

VILLAGE OF MARSDEN
Financial Statements
For The Year Ended December 31, 2020

Management's Responsibility

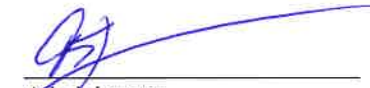
The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, 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 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 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.

Metrix Group LLP, an independent firm of *Chartered Professional Accountants*, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.



Mayor

Administrator

May 10, 2021

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Village of Marsden

Opinion

We have audited the accompanying financial statements of the Village of Marsden (the Municipality), which comprise the statement of financial position as at December 31, 2020, and the statements of operations and accumulated surplus, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2020, and the results of its operations 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

METRIX GROUP LLP

Chartered Professional Accountants

Lloydminster, Alberta

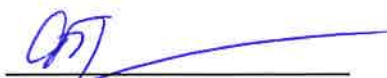
May 10, 2021

Village of Marsden
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	806,981	674,673
Taxes Receivable - Municipal (Note 3)	102,541	88,727
Other Accounts Receivable (Note 4)	32,870	29,491
Land for Resale (Note 5)	185,365	185,365
Long-Term Investments (Note 6)	16,194	15,124
Other (Specify)		
Total Financial Assets	1,143,951	993,380
LIABILITIES		
Bank Indebtedness		
Accounts Payable	14,861	6,722
Accrued Liabilities Payable	4,385	5,051
Deposits		
Deferred Revenue (Note 8)	59,255	1,800
Long-Term Debt (Note 9)	70,972	142,703
Lease Obligations		
Total Liabilities	149,473	156,276
NET FINANCIAL ASSETS (DEBT)	994,478	837,104
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	1,554,175	1,614,434
Prepayments and Deferred Charges	1,023	-
Stock and Supplies		
Other		
Total Non-Financial Assets	1,555,198	1,614,434
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	2,549,676	2,451,538


Mayor


Administrator

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

Village of Marsden
Statement of Operations
For the Year Ended December 31, 2020

Statement 2

	2020 Budget	2020	2019
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	309,450	347,083	320,433
Fees and Charges (Schedule 4, 5)	130,400	134,179	144,417
Conditional Grants (Schedule 4, 5)	42,540	43,312	41,279
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	6,800	5,247	9,634
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues	489,190	529,821	515,763
EXPENSES			
General Government Services (Schedule 3)	139,540	141,432	140,351
Protective Services (Schedule 3)	32,630	21,266	22,975
Transportation Services (Schedule 3)	52,050	40,542	41,308
Environmental and Public Health Services (Schedule 3)	45,980	55,510	64,390
Planning and Development Services (Schedule 3)	-	-	-
Recreation and Cultural Services (Schedule 3)	71,430	72,734	72,183
Utility Services (Schedule 3)	185,610	108,961	104,249
Restructurings (Schedule 3)	-	-	-
Total Expenses	527,240	440,445	445,456
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(38,050)	89,376	70,307
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	17,860	8,762	35,713
Surplus (Deficit) of Revenues over Expenses	(20,190)	98,138	106,020
Accumulated Surplus (Deficit), Beginning of Year	2,451,538	2,451,538	2,345,518
Accumulated Surplus (Deficit), End of Year	2,431,348	2,549,676	2,451,538

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

Village of Marsden
Statement of Change in Net Financial Assets
For the Year Ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	(20,190)	98,138	106,020
(Acquisition) of tangible capital assets		(1,085)	(184,358)
Amortization of tangible capital assets	48,950	61,344	53,557
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	48,950	60,259	(130,801)
(Acquisition) of supplies inventories		(1,023)	-
(Acquisition) of prepaid expense	-	(1,023)	-
Consumption of supplies inventory			
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(1,023)	-
Increase/Decrease in Net Financial Assets	28,760	157,374	(24,781)
Net Financial Assets (Debt) - Beginning of Year	837,104	837,104	861,885
Net Financial Assets (Debt) - End of Year	865,864	994,478	837,104

