

TOWN OF MARSHALL
Consolidated Financial Statements
For The Year Ended December 31, 2020

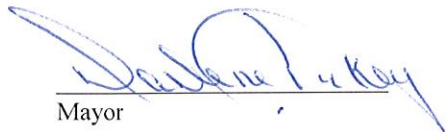
Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying 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.

Metrix Group LLP, 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

June 22, 2021

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Town of Marshall

Opinion

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

In our opinion, the consolidated 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 Consolidated 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 consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the 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)



Independent Auditors' Report to the Mayor and Council of the Town of Marshall (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

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

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
June 22, 2021

Town of Marshall
Consolidated Statement of Financial Position
As at December 31, 2020

Statement 1

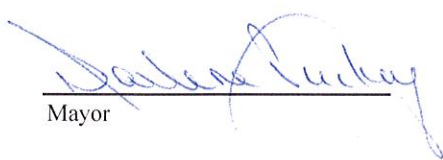
	2020	2019
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	604,934	591,916
Taxes Receivable - Municipal (Note 3)	30,685	25,549
Other Accounts Receivable (Note 4)	30,086	25,987
Land for Resale		
Long-Term Investments (Note 5)	15,314	15,014
Other (Specify)		
Total Financial Assets	681,019	658,466

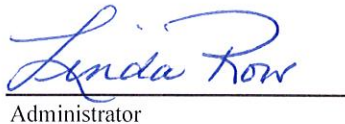
LIABILITIES		
Bank Indebtedness		
Accounts Payable	10,452	14,018
Accrued Liabilities Payable	8,028	6,016
Deposits	1,700	912
Deferred Revenue (Note 7)	48,965	73,117
Long-Term Debt (Note 8)	17,831	26,000
Lease Obligations		
Total Liabilities	86,976	120,063

NET FINANCIAL ASSETS (DEBT)	594,043	538,403
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	1,985,785	1,907,715
Prepayments and Deferred Charges	-	11
Stock and Supplies	42,502	38,857
Other		
Total Non-Financial Assets	2,028,287	1,946,583

ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	2,622,330	2,484,986
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Mayor


Administrator

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

Town of Marshall
Consolidated Statement of Operations
For the Year Ended December 31, 2020

Statement 2

	2020 Budget	2020	2019
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	462,158	510,690	463,607
Fees and Charges (Schedule 4, 5)	282,408	283,769	252,437
Conditional Grants (Schedule 4, 5)	24,777	100,308	23,252
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	15,950
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	3,128	2,413	4,087
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	6,700	9,236	27,704
Total Revenues	779,171	906,416	787,037
EXPENSES			
General Government Services (Schedule 3)	271,481	260,433	257,520
Protective Services (Schedule 3)	66,308	60,994	62,060
Transportation Services (Schedule 3)	136,760	199,319	189,471
Environmental and Public Health Services (Schedule 3)	71,191	53,972	59,602
Planning and Development Services (Schedule 3)	1,785	1,598	5,554
Recreation and Cultural Services (Schedule 3)	57,355	66,983	55,983
Utility Services (Schedule 3)	138,921	211,051	171,921
Restructurings (Schedule 3)	-	-	-
Total Expenses	743,801	854,350	802,111
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	35,370	52,066	(15,074)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	34,869	85,278	-
Surplus (Deficit) of Revenues over Expenses	70,239	137,344	(15,074)
Accumulated Surplus (Deficit), Beginning of Year	2,484,986	2,484,986	2,500,060
Accumulated Surplus (Deficit), End of Year	2,555,225	2,622,330	2,484,986

