

City of Estevan
Consolidated Financial Statements
December 31, 2020

City of Estevan

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For the year ended December 31, 2020

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Management's Responsibility


The City's management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards (PSAS). 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 fair presentation of the consolidated 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 the consolidated financial statements.

The Council is composed of elected officials who are not employees of the City. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the City's external auditors.

MNP LLP is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and may meet periodically and separately with, both the Council and management to discuss their audit findings.

May 31, 2021



City Manager



City Treasurer

Independent Auditor's Report

To the Council of the City of Estevan:

Opinion

We have audited the Consolidated financial statements of the City of Estevan (the "City"), which comprise the statement of financial position as at December 31, 2020, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2020, 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 Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the City'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 City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

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

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

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

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report (Continued)

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 City'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 City'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 City to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

May 31, 2021

MNP LLP

Chartered Professional Accountants

MNP

City of Estevan
Consolidated Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019 (restated - Note 17)
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	7,455,522	6,120,695
Taxes Receivable - Municipal (Note 3)	2,224,034	1,599,133
Other Accounts Receivable (Note 4)	1,648,942	3,764,343
Land for Resale (Note 5)	2,620,783	2,705,278
Local Improvement Receivable (Note 6)	219,071	613,671
Total Financial Assets	14,168,352	14,803,120

LIABILITIES		
Bank Indebtedness (Note 7)	-	-
Accounts Payable	2,292,872	3,859,323
Accrued Liabilities Payable	700,667	982,475
Water Meter Deposits	596,992	601,063
Deferred Revenue (Note 8)	5,108,746	2,846,314
Accrued Landfill Costs (Note 9)	1,275,652	1,200,535
Long-Term Debt (Note 10)	21,109,750	23,704,819
Lease Obligations (Note 11)	1,421,117	1,210,188
Total Liabilities	32,505,796	34,404,717

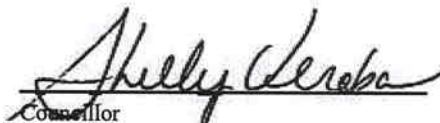
NET DEBT	(18,337,444)	(19,601,596)
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	119,514,939	114,883,367
Prepayments and Deferred Charges	142,819	49,119
Stock and Supplies	463,325	649,727
Other (Note 12)	88,216	85,190
Total Non-Financial Assets	120,209,300	115,667,403

Significant Event (Note 20)

ACCUMULATED SURPLUS (Schedule 8)	101,871,856	96,065,807
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Mayor


Councillor

City of Estevan
Consolidated Statement of Operations
As at December 31, 2020

Statement 2

	2020 Budget	2020	2019 (restated - Note 17)
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	21,410,413	21,256,861	21,010,829
Fees and Charges (Schedule 4, 5)	9,941,594	9,804,276	10,016,024
Conditional Grants (Schedule 4, 5)	960,000	1,961,024	1,140,809
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	5,000	14,162	(18,621)
Land Sales - Gain (Schedule 4, 5)	-	30,613	794,925
Investment Income and Commissions (Schedule 4, 5)	90,000	66,903	140,241
Other Revenues (Schedule 4, 5)	82,500	96,910	85,326
Total Revenues	32,489,507	33,230,749	33,169,533
EXPENSES			
General Government Services (Schedule 3)	6,031,721	5,602,572	6,196,257
Protective Services (Schedule 3)	6,423,089	6,376,200	6,055,311
Transportation Services (Schedule 3)	5,656,533	5,424,592	5,912,101
Environmental and Public Health Services (Schedule 3)	914,366	976,212	888,550
Planning and Development Services (Schedule 3)	489,386	850,105	386,644
Recreation and Cultural Services (Schedule 3)	6,965,076	6,367,427	7,411,921
Utility Services (Schedule 3)	5,372,549	5,304,648	4,840,729
Total Expenses	31,852,720	30,901,756	31,691,513
Surplus of Revenues over Expenses before Other Capital Contributions	636,787	2,328,993	1,478,020
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	2,754,739	3,477,056	4,329,731
Surplus of Revenues over Expenses	3,391,526	5,806,049	5,807,751
Accumulated Surplus, Beginning of Year as Previously Stated	99,863,659	99,863,659	93,036,957
Prior Period Adjustment (Note 17)		3,797,852	2,778,900
Accumulated Surplus, Beginning of Year as Restated	99,863,659	96,065,807	90,258,057
Accumulated Surplus, End of Year	103,255,185	101,871,856	96,065,807

City of Estevan
Consolidated Statement of Change in Net Debt
As at December 31, 2020