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

Village of Marsden
Statement of Cash Flows
For the Year Ended December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	98,138	106,020
Amortization	61,344	53,557
Loss (gain) on disposal of tangible capital assets	-	-
	159,482	159,577
Change in assets/liabilities		
Taxes Receivable - Municipal	(13,814)	(19,795)
Other Receivables	(3,379)	5,574
Land for Resale		
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	7,473	(42,672)
Deposits	-	
Deferred Revenue	57,455	(971)
Accrued Landfill Costs		
Liability for Contaminated Sites	-	
Other Liabilities	-	
Stock and Supplies	-	
Prepayments and Deferred Charges	(1,023)	-
Other (Specify)	-	
Cash provided by operating transactions	206,194	101,713
Capital:		
Acquisition of capital assets	(1,085)	(184,358)
Proceeds from the disposal of capital assets	-	-
Other capital		
Cash applied to capital transactions	(1,085)	(184,358)
Investing:		
Long-term investments	(1,070)	(1,001)
Other investments		
Cash provided by (applied to) investing transactions	(1,070)	(1,001)
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid	(71,731)	(72,297)
Other financing		
Cash provided by (applied to) financing transactions	(71,731)	(72,297)
Change in Cash and Temporary Investments during the year	132,308	(155,943)
Cash and Temporary Investments - Beginning of Year	674,673	830,616
Cash and Temporary Investments - End of Year	806,981	674,673

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

Village of Marsden
Notes to the Financial Statements
Year Ended December 31, 2020

1. Significant Accounting Policies

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

- a) **Basis of Accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.
- b) **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.
- c) **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.
- d) **Cash and temporary investments:** Cash and temporary investments include balances with banks, term deposits, and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is include in restricted cash.
- e) **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.

- f) **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.
- g) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- h) **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.
- i) **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.
- j) **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.
- k) **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.
- l) **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.

Village of Marsden
Notes to the Financial Statements
Year Ended December 31, 2020

1. Significant Accounting Policies - continued

- m) **Stock and Supplies:** 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.
- n) **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	40 Years
Road Network Assets	15-40 Years

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.

Capitalization of Interest: The municipality does 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 leases 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 straightline basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- o) **Landfill Liability:** The municipality does not maintain a waste disposal site.
- p) **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. There were no trust fund activities administered by the municipality as at December 31, 2020.
- q) **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.
- r) **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

- s) **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.

- t) **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.

- u) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 8, 2020.

- v) **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.

Village of Marsden
Notes to the Financial Statements
Year Ended December 31, 2020

2. Cash and Temporary Investments

	2020	2019
Cash	544,784	418,256
Restricted Cash	262,197	256,417
Total Cash and Temporary Investments	806,981	674,673

The municipality has set aside funds to finance future expenditures based upon appropriated reserves (*Schedule 8*) determined by Council; these funds are internally restricted.

3. Taxes Receivable - Municipal

	2020	2019
Municipal - Current	29,325	30,361
- Arrears	93,216	78,366
	122,541	108,727
- Less Allowance for Uncollectible	(20,000)	(20,000)
Total municipal taxes receivable	102,541	88,727
School - Current	8,914	7,856
- Arrears	25,152	20,445
Total school taxes receivable	34,066	28,301
Other		
Total taxes and grants in lieu receivable	136,607	117,028
Deduct taxes receivable to be collected on behalf of other organizations	(34,066)	(28,301)
Total Taxes Receivable - Municipal	102,541	88,727

4. Other Accounts Receivable

	2020	2019
Federal Government	22,662	16,975
Provincial Government		
Local Government		
Utility	2,980	4,123
Trade	7,920	9,085
Other (Specify)		
Total Other Accounts Receivable	33,562	30,183
Less: Allowance for Uncollectible	(692)	(692)
Net Other Accounts Receivable	32,870	29,491

Village of Marsden
Notes to the Financial Statements
Year Ended December 31, 2020

5. Land for Resale

	2020	2019
Tax Title Property		
Allowance for market value adjustment		
Net Tax Title Property	-	-
Other Land	185,365	185,365
Allowance for market value adjustment		
Net Other Land	185,365	185,365
Total Land for Resale	185,365	185,365

6. Long-Term Investments

	2020	2019
Synergy Credit Union - Equity	16,194	15,124
Total Long-Term Investments	16,194	15,124

7. Credit Facility Agreement

The municipality has a credit facility agreement with its financial institution that covers its long-term debt facilities referred to in Note 9 and a revolving operating line of credit in the amount of \$ 45,000.

