
**Annual Financial Statement
And Supporting Schedules**

For The

VILLAGE OF MARENGO

For the Year Ended December 31, 2020

Management's Responsibility

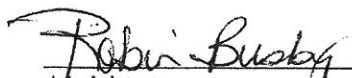
The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that 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 municipality. 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 external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

CHBB Chartered Professional Accountants, an independent firm of *Chartered Professional Accountants*, 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 meet periodically and separately with, both the Council and management to discuss their audit findings.


Mayor


Administrator

22-Jun-21



CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Village of Marengo

Opinion

We have audited the accompanying financial statements of the Village of Marengo, which comprise the statement of financial position as at December 31, 2020, and the statements of operations, statement of change in net financial assets (debt) 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 Village of Marengo 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 Financial Statements section of our report. We are independent of Village of Marengo 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 audit 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 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 Village of Marengo'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 Village of Marengo or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village of Marengo financial reporting process.

Auditor's Responsibilities for the Audit of 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 controls.
- 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 Village of Marengo'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 Village of Marengo'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 Village of Marengo 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.

A handwritten signature in dark ink, appearing to read "CHBB", with a large, sweeping underline that extends to the left and then curves back under the letters.

KINDERSLEY, Saskatchewan

Chartered Professional Accountants

June 3, 2021

Municipality of **Marengo**
Consolidated Statement of Financial Position
As at December 31, 2020

Statement 1

| | 2020 | 2019 |
|---|----------------|----------------|
| FINANCIAL ASSETS | | |
| Cash and Temporary Investments (Note 2) | 471,261 | 367,012 |
| Taxes Receivable - Municipal (Note 3) | 4,401 | 4,921 |
| Other Accounts Receivable (Note 4) | 8,414 | 5,025 |
| Land for Resale (Note 5) | 19,227 | 19,227 |
| Long-Term Investments (Note 6) | 772 | 746 |
| Debt Charges Recoverable (Note 7) | - | - |
| Other (Specify) | - | - |
| Total Financial Assets | 504,075 | 396,931 |
| LIABILITIES | | |
| Bank Indebtedness (Note 8) | - | - |
| Accounts Payable | 31,395 | 7,011 |
| Accrued Liabilities Payable | - | - |
| Deposits | - | - |
| Deferred Revenue (Note 9) | 9,630 | - |
| Accrued Landfill Costs (Note 10) | - | - |
| Liability for Contaminated Sites (Note 11) | - | - |
| Other Liabilities | - | - |
| Long-Term Debt (Note 12) | - | - |
| Lease Obligations (Note 13) | - | - |
| Total Liabilities | 41,025 | 7,011 |
| NET FINANCIAL ASSETS (DEBT) | 463,050 | 389,919 |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets (Schedule 6, 7) | 393,291 | 395,414 |
| Prepayments and Deferred Charges | - | - |
| Stock and Supplies | - | - |
| Other (Note 14) | - | - |
| Total Non-Financial Assets | 393,291 | 395,414 |
| ACCUMULATED SURPLUS (DEFICIT) (Schedule 8) | 856,341 | 785,333 |

The accompanying notes and schedules are an integral part of these statements.

Municipality of **Marengo**
Consolidated Statement of Operations
As at December 31, 2020

Statement 2

| | 2020 Budget | 2020 | 2019 |
|---|----------------|----------------|----------------|
| REVENUES | | | |
| Taxes and Other Unconditional Revenue (Schedule 1) | 127,711 | 127,503 | 116,341 |
| Fees and Charges (Schedule 4, 5) | 55,196 | 55,119 | 59,769 |
| Conditional Grants (Schedule 4, 5) | 1,600 | 1,431 | 2,129 |
| Tangible Capital Asset Sales - Gain (Schedule 4, 5) | - | - | - |
| Land Sales - Gain (Schedule 4, 5) | - | - | - |
| Investment Income and Commissions (Schedule 4, 5) | 6,600 | 3,176 | 6,477 |
| Restructurings (Schedule 4,5) | - | - | - |
| Other Revenues (Schedule 4, 5) | - | 3,997 | - |
| Total Revenues | 191,107 | 191,226 | 184,716 |
| EXPENSES | | | |
| General Government Services (Schedule 3) | 38,421 | 35,570 | 35,194 |
| Protective Services (Schedule 3) | 6,199 | 5,766 | 3,309 |
| Transportation Services (Schedule 3) | 24,743 | 19,022 | 23,110 |
| Environmental and Public Health Services (Schedule 3) | 12,750 | 13,062 | 34,815 |
| Planning and Development Services (Schedule 3) | 8,000 | 45 | - |
| Recreation and Cultural Services (Schedule 3) | 5,191 | 3,354 | 3,981 |
| Utility Services (Schedule 3) | 66,430 | 49,327 | 47,368 |
| Restructurings (Schedule 3) | - | - | - |
| Total Expenses | 161,734 | 126,148 | 147,778 |
| Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions | 29,374 | 65,078 | 36,938 |
| Provincial/Federal Capital Grants and Contributions (Schedule 4, 5) | 3,953 | 5,930 | 6,437 |
| Surplus (Deficit) of Revenues over Expenses | 33,327 | 71,008 | 43,375 |
| Accumulated Surplus (Deficit), Beginning of Year | 785,333 | 785,333 | 741,958 |
| Accumulated Surplus (Deficit), End of Year | 818,660 | 856,341 | 785,333 |

The accompanying notes and schedules are an integral part of these statements.