Statement 3

	2020 Budget	2020	2019 (restated - Note 17)
Surplus	3,391,526	5,806,049	5,807,751
(Acquisition) of tangible capital assets	(6,652,000)	(10,975,016)	(11,014,879)
Amortization of tangible capital assets	5,961,000	6,250,350	6,112,691
Proceeds on disposal of tangible capital assets	-	107,255	67,252
Gain (Loss) on the disposal of tangible capital assets	-	(14,162)	18,621
Surplus (Deficit) of capital expenses over expenditures	(691,000)	(4,631,573)	(4,816,315)
Net consumption of supplies inventories	-	186,402	160,046
Net (additions) consumption of prepaid expense	-	(93,700)	15,108
Increase in patronage equity	-	(3,026)	(2,795)
Surplus of expenses of other non-financial over expenditures	-	89,676	172,359
Decrease in Net Debt	2,700,526	1,264,152	1,163,795
Net Debt - Beginning of Year, as Previously Stated	(19,601,596)	(19,601,596)	(18,856,306)
Prior Period Adjustment (Note 17)		-	(1,909,084)
Net Debt - Beginning of Year as Restated	(19,601,596)	(19,601,596)	(20,765,390)
Net Debt - End of Year	(16,901,070)	(18,337,444)	(19,601,596)

City of Estevan
Consolidated Statement of Cash Flow
As at December 31, 2020

Statement 4

	2020	2019
	(restated - Note 17)	
Cash provided by (used for) the following activities		
Operating:		
Surplus	5,806,049	5,807,751
Amortization	6,250,350	6,112,691
Bad debts - utilities	295,649	-
Bad debts - local improvements	182,381	-
(Gain) loss on disposal of tangible capital assets	(14,162)	18,621
	12,520,267	11,939,063
Change in assets/liabilities		
Taxes Receivable - Municipal	(624,901)	881,286
Other Receivables	1,819,752	(1,619,634)
Land for Resale	84,495	-
Accounts and Accrued Liabilities Payable	(1,848,259)	1,587,936
Deposits	(4,071)	(5,209)
Deferred Revenue	2,262,431	834,628
Accrued Landfill Costs	75,117	24,908
Stock and Supplies	186,402	160,047
Prepayments and Deferred Charges	(93,700)	15,108
Other (patronage equity)	(3,026)	(2,796)
Cash provided by operating transactions	14,374,507	13,815,337
Capital:		
Acquisition of capital assets	(10,306,165)	(10,322,726)
Proceeds from the disposal of capital assets	107,255	67,252
Cash applied to capital transactions	(10,198,910)	(10,255,474)
Financing:		
Debt charges recovered	212,219	198,187
Long-term debt issued	2,000,000	-
Long-term debt repaid	(5,052,989)	(4,808,725)
Cash applied to financing transactions	(2,840,770)	(4,610,538)
Change in Cash and Temporary Investments during the year	1,334,827	(1,050,675)
Cash and Temporary Investments - Beginning of Year	6,120,695	7,171,370
Cash and Temporary Investments - End of Year	7,455,522	6,120,695

1. Significant Accounting Policies

The consolidated 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 consolidated 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 consolidated 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. Entities included in these consolidated financial statements are as follows:

Entity

Estevan Police Department

Souris Valley Aquatic & Leisure Centre

All inter-organizational transactions and balances have been eliminated.

- 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 (Note 3).
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- a) the transfers are authorized
- b) any eligibility criteria have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received 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) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **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.
- g) **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.
- h) **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.
- i) **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

- 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 deflation 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 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. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. 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	15 Yrs
Buildings	20 to 60 Yrs
Vehicles & Equipment	
Vehicles	15 Yrs
Machinery and Equipment	5 to 20 Yrs
Infrastructure Assets	
Linear Assets	
Water & Sewer	35 to 40 Yrs
Road Network Assets	15 to 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.

Capitalization of Interest: The municipality does *not* capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a *straight line* basis, over their estimated useful lives (*lease term*). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- l) **Landfill Liability:** The Saskatchewan Environmental Protection Acts sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is being provided for over the estimated remaining life of the landfill site based on usage.
- m) **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. Employees make contributions equal to the following percentages of their salary:
- | | |
|--------------------|-----------------------|
| Civic employees | 9% (2019 - 8.15%) |
| Emergency services | 12.5% (2019 - 11.35%) |

The City contributes an equal amount to the plan.

- n) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- an environmental standard exists;
 - contamination exceeds the environmental standard;
 - the municipality:
 - is directly responsible; or
 - accepts responsibility;
 - it is expected that future economic benefits will be given up; and
 - a reasonable estimate of the amount can be made.

1. Significant Accounting Policies - continued

- o) **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.

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

Accrued landfill liability is based on estimates of future costs, usage and capacity.