Interest on the line of credit is at prime rate. Prime rate as at December 31, 2020 was 3.250% (2019 - 3.95%). Security for the line of credit is the assignment of the municipality's municipal taxes receivable. There was no balance owing under this line of credit.

8. Deferred Revenue

	2020	2019
Conditional unspent grants	57,210	-
Prepaid Utilities	2,045	1,800
Total Deferred Revenue	59,255	1,800

9. Long-Term Debt

a) The debt limit of the municipality is \$414,101. 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)).

The Synergy Credit Union water treatment plant upgrade loan is repayable in annual payments of \$ 76,375 including interest at 3.25%. The loan amount matures in July 2021.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2021	71,036	2,343	73,379	76,375
2022			-	73,379
2023			-	-
2024			-	-
2025			-	-
Thereafter			-	-
Balance	71,036	2,343	73,379	149,754

Village of Marsden
Notes to the Financial Statements
Year Ended December 31, 2020

10. 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 \$ 2,637 (2019 - \$2,713). 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.

11. Budget Figures

On June 8, 2020, Council approved its operating budget on planned expenses to the current year funding and other current year sources of revenue.

12. Approval of Financial Statements

Council and management have approved these financial statements.

Village of Marsden
Schedule of Taxes and Other Unconditional Revenue
For the Year Ended December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	229,330	230,467	228,829
Abatements and adjustments	(2,200)	(2,197)	(2,370)
Discount on current year taxes	(7,500)	(7,825)	(7,688)
Net Municipal Taxes	219,630	220,445	218,771
Potash tax share			
Trailer license fees			
Penalties on tax arrears	7,000	11,748	10,314
Special tax levy			
Other			
Total Taxes	226,630	232,193	229,085
UNCONDITIONAL GRANTS			
Revenue Sharing	60,390	69,264	62,625
Safe Restart	-	17,717	-
Total Unconditional Grants	60,390	86,981	62,625
GRANTS IN LIEU OF TAXES			
Federal	1,100	1,103	1,103
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	1,120	1,115	1,115
Other			
Local/Other			
Housing Authority	3,500	3,501	3,501
C.P.R. Mainline			
Treaty Land Entitlement			
Other			
Other Government Transfers			
S.P.C. Surcharge	16,710	14,755	15,342
Sask Energy Surcharge	-	7,435	7,662
Other			
Total Grants in Lieu of Taxes	22,430	27,909	28,723
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	309,450	347,083	320,433

Village of Marsden
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	720	810
- Sales of supplies	530	1,409	2,482
- Other (Donations)	10	-	10
Total Fees and Charges	540	2,129	3,302
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	6,800	5,247	9,634
- Other			
Total Other Segmented Revenue	7,340	7,376	12,936
Conditional Grants			
- Student Employment			
- Other (MEEP)	-	3,000	-
Total Conditional Grants	-	3,000	-
Total Operating	7,340	10,376	12,936
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Other			
Total Capital	-	-	-
Restructuring Revenue			
Total General Government Services	7,340	10,376	12,936

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Rescue Calls)	11,590	-	8,277
Total Fees and Charges	11,590	-	8,277
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	11,590	-	8,277
Conditional Grants			
- Student Employment			
- Local government			
- Other			
Total Conditional Grants	-	-	-
Total Operating	11,590	-	8,277
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- Other			
Total Capital	-	-	-
Restructuring Revenue			
Total Protective Services	11,590	-	8,277