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

Town of Marshall
Consolidated Statement of Change in Net Financial Assets
For the Year Ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	70,239	137,344	(15,074)
(Acquisition) of tangible capital assets	(70,200)	(212,001)	(60,080)
Amortization of tangible capital assets	-	133,931	121,066
Proceeds on disposal of tangible capital assets	-	-	15,950
Loss (gain) on the disposal of tangible capital assets	-	-	(15,950)
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures	(70,200)	(78,070)	60,986
(Acquisition) of supplies inventories	-	(3,645)	(507)
(Acquisition) of prepaid expense			
Consumption of supplies inventory			
Use of prepaid expense	-	11	16,054
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(3,634)	15,547
Increase/Decrease in Net Financial Assets	39	55,640	61,459
Net Financial Assets - Beginning of Year	538,403	538,403	476,944
Net Financial Assets - End of Year	538,442	594,043	538,403

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

Town of Marshall
Consolidated 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)	137,344	(15,074)
Amortization	133,931	121,066
Loss (gain) on disposal of tangible capital assets	-	(15,950)
	271,275	90,042
Change in assets/liabilities		
Taxes Receivable - Municipal	(5,136)	8,448
Other Receivables	(4,099)	(6,946)
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(1,554)	(43,012)
Deposits	788	150
Deferred Revenue	(24,152)	73,117
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies	(3,645)	(507)
Prepayments and Deferred Charges	11	16,054
Other (Specify)		
Cash provided by operating transactions	233,488	137,346
Capital:		
Acquisition of capital assets	(212,001)	(60,080)
Proceeds from the disposal of capital assets	-	15,950
Other capital		
Cash applied to capital transactions	(212,001)	(44,130)
Investing:		
Purchase of long-term investments	(300)	(493)
Other investments		
Cash provided by (applied to) investing transactions	(300)	(493)
Financing:		
Debt charges recovered		
Long-term debt issued	-	26,000
Long-term debt repaid	(8,169)	-
Other financing		
Cash provided by (applied to) financing transactions	(8,169)	26,000
Change in Cash and Temporary Investments during the year	13,018	118,723
Cash and Temporary Investments - Beginning of Year	591,916	473,193
Cash and Temporary Investments - End of Year	604,934	591,916

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

Town of Marshall
Notes to the Consolidated Financial Statements
Year Ended December 31, 2020

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:

- a) **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.
- 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. Entities included in these consolidated financial statements are as follows:

Entity

Town of Marshall

Town of Marshall Retail Postal Outlet

All inter-organizational transactions and balances have been eliminated.

- 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) **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.

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

Town of Marshall
Notes to the Consolidated Financial Statements
Year Ended December 31, 2020

1. Significant Accounting Policies - continued

- l) **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.
- m) **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 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 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.

- n) **Landfill Liability:** The municipality does not maintain a waste disposal site.
- o) **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.
- p) **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.

Town of Marshall
Notes to the Consolidated Financial Statements
Year Ended December 31, 2020

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 April 14, 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.

Town of Marshall
Notes to the Consolidated Financial Statements
Year Ended December 31, 2020

2. Cash and Temporary Investments

	2020	2019
Cash	604,934	591,916
Temporary Investments		
Total Cash and Temporary Investments	604,934	591,916

Cash and temporary investments include balances with banks with maturities of three months or less. The Municipality has set aside the above funds to finance future expenditures based upon appropriated reserves (Schedule 8) determined by Council; these funds are internally restricted. The appropriated reserves agree in 2020 and 2019.

3. Taxes Receivable - Municipal

	2020	2019
Municipal - Current	27,038	21,787
- Arrears	25,250	18,202
	52,288	39,989
- Less Allowance for Uncollectible	(21,603)	(14,440)
Total municipal taxes receivable	30,685	25,549
School - Current	12,963	10,223
- Arrears	3,740	3,064
Total school taxes receivable	16,703	13,287
Other		
Total taxes and grants in lieu receivable	47,388	38,836
Deduct taxes receivable to be collected on behalf of other organizations	(16,703)	(13,287)
Total Taxes Receivable - Municipal	30,685	25,549

Town of Marshall
Notes to the Consolidated Financial Statements
Year Ended December 31, 2020