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.

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: 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: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- q) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *February 10, 2020*.

- r) **Revenue recognition:** The City recognizes revenue for non-government funding as it becomes available under the terms of the applicable funding agreements. Funding received under funding agreements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

The City recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred. Taxes related to unreported taxable events or unidentified economic events that would be taxable events if disclosed or known to the government are recognized when such events are known, the related taxes are quantifiable, and the amounts are collectible. Tax revenue is initially measured at the management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of the acquisition. At each financial statement date, the City evaluates the tax receivable for collectability and records a valuation allowance to best reflect the tax receivable at its net recoverable amount, if necessary.

Investment income is recognized as it is earned.

- s) **Expenditure recognition:** Expenditures are recognized in the period the goods and services are acquired and a liability is incurred. They also include grants and contributions made when no direct goods or services were acquired. Expenditures include amounts for interest on debt outstanding but do not include any amounts for principal repayments.

1. Significant Accounting Policies - continued

t) **Future Accounting Standards:**
Effective 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 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.

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.

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2020

2. Cash and Temporary Investments

	2020	2019
Cash	1,809,959	2,969,276
Restricted Cash	5,645,563	3,151,419
Total Cash and Temporary Investments	7,455,522	6,120,695

Cash and temporary investments include balances with banks, term deposits, with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. The restricted cash is to provide up keep of the cemetery amount to \$172,966 (2019 - \$172,966), \$1,124,604 (2019 - \$978,453) for the New Nursing Home in Estevan, \$2,347,993 (2019 - \$nil) for coal transition related to economic development, and \$2,000,000 (2019 - \$2,000,000) for the Gas Tax fund.

3. Taxes Receivable - Municipal

	2020	2019
Municipal - Current	1,429,342	963,405
- Arrears	794,692	635,728
	2,224,034	1,599,133
- Less Allowance for Uncollectible	-	-
Total municipal taxes receivable	2,224,034	1,599,133
School - Current	649,009	428,679
- Arrears	336,128	259,575
Total school taxes receivable	985,137	688,254
Other	-	-
Total taxes and grants in lieu receivable	3,209,171	2,287,387
Deduct taxes receivable to be collected on behalf of other organizations	(985,137)	(688,254)
Total Taxes Receivable - Municipal	2,224,034	1,599,133

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2020

4. Other Accounts Receivable

	2020	2019
Federal Government	268,478	201,179
Utility	688,836	1,187,368
Trade	691,628	2,375,796
Total Other Accounts Receivable	1,648,942	3,764,343
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	1,648,942	3,764,343

5. Land for Resale

	2020	2019
Other Land	2,620,783	2,705,278
Allowance for market value adjustment	-	-
Net Other Land	2,620,783	2,705,278
Total Land for Resale	2,620,783	2,705,278

6. Local Improvements Receivable

	2020	2019
Current portion	97,653	195,963
Non-current portion	121,418	417,708
Total Local Improvement Receivable	219,071	613,671

Local improvements were paid in full by the City and will be repaid at the total cost plus interest at a rate of 7% (2019 - 7%) by rate payers as follows:

Year	Principal	Interest	Total
2021	97,653	6,836	104,489
2022	95,347	6,674	102,021
2023	26,071	1,825	27,896
2024	-	-	-
2025	-	-	-
Thereafter	-	-	-
Balance	219,071	15,335	234,406

7. Bank Indebtedness

Bank indebtedness includes an operating line of credit amounting to \$9,000,000 (2019 - \$9,000,000) and bearing interest at prime less 0.50% (2019 - prime less 0.50%). Assets are pledged as collateral.

8. Deferred Revenue

	2020	2019
Land Sales option deposits	21,600	21,600
Gas tax funding	2,761,051	2,773,954
Economic development funding	2,262,335	-
Security deposits	63,760	50,760
Total Deferred Revenue	5,108,746	2,846,314

In relation to the Economic development grant funding, \$2,666,666 was received of which \$404,331 has been recognized as revenue in the General Government Services segment.

9. Accrued Landfill Costs

	2020	2019
Environmental Liabilities	1,275,652	1,200,535

In 2020 the City has calculated an overall liability for environmental matters in the amount of \$4,202,361 (2019 - \$4,188,128) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2020 based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 2.95% (2019 - 4.18%).

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a fifty-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 68.75% – 240,621 cubic metres (2019 - 70.49% - 245,478 cubic metres) of its total estimated capacity of 350,000 cubic metres and its estimated remaining life is unknown (2019 year – unknown). The period for post-closure care is estimated to be 50 years (2019 – 50 years).