Village of Marsden
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2020

Schedule 2 - 2

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

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	8,000	8,986	10,230
- Other (Housing Authority Surplus)	2,500	1,500	2,000
Total Fees and Charges	10,500	10,486	12,230
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	10,500	10,486	12,230
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other			
Total Conditional Grants	-	-	-
Total Operating	10,500	10,486	12,230
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- Other			
Total Capital	-	-	-
Restructuring Revenue			
Total Environmental and Public Health Services	10,500	10,486	12,230

Village of Marsden
Schedule of Operating and Capital Revenue by Function
For the Year Ended 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			
- Other			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Other			
Total Capital	-	-	-
Restructuring Revenue			
Total Planning and Development Services	-	-	-

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Local government	38,000	35,586	36,553
- Other (Sask Lotteries Grant)	4,540	4,726	4,726
Total Conditional Grants	42,540	40,312	41,279
Total Operating	42,540	40,312	41,279
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- Other			
Total Capital	-	-	-
Restructuring Revenue			
Total Recreation and Cultural Services	42,540	40,312	41,279

Village of Marsden
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2020

Schedule 2 - 4

	2020 Budget	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	92,050	90,124	88,988
- Sewer			
- Other (Infrastructure Fee)	15,720	31,440	31,620
Total Fees and Charges	107,770	121,564	120,608
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	107,770	121,564	120,608
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants	-	-	-
Total Operating	107,770	121,564	120,608
Capital			
Conditional Grants			
- Federal Gas Tax	17,860	8,762	35,713
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other			
Total Capital	17,860	8,762	35,713
Restructuring Revenue			
Total Utility Services	125,630	130,326	156,321
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	197,600	191,500	231,043

SUMMARY

Total Other Segmented Revenue	137,200	139,426	154,051
Total Conditional Grants	42,540	43,312	41,279
Total Capital Grants and Contributions	17,860	8,762	35,713
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	197,600	191,500	231,043

Village of Marsden

Total Expenses by Function

For the Year Ended December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	9,830	4,614	5,859
Wages and benefits	76,720	80,025	79,821
Professional/Contractual services	43,450	43,105	41,618
Utilities	2,760	3,363	3,628
Maintenance, materials and supplies	5,280	6,280	5,877
Grants and contributions - operating	1,500	787	290
- capital			
Amortization	-	3,258	3,258
Interest			
Allowance for uncollectible			
Other			
General Government Services	139,540	141,432	140,351
Restructuring			
Total General Government Services	139,540	141,432	140,351

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	13,000	14,305	13,808
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other			

Fire protection

Wages and benefits	-	-	1,179
Professional/Contractual services	7,680	6,197	761
Utilities	360	764	
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (MVA's Paid to Fire & Rescue)	11,590	-	7,227

Protective Services	32,630	21,266	22,975
Restructuring			
Total Protective Services	32,630	21,266	22,975

TRANSPORTATION SERVICES

Wages and benefits	-	3,647	3,796
Professional/Contractual Services	22,350	10,093	10,216
Utilities	7,800	7,925	7,885
Maintenance, materials, and supplies	10,000	4,783	4,284
Gravel	3,000	2,377	4,598
Grants and contributions - operating			
- capital			
Amortization	8,900	11,717	10,529
Interest			
Other			

Transportation Services	52,050	40,542	41,308
Restructuring			
Total Transportation Services	52,050	40,542	41,308

Village of Marsden

Total Expenses by Function

For the Year Ended December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	3,840	12,761	5,170
Professional/Contractual services	36,120	38,205	38,932
Utilities	680	714	680
Maintenance, materials and supplies	-	860	16,638
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization	5,340	2,970	2,970
Interest			
Other		-	
Environmental and Public Health Services	45,980	55,510	64,390
Restructuring			
Total Environmental and Public Health Services	45,980	55,510	64,390

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other			
Planning and Development Services	-	-	-
Restructuring			
Total Planning and Development Services	-	-	-