Municipality of Marengo

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2020

Statement 3

| | 2020 Budget | 2020 | 2019 |
|---|----------------|----------------|----------------|
| Surplus (Deficit) | 33,327 | 71,008 | 43,375 |
| (Acquisition) of tangible capital assets | | (11,834) | (1,024) |
| Amortization of tangible capital assets | | 13,957 | 13,752 |
| Proceeds on disposal of tangible capital assets | | - | - |
| Loss (gain) on the disposal of tangible capital assets | | - | - |
| Transfer of assets/liabilities in restructuring transactions | | - | - |
| Surplus (Deficit) of capital expenses over expenditures | - | 2,123 | 12,728 |
| (Acquisition) of supplies inventories | | | |
| (Acquisition) of prepaid expense | | | |
| Consumption of supplies inventory | | | |
| Use of prepaid expense | | | |
| Surplus (Deficit) of expenses of other non-financial over expenditures | - | - | - |
| Increase/Decrease in Net Financial Assets | 33,327 | 73,131 | 56,102 |
| Net Financial Assets (Debt) - Beginning of Year | 389,919 | 389,919 | 333,817 |
| Net Financial Assets (Debt) - End of Year | 423,246 | 463,050 | 389,919 |

The accompanying notes and schedules are an integral part of these statements.

Municipality of Marengo
Consolidated Statement of Cash Flow
As at December 31, 2020

Statement 4

| | 2020 | 2019 |
|--|----------|---------|
| Cash provided by (used for) the following activities | | |
| Operating: | | |
| Surplus (Deficit) | 71,008 | 43,375 |
| Amortization | 13,957 | 13,752 |
| Loss (gain) on disposal of tangible capital assets | - | - |
| | 84,964 | 57,126 |
| Change in assets/liabilities | | |
| Taxes Receivable - Municipal | 520 | (744) |
| Other Receivables | (3,389) | 1,414 |
| Land for Resale | - | - |
| Other Financial Assets | - | - |
| Accounts and Accrued Liabilities Payable | 24,384 | (2,564) |
| Deposits | - | - |
| Deferred Revenue | 9,630 | (758) |
| Accrued Landfill Costs | - | - |
| Liability for Contaminated Sites | - | - |
| Other Liabilities | - | - |
| Stock and Supplies | - | - |
| Prepayments and Deferred Charges | - | - |
| Other (Specify) | - | - |
| Cash provided by operating transactions | 116,109 | 54,474 |
| Capital: | | |
| Acquisition of capital assets | (11,834) | (1,024) |
| Proceeds from the disposal of capital assets | - | - |
| Other capital | - | - |
| Cash applied to capital transactions | (11,834) | (1,024) |
| Investing: | | |
| Long-term investments | (26) | (54) |
| Other investments | - | - |
| Cash provided by (applied to) investing transactions | (26) | (54) |
| Financing: | | |
| Debt charges recovered | | |
| Long-term debt issued | | |
| Long-term debt repaid | | |
| Other financing | | |
| Cash provided by (applied to) financing transactions | - | - |
| Change in Cash and Temporary Investments during the year | 104,249 | 53,397 |
| Cash and Temporary Investments - Beginning of Year | 367,012 | 313,615 |
| Cash and Temporary Investments - End of Year | 471,261 | 367,012 |

The accompanying notes and schedules are an integral part of these statements.

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
[Local arena board]
[Local swimming pool]

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.
- 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.
- j) **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.

1. Significant Accounting Policies - continued

- k) **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.
- l) **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 | 5 to 20 Yrs |
| Buildings | 10 to 50 Yrs |
| Vehicles & Equipment | |
| Vehicles | 5 to 10 Yrs |
| Machinery and Equipment | 5 to 10 Yrs |
| Infrastructure Assets | |
| Infrastructure Assets | 30 to 75 Yrs |
| Water & Sewer | 15 to 40 Yrs |
| Road Network Assets | 15 to 40 Yrs |

[If method other than straight line used the method must be separately disclosed]

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.

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

[List other unrecognized assets, if any].

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 *[amortization method]* 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.

- m) **Landfill Liability:**
The municipality does not maintain a waste disposal site.
- n) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- o) **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.
- p) **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:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

1. Significant Accounting Policies - continued

- q) **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.

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.

- r) **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.

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 23, 2020.

- t) **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.

Municipality of Marengo
Notes to the Consolidated Financial Statements
As at December 31, 2020

2. Cash and Temporary Investments

| | 2020 | 2019 |
|---|----------------|----------------|
| Cash | 354,112 | 281,723 |
| Temporary Investments | | |
| Restricted Cash | 117,149 | 85,289 |
| Total Cash and Temporary Investments | 471,261 | 367,012 |

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Taxes Receivable - Municipal

| | 2020 | 2019 |
|--|--------------|----------------|
| Municipal - Current | 3,888 | 3,699 |
| - Arrears | 513 | 1,222 |
| | 4,401 | 4,921 |
| - Less Allowance for Uncollectible | - | - |
| Total municipal taxes receivable | 4,401 | 4,921 |
| School - Current | 417 | 845 |
| - Arrears | 6 | 216 |
| Total school taxes receivable | 423 | 1,061 |
| Other | | |
| Total taxes and grants in lieu receivable | 4,824 | 5,982 |
| Deduct taxes receivable to be collected on behalf of other organizations | (423) | (1,061) |
| Total Taxes Receivable - Municipal | 4,401 | 4,921 |

4. Other Accounts Receivable

| | 2020 | 2019 |
|-----------------------------------|-------|-------|
| Federal Government | 1,522 | 904 |
| Provincial Government | 410 | 964 |
| Local Government | | 10 |
| Utility | 1,708 | 2853 |
| Trade | 4,774 | 295 |
| Other (Specify) | | 0 |
| Total Other Accounts Receivable | 8,414 | 5,025 |
| Less: Allowance for Uncollectible | | |
| Net Other Accounts Receivable | 8,414 | 5,025 |

5. Land for Resale

| | 2020 | 2019 |
|---------------------------------------|--------|--------|
| Tax Title Property | 4,387 | 4,387 |
| Allowance for market value adjustment | | |
| Net Tax Title Property | 4,387 | 4,387 |
| Other Land | 14,840 | 14,840 |
| Allowance for market value adjustment | | |
| Net Other Land | 14,840 | 14,840 |
| Total Land for Resale | 19,227 | 19,227 |

6. Long-Term Investments

| | 2020 | 2019 |
|---|------|------|
| Sask Assoc. of Rural Municipalities - Self Insurance Fund | 0 | 0 |
| Other: Equity in Co-operatives | 772 | 746 |
| Total Long-Term Investments | 772 | 746 |

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

Marketable securities are valued at the lower of cost and market value. Market value at [date] was [\$/] ([Prior Year] - [\$/]).