City of Estevan

Notes to the Consolidated Financial Statements

As at December 31, 2020

10. Long-Term Debt

The debt limit of the City is \$55,000,000. The debt limit for the municipality has been established by the Saskatchewan Municipal Board (the Municipalities Act section 161(2)).

Bank loans are repayable in monthly instalments ranging from \$17,357 to \$98,925 (2019 - \$17,357 to \$98,925) or annual payments of \$137,442 to \$428,586 (2019 - \$137,442 to \$428,586), bearing interest rates that range from prime less 0.50% to fixed rates of 5.50% (2019 - prime less 0.50% to fixed rates of 5.50%), maturing from March 2021 to August 2032 (2019 - maturing from March 2021 to August 2032). Long-term debt is subject to certain financial covenants with respect to annual audited statements to be provided to the bank 120 days after year end. The City is not compliant with this requirement.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2021	3,876,242	592,602	4,468,844	4,465,069
2022	3,689,417	488,341	4,177,758	3,698,242
2023	3,129,630	387,352	3,516,982	3,505,417
2024	1,910,921	313,184	2,224,105	2,940,630
2025	1,901,328	258,225	2,159,553	1,715,921
Thereafter	6,602,212	639,318	7,241,530	7,379,540
Balance	21,109,750	2,679,022	23,788,772	23,704,819

11. Lease Obligations

Lease obligations are repayable in monthly instalments ranging from \$2,852 to \$11,640 (2019 - \$2,852 to \$9,651), bearing interest ranging from 0.89% to 4.67% (2019 - 1.63% to 4.67%), maturing from July 2021 to August 2025 (2019 - July 2021 to November 2023).

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

Year	Payment Amount
2021	554,292
2022	430,436
2023	284,170
2024	139,680
2025	93,119
Thereafter	-
Total future minimum lease payments	1,501,697
Amounts representing interest at a weighted average rate of 1.91%	(80,580)
Capital Lease Liability	1,421,117

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2020

12. Other Non-financial Assets

	2020	2019
Patronage equity	88,216	85,190

13. 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.

In the ordinary course of business, various claims and lawsuit are brought against the City. It is the opinion of management that settlement of these actions will not resulting in material liabilities beyond any amounts already accrued.

14. 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's pension expense in 2020 was \$2,011,908 (2019 - \$2,101,066). 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.

15. Comparative Figures

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

16. Guarantees

As part of an agreement with the Estevan TS&M Woodlawn Golf Course, the City has a residual value guarantee on the mortgage of the land and buildings of the golf course. The maximum amount payable under the guarantee is \$500,000 (2019 - \$500,000).

As at December 31, 2020 no liability has been recorded associated with this guarantee.

17. Prior Period Adjustment

During the year, it was determined the salvage value and useful life of the Affinity Place building was not being calculated correctly. As a result, amortization was recorded incorrectly from 2011 to 2020. As such, the consolidated financial statements have been retroactively adjusted for the changes to the salvage value and useful life of the asset. For 2019, the impact of the change to the salvage value and useful life has resulted in a decrease in tangible capital assets of \$1,023,898, an increase in amortization expense of \$154,083 and a decrease in opening accumulated surplus of \$869,815.

During the year, it was determined that the Gas Tax funds received were being recognized prior to when the stipulations per the agreement were met. As a result, Gas Tax funds have not been shown as deferred revenue in the past. As such, the consolidated financial statements have been retroactively adjusted for the changes to the revenue recognition for Gas Tax funds. For 2019, the impact of the change to deferred revenue has resulted in an increase in deferred revenue of \$2,773,954, a decrease in gas tax revenue of \$864,868 and a decrease in opening accumulated surplus of \$1,909,084.

18. Intergovernmental Transactions

Intergovernmental transactions were conducted in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2020	2019
CAPITAL GRANTS		
Government of Saskatchewan		
GTF (Gas Tax Program)	677,497	1,387,773
Transit assistance	-	-
Coal Community Transition Program	404,331	-
Municipal Economic Enhancement Program	1,650,433	-
Saskatchewan infrastructure Growth	291,030	425,535
Total funding from Government of Saskatchewan	3,023,291	1,813,308
Other Governments		
RM of Estevan	70,000	70,000
Total Capital Grants	3,093,291	1,883,308
OPERATING GRANTS		
Unconditional		
Municipal Government Revenue Sharing	2,315,716	2,092,757
Conditional		
Government of Saskatchewan		
Transit assistance	70,636	75,300
Safe Restart Program	685,007	-
	755,643	75,300
Sask. Justice		
Funded Police Officers	330,000	330,000
Sask. Crown Corporations and departments		
Grants In Lieu	149,112	61,935
Total Conditional Operating Grants	1,234,755	542,535
Total Operating Grants	3,550,471	2,635,292

19. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality relate to economic development funding received from the government of Saskatchewan, to help with coal transition projects in the City. \$2,666,666 was received in the 2020 year-end. Of this amount, \$404,331 has been recognized as revenue in the General Government Services segment. The remaining amount has been set-up as deferred revenue. An additional \$2,666,666 will be received in both the 2021 and 2022 fiscal periods.

