

Village of Muenster
CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2020

Village of Muenster

Muenster, Saskatchewan

December 31, 2020

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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.

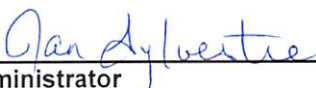
In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and 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.

Baker Tilly SK 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



Independent Auditors' Report

To the Council
Village of Muenster

Opinion

We have audited the consolidated financial statements of Village of Muenster, (the municipality), which comprise the consolidated Statement of Financial Position as at December 31, 2020 and the consolidated Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2020, and results of its operations and its consolidated cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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.

Council is responsible for overseeing the municipality's financial reporting process.



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 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 used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's 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 auditor's 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.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
April 20, 2021

Village of Muenster
Muenster, Saskatchewan
Consolidated Statement of Financial Position as at December 31, 2020

Statement 1

	2020	2019 (Note 11)
Assets		
Financial Assets		
Cash and temporary investments - note 2	707,092	612,046
Taxes receivable - municipal - note 3	16,775	13,822
Other accounts receivable - note 4	32,808	37,788
Land for resale - note 5	89,207	89,207
Long-term investments - note 6	3,044	2,973
Total Financial Assets	848,926	755,836
Liabilities		
Accounts payable - note 7	21,243	28,848
Accrued liabilities payable	7,603	22,822
Deposits	19,995	19,275
Deferred revenue	25,718	4,000
Long-term debt - note 8	581,924	614,927
Total Liabilities	656,483	689,872
Net Financial Assets	192,443	65,964
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	2,670,005	2,680,396
Land for development	98,705	93,165
Prepayments and deferred charges	186	15,057
Stock and supplies	1,947	1,441
Total Non-Financial Assets	2,770,843	2,790,059
Accumulated Surplus - schedule 8	\$ 2,963,286	\$ 2,856,023

Approved on behalf of the council:

Mayor

Councillor

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

Village of Muenster
Consolidated Statement of Operations
For the year ended December 31, 2020

Statement 2

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Revenues			
Taxes and other unconditional revenue - schedule 1	415,734	439,381	406,133
Fees and charges - schedules 4 and 5	219,840	230,393	216,938
Conditional grants - schedules 4 and 5	370	13,008	6,365
Tangible capital asset sales - gain - schedules 4 and 5		249	4,997
Investment income and commissions - schedules 4 and 5	1,100	7,994	1,945
Other revenues - schedules 4 and 5		6,492	6,515
Total Revenue	<u>637,044</u>	<u>697,517</u>	<u>642,893</u>
Expenses - schedule 3			
General government services	147,677	193,437	152,878
Protective services	63,516	51,313	49,225
Transportation services	132,411	100,533	203,538
Environmental and public health services	36,330	36,099	35,099
Planning and development services	5,775	7,867	6,007
Recreation and cultural services	13,784	26,198	17,074
Utilities services	251,631	259,195	223,190
Total Expenses	<u>651,124</u>	<u>674,642</u>	<u>687,011</u>
Surplus (Deficit) of Revenues over Expenses Before Other Capital Contributions	(14,080)	22,875	(44,118)
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>25,700</u>	<u>84,388</u>	<u>52,733</u>
Surplus of Revenue over Expenses	11,620	107,263	8,615
Accumulated Surplus, Beginning of Year	<u>2,856,023</u>	<u>2,856,023</u>	<u>2,847,408</u>
Accumulated Surplus, End of Year	<u>\$ 2,867,643</u>	<u>\$ 2,963,286</u>	<u>\$ 2,856,023</u>

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

Village of Muenster
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2020

Statement 3

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Surplus	<u>11,620</u>	<u>107,263</u>	<u>8,615</u>
(Acquisition) of tangible capital assets		(53,308)	(2,888)
Amortization of tangible capital assets		63,698	63,196
Proceeds on disposal of tangible capital assets		250	5,000
Loss (gain) on the disposal of tangible capital assets	<u> </u>	<u>(249)</u>	<u>(4,997)</u>
Surplus of Capital Expenses over Expenditures	<u>0</u>	<u>10,391</u>	<u>60,311</u>
(Acquisition) of supplies inventories		(11,250)	
(Acquisition) of prepaid expense			(14,871)
Consumption of supplies inventory		10,744	940
Use of prepaid expense		14,871	14,253
(Acquisition) of land for development	<u> </u>	<u>(5,540)</u>	<u>(22,670)</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>8,825</u>	<u>(22,348)</u>
Increase in Net Financial Assets	11,620	126,479	46,578
Net Financial Assets, beginning of year	<u>65,964</u>	<u>65,964</u>	<u>19,386</u>
Net Financial Assets, End of Year	<u>\$ 77,584</u>	<u>\$ 192,443</u>	<u>\$ 65,964</u>