[Marketable securities Portfolio investments] represent investments in common shares [of public companies] and are stated at the lower of cost or market value. At year-end, cost was substantially the same as the quoted market value.

7. Debt Charges Recoverable

| | 2020 | 2019 |
|--------------------------------------|------|------|
| Current debt charges recoverable | | |
| Non-current debt charges recoverable | | |
| Total Debt Charges Recoverable | - | - |

The municipality has undertaken a project with [describe nature of project and identify partners]. The municipality assumed the long-term financing of [\$/ - amount]; however, [\$/ - amount] plus interest at [%/] % is recoverable from [name of municipality] with respect to this financing. Amounts are recoverable in annual principal instalments of [\$/] plus interest, and mature [date].

Future debt charges recoverable are as follows:

| Year | Principal | Interest | Total |
|------------|-----------|----------|-------|
| 2021 | | | - |
| 2022 | | | - |
| 2023 | | | - |
| 2024 | | | - |
| 2025 | | | - |
| Thereafter | | | - |
| Balance | - | - | - |

8. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to \$ [] ([prior year] - \$ []) and bearing interest at prime plus [# %]. Assets pledged as collateral are [describe assets].

Credit Arrangements

[Disclosure appropriate where lines of credit have been authorized, but no amount is drawn at the financial statement date]

At [date], the Municipality had lines of credit totaling \$ [], none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Hypothecation of certain preferred shares (market value at [date] of \$ []).

9. Deferred Revenue

| | 2020 | 2019 |
|-------------------------------|--------------|----------|
| MEEP Funding | 9,630 | 0 |
| Total Deferred Revenue | 9,630 | - |

10. Accrued Landfill Costs

| | 2020 | 2019 |
|---------------------------|------|------|
| Environmental Liabilities | - | - |

In [year] the municipality has accrued an overall liability for environmental matters in the amount of \$ [] (prior year - \$ []) 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.

Included in environmental liabilities is \$ [] (prior year - \$ []) of the estimated total landfill closure and post-closure care expenses. 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, [year] 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 [%] (prior year - %).

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 [# of years]-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 [%] - [#] cubic metres (prior year - % - [#] cubic metres) of its total estimated capacity of [#] cubic metres and its estimated remaining life is [#] years (prior year - [#] years). The period for post-closure care is estimated to be [#] years (prior year - [#]).

The unfunded liability for the landfill will be paid for [explain how will be financed].

11. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of \$ [] ([prior year] - \$ []) for remediation of [name of the contaminated sites] using [name of the valuation method]. The nature of the liability is [description of the nature of the liability including the event of transaction creating the liability]. The assumptions used in estimating the liability include [descriptions of assumptions and measurement basis used]. The amount of estimated recoveries is \$ [] ([prior year] - \$ []).

[Note: additional disclosure is required of the estimated total undiscounted expenditures and discount rate (when a net present value technique is used), as well as the reason for not recognizing a liability, if appropriate.]

Municipality of Marengo
Notes to the Consolidated Financial Statements
As at December 31, 2020

12. Long-Term Debt

a) The debt limit of the municipality is \$145,023. 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)).

or

b) The debt limit of the municipality is \$ _____. The debt limit for the municipality has been established by the Saskatchewan Municipal Board (the *Municipalities Act* section 161(2)).

Debenture debt is repayable at *[describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand]*.

Future principal and interest payments are as follows:

| Year | Principal | Interest | Current Year Total | Prior Year Total |
|------------|-----------|----------|--------------------|------------------|
| 2021 | | | - | |
| 2022 | | | - | |
| 2023 | | | - | |
| 2024 | | | - | |
| 2025 | | | - | |
| Thereafter | | | - | |
| Balance | - | - | - | - |

Bank loans are repayable *[describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand]*.

Future principal repayments are estimated as follows:

| Year | Principal | Interest | Current Year Total | Prior Year Total |
|------------|-----------|----------|--------------------|------------------|
| 2021 | | | - | |
| 2022 | | | - | |
| 2023 | | | - | |
| 2024 | | | - | |
| 2025 | | | - | |
| Thereafter | | | - | |
| Balance | - | - | - | - |

13. Lease Obligations

[Description of capital leases including interest rates, expiry dates and significant conditions of the lease agreements]

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 | - |
| 2022 | - |
| 2023 | - |
| 2024 | - |
| 2025 | - |
| Thereafter | - |
| Total future minimum lease payments | - |
| Amounts representing interest at a weighted average rate of _____ % | - |
| Capital Lease Liability | - |

Municipality of Marengo
Notes to the Consolidated Financial Statements
As at December 31, 2020

14. Other Non-financial Assets

2020

2019

[List if any]

15. 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 is also contingently liable for the following:

[List if any]

16. 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 \$0.00. 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.

17. Comparative Figures

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

18. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

[Description of Trust i.e. Cemetery]

| | Current Year Total | Prior Year Total |
|--------------------------------|--------------------|------------------|
| Balance - Beginning of Year | | |
| Revenue (<i>Specify</i>) | | |
| Interest revenue | | |
| Expenditure (<i>Specify</i>) | | |
| Balance - End of Year | - | - |

19. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to *[list related parties]* under the common control of the Council.