20. Significant event

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations 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 City 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.

City of Estevan
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	16,794,215	16,750,739	16,704,948
Abatements and adjustments	(15,000)	(93,082)	(246,859)
Discount on current year taxes	(52,000)	(53,586)	(53,577)
Net Municipal Taxes	16,727,215	16,604,071	16,404,512
Trailer license fees	113,816	115,637	115,678
Penalties on tax arrears	150,000	226,386	291,524
Other (Interest)	-	35,978	69,886
Total Taxes	16,991,031	16,982,072	16,881,600
UNCONDITIONAL GRANTS			
Revenue Sharing	2,314,668	2,315,716	2,092,757
Total Unconditional Grants	2,314,668	2,315,716	2,092,757
GRANTS IN LIEU OF TAXES			
Federal			
Royal Canadian Mounted Police	-	12,447	5,241
Provincial			
S.P.C. Electrical	163,714	20,397	29,714
SaskEnergy Gas	280,000	253,468	318,094
Local/Other			
Housing Authority	245,000	246,043	246,043
Other Government Transfers			
S.P.C. Surcharge	1,416,000	1,426,718	1,437,380
Total Grants in Lieu of Taxes	2,104,714	1,959,073	2,036,472
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	21,410,413	21,256,861	21,010,829

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	12,500	10,231	21,326
- Sales of supplies	30,000	36,367	36,063
- Other (fees & permits)	85,000	615,595	163,474
Total Fees and Charges	127,500	662,193	220,863
- Land sales - gain	-	30,613	4,925
- Investment income and commissions	90,000	66,903	140,241
- Other (Rentals)	82,500	96,910	85,326
Total Other Segmented Revenue	300,000	856,619	451,355
Conditional Grants			
- Other Provincial Grants	-	1,089,338	-
Total Conditional Grants	-	1,089,338	-
Total Operating	300,000	1,945,957	451,355
Capital			
Conditional Grants			
- Federal Gas Tax	684,739	1,029,148	522,905
Total Capital	684,739	1,029,148	522,905
Total General Government Services	984,739	2,975,105	974,260

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	540,744	675,654	634,285
Total Fees and Charges	540,744	675,654	634,285
- Tangible capital asset sales - loss	-	(2,653)	(8,499)
Total Other Segmented Revenue	540,744	673,001	625,786
Conditional Grants			
- Other (special constable)	330,000	330,000	330,000
- Other (court, violations, & enforcement)	250,000	220,600	287,906
Total Conditional Grants	580,000	550,600	617,906
Total Operating	1,120,744	1,223,601	1,243,692
Capital			
Conditional Grants			
- Other	-	1,650,433	-
Total Capital	-	1,650,433	-
Total Protective Services	1,120,744	2,874,034	1,243,692

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
TRANSPORTATION SERVICES			
Operating			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain	-	3,600	6,650
Total Operating	-	3,600	6,650
Capital			
Conditional Grants			
- Other	-	-	-
Total Capital	-	-	-
Total Transportation Services	-	3,600	6,650

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	959,750	1,158,242	1,053,221
- Other (Cemetery fees)	26,000	46,793	35,012
Total Fees and Charges	985,750	1,205,035	1,088,233
- Tangible capital asset sales - gain	-	18,115	-
- Other (cemetery donations)	-	-	-
Total Other Segmented Revenue	985,750	1,223,150	1,088,233
Conditional Grants			
- TAPD	75,000	70,636	75,300
Total Conditional Grants	75,000	70,636	75,300
Total Operating	1,060,750	1,293,786	1,163,533
Capital			
Conditional Grants			
- TAPD	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	1,060,750	1,293,786	1,163,533

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 3

	2020 Budget	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	13,500	32,856	15,100
Total Fees and Charges	13,500	32,856	15,100
- Tangible capital asset sale - gain	-	-	790,000
Total Other Segmented Revenue	13,500	32,856	805,100
Total Operating	13,500	32,856	805,100
Total Planning and Development Services	13,500	32,856	805,100