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	14,810	14,715	15,348
Utilities	1,820	2,083	2,026
Maintenance, materials and supplies		372	33
Grants and contributions - operating	52,840	53,605	51,723
- capital			
Amortization	1,960	1,959	3,053
Interest			
Allowance for uncollectible			
Other			
Recreation and Cultural Services	71,430	72,734	72,183
Restructuring			
Total Recreation and Cultural Services	71,430	72,734	72,183

Village of Marsden

Total Expenses by Function

For the Year Ended December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits	33,060	33,657	40,940
Professional/Contractual services	93,340	20,010	15,995
Utilities	11,460	6,074	6,009
Maintenance, materials and supplies	15,000	5,284	7,558
Grants and contributions - operating			
- capital			
Amortization	32,750	41,440	33,747
Interest		2,496	
Allowance for Uncollectible			
Other			
Utility Services	185,610	108,961	104,249
Restructuring			
Total Utility Services	185,610	108,961	104,249
 TOTAL EXPENSES BY FUNCTION			
	527,240	440,445	445,456

Village of Marsden**Schedule of Segment Disclosure by Function
For the Year Ended December 31, 2020**

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	2,129	-	-	10,486	-	-	121,564	134,179
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	5,247	-	-	-	-	-	-	5,247
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	3,000	-	-	-	-	40,312	-	43,312
- Capital	-	-	-	-	-	-	8,762	8,762
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	10,376	-	-	10,486	-	40,312	130,326	191,500
Expenses (Schedule 3)								
Wages & Benefits	84,639	-	3,647	12,761	-	-	33,657	134,704
Professional/ Contractual Services	43,105	20,502	10,093	38,205	-	14,715	20,010	146,630
Utilities	3,363	764	7,925	714	-	2,083	6,074	20,923
Maintenance Materials and Supplies	6,280	-	7,160	860	-	372	5,284	19,956
Grants and Contributions	787	-	-	-	-	53,605	-	54,392
Amortization	3,258	-	11,717	2,970	-	1,959	41,440	61,344
Interest	-	-	-	-	-	-	2,496	2,496
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	141,432	21,266	40,542	55,510	-	72,734	108,961	440,445
Surplus (Deficit) by Function	(131,056)	(21,266)	(40,542)	(45,024)	-	(32,422)	21,365	(248,945)

Taxes and other unconditional revenue (Schedule 1)

347,083

Net Surplus (Deficit)**98,138**

Village of Marsden
Schedule of Segment Disclosure by Function
For the Year Ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	3,302	8,277	-	12,230	-	-	120,608	144,417
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	9,634	-	-	-	-	-	-	9,634
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	41,279	-	41,279
- Capital	-	-	-	-	-	-	35,713	35,713
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	12,936	8,277	-	12,230	-	41,279	156,321	231,043
Expenses (Schedule 3)								
Wages & Benefits	85,680	1,179	3,796	5,170	-	-	40,940	136,765
Professional/ Contractual Services	41,618	14,569	10,216	38,932	-	15,348	15,995	136,678
Utilities	3,628	-	7,885	680	-	2,026	6,009	20,228
Maintenance Materials and Supplies	5,877	-	8,882	16,638	-	33	7,558	38,988
Grants and Contributions	290	-	-	-	-	51,723	-	52,013
Amortization	3,258	-	10,529	2,970	-	3,053	33,747	53,557
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	7,227	-	-	-	-	-	7,227
Total Expenses	140,351	22,975	41,308	64,390	-	72,183	104,249	445,456
Surplus (Deficit) by Function	(127,415)	(14,698)	(41,308)	(52,160)	-	(30,904)	52,072	(214,413)

Taxes and other unconditional revenue (Schedule 1) 320,433

Net Surplus (Deficit) **106,020**

Village of Marsden
Schedule of Tangible Capital Assets by Object
For the Year Ended December 31, 2020