[Select one of the following as applicable:]

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

or

[If there are non-arm's length transactions recognized by the municipality at an amount other than normal trade terms during the year use the disclosure below.]

Certain transactions with the following related parties were settled at an amount other than normal trade terms.

[For each related party transaction describe:]

- Adequate information about the nature of the relationship with the related parties involved in related party transactions;
 - The type and amount of related party transaction that have been recognized by financial statement category;
 - The basis of measurement used;
 - The amount of outstanding balances and the terms and conditions attached to them;
 - Contractual obligations and or contingent liabilities with related parties separate from other contractual obligations and contingent liabilities;
 - The types of related party transactions that have occurred for which no amount has been recognized.
- Items of a similar nature should be disclosed in aggregate.]*

20. Contingent Assets

Assets

The municipality has the following contingent asset(s) for which the probability of *[future event that would result in the asset(s)]* occurring is likely, resulting in *[describe the nature of the contingent asset]* where the estimated or known assets are, or exceed *[\$]* at December 31 *[current year]* *[(prior year: \$)]*. The future receipt of these assets is dependent on *[describe nature of future event that will confirm existence of asset]*. *[When the disclosed amount is based on an estimate, explain basis of estimation]*.

Contingent assets are not recorded in the financial statements.

(or, in cases where the extent cannot be measured or when disclosure of the extent would have an adverse effect on the outcome, consider the following)

The municipality has the following contingent asset(s) for which the probability of *[future event that would result in the asset(s)]* occurring is likely, resulting in *[describe the nature of the contingent asset]*. The future receipt of these assets is dependent on *[describe nature of future event that will confirm existence of asset]*. *[Describe the reason for non-disclosure of the extent of the contingent asset]*.

Contingent assets are not recorded in the financial statements.

21. 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 are as follows:

| Contractual Rights Type | Describe Nature Time and Extent | 2020 | 2021 | 2022 | 2023 | 2024 | Thereafter | No Fixed Maturity Date | Current Year Total | Prior Year Total |
|------------------------------------|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------------|--------------------|------------------|
| <i>[i.e. future lease Revenue]</i> | | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | - | <i>[\$]</i> |
| Contractual Rights 1 | | | | | | | | | - | |
| Contractual Rights 2 | | | | | | | | | - | |
| Contractual Rights 3 | | | | | | | | | - | |
| <i>[Other Specify]</i> | | | | | | | | | - | |
| Total | | - | - | - | - | - | - | - | - | - |

22. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets *[identify those that apply]*. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

| Contractual Obligations and Commitments Type ¹ | Describe Nature Time and Extent | 2020 | 2021 | 2022 | 2023 | 2024 | Thereafter | No Fixed Maturity Date | Current Year Total | Prior Year Total |
|---|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------------|--------------------|------------------|
| <i>[i.e. future lease Revenue]</i> | | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | <i>[\$]</i> | - | <i>[\$]</i> |
| Contractual Rights 1 | | | | | | | | | - | |
| Contractual Rights 2 | | | | | | | | | - | |
| Contractual Rights 3 | | | | | | | | | - | |
| <i>[Other Specify]</i> | | | | | | | | | - | |
| Total | | - | - | - | - | - | - | - | - | - |

¹ See Note 13 for Capital Lease obligations.

23. Restructuring Transactions

[Select one of the following if applicable:]

On [insert restructuring date], the [Town/City/Village of XXX] received the transfer of [insert brief description of assets (and liabilities)] and the responsibility for the ongoing operation of the asset(s) from [insert transferring organization's name]. The transfer was due to [brief description of why the restructuring transaction occurred].

The assets [and liabilities] have been recorded as [e.g., tangible capital assets, A/R etc.], at the [insert transferring organization's name] carrying value at the time of the transfer, totaling \$XX. This amount has been recorded as revenue [expense] during the year. Under the transfer, the [Town/City/Village of XXX] also assumed responsibility for [contingent liabilities (describe) and/or contractual obligations (describe) if applicable].

The [Town/City/Village of XXX] also received compensation of \$XX for [outline the purpose -what it is for – if applicable].

The [Town/City/Village of XXX] incurred \$XX in restructuring costs related to [brief description of the cause of the costs incurred if significant e.g., legal, accounting, professional services – if applicable].

From the date of transfer to December 31, 2020, revenues and expenses related to the operation of the assets were as follows: revenue of \$XX; salaries of \$XX; goods and services of \$XX; amortization of \$XX; and debt service \$XX.

or

On [insert restructuring date here], the [Town/City/Village of XXX] transferred [insert brief description of assets (and liabilities)] and the responsibility for the ongoing operation of the asset(s) to [insert receiving organization's name]. [Contingent liabilities (describe) and/or contractual obligations (describe) if applicable] are also transferred to [insert receiving organization's name].

The transfer was due to [brief description of why the restructuring transaction occurred].

The carrying amount of the assets [and liabilities] transferred of \$XX is recorded as an expense (revenue) during the year.

The [Town/City/Village of XXX] also provided compensation of \$XX for [outline the purpose -what it is for – if applicable].

The [Town/City/Village of XXX] incurred \$XX in restructuring costs related to [brief description of the cause of the costs incurred if significant e.g., legal, accounting, professional services – if applicable].