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

Village of Muenster
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2020

Statement 4

	2020	2019 (Note 11)
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	107,263	8,615
Amortization	63,698	63,196
Loss (gain) on disposal of tangible capital assets	<u>(249)</u>	<u>(4,997)</u>
	170,712	66,814
Change in Assets/Liabilities		
Taxes receivable - municipal	(2,953)	7,400
Other receivables	4,979	18,144
Land for development	(5,540)	(22,670)
Accounts payable	(7,606)	17,452
Accrued liabilities payable	(15,219)	19,609
Utility deposits	720	225
Deferred revenue	21,718	(719)
Stock and supplies for use	(505)	940
Prepayments and deferred charges	<u>14,871</u>	<u>(617)</u>
Cash Provided by Operating Transactions	<u>181,177</u>	<u>106,578</u>
Capital:		
Acquisition of capital assets	(53,308)	(2,888)
Proceeds from the disposal of capital assets	<u>250</u>	<u>5,000</u>
Cash Applied to Capital Transactions	<u>(53,058)</u>	<u>2,112</u>
Investing:		
Additions to long-term investments	<u>(71)</u>	<u>(52)</u>
Financing:		
Long-term debt repaid	<u>(33,002)</u>	<u>(32,000)</u>
Change in Cash and Temporary Investments During the Year	95,046	76,638
Cash and temporary investments, beginning of year	<u>612,046</u>	<u>535,408</u>
Cash and Temporary Investments, End of Year	<u>\$ 707,092</u>	<u>\$ 612,046</u>

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

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

1. Significant Accounting Policies

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies 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	Basis of Recording
Muenster Recreation Board	Full Consolidation

All inter-organizational transactions and balances have been eliminated.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 3.

(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 are 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:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a reasonable estimate of the amount 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.

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

1. **Significant Accounting Policies** - continued

(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) Net financial assets

Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(g) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(h) Appropriated reserves

Reserves are established at the discretion of council to designate surplus for future operating and capital transactions. Amounts so designated are described on schedule 8.

(i) Inventories

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

1. **Significant Accounting Policies** - continued

(j) 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 inflation 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 tangible capital assets that are recognized at a nominal value are disclosed in schedule 6. 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. The municipality's tangible capital asset useful lives are estimated as follows:

Assets	Useful Life
General Assets	
Land	indefinite
Land improvements	45 years
Buildings	50 years
Vehicles	10 to 25 years
Machinery and equipment	5 to 20 years
Infrastructure Assets	
Linear assets	30 to 75 years

(k) 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.

(l) Capitalization of interest

The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

(m) Employee benefit plans

Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

(n) 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. Penalties on overdue taxes are recorded in the period levied.

Utility revenue is recognized in the period in which the service has been provided.

All other revenue is recorded when received, or receivable, collection is likely, and the amount can be reasonably determined.

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

1. **Significant Accounting Policies** - continued

(o) Measurement uncertainty

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The opening asset costs of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

(p) Basis of segmentation/segment report

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

The segments (functions) are as follows:

General government: provides for the administration of the municipality.

Protective services: comprised of expenses for police and fire protection.

Transportation services: responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and public health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and development: provides for neighbourhood development and sustainability.

Recreation and culture: provides for community services through the provision of recreation and leisure services.

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

(q) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 5, 2020.

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

1. **Significant Accounting Policies** - continued

(r) 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 remeasurement gains and losses separate from the statement of operations arising from the remeasurement 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 remeasurement gains and losses.

PS 3041 Portfolio investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, 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 remeasurement 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 derecognition 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 Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

	2020	2019
2. Cash and Temporary Investments		
Cash	321,581	261,811
Temporary investments	<u>385,511</u>	<u>350,235</u>
Total Cash and Temporary Investments	<u>\$ 707,092</u>	<u>\$ 612,046</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of one year or less.

	2020	2019
3. Taxes and Grants In Lieu Receivable		
Municipal - current	11,465	8,721
Municipal - arrears	<u>5,310</u>	<u>5,101</u>
	16,775	13,822
Less: Allowance for uncollectibles	<u>0</u>	<u>0</u>
Total municipal taxes receivable	<u>16,775</u>	<u>13,822</u>
School - current	4,494	3,443
School - arrears	<u>1,272</u>	<u>887</u>
Total school taxes receivable	<u>5,766</u>	<u>4,330</u>
Total taxes and grants in lieu receivable	22,541	18,152
Less: Taxes receivable to be collected on behalf of other organizations	<u>5,766</u>	<u>4,330</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 16,775</u>	<u>\$ 13,822</u>

