

**Urban Municipal Administrators
Association of Saskatchewan**

FINANCIAL STATEMENTS

Year Ended December 31, 2018

Urban Municipal Administrators Association of Saskatchewan

Hudson Bay, Saskatchewan

December 31, 2018

Table of Contents

	Page
Independent Auditors' Report	1-2
Statement of Financial Position	3
Statement of Operations	4
Statement of Cash Flow	5
Notes to Financial Statements	6
Schedules to Financial Statements	7



Independent Auditors' Report

To the Board of Directors
Urban Municipal Administrators Association of Saskatchewan

Opinion

We have audited the financial statements of Urban Municipal Administrators Association of Saskatchewan, (the non-profit), which comprise the Statement of Financial Position as at December 31, 2018 and the Statements of Operations and Cash Flow 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 non-profit as at December 31, 2018, and results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 non-profit'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 non-profit or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the non-profit's financial reporting process.



Auditors' 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 auditors' 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 non-profit'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 non-profit'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 non-profit 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.

Baker Tilly SK LLP

Baker Tilly SK LLP

Saskatoon, SK
January 29, 2019

Urban Municipal Administrators Association of Saskatchewan

Hudson Bay, Saskatchewan

Statement of Financial Position as at December 31, 2018

	2018	2017
Assets		
Current Assets		
Cash and cash equivalents	25,381	69,413
Short-term investments	39,575	123,109
Accrued interest receivable	3,984	1,847
Prepaid expenses	4,726	
	<u>73,666</u>	<u>194,369</u>
Long-Term Investments	<u>287,229</u>	<u>160,755</u>
	<u>\$ 360,895</u>	<u>\$ 355,124</u>
Liabilities and Net Assets		
Current Liabilities		
	<u>0</u>	<u>0</u>
Net Assets		
Balance, beginning of year	355,124	329,606
Add: Excess of revenue over expenses for the year	<u>5,771</u>	<u>25,518</u>
Balance, end of year	<u>360,895</u>	<u>355,124</u>
	<u>\$ 360,895</u>	<u>\$ 355,124</u>

Approved on behalf of the board:

Urban Municipal Administrators Association of Saskatchewan

Statement of Operations

For the year ended December 31, 2018

	Budget	2018	2017
Revenue			
Memberships	76,000	73,262	75,663
Workshop fund	55,000	60,400	44,075
Convention excess (deficiency) - page 7	(10,100)	(7,228)	(2,180)
Certification fees	24,000	29,739	31,236
Advertising	600	830	780
Interest	4,500	6,623	4,445
Other	200	202	145
	<u>150,200</u>	<u>163,828</u>	<u>154,164</u>
Expenses			
Audit	1,300	1,378	1,313
Bank charges	300	141	165
Board of examiners	21,000	24,338	23,719
Capital expenditures	2,000		
Computer and website costs	2,500	5,235	2,248
Executive meetings - page 7	23,000	31,446	25,076
Legal and bond	6,000	3,772	3,666
Levies and education	1,800		
Newsletter	1,500	975	1,058
Office supplies and postage	6,000	5,729	7,465
Other	200	153	98
Wages - employees	39,000	38,419	37,666
Wage benefits - Canada pension plan	5,850	1,555	1,518
Wage benefits - employment insurance		893	859
Wage benefits - registered pension plan		3,294	3,070
Wage benefits - workers' compensation	150	100	100
Workshops	27,000	40,629	20,625
	<u>137,600</u>	<u>158,057</u>	<u>128,646</u>
Excess of Revenue Over Expenses Before Interfund Activity	12,600	5,771	25,518
Transfer from accumulated surplus	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenue Over Expenses for the Year After Interfund Activity	<u>\$ 12,600</u>	<u>\$ 5,771</u>	<u>\$ 25,518</u>

The notes to financial statements are an integral part of these financial statements.

Urban Municipal Administrators Association of Saskatchewan

Statement of Cash Flow
For the year ended December 31, 2018

	2018	2017
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year	5,771	25,518
Net change in working capital	<u>(6,864)</u>	<u>2,045</u>
	<u>(1,093)</u>	<u>27,563</u>
Investing activities		
Additions to investments		(100,641)
Additions to long-term investments	(207,482)	
Proceeds on disposal of investments	83,534	99,678
Proceeds on disposal of long-term investments	<u>81,009</u>	
	<u>(42,939)</u>	<u>(963)</u>
Net Cash Increase (Decrease) for the Year	(44,032)	26,600
Cash position, beginning of year	<u>69,413</u>	<u>42,813</u>
Cash Position, End of Year	<u>\$ 25,381</u>	<u>\$ 69,413</u>
Represented By:		
Cash and cash equivalents	<u>\$ 25,381</u>	<u>\$ 69,413</u>

*The notes to financial statements are an integral
part of these financial statements.*

Urban Municipal Administrators Association of Saskatchewan

Notes to Financial Statements
For the year ended December 31, 2018

1. Nature of Operations

The association operates under the authority of The Urban Municipal Administrators Act. The purpose of the association is to provide education, leadership and support services to its members and to promote the association.

2. Significant Accounting Policies

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profits using the accounting policies as summarized below:

(a) Investments

Marketable securities represent investments in guaranteed investment certificates and are stated at the lower of cost or market. Portfolio investments are written down to market value in the event of declines in market value that are not considered to be temporary. At year-end, cost was substantially the same as the quoted market value.

(b) Capital assets

Amounts expended for the acquisition of capital assets are recorded as expenditures in the year of acquisition.

3. Employee Benefit Plans

The municipality participates in contributory defined benefit pension plan for all of its employees. For defined benefit plans considered to be multi-employer plans, contributions are expensed when they are due and payable. The municipality currently participates in the Municipal Employees Pension Plan.

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the municipality cannot be easily determined.

Accordingly, the multi-employer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these financial statements. The benefit expense reflected in the financial statements is equal to the municipality's contributions for the year.

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2018	2017
General members	9.00 %	8.15 %
Designated members	12.50 %	11.35 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 3,294	\$ 3,070
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As per the most recently audited financial statements dated December 31, 2017, the plan surplus is \$454,177,000.

Urban Municipal Administrators Association of Saskatchewan

Schedules to Financial Statements
For the year ended December 31, 2018

	Budget	2018	2017
1. Schedule of Convention Excess (Deficiency)			
Revenue			
Registrations	30,700	28,790	28,780
Donations	20,000	19,000	20,250
Golf and tours	4,000	4,725	3,570
Exhibits	7,500	6,250	6,750
Hospitality room	800	735	880
	<u>63,000</u>	<u>59,500</u>	<u>60,230</u>
Expenses			
Badges, trophies, pins and gifts	8,000	4,503	6,860
Entertainment	4,000	950	1,750
Golf and tours	11,600	12,543	11,649
Hospitality room	800	698	609
Hotels, meals and mileage	32,000	30,007	29,752
Printing and supplies	4,000	977	377
Rent - equipment	3,700	3,600	3,200
Speakers	9,000	13,450	8,213
	<u>73,100</u>	<u>66,728</u>	<u>62,410</u>
Excess (Deficiency) of Revenue Over Expenses for the Year	<u>\$(10,100)</u>	<u>\$(7,228)</u>	<u>\$(2,180)</u>
2. Schedule of Executive Meetings			
Directors' room rental	8,000	9,984	6,716
Meals	3,500	5,473	4,846
Meeting room and service	500		61
Travel	11,000	15,989	13,453
	<u>\$ 23,000</u>	<u>\$ 31,446</u>	<u>\$ 25,076</u>

The notes to financial statements are an integral part of these financial statements.