4. Other Accounts Receivable

	2020	2019
Federal Government	25,491	18,891
Provincial Government	-	-
Local Government	-	-
Utility	4,595	4,363
Trade	-	2,733
Other (Specify)	-	-
Total Other Accounts Receivable	30,086	25,987
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	30,086	25,987

5. Long-Term Investments

	2020	2019
Synergy Credit Union - Equity	15,314	15,014
Other (Specify)		
Total Long-Term Investments	15,314	15,014

6. Credit Facility Agreement

The Municipality has a revolving line of credit in the amount of \$185,000 with its financial institution.

Interest on the line of credit is prime less 0.25%. Security for the line of credit is the assignment of the Municipality's municipal taxes receivable. There is no balance owing under this line of credit as at December 31, 2020 and 2019.

7. Deferred Revenue

	2020	2019
Gas tax funding	48,965	73,117
Total Deferred Revenue	48,965	73,117

8. Long-Term Debt

a) The debt limit of the municipality is \$612,239 (2019 - \$571,361). 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 loan is repayable in fixed principal annual instalments of \$9,727; and bears interest at 6%.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2021	8,692	1,035	9,727	8,753
2022	9,139	513	9,652	8,692
Balance	17,831	1,548	19,379	26,000

Town of Marshall
Notes to the Consolidated Financial Statements
Year Ended December 31, 2020

9. Budget

On April 14, 2020, Council approved its operating budget on planned expenses relating to the current year funding and other year sources of revenue.

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 \$ 16,610 (2019 - \$15,671). 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. Approval of the Financial Statements

Council and management have approved these financial statements.

12. Trusts Administered by the Municipality

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

Hospital trust fund

	Current Year Total	Prior Year Total
Balance - Beginning of Year	1,147	1,143
Revenue		
Interest revenue	3	4
Expenditure		
Balance - End of Year	1,150	1,147

Town of Marshall
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	312,106	312,106	309,652
Abatements and adjustments			
Discount on current year taxes	(8,775)	(9,475)	(9,383)
Net Municipal Taxes	303,331	302,631	300,269
Potash tax share			
Trailer license fees			
Penalties on tax arrears	5,400	6,271	7,004
Special tax levy			
Other (Specify)			
Total Taxes	308,731	308,902	307,273
UNCONDITIONAL GRANTS			
Revenue Sharing	122,612	135,824	122,612
Safe Restart		35,256	
Total Unconditional Grants	122,612	171,080	122,612
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	940	940	940
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	20,225	20,184	21,930
Sask Energy Surcharge	9,650	9,584	10,852
Other (Specify)			
Total Grants in Lieu of Taxes	30,815	30,708	33,722
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	462,158	510,690	463,607

Town of Marshall
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			
- Sales of supplies	50	-	60
- Other (Rental, post office sales)	65,708	45,230	45,165
Total Fees and Charges	65,758	45,230	45,225
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	3,128	2,413	4,087
- Other (Cemetery fees and expense recovery)	1,200	1,515	10,788
Total Other Segmented Revenue	70,086	49,158	60,100
Conditional Grants			
- Student Employment			
- Other (MEEP)	-	84,908	-
Total Conditional Grants	-	84,908	-
Total Operating	70,086	134,066	60,100
Capital			
Conditional Grants			
- Federal Gas Tax	34,869	85,278	-
- ICIP			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	34,869	85,278	-
Restructuring Revenue (Specify, if any)			
Total General Government Services	104,955	219,344	60,100

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Rescue Calls)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	15,950
- Other (Permits, licenses, fines)	5,500	7,721	16,916
Total Other Segmented Revenue	5,500	7,721	32,866
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	5,500	7,721	32,866
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Protective Services	5,500	7,721	32,866

Town of Marshall
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	1,000	5,657	1,525
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges	1,000	5,657	1,525
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	1,000	5,657	1,525
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	1,000	5,657	1,525
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	1,000	5,657	1,525