Municipality of Marengo
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2020

Schedule I

| | 2020 Budget | 2020 | 2019 |
|--|----------------|----------------|----------------|
| TAXES | | | |
| General municipal tax levy | 95,818 | 96,304 | 86,655 |
| Abatements and adjustments | | | |
| Discount on current year taxes | | | |
| Net Municipal Taxes | 95,818 | 96,304 | 86,655 |
| Potash tax share | | | |
| Trailer license fees | | | |
| Penalties on tax arrears | | 534 | |
| Special tax levy | | | |
| Other (Specify) | | | |
| Total Taxes | 95,818 | 96,838 | 86,655 |
| UNCONDITIONAL GRANTS | | | |
| Revenue Sharing (Organized Hamlet) | 17,193 | 17,193 | 15,696 |
| Total Unconditional Grants | 17,193 | 17,193 | 15,696 |
| GRANTS IN LIEU OF TAXES | | | |
| Federal | | | |
| Provincial | | | |
| S.P.C. Electrical | | | |
| SaskEnergy Gas | | | |
| TransGas | | | |
| Central Services | | | |
| SaskTel | 1,200 | 1,200 | 1,200 |
| Other (Specify) | | | |
| Local/Other | | | |
| Housing Authority | 1,500 | 1,571 | 1,500 |
| C.P.R. Mainline | | | |
| Treaty Land Entitlement | | | |
| Other (Specify) | | | |
| Other Government Transfers | | | |
| S.P.C. Surcharge | 12,000 | 10,701 | 11,290 |
| Sask Energy Surcharge | | | |
| Other (Specify) | | | |
| Total Grants in Lieu of Taxes | 14,700 | 13,473 | 13,990 |
| TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE | 127,711 | 127,503 | 116,341 |

Municipality of Marengo
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 | 257 | 223 | 469 |
| - Sales of supplies | 9 | 250 | 11 |
| - Other (<i>Specify</i>) | | | |
| Total Fees and Charges | 266 | 473 | 480 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Land sales - gain | | | |
| - Investment income and commissions | 6,600 | 3,176 | 6,477 |
| - Other (<i>Safe Restart</i>) | - | 3,997 | - |
| Total Other Segmented Revenue | 6,866 | 7,646 | 6,957 |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Other (<i>Specify</i>) | | | |
| Total Conditional Grants | - | - | - |
| Total Operating | 6,866 | 7,646 | 6,957 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - ICIP | | | |
| - Provincial Disaster Assistance | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | - | - | - |
| Restructuring Revenue (<i>Specify, if any</i>) | | | |
| Total General Government Services | 6,866 | 7,646 | 6,957 |

PROTECTIVE SERVICES

| | | | |
|---|------------|------------|-----------|
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | 100 | 110 | 70 |
| - Other (<i>Specify</i>) | | | |
| Total Fees and Charges | 100 | 110 | 70 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (<i>Specify</i>) | | | |
| Total Other Segmented Revenue | 100 | 110 | 70 |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Local government | | | |
| - Other (<i>Specify</i>) | | | |
| Total Conditional Grants | - | - | - |
| Total Operating | 100 | 110 | 70 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - ICIP | | | |
| - Provincial Disaster Assistance | | | |
| - Local government | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | - | - | - |
| Restructuring Revenue (<i>Specify, if any</i>) | | | |
| Total Protective Services | 100 | 110 | 70 |

Municipality of Marengo
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 2

| | 2020 Budget | 2020 | 2019 |
|--|-------------|------|------|
| TRANSPORTATION SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Custom work | - | - | 420 |
| - Sales of supplies | | | |
| - Road Maintenance and Restoration Agreements | | | |
| - Frontage | | | |
| - Other (Specify) | | | |
| Total Fees and Charges | - | - | 420 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | - | - | 420 |
| Conditional Grants | | | |
| - RIRG (CTP) | | | |
| - Student Employment | | | |
| - Other (Specify) | | | |
| Total Conditional Grants | - | - | - |
| Total Operating | - | - | 420 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - ICIP | | | |
| - RIRG (Heavy Haul, CTP, Bridge and Large Culvert) | | | |
| - Provincial Disaster Assistance | | | |
| - Other (Specify) | | | |
| Total Capital | - | - | - |
| Restructuring Revenue (Specify, if any) | | | |
| Total Transportation Services | - | - | 420 |

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

| | | | |
|---|--------|--------|--------|
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Waste and Disposal Fees | 11,100 | 11,033 | 14,138 |
| - Other: Cemetery Fees | 200 | 50 | 450 |
| Total Fees and Charges | 11,300 | 11,083 | 14,588 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | 11,300 | 11,083 | 14,588 |
| Conditional Grants | | | |
| - Student Employment | | | |
| - TAPD | | | |
| - Local government | | | |
| - Other (Specify) | | | |
| Total Conditional Grants | - | - | - |
| Total Operating | 11,300 | 11,083 | 14,588 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - ICIP | | | |
| - TAPD | | | |
| - Provincial Disaster Assistance | | | |
| - Other (Specify) | | | |
| Total Capital | - | - | - |
| Restructuring Revenue (Specify, if any) | | | |
| Total Environmental and Public Health Services | 11,300 | 11,083 | 14,588 |

Municipality of **Marengo**
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 | 150 | 25 | 25 |
| - Other (Specify) | | | |
| Total Fees and Charges | 150 | 25 | 25 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | 150 | 25 | 25 |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Other (Specify) | | | |
| Total Conditional Grants | - | - | - |
| Total Operating | 150 | 25 | 25 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - ICIP | | | |
| - Provincial Disaster Assistance | | | |
| - Other (Specify) | | | |
| Total Capital | - | - | - |
| Restructuring Revenue (Specify, if any) | | | |
| Total Planning and Development Services | 150 | 25 | 25 |

RECREATION AND CULTURAL SERVICES

| | | | |
|--|--------------|--------------|--------------|
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Other (Specify) | | | |
| Total Fees and Charges | - | - | - |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | - | - | - |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Local government | | | |
| - Other: Donations | 1,600 | 1,431 | 2,129 |
| Total Conditional Grants | 1,600 | 1,431 | 2,129 |
| Total Operating | 1,600 | 1,431 | 2,129 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - ICIP | | | |
| - Local government | | | |
| - Provincial Disaster Assistance | | | |
| - Other (Specify) | | | |
| Total Capital | - | - | - |
| Restructuring Revenue (Specify, if any) | | | |
| Total Recreation and Cultural Services | 1,600 | 1,431 | 2,129 |