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	1,341,600	837,338	1,731,469
Total Fees and Charges	1,341,600	837,338	1,731,469
- Tangible capital asset sales - gain (loss)	5,000	(4,900)	(16,772)
Total Other Segmented Revenue	1,346,600	832,438	1,714,697
Conditional Grants			
- Other (Donations)	225,000	39,692	236,310
- Other (animal licenses)	5,000	2,580	3,115
- Other (provincial agencies)	75,000	208,178	208,178
Total Conditional Grants	305,000	250,450	447,603
Total Operating	1,651,600	1,082,888	2,162,300
Capital			
Conditional Grants			
- Local government	70,000	70,000	70,000
Total Capital	70,000	70,000	70,000
Total Recreation and Cultural Services	1,721,600	1,152,888	2,232,300

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 4

	2020 Budget	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	3,881,500	3,696,220	3,720,845
- Sewer	3,051,000	2,694,980	2,605,229
Total Operating	6,932,500	6,391,200	6,326,074
Capital			
Conditional Grants			
- Other (Provincial & federal water & sewer grant)	2,000,000	727,475	3,736,826
Total Capital	2,000,000	727,475	3,736,826
Total Utility Services	8,932,500	7,118,675	10,062,900
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	13,833,833	15,450,944	16,488,435

SUMMARY

Total Other Segmented Revenue	10,119,094	10,012,864	11,017,895
Total Conditional Grants	960,000	1,961,024	1,140,809
Total Capital Grants and Contributions	2,754,739	3,477,056	4,329,731
TOTAL REVENUE BY FUNCTION	13,833,833	15,450,944	16,488,435

City of Estevan
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	211,804	185,278	213,640
Wages and benefits	1,614,800	1,496,952	1,501,319
Professional/Contractual services	1,024,352	907,122	930,522
Utilities	145,980	189,206	145,983
Maintenance, materials and supplies	344,356	354,606	358,674
Grants and contributions - operating	1,071,620	895,134	1,017,705
Amortization	447,000	457,878	446,736
Interest	837,658	802,410	909,324
Other	334,151	313,986	672,354
Total General Government Services	6,031,721	5,602,572	6,196,257
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	4,372,376	4,398,502	4,172,743
Professional/Contractual services	414,000	303,201	276,841
Utilities	30,000	29,649	24,559
Maintenance, material and supplies	463,800	448,163	523,250
Fire protection			
Wages and benefits	439,067	457,812	425,367
Professional/Contractual services	117,600	60,945	47,098
Utilities	35,000	35,278	34,235
Maintenance, material and supplies	222,246	265,242	222,225
Amortization	329,000	377,408	328,993
Total Protective Services	6,423,089	6,376,200	6,055,311
TRANSPORTATION SERVICES			
Wages and benefits	1,753,115	1,615,904	1,580,886
Professional/Contractual Services	544,711	439,412	555,850
Utilities	371,076	348,864	384,081
Maintenance, materials, and supplies	858,631	872,190	1,262,301
Amortization	2,129,000	2,148,222	2,128,983
Total Transportation Services	5,656,533	5,424,592	5,912,101

City of Estevan
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	92,180	104,208	75,433
Professional/Contractual services	635,709	685,184	637,838
Utilities	8,500	7,476	9,433
Maintenance, materials and supplies	23,977	15,556	12,013
Amortization	154,000	163,788	153,833
Total Environmental and Public Health Services	914,366	976,212	888,550
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	304,985	286,301	197,222
Professional/Contractual Services	63,787	485,104	119,014
Amortization	69,000	68,865	68,690
Other	51,614	9,835	1,718
Total Planning and Development Services	489,386	850,105	386,644
RECREATION AND CULTURAL SERVICES			
Wages and benefits	3,640,465	3,082,614	3,564,977
Professional/Contractual services	777,185	719,414	721,866
Utilities	603,700	556,152	647,244
Maintenance, materials and supplies	990,016	935,859	1,059,135
Grants and contributions - operating	75,000	63,169	85,386
Amortization	750,000	913,542	903,348
Other	128,710	96,677	429,965
Total Recreation and Cultural Services	6,965,076	6,367,427	7,411,921

City of Estevan
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits	1,543,695	1,368,166	1,284,833
Professional/Contractual services	495,000	453,474	470,769
Bad debts	-	295,649	-
Utilities	283,934	269,020	261,452
Maintenance, materials and supplies	966,920	797,692	741,567
Amortization	2,083,000	2,120,647	2,082,108
Total Utility Services	5,372,549	5,304,648	4,840,729
TOTAL EXPENSES BY FUNCTION	31,852,720	30,901,756	31,691,513