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	26,000	26,049	25,955
- Other (Housing Authority Surplus)			
Total Fees and Charges	26,000	26,049	25,955
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	26,000	26,049	25,955
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	26,000	26,049	25,955
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	26,000	26,049	25,955

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

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)	5,550	1,200	1,825
Total Fees and Charges	5,550	1,200	1,825
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	5,550	1,200	1,825
Conditional Grants			
- Student Employment			
- Local government	16,925	15,400	15,400
- Other (Sask Lotteries Grant)	7,852	-	7,852
Total Conditional Grants	24,777	15,400	23,252
Total Operating	30,327	16,600	25,077
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	30,327	16,600	25,077

Town of Marshall
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	162,100	183,186	157,156
- Sewer	1,000	2,600	975
- Other (Infrastructure Fee)	21,000	19,847	19,776
Total Fees and Charges	184,100	205,633	177,907
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	184,100	205,633	177,907
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	184,100	205,633	177,907
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Utility Services	184,100	205,633	177,907
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	351,882	481,004	323,430

SUMMARY

Total Other Segmented Revenue	292,236	295,418	300,178
Total Conditional Grants	24,777	100,308	23,252
Total Capital Grants and Contributions	34,869	85,278	-
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	351,882	481,004	323,430

Town of Marshall

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	9,500	7,600	10,223
Wages and benefits	116,180	132,647	130,473
Professional/Contractual services	45,383	46,466	42,942
Utilities	6,680	7,449	6,252
Maintenance, materials and supplies	45,381	13,637	17,533
Grants and contributions - operating			
- capital			
Amortization	5,857	3,471	4,316
Interest	500	-	801
Allowance for uncollectible	-	7,163	2,980
Other (Post office)	42,000	42,000	42,000
General Government Services	271,481	260,433	257,520
Restructuring (Specify, if any)			
Total General Government Services	271,481	260,433	257,520

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	36,550	32,300	34,336
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protection

Wages and benefits			
Professional/Contractual services	29,758	28,427	27,724
Utilities			
Maintenance, material and supplies	-	267	-
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (MVA's Paid to Fire & Rescue)			

Protective Services	66,308	60,994	62,060
Restructuring (Specify, if any)			
Total Protective Services	66,308	60,994	62,060

TRANSPORTATION SERVICES

Wages and benefits	69,960	57,103	34,082
Professional/Contractual Services	15,550	11,767	14,900
Utilities	17,600	16,925	17,699
Maintenance, materials, and supplies	33,650	53,348	58,167
Gravel			
Grants and contributions - operating			
- capital			
Amortization	-	58,618	64,623
Interest	-	1,558	-
Other (Specify)			

Transportation Services	136,760	199,319	189,471
Restructuring (Specify, if any)			
Total Transportation Services	136,760	199,319	189,471

Town of Marshall
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	15,546	12,106	8,413
Professional/Contractual services	55,645	41,866	51,189
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (Transfer to Reserves)			
Environmental and Public Health Services	71,191	53,972	59,602
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	71,191	53,972	59,602

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	1,785	1,598	5,554
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Planning and Development Services	1,785	1,598	5,554
Restructuring (Specify, if any)			
Total Planning and Development Services	1,785	1,598	5,554

RECREATION AND CULTURAL SERVICES

Wages and benefits	15,547	12,106	8,413
Professional/Contractual services	9,195	9,686	9,195
Utilities	10,425	8,319	5,714
Maintenance, materials and supplies	14,336	27,282	15,840
Grants and contributions - operating	7,852	-	7,852
- capital			
Amortization	-	9,590	8,969
Interest			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	57,355	66,983	55,983
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	57,355	66,983	55,983