4. Other Accounts Receivable		
Federal government	13,362	15,377
Utility	15,959	17,318
Trade	<u>3,487</u>	<u>5,093</u>
Net Other Accounts Receivable	<u>\$ 32,808</u>	<u>\$ 37,788</u>

5. Land for Resale		
Other land	<u>89,207</u>	<u>89,207</u>
Total Land for Resale	<u>\$ 89,207</u>	<u>\$ 89,207</u>

6. Long-Term Investments		
Equity in co-operatives	<u>\$ 3,044</u>	<u>\$ 2,973</u>

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

	2020	2019
7. Accounts Payable		
Accounts payable are comprised of the following items:		
Accounts payable	4,197	10,556
Due to School	17,045	18,292
	\$ 21,242	\$ 28,848

8. Long-Term Debt

- (a) The debt limit of the municipality for 2021 is \$527,910. 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).
- (b) Debenture debt is repayable in annual instalments of \$17,765, including interest at 3.20% over 10 years and is due November 1, 2027.

Future principal and interest payments are as follows:

	Principal	Interest	2020 Total	2019 Total
2020				17,765
2021	14,250	3,515	17,765	17,765
2022	14,705	3,060	17,765	17,765
2023	15,176	2,589	17,765	17,765
2024	15,662	2,103	17,765	17,765
2025	16,162	1,603	17,765	17,765
Thereafter	33,893	1,634	35,527	35,526
	\$ 109,848	\$ 14,504	\$ 124,352	\$ 142,116

- (c) Debenture debt is repayable in annual instalments of \$14,729, including interest at 3.10% over 10 years and is due October 1, 2025.

Future principal repayments are estimated as follows:

	Principal	Interest	2020 Total	2019 Total
2020				14,729
2021	12,644	2,085	14,729	14,729
2022	13,036	1,693	14,729	14,729
2023	13,440	1,289	14,729	14,729
2024	13,856	873	14,729	14,729
2025	14,285	442	14,727	14,727
	\$ 67,261	\$ 6,382	\$ 73,643	\$ 88,372

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

8. **Long-Term Debt** - continued

(d) Debenture debt is repayable in annual instalments of \$8,815, including interest at 3.05% over 10 years and is due December 1, 2027.

Future principal repayments are estimated as follows:

	Principal	Interest	2020 Total	2019 Total
2020				8,814
2021	7,143	1,672	8,815	8,815
2022	7,361	1,454	8,815	8,815
2023	7,585	1,230	8,815	8,815
2024	7,817	998	8,815	8,815
2025	8,055	760	8,815	8,815
Thereafter	<u>16,854</u>	<u>774</u>	<u>17,628</u>	<u>17,629</u>
	<u>\$ 54,815</u>	<u>\$ 6,888</u>	<u>\$ 61,703</u>	<u>\$ 70,518</u>

(e) Debenture debt is repayable in interest-only, annual instalments at 1.65% followed by a lump-sum principal payment of \$350,000 due October 1, 2021.

Future principal repayments are estimated as follows:

	Principal	Interest	2020 Total	2019 Total
2020				5,775
2021	<u>350,000</u>	<u>5,775</u>	<u>355,775</u>	<u>355,775</u>
	<u>\$ 350,000</u>	<u>\$ 5,775</u>	<u>\$ 355,775</u>	<u>\$ 361,550</u>

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

9. Employee Benefit Plans

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

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

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

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

	2020	2019
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 10,277	\$ 8,402
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As per the most recently audited consolidated financial statements dated December 31, 2019, the plan surplus is \$658,468,000.

10. Liability for Contaminated Sites

The Village, together with a number of other rural and urban municipalities, is a member of the Regional Authority of Carlton Trail - Waste Management District Ltd. ("REACT"). REACT is governed by the Department of Saskatchewan Environment and Resource Management ("SERM") and is responsible for waste collection, landfill operations and future site restoration costs. Expenditures that relate to ongoing environmental and reclamation programs are charged against revenues as incurred. Future site restoration costs are recognized based on assumptions, engineering studies and estimates to the costs of future removal and site restoration. Changes to the underlying assumptions or legislative change in the future could have a material impact on the consolidated financial statements. As these costs are not readily determinable, the Village has not provided for future site restoration costs.

Village of Muenster
Notes to Consolidated Financial Statements
For the year ended December 31, 2020

11. Comparative Figures

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

12. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the municipality's environment and in the global markets, possible disruption in supply chains and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the municipality's operations. The extent of this outbreak and related containment measures on the municipality's operations cannot be reliably estimated at this time.