City of Estevan
Consolidated Schedule of Segment Disclosure by Function
As at 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	662,193	675,654	-	1,205,035	32,856	837,338	6,391,200	9,804,276
Tangible Capital Asset Sales - (Loss) Gain	-	(2,653)	3,600	18,115	-	(4,900)	-	14,162
Land Sales - Gain	30,613	-	-	-	-	-	-	30,613
Investment Income and Commissions	66,903	-	-	-	-	-	-	66,903
Other Revenues	96,910	-	-	-	-	-	-	96,910
Grants - Conditional	1,089,338	550,600	-	70,636	-	250,450	-	1,961,024
- Capital	1,029,148	1,650,433	-	-	-	70,000	727,475	3,477,056
Total Revenues	2,975,105	2,874,034	3,600	1,293,786	32,856	1,152,888	7,118,675	15,450,944
Expenses (Schedule 3)								
Wages and Benefits	1,682,230	4,856,314	1,615,904	104,208	286,301	3,082,614	1,368,166	12,995,737
Professional/ Contractual Services	907,122	364,146	439,412	685,184	485,104	719,414	453,474	4,053,856
Utilities	189,206	64,927	348,864	7,476	-	556,152	269,020	1,435,645
Maintenance Materials and Supplies	354,606	713,405	872,190	15,556	-	935,859	797,692	3,689,308
Grants and Contributions	895,134	-	-	-	-	63,169	-	958,303
Amortization	457,878	377,408	2,148,222	163,788	68,865	913,542	2,120,647	6,250,350
Interest	802,410	-	-	-	-	-	-	802,410
Other	313,986	-	-	-	9,835	96,677	295,649	716,147
Total Expenses	5,602,572	6,376,200	5,424,592	976,212	850,105	6,367,427	5,304,648	30,901,756
Surplus (Deficit) by Function	(2,627,467)	(3,502,166)	(5,420,992)	317,574	(817,249)	(5,214,539)	1,814,027	(15,450,812)

Taxes and other unconditional revenue (Schedule 1) 21,256,861

Net Surplus 5,806,049

City of Estevan
Consolidated Schedule of Segment Disclosure by Function
As at 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	220,863	634,285	-	1,088,233	15,100	1,731,469	6,326,074	10,016,024
Tangible Capital Asset Sales - (Loss) Gain	-	(8,499)	6,650	-	-	(16,772)	-	(18,621)
Land Sales - Gain	4,925	-	-	-	790,000	-	-	794,925
Investment Income and Commissions	140,241	-	-	-	-	-	-	140,241
Other Revenues	85,326	-	-	-	-	-	-	85,326
Grants - Conditional	-	617,906	-	75,300	-	447,603	-	1,140,809
- Capital	522,905	-	-	-	-	70,000	3,736,826	4,329,731
Total Revenues	974,260	1,243,692	6,650	1,163,533	805,100	2,232,300	10,062,900	16,488,435
Expenses (Schedule 3)								
Wages & Benefits	1,714,959	4,598,110	1,580,886	75,433	197,222	3,564,977	1,284,833	13,016,420
Professional/ Contractual Services	930,522	323,939	555,850	637,838	119,014	721,866	470,769	3,759,798
Utilities	145,983	58,794	384,081	9,433	-	647,244	261,452	1,506,987
Maintenance Materials and Supplies	358,674	745,475	1,262,301	12,013	-	1,059,135	741,567	4,179,165
Grants and Contributions	1,017,705	-	-	-	-	85,386	-	1,103,091
Amortization	446,736	328,993	2,128,983	153,833	68,690	903,348	2,082,108	6,112,691
Interest	909,324	-	-	-	-	-	-	909,324
Other	672,354	-	-	-	1,718	429,965	-	1,104,037
Total Expenses	6,196,257	6,055,311	5,912,101	888,550	386,644	7,411,921	4,840,729	31,691,513
Surplus (Deficit) by Function	(5,221,997)	(4,811,619)	(5,905,451)	274,983	418,456	(5,179,621)	5,222,171	(15,203,078)

Taxes and other unconditional revenue (Schedule 1)

21,010,829

Net Surplus

5,807,751

City of Estevan
Consolidated Schedule of Tangible Capital Assets by Object
As at December 31, 2020

Schedule 6

		2020					2019	
		General Assets					Infrastructure Assets	
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	
Assets	Asset cost							Total
	Opening Asset costs	1,479,725	10,980,626	57,041,120	5,396,981	13,947,492	147,633,095	236,479,039
	Additions during the year	700,000	593,954	2,930,092	214,818	668,849	5,867,303	10,975,016
	Disposals and write-downs during the year	-	-	-	(122,567)	(556,175)	-	(678,742)
	Closing Asset Costs	2,179,725	11,574,580	59,971,212	5,489,233	14,060,166	153,500,398	246,775,314
Amortization	Accumulated Amortization Cost							Total
	Opening Accumulated Amortization Costs	-	3,084,253	19,481,568	3,065,390	10,554,689	85,409,773	121,595,673
	Add: Amortization taken	-	460,475	1,220,815	352,820	490,201	3,726,039	6,250,350
	Less: Accumulated amortization on disposals	-	-	-	(31,175)	(554,474)	-	(585,649)
	Closing Accumulated Amortization	-	3,544,728	20,702,383	3,387,035	10,490,416	89,135,812	127,260,374
	Net Book Value	2,179,725	8,029,852	39,268,829	2,102,198	3,569,750	64,364,586	119,514,939
								114,883,367

