b>EXPENSES</b>		
Administration expense <i>(Schedule 4)</i>	54,416	55,286
Board meeting and travel <i>(Schedule 5)</i>	35,444	79,299
Convention expense <i>(Schedule 2)</i>	19,835	72,540
Board of Examiners expense <i>(Schedule 3)</i>	11,923	20,651
Career Fair expense	733	1,616
Workshop Fund expense <i>(Schedule 6)</i>	-	16,183
Yearbook expense	7,498	6,157
	<u>129,849</u>	<u>251,732</u>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>79,302</b>	<b>19,213</b>
<b>OTHER INCOME</b>		
Expense recoveries	800	350
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 80,102</b>	<b>\$ 19,563</b>

See notes to financial statements

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2020**

	2020	2019 <i>Restated</i>
<b>NET ASSETS - BEGINNING OF YEAR</b>		
As previously reported	\$ 343,309	\$ 323,746
Unrecorded prepaid expenses <i>(Note 7)</i>	10,000	10,000
As restated <i>(Note 7)</i>	353,309	333,746
EXCESS OF REVENUES OVER EXPENSES	80,102	19,563
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 433,411</b>	<b>\$ 353,309</b>

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Statement of Cash Flows**  
**Year Ended December 31, 2020**

	2020	2019
<b>CASH FLOWS FROM (FOR) OPERATING ACTIVITIES</b>		
Cash receipts from customers	\$ 238,580	\$ 290,861
Cash paid to suppliers and employees	(119,791)	(250,413)
Interest	3,335	3,491
Cash Flows From (For) Operating Activities	<u>122,124</u>	43,939
<b>CASH FLOWS FROM (FOR) INVESTING ACTIVITIES</b>		
Purchase of capital assets	(859)	-
Change in investments	(586)	-
Cash Flows From (For) Investing Activities	<u>(1,445)</u>	-
<b>INCREASE IN CASH FLOWS</b>	<b>120,679</b>	<b>43,939</b>
Cash - beginning of year	<u>309,183</u>	265,244
<b>CASH - END OF YEAR</b>	<b><u>\$ 429,862</u></b>	<b><u>\$ 309,183</u></b>

See notes to financial statements

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Notes to Financial Statements**  
**Year Ended December 31, 2020**

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1. NATURE OF OPERATIONS

The Rural Municipal Administrators' Association of Saskatchewan (the "association") is a not-for-profit organization operating as a professional body of Rural Municipalities Administrators whose function is to communicate and work with municipal employers and the Provincial Government. The association was incorporated under The Non-profit Corporations Act of Saskatchewan in 1955. The organization is a not-for-profit organization, as described in section 149 of the Income Tax Act, and therefore is not subject to either federal or provincial income taxes.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in term deposits which are carried at cost and have maturity dates of six months or less. The carrying amounts approximate fair value because of the short term nature of the investment.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	5 years
Furniture and fixtures	10 years

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

Grants and other revenue related to specific projects are recognized as revenue when the expenditures are incurred, in accordance with the deferral method of accounting. Membership dues are recognized in the fiscal period in which the members services are rendered. Miscellaneous items are recognized as revenue when received.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Notes to Financial Statements**  
**Year Ended December 31, 2020**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Voluntary services

The operation of the association is partially dependent on voluntary services. Since these services would not normally be purchased by the organization and because of difficulty of determining the fair market value of donated services, these donated services are not recognized in these statements.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	<b>2020 Net book value</b>	2019 Net book value
Computer equipment	\$ 1,621	\$ 1,621	\$ -	\$ 324
Furniture and fixtures	1,833	1,060	<b>773</b>	-
	<b>\$ 3,454</b>	<b>\$ 2,681</b>	<b>\$ 773</b>	<b>\$ 324</b>

5. FINANCIAL INSTRUMENTS - MEASUREMENT AND IMPAIRMENT

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, if any, in equity instruments that are quoted in an active market, which are measured at fair value. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable. At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired, and if so, reduces the carrying amount accordingly.

6. FINANCIAL INSTRUMENTS - RISK EXPOSURES

Like any entity, the organization is potentially exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. These include credit, liquidity, market, currency, interest rate and other price risks. None of these risk exposures are considered by management to be material, and there have been no changes in the organization's risk exposures from the prior year.

7. RESTATED FIGURES

2019 Prepaid expenses	\$ 2,138	2019 Restated Prepaid expenses	\$ 12,138
2019 Net Assets	\$343,309	2019 Restated Net Assets	\$353,309

The convention hotel expenses that have been expensed in the past included a \$10,000 deposit for the following year's convention. The deposit had not been set up as an asset and was instead expensed. The figures have been restated to show the deposit as a prepaid expense asset and to increase the net assets as the expenses in a prior period had effectively lowered the net assets by the amount of the deposit.