Town of Marshall
Total Expenses by Function
For the Year Ended December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits	56,413	44,372	31,447
Professional/Contractual services	34,603	38,663	28,716
Utilities	15,080	14,744	14,353
Maintenance, materials and supplies	32,825	51,020	54,247
Grants and contributions - operating			
- capital			
Amortization	-	62,252	43,158
Interest			
Allowance for Uncollectible			
Other (Transfer to Reserves)			
Utility Services	138,921	211,051	171,921
Restructuring (Specify, if any)			
Total Utility Services	138,921	211,051	171,921
TOTAL EXPENSES BY FUNCTION	743,801	854,350	802,111

Town of Marshall
Consolidated 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	45,230	-	5,657	26,049	-	1,200	205,633	283,769
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	2,413	-	-	-	-	-	-	2,413
Other Revenues	1,515	7,721	-	-	-	-	-	9,236
Grants - Conditional	84,908	-	-	-	-	15,400	-	100,308
- Capital	85,278	-	-	-	-	-	-	85,278
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	219,344	7,721	5,657	26,049	-	16,600	205,633	481,004
Expenses (Schedule 3)								
Wages & Benefits	140,247	-	57,103	12,106	-	12,106	44,372	265,934
Professional/ Contractual Services	46,466	60,727	11,767	41,866	1,598	9,686	38,663	210,773
Utilities	7,449	-	16,925	-	-	8,319	14,744	47,437
Maintenance Materials and Supplies	13,637	267	53,348	-	-	27,282	51,020	145,554
Grants and Contributions	-	-	-	-	-	-	-	-
Amortization	3,471	-	58,618	-	-	9,590	62,252	133,931
Interest	-	-	1,558	-	-	-	-	1,558
Allowance for Uncollectible	7,163	-	-	-	-	-	-	7,163
Restructurings	-	-	-	-	-	-	-	-
Other	42,000	-	-	-	-	-	-	42,000
Total Expenses	260,433	60,994	199,319	53,972	1,598	66,983	211,051	854,350
Surplus (Deficit) by Function	(41,089)	(53,273)	(193,662)	(27,923)	(1,598)	(50,383)	(5,418)	(373,346)

Taxes and other unconditional revenue (Schedule 1) 510,690

Net Surplus (Deficit) **137,344**

Town of Marshall
Consolidated Schedule of Segment Disclosure by Function
For the Year Ended 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	45,225	-	1,525	25,955	-	1,825	177,907	252,437
Tangible Capital Asset Sales - Gain	-	15,950	-	-	-	-	-	15,950
Land Sales - Gain	-							-
Investment Income and Commissions	4,087							4,087
Other Revenues	10,788	16,916	-	-	-	-	-	27,704
Grants - Conditional	-	-	-	-	-	23,252	-	23,252
- Capital	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	60,100	32,866	1,525	25,955	-	25,077	177,907	323,430
Expenses (Schedule 3)								
Wages & Benefits	140,696	-	34,082	8,413	-	8,413	31,447	223,051
Professional/ Contractual Services	42,942	62,060	14,900	51,189	5,554	9,195	28,716	214,556
Utilities	6,252	-	17,699	-		5,714	14,353	44,018
Maintenance Materials and Supplies	17,533	-	58,167	-		15,840	54,247	145,787
Grants and Contributions	-	-	-	-	-	7,852	-	7,852
Amortization	4,316	-	64,623	-	-	8,969	43,158	121,066
Interest	801	-	-	-	-	-	-	801
Allowance for Uncollectible	2,980					-	-	2,980
Restructurings	-	-	-	-	-	-	-	-
Other	42,000	-	-	-	-	-	-	42,000
Total Expenses	257,520	62,060	189,471	59,602	5,554	55,983	171,921	802,111
Surplus (Deficit) by Function	(197,420)	(29,194)	(187,946)	(33,647)	(5,554)	(30,906)	5,986	(478,681)

Taxes and other unconditional revenue (Schedule 1) 463,607

Net Surplus (Deficit) **(15,074)**

Town of Marshall
Consolidated Schedule of Tangible Capital Assets by Object
For the Year Ended December 31, 2020