Schedule 6

2020								2019	
	General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
Asset cost									
Opening Asset costs	34,196	35,513	431,251		22,225	1,948,515		2,471,700	2,287,342
Additions during the year						1,085		1,085	184,358
Disposals and write-downs during the year								-	
Transfers (from) assets under construction								-	
Transfer of Capital Assets related to restructuring (Schedule 11)								-	
Closing Asset Costs	34,196	35,513	431,251	-	22,225	1,949,600	-	2,472,785	2,471,700
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs		35,509	171,436		6,516	643,805		857,266	803,709
Add: Amortization taken			5,473		4,445	51,426		61,344	53,557
Less: Accumulated amortization on disposals								-	
Transfer of Capital Assets related to restructuring (Schedule 11)								-	
Closing Accumulated	-	35,509	176,909	-	10,961	695,231	-	918,610	857,266
Net Book Value	34,196	4	254,342	-	11,264	1,254,369	-	1,554,175	1,614,434

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

\$ 1,085

Village of Marsden
Schedule of Tangible Capital Assets by Function
For the Year Ended December 31, 2020

Schedule 7

		2020						2019		
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	16,289	502	264,034	156,505		127,330	1,907,040	2,471,700	2,287,342
	Additions during the year							1,085	1,085	184,358
	Disposals and write-downs during the year								-	
	Transfer of Capital Assets related to restructuring (Schedule 11)								-	
Closing Asset Costs		16,289	502	264,034	156,505	-	127,330	1,908,125	2,472,785	2,471,700
Amortization	Accumulated									
	Opening Accumulated Amortization Costs	6,516	1	153,092	99,299		88,061	510,297	857,266	803,709
	Add: Amortization taken	3,258		11,717	2,970		1,959	41,440	61,344	53,557
	Less: Accumulated amortization on disposals								-	
	Transfer of Capital Assets related to restructuring (Schedule 11)								-	
Closing Accumulated Amortization Costs		9,774	1	164,809	102,269	-	90,020	551,737	918,610	857,266
Net Book Value		6,515	501	99,225	54,236	-	37,310	1,356,388	1,554,175	1,614,434

Village of Marsden
Schedule of Accumulated Surplus
For the Year Ended December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	427,010	76,599	503,609

APPROPRIATED RESERVES

Machinery and Equipment			-
Public Reserve	982	-	982
Capital Trust	503,649	10,000	513,649
Utility	42,337	67	42,404
Other (Manor Operating)	5,829	-	5,829
Total Appropriated	552,797	10,067	562,864

ORGANIZED HAMLETS (add lines if required)

			-
			-
			-
			-
			-
			-
Total Organized Hamlets	-	-	-

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	1,614,434	(60,259)	1,554,175
Less: Related debt	(142,703)	71,731	(70,972)
Net Investment in Tangible Capital Assets	1,471,731	11,472	1,483,203

Total Accumulated Surplus	2,451,538	98,138	2,549,676
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Village of Marsden
Schedule of Mill Rates and Assessments
For the Year Ended December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	308,220	10,976,800			2,326,100		13,611,120
Regional Park Assessment							
Total Assessment							13,611,120
Mill Rate Factor(s)	1.0000	1.0000			1.0000		
Total Base/Minimum Tax (generated for each property class)	1,500	80,800			17,500		99,800
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	4,459	186,177			39,831		230,467

MILL RATES:	MILLS
Average Municipal*	16.93
Average School*	4.43
Potash Mill Rate	
Uniform Municipal Mill Rate	9.60

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

Village of Marsden
Schedule of Council Remuneration
For the Year Ended December 31, 2020

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Luanne Jones	950		950
Mayor	Craig Watson	75		75
Councillor	Seth Briggs	1,000		1,000
Councillor	Duncan MacEachern	850		850
Councillor	Bruce Wyder	175		175
Councillor	Cheryl Wyder	700		700
Councillor	Mike Mokuruk	75		75
Councillor	Hal Wright	75		75
				-
				-
				-
				-
				-
				-
Total		3,900	-	3,900