Municipality of Marengo
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 | 28,380 | 28,425 | 28,906 |
| - Sewer | 15,000 | 15,004 | 15,281 |
| - Other (Specify) | | | |
| Total Fees and Charges | 43,380 | 43,428 | 44,187 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | 43,380 | 43,428 | 44,187 |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Other (Specify) | | | |
| Total Conditional Grants | - | - | - |
| Total Operating | 43,380 | 43,428 | 44,187 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | 3,953 | 5,930 | 6,437 |
| - ICIP | | | |
| - New Building Canada Fund (SCF, NRP) | | | |
| - Clean Water and Wastewater Fund | | | |
| - Provincial Disaster Assistance | | | |
| - Other (Specify) | | | |
| Total Capital | 3,953 | 5,930 | 6,437 |
| Restructuring Revenue (Specify, if any) | | | |
| Total Utility Services | 47,333 | 49,358 | 50,624 |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | 67,349 | 69,652 | 74,812 |

SUMMARY

| | | | |
|--|---------------|---------------|---------------|
| Total Other Segmented Revenue | 61,796 | 62,292 | 66,246 |
| Total Conditional Grants | 1,600 | 1,431 | 2,129 |
| Total Capital Grants and Contributions | 3,953 | 5,930 | 6,437 |
| Restructuring Revenue | - | - | - |
| TOTAL REVENUE BY FUNCTION | 67,349 | 69,652 | 74,812 |

Municipality of Marengo
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 1

| | 2020 Budget | 2020 | 2019 |
|--------------------------------------|-------------|--------|--------|
| GENERAL GOVERNMENT SERVICES | | | |
| Council remuneration and travel | 3,000 | 2,694 | 2,994 |
| Wages and benefits | 17,999 | 17,065 | 16,992 |
| Professional/Contractual services | 13,863 | 12,182 | 12,337 |
| Utilities | 529 | 615 | 576 |
| Maintenance, materials and supplies | 3,015 | 2,427 | 1,778 |
| Grants and contributions - operating | - | 375 | 425 |
| - capital | - | - | - |
| Amortization | - | 205 | - |
| Interest | 15 | 1 | 8 |
| Allowance for uncollectible | - | - | 85 |
| Other (Specify) | - | 6 | - |
| General Government Services | 38,421 | 35,570 | 35,194 |
| Restructuring (Specify, if any) | | | |
| Total General Government Services | 38,421 | 35,570 | 35,194 |

PROTECTIVE SERVICES

Police protection

| | | | |
|--------------------------------------|-------|-------|-------|
| Wages and benefits | | | |
| Professional/Contractual services | 6,115 | 5,064 | 3,115 |
| Utilities | | | |
| Maintenance, material and supplies | - | 93 | 110 |
| Grants and contributions - operating | - | 200 | - |
| - capital | | | |
| Other (Specify) | | | |

Fire protection

| | | | |
|--------------------------------------|----|-----|----|
| Wages and benefits | | | |
| Professional/Contractual services | 84 | 84 | 84 |
| Utilities | | | |
| Maintenance, material and supplies | - | 326 | - |
| Grants and contributions - operating | | | |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Other (Specify) | | | |

| | | | |
|---------------------------------|-------|-------|-------|
| Protective Services | 6,199 | 5,766 | 3,309 |
| Restructuring (Specify, if any) | | | |
| Total Protective Services | 6,199 | 5,766 | 3,309 |

TRANSPORTATION SERVICES

| | | | |
|--------------------------------------|-------|-------|-------|
| Wages and benefits | 7,342 | 7,069 | 5,335 |
| Professional/Contractual Services | 3,130 | 130 | 4,200 |
| Utilities | 5,900 | 5,833 | 5,799 |
| Maintenance, materials, and supplies | 4,750 | 2,368 | 2,655 |
| Gravel | - | - | 1,500 |
| Grants and contributions - operating | | | |
| - capital | | | |
| Amortization | 3,622 | 3,622 | 3,622 |
| Interest | | | |
| Other (Specify) | | | |

| | | | |
|---------------------------------|--------|--------|--------|
| Transportation Services | 24,743 | 19,022 | 23,110 |
| Restructuring (Specify, if any) | | | |
| Total Transportation Services | 24,743 | 19,022 | 23,110 |

Municipality of Marengo
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 2

| | 2020 Budget | 2020 | 2019 |
|---|---------------|---------------|---------------|
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Wages and benefits | | | |
| Professional/Contractual services | 12,750 | 12,305 | 32,157 |
| Utilities | | | |
| Maintenance, materials and supplies | - | 257 | 2,658 |
| Grants and contributions - operating | | | |
| o Waste disposal | | | |
| o Public Health | - | 500 | - |
| - capital | | | |
| o Waste disposal | | | |
| o Public Health | | | |
| Amortization | | | |
| Interest | | | |
| Other (Specify) | | | |
| Environmental and Public Health Services | 12,750 | 13,062 | 34,815 |
| Restructuring (Specify, if any) | | | |
| Total Environmental and Public Health Services | 12,750 | 13,062 | 34,815 |

PLANNING AND DEVELOPMENT SERVICES

| | | | |
|--|--------------|-----------|----------|
| Wages and benefits | | | |
| Professional/Contractual Services | 8,000 | 45 | - |
| Grants and contributions - operating | | | |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Other (Specify) | - | - | - |
| Planning and Development Services | 8,000 | 45 | - |
| Restructuring (Specify, if any) | | | |
| Total Planning and Development Services | 8,000 | 45 | - |