Schedule 6

		2020						2019		
Assets		General Assets					Infrastructure Assets			
								General/ Infrastructure Assets Under Construction		
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets		Total	Total
	Asset cost									
	Opening Asset costs	155,735	617,619	850,208	42,270	231,572	3,651,779		5,549,183	5,519,100
	Additions during the year	22,695	57,078	-	-	5,639	126,589		212,001	60,080
	Disposals and write-downs during the year								-	(29,997)
	Closing Asset Costs	178,430	674,697	850,208	42,270	237,211	3,778,368	-	5,761,184	5,549,183
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	-	179,311	323,521	28,421	123,763	2,986,452		3,641,468	3,550,399
	Add: Amortization taken		43,485	21,094	2,770	12,362	54,220		133,931	121,066
	Less: Accumulated amortization on disposals								-	(29,997)
	Closing Accumulated	-	222,796	344,615	31,191	136,125	3,040,672	-	3,775,399	3,641,468
	Net Book Value	178,430	451,901	505,593	11,079	101,086	737,696	-	1,985,785	1,907,715

Town of Marshall
Consolidated 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
Assets	Asset cost								
	Opening Asset costs	313,014		2,869,271	89,669		272,573	2,004,656	5,549,183
	Additions during the year	28,334		183,667					212,001
	Disposals and write-downs during the year								-
Closing Asset Costs		341,348	-	3,052,938	89,669	-	272,573	2,004,656	5,761,184
Amortization	Accumulated								
	Opening Accumulated Amortization Costs	54,930		2,393,251			158,998	1,034,289	3,641,468
	Add: Amortization taken	3,471		58,618			9,590	62,252	133,931
	Less: Accumulated amortization on disposals								-
Closing Accumulated Amortization Costs		58,401	-	2,451,869	-	-	168,588	1,096,541	3,775,399
Net Book Value		282,947	-	601,069	89,669	-	103,985	908,115	1,985,785
									1,907,715

Town of Marshall
Consolidated Schedule of Accumulated Surplus
For the Year Ended December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	210,809	67,356	278,165

APPROPRIATED RESERVES

Machinery and Equipment	12,610	1,908	14,518
Public Reserve	2,545	2	2,547
Capital Trust			
Recreation	75,756	116	75,872
Utility	207,854	13,103	220,957
Other (Gas Tax / New Deal Fund)	93,697	(31,380)	62,317
Total Appropriated	392,462	(16,251)	376,211

ORGANIZED HAMLETS (add lines if required)

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

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	1,907,715	78,070	1,985,785
Less: Related debt	(26,000)	8,169	(17,831)
Net Investment in Tangible Capital Assets	1,881,715	86,239	1,967,954

Total Accumulated Surplus	2,484,986	137,344	2,622,330
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Town of Marshall
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	74,140	37,473,520			2,021,400		39,569,060
Regional Park Assessment							
Total Assessment							39,569,060
Mill Rate Factor(s)	1.0000	1.0000			1.0000		
Total Base/Minimum Tax (generated for each property class)	1,600	73,760			10,920		86,280
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,787	288,083			22,236		312,106

MILL RATES:	MILLS
Average Municipal*	7.89
Average School*	3.94
Potash Mill Rate	
Uniform Municipal Mill Rate	7.00

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

Town of Marshall
Schedule of Council Remuneration
For the Year Ended December 31, 2020

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Darlene Puckey	2,600	-	2,600
Councillor	David Hardy	1,300	-	1,300
Councillor	Kevin Gilbert	900	-	900
Councillor	Garry Christian	1,300	-	1,300
Councillor	Percy Neufeld	1,300	-	1,300
Councillor	Reginald Lorenz	200	-	200
				-
				-
				-
				-
				-
				-
				-
Total		7,600	-	7,600