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**  
**Notes to Financial Statements**  
**Year Ended December 31, 2020**

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8. COVID-19 PANDEMIC

The COVID-19 pandemic is complex and continues to evolve. It has caused material disruption to businesses and has resulted in an economic slowdown. The association continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the association's financial position and operations.

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**

**Membership fees**

**(Schedule 1)**

**Year Ended December 31, 2020**

	2020	2019
Active membership fees	\$ 137,865	\$ 136,045
Associate membership fees	10,045	9,765
	<u>\$ 147,910</u>	<u>\$ 145,810</u>

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**

**Convention**

*(Schedule 2)*

**Year Ended December 31, 2020**

	2020	2019
<b>Convention revenue</b>		
Golf fees	\$ -	\$ 11,365
Commercial sponsorship	-	36,950
Gang of Three Golf sponsorship	-	3,000
Trade show booths	-	11,950
	<u>\$ -</u>	<u>\$ 63,265</u>
<b>Convention expense</b>		
Golf	\$ 95	\$ 14,850
Visiting fraternal delegate expense	-	4,045
Monday social	-	5,498
Coffee and juice service	-	8,766
Audio/Visual service	-	8,303
Tuesday luncheon	-	8,571
Wednesday noon luncheon	-	9,545
Hospitality suite	-	155
Seminars and speaker	-	900
Room rentals	-	10,000
Door prizes	-	850
Trade show expenses	144	202
Printing, postage, and stationery	-	855
Online voting system	2,769	-
100th Anniversary expenses	16,827	-
	<u>\$ 19,835</u>	<u>\$ 72,540</u>

See notes to financial statements

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**

**Board of Examiners**

*(Schedule 3)*

**Year Ended December 31, 2020**

	2020	2019
<b>Board of Examiners revenue</b>		
SARM Grants - Board of Examiners	\$ 5,151	\$ 4,744
Fees - C Certificates	6,500	4,500
Fees - A Certificates	10,000	5,000
Fees - Superior A Certificates	-	1,500
TSS funding	1,746	-
	<b>\$ 23,397</b>	<b>\$ 15,744</b>
<b>Board of Examiners expense</b>		
Board secretary travel	\$ -	\$ 300
Board secretary services	9,054	8,199
Supplies and stationary	1,070	643
Phone, postage, and courier	66	146
Office inspection services	-	11,363
TSS designated advisory salary	900	-
TSS coordinator salary	833	-
	<b>\$ 11,923</b>	<b>\$ 20,651</b>

See notes to financial statements



**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**

**Administration expense**

**(Schedule 4)**

**Year Ended December 31, 2020**

	2020	2019
Audit	\$ 2,498	\$ 2,442
Bank service charges	577	254
Certificates, awards, and pins	360	-
Curling expense	394	555
Train the Trainer expense	-	708
Salary - executive director	30,139	29,687
Benefits - executive director	6,222	6,022
Fraternal delegates expense	-	2,833
RMAA president honorarium	3,158	3,216
Insurance and bond	3,977	4,847
Travel costs	386	631
Postage	604	362
Public relations expense	-	51
Stationary and supplies	1,254	1,179
Telephone	754	64
Website maintenance	883	883
Workers' Compensation Board levy	-	118
Amortization expense	410	324
Shipping and courier	300	1,110
Grants	2,500	-
	<u>\$ 54,416</u>	<u>\$ 55,286</u>

See notes to financial statements

**RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN**

**Board Meeting and Travel  
Year Ended December 31, 2020**

**(Schedule 5)**

	2020	2019
Executive board meetings	\$ 30,596	\$ 60,287
Committee meetings	4,848	15,837
Divisional meeting	-	1,629
Board member travel	-	1,471
Courier and freight	-	75
	<u>\$ 35,444</u>	<u>\$ 79,299</u>

See notes to financial statements

RURAL MUNICIPAL ADMINISTRATORS' ASSOCIATION OF SASKATCHEWAN

Workshop Fund

(Schedule 6)

Year Ended December 31, 2020

	2020	2019
<b>Revenue</b>		
RMAA hosted workshop registrations	\$ 33,505	\$ 24,935
RMAA share of UMASS hosted workshops	-	15,159
<b>Revenue Total</b>	<b>\$ 33,505</b>	<b>\$ 40,094</b>
<b>Expenses</b>		
RMAA hosted workshop expenses	\$ -	\$ 11,451
UMASS share of RMAA workshop profit	-	4,732
<b>Expenses Total</b>	<b>\$ -</b>	<b>\$ 16,183</b>

See notes to financial statements