RECREATION AND CULTURAL SERVICES

| | | | |
|---|--------------|--------------|--------------|
| Wages and benefits | | | |
| Professional/Contractual services | 516 | 515 | 1,125 |
| Utilities | 2,200 | 1,765 | 1,818 |
| Maintenance, materials and supplies | 1,500 | 275 | 238 |
| Grants and contributions - operating | 975 | 800 | 800 |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Allowance for uncollectible | | | |
| Other (Specify) | | | |
| Recreation and Cultural Services | 5,191 | 3,354 | 3,981 |
| Restructuring (Specify, if any) | | | |
| Total Recreation and Cultural Services | 5,191 | 3,354 | 3,981 |

As at December 31, 2020

Schedule 3 - 3

TOTAL EXPENSES BY FUNCTION

Municipality of Marengo
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 | 473 | 110 | - | 11,083 | 25 | - | 43,428 | 55,119 |
| Tangible Capital Asset Sales - Gain | - | - | - | - | - | - | - | - |
| Land Sales - Gain | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 3,176 | - | - | - | - | - | - | 3,176 |
| Other Revenues | 3,997 | - | - | - | - | - | - | 3,997 |
| Grants - Conditional | - | - | - | - | - | 1,431 | - | 1,431 |
| - Capital | - | - | - | - | - | - | 5,930 | 5,930 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 7,646 | 110 | - | 11,083 | 25 | 1,431 | 49,358 | 69,652 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages & Benefits | 19,759 | - | 7,069 | - | - | - | - | 26,828 |
| Professional/ Contractual Services | 12,182 | 5,147 | 130 | 12,305 | 45 | 515 | 27,713 | 58,038 |
| Utilities | 615 | - | 5,833 | - | - | 1,765 | 7,214 | 15,427 |
| Maintenance Materials and Supplies | 2,427 | 419 | 2,368 | 257 | - | 275 | 4,270 | 10,015 |
| Grants and Contributions | 375 | 200 | - | 500 | - | 800 | - | 1,875 |
| Amortization | 205 | - | 3,622 | - | - | - | 10,130 | 13,957 |
| Interest | 1 | - | - | - | - | - | - | 1 |
| Allowance for Uncollectible | - | - | - | - | - | - | - | - |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | 6 | - | - | - | - | - | - | 6 |
| Total Expenses | 35,570 | 5,766 | 19,022 | 13,062 | 45 | 3,354 | 49,327 | 126,148 |
| Surplus (Deficit) by Function | (27,925) | (5,656) | (19,022) | (1,980) | (20) | (1,923) | 31 | (56,495) |

Taxes and other unconditional revenue (Schedule 1)

127,503

Net Surplus (Deficit)

71,008

Municipality of Marengo
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 | 480 | 70 | 420 | 14,588 | 25 | - | 44,187 | 59,769 |
| Tangible Capital Asset Sales - Gain | - | - | - | - | - | - | - | - |
| Land Sales - Gain | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 6,477 | - | - | - | - | - | - | 6,477 |
| Other Revenues | - | - | - | - | - | - | - | - |
| Grants - Conditional | - | - | - | - | - | 2,129 | - | 2,129 |
| - Capital | - | - | - | - | - | - | 6,437 | 6,437 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 6,957 | 70 | 420 | 14,588 | 25 | 2,129 | 50,624 | 74,812 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages & Benefits | 19,986 | - | 5,335 | - | - | - | - | 25,321 |
| Professional/ Contractual Services | 12,337 | 3,199 | 4,200 | 32,157 | - | 1,125 | 25,747 | 78,764 |
| Utilities | 576 | - | 5,799 | - | - | 1,818 | 8,109 | 16,302 |
| Maintenance Materials and Supplies | 1,778 | 110 | 4,155 | 2,658 | - | 238 | 3,382 | 12,322 |
| Grants and Contributions | 425 | - | - | - | - | 800 | - | 1,225 |
| Amortization | - | - | 3,622 | - | - | - | 10,130 | 13,752 |
| Interest | 8 | - | - | - | - | - | - | 8 |
| Allowance for Uncollectible | 85 | - | - | - | - | - | - | 85 |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total Expenses | 35,194 | 3,309 | 23,110 | 34,815 | - | 3,981 | 47,368 | 147,778 |
| Surplus (Deficit) by Function | (28,237) | (3,239) | 22,691 | (20,227) | 25 | (1,852) | 3,256 | (72,966) |

Taxes and other unconditional revenue (Schedule 1)

116,341

Net Surplus (Deficit)

43,375

Municipality of Marengo
Consolidated Schedule of Tangible Capital Assets by Object
As at December 31, 2020

Schedule 6

| | | 2020 | | | | | | 2019 | |
|--------------|---|----------------|-------------------|-----------|----------|-----------------------|-----------------------|--|---------|
| | | General Assets | | | | | Infrastructure Assets | General/Infrastructure Assets Under Construction | |
| | | Land | Land Improvements | Buildings | Vehicles | Machinery & Equipment | Linear assets | | |
| Assets | Asset cost | | | | | | | | Total |
| | Opening Asset costs | 3 | 63,820 | - | - | 67,820 | 503,687 | - | 635,330 |
| | Additions during the year | - | 11,834 | - | - | - | - | - | 11,834 |
| | Disposals and write-downs during the year | | | | | | | | - |
| | Transfers (from) assets under construction | | | | | | | | - |
| | Transfer of Capital Assets related to restructuring (Schedule 11) | | | | | | | | - |
| | Closing Asset Costs | 3 | 75,654 | - | - | 67,820 | 503,687 | - | 647,164 |
| Amortization | Accumulated Amortization Cost | | | | | | | | Total |
| | Opening Accumulated Amortization Costs | 3 | 63,257 | - | - | 63,820 | 112,839 | - | 239,916 |
| | Add: Amortization taken | - | 1,595 | - | - | 1,400 | 10,962 | - | 13,957 |
| | Less: Accumulated amortization on disposals | | | | | | | | - |
| | Transfer of Capital Assets related to restructuring (Schedule 11) | | | | | | | | - |
| | Closing Accumulated | 3 | 64,852 | - | - | 65,220 | 123,801 | - | 253,873 |
| | Net Book Value | - | 10,802 | - | - | 2,600 | 379,886 | - | 393,291 |