Included in capital assets are fully amortized assets with a cost of \$23,596,628 (2019 - \$23,148,410), accumulated amortization of \$23,596,628 (2019 - \$23,148,410), and residual value of \$5,006,714 (2019 - \$17,572,560).

Included in capital assets are leased assets with a NBV of \$2,659,094 (2019 - \$2,276,467)

During the year, tangible capital assets were acquired at an aggregate cost of \$10,975,016 (2019 - \$10,322,726) of which \$668,849 (2019 - \$nil) was acquired by means of capital leases and \$10,306,165 (2019 - \$10,322,726) was acquired in cash.

City of Estevan
Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2020

Schedule 7

		2020						2019		
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	11,029,693	7,362,538	90,012,023	2,678,773	2,633,857	43,001,161	79,760,994	236,479,039	225,631,633
	Additions during the year	988,619	2,111,017	999,519	668,849	-	445,524	5,761,488	10,975,016	11,014,879
	Disposals and write-downs during the year	(61,028)	(45,539)	(17,000)	(539,175)	-	(16,000)	-	(678,742)	(167,473)
Closing Asset Costs		11,957,284	9,428,016	90,994,542	2,808,447	2,633,857	43,430,685	85,522,482	246,775,313	236,479,039
Amortization	Accumulated									
	Opening Accumulated Amortization Costs	2,403,476	3,163,396	64,212,729	1,409,810	360,044	13,095,820	36,950,398	121,595,673	115,564,581
	Add: Amortization taken	457,878	377,408	2,148,222	163,788	68,865	913,542	2,120,647	6,250,350	6,112,691
	Less: Accumulated amortization on disposals	(9,154)	(18,021)	(15,300)	(539,174)	-	(4,000)	-	(585,649)	(81,600)
Closing Accumulated Amortization Costs		2,852,200	3,522,783	66,345,651	1,034,424	428,909	14,005,362	39,071,045	127,260,374	121,595,672
Net Book Value		9,105,084	5,905,233	24,648,891	1,774,023	2,204,948	29,425,323	46,451,437	119,514,939	114,883,367

City of Estevan
Consolidated Schedule of Accumulated Surplus
As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	8,584,142	(1,209,663)	7,374,479
APPROPRIATED RESERVES			
Utility	287,260		287,260
Total Appropriated	287,260	-	287,260
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	114,883,367	4,631,572	119,514,939
Less: Related debt	(24,915,007)	2,384,140	(22,530,867)
Net Investment in Tangible Capital Assets	89,968,360	7,015,712	96,984,072
Total Accumulated Surplus	98,839,762	5,806,049	104,645,811

City of Estevan
Schedule of Mill Rates and Assessments
As at December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	321,150	838,088,970	207,964,920		510,544,400		1,556,919,440
Regional Park Assessment							
Total Assessment							1,556,919,440
Mill Rate Factor(s)	0.8500	0.8000	0.8000; 0.9000	-	1.3300; 1.45000; 2.5000		
Total Base/Minimum Tax (generated for each property class)	-	1,400	-	-	700		2,100
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,965	7,306,258	1,896,059	-	7,517,958		16,723,239

MILL RATES:	MILLS
Average Municipal*	10.74
Average School*	4.83
Uniform Municipal Mill Rate	10.32

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

City of Estevan
Schedule of Council Remuneration
As at December 31, 2020

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Ludwig, Roy	52,922	1,807	54,729
Councillor	Clark, Lindsay	1,529	-	1,529
Councillor	Foord, Rebecca	1,529	200	1,729
Councillor	Frank, Travis	17,456	1,337	18,793
Councillor	Hoffort, Greg	15,927	-	15,927
Councillor	Knibbs, Trevor	15,927	-	15,927
Councillor	Moore, Dennis	15,927	800	16,727
Councillor	Senick, Anthony	1,529	200	1,729
Councillor	Veroba, Shelly	17,456	4,009	21,465
Councillor	Walliser, Kristen	1,529	200	1,729
Councillor	Yanish, Lyle	15,927	-	15,927
Total		157,658	8,553	166,211