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 Schedule 6

\$ -

Municipality of Marengo
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 | |
| Assets | Asset cost | | | | | | | | Total |
| | Opening Asset costs | 1,024 | | 164,421 | 1 | | 1 | 469,883 | 635,330 |
| | Additions during the year | | | | | | | 11,834 | 11,834 |
| | Disposals and write-downs during the year | | | | | | | | |
| | Transfer of Capital Assets related to restructuring (Schedule 11) | | | | | | | | |
| Closing Asset Costs | | 1,024 | - | 164,421 | 1 | - | 1 | 481,717 | 647,164 |
| Amortization | Accumulated | | | | | | | | Total |
| | Opening Accumulated Amortization Costs | - | - | 107,663 | - | - | - | 132,253 | 239,916 |
| | Add: Amortization taken | 205 | | 3,622 | | | | 10,130 | 13,957 |
| | Less: Accumulated amortization on disposals | | | | | | | | |
| | Transfer of Capital Assets related to restructuring (Schedule 11) | | | | | | | | |
| Closing Accumulated Amortization Costs | | 205 | - | 111,285 | - | - | - | 142,383 | 253,873 |
| Net Book Value | | 819 | - | 53,136 | 1 | - | 1 | 339,334 | 393,291 |
| | | | | | | | | | 395,414 |

Municipality of Marengo
Consolidated Schedule of Accumulated Surplus
As at December 31, 2020

Schedule 8

| | 2019 | Changes | 2020 |
|-------------------------------|----------------|---------------|----------------|
| UNAPPROPRIATED SURPLUS | 308,921 | 41,975 | 350,896 |

APPROPRIATED RESERVES

| | | | |
|---------------------------|---------------|---------------|----------------|
| Machinery and Equipment | - | 20,000 | 20,000 |
| Public Reserve | 150 | - | 150 |
| Capital Trust | | | - |
| Utility | 75,366 | 10,000 | 85,366 |
| Other: Recreation | 5,482 | 1,156 | 6,638 |
| Total Appropriated | 80,998 | 31,156 | 112,154 |

ORGANIZED HAMLETS (add lines if required)

| | | | |
|--------------------------------|----------|----------|----------|
| Organized Hamlet of (Name) | | | - |
| Organized Hamlet of (Name) | | | - |
| Organized Hamlet of (Name) | | | - |
| Organized Hamlet of (Name) | | | - |
| Organized Hamlet of (Name) | | | - |
| Organized Hamlet of (Name) | | | - |
| Total Organized Hamlets | - | - | - |

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

| | | | |
|--|----------------|----------------|----------------|
| Tangible capital assets (Schedule 6, 7) | 395,414 | (2,123) | 393,291 |
| Less: Related debt | | | - |
| Net Investment in Tangible Capital Assets | 395,414 | (2,123) | 393,291 |

| | | | |
|----------------------------------|----------------|---------------|----------------|
| Total Accumulated Surplus | 785,333 | 71,008 | 856,341 |
|----------------------------------|----------------|---------------|----------------|

Municipality of Marengo
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 | 14,740 | 1,783,920 | | | 3,652,200 | | 5,450,860 |
| Regional Park Assessment | | | | | | | |
| Total Assessment | | | | | | | 5,450,860 |
| Mill Rate Factor(s) | 0.7300 | 1.0000 | | | 1.8000 | | |
| Total Base/Minimum Tax (generated for each property class) | | 9,000 | | | 9,600 | | 18,600 |
| Total Municipal Tax Levy (include base and/or minimum tax and special levies) | 108 | 23,337 | | | 72,859 | | 96,304 |

| MILL RATES: | MILLS |
|-----------------------------|-------|
| Average Municipal* | 17.67 |
| Average School* | 5.55 |
| Potash Mill Rate | |
| Uniform Municipal Mill Rate | 10.00 |

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

Municipality of Marengo
Schedule of Council Remuneration
As at December 31, 2020

Schedule 10

| Position | Name | Remuneration | Reimbursed Costs | Total |
|-----------------|------------------------|---------------------|-----------------------------|--------------|
| Mayor | Travis McKillop | 1,110 | | 1,110 |
| Councillor | Trista Clow | 1,100 | | 1,100 |
| Councillor | Travis Clow | 1,100 | | 1,100 |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Councillor | | | | - |
| Total | | 3,310 | - | 3,310 |

Municipality of Marengo
Schedule of Restructuring
As at December 31, 2020

Schedule 11

| | 2020 |
|--|------|
| Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date: | |
| Cash and Temporary Investments | - |
| Taxes Receivable - Municipal | - |
| Other Accounts Receivable | - |
| Land for Resale | - |
| Long-Term Investments | - |
| Debt Charges Recoverable | - |
| Bank Indebtedness | - |
| Accounts Payable | - |
| Accrued Liabilities Payable | - |
| Deposits | - |
| Deferred Revenue | - |
| Accrued Landfill Costs | - |
| Liability for Contaminated Sites | - |
| Other Liabilities | - |
| Long-Term Debt | - |
| Lease Obligations | - |
| Tangible Capital Assets | - |
| Prepayments and Deferred Charges | - |
| Stock and Supplies | - |
| Other | - |
| Total Net Carrying Amount Received (Transferred) | - |