Village of Muenster
 Consolidated Schedule of Taxes and Other Unconditional Revenue Schedule 1
 For the year ended December 31, 2020

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Taxes			
General municipal tax levy	297,577	294,184	293,387
Discount on current year taxes	(14,000)	(11,153)	(10,863)
Net municipal taxes	<u>283,577</u>	<u>283,031</u>	<u>282,524</u>
Penalties on tax arrears	<u>1,382</u>	<u>1,382</u>	<u>2,119</u>
Total Taxes	<u>284,959</u>	<u>284,413</u>	<u>284,643</u>
Unconditional Grants			
Equalization (revenue sharing)	99,375	99,375	89,762
Safe Restart Saskatchewan		<u>25,651</u>	
Total Unconditional Grants	<u>99,375</u>	<u>125,026</u>	<u>89,762</u>
Grants In Lieu of Taxes			
Provincial			
SaskTel	1,100	1,072	1,072
Local/Other			
Housing authority	2,100	2,151	2,151
Other Government Transfers			
S.P.C. surcharge	18,500	18,355	18,776
Sask Energy Surcharge	<u>9,700</u>	<u>8,364</u>	<u>9,729</u>
Total Grants In Lieu of Taxes	<u>31,400</u>	<u>29,942</u>	<u>31,728</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 415,734</u>	<u>\$ 439,381</u>	<u>\$ 406,133</u>

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

Village of Muenster

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-1
For the year ended December 31, 2020

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	90	229	924
Donations	2,500		5,026
Rentals	500	770	500
Licenses and permits	900	568	692
Other		7,288	1,001
Total Fees and Charges	3,990	8,855	8,143
Tangible capital asset sales - gain		249	4,997
Investment income and commissions	1,100	7,994	1,945
Total Other Segmented Revenue	5,090	17,098	15,085
Conditional Grants			
SGI			3,743
Student employment		2,717	1,327
Total Conditional Grants	0	2,717	5,070
Total Operating	5,090	19,815	20,155
Total General Government Services	\$ 5,090	\$ 19,815	\$ 20,155
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees	250	497	850
Total Other Segmented Revenue	250	497	850
Total Operating	250	497	850
Capital			
Conditional Grants			
Municipal Economic Enhancement Program		33,903	
Total Capital	0	33,903	0
Total Protective Services	\$ 250	\$ 34,400	\$ 850

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

Village of Muenster

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-2
For the year ended December 31, 2020

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	3,000	3,063	3,000
Total Other Segmented Revenue	<u>3,000</u>	<u>3,063</u>	<u>3,000</u>
Total Operating	<u>3,000</u>	<u>3,063</u>	<u>3,000</u>
Capital			
Conditional Grants			
Municipal Economic Enhancement Program		4,250	
Total Capital	<u>0</u>	<u>4,250</u>	<u>0</u>
Total Transportation Services	<u>\$ 3,000</u>	<u>\$ 7,313</u>	<u>\$ 3,000</u>
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Waste and disposal fees	8,700	11,271	8,646
Total Other Segmented Revenue	<u>8,700</u>	<u>11,271</u>	<u>8,646</u>
Total Environmental and Public Health Services	<u>\$ 8,700</u>	<u>\$ 11,271</u>	<u>\$ 8,646</u>
Planning and Development Services			
Capital			
Conditional Grants			
Gas tax	25,700	38,055	52,733
Total Capital	<u>25,700</u>	<u>38,055</u>	<u>52,733</u>
Total Planning and Development Services	<u>\$ 25,700</u>	<u>\$ 38,055</u>	<u>\$ 52,733</u>

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

Village of Muenster

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-3
For the year ended December 31, 2020

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Muenster Recreation Board		6,492	6,515
Total Other Segmented Revenue	<u>0</u>	<u>6,492</u>	<u>6,515</u>
Conditional Grants			
Local	270		770
Donations	100	10,291	525
Total Conditional Grants	<u>370</u>	<u>10,291</u>	<u>1,295</u>
Total Operating	<u>370</u>	<u>16,783</u>	<u>7,810</u>
Capital			
Conditional Grants			
Municipal Economic Enhancement Program		1,767	
Total Capital	<u>0</u>	<u>1,767</u>	<u>0</u>
Total Recreation and Cultural Services	<u>\$ 370</u>	<u>\$ 18,550</u>	<u>\$ 7,810</u>

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

Village of Muenster

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-4
For the year ended December 31, 2020

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Water	174,900	177,485	167,319
Sewer	29,000	29,222	28,980
Total Fees and Charges	<u>203,900</u>	<u>206,707</u>	<u>196,299</u>
Total Other Segmented Revenue	<u>203,900</u>	<u>206,707</u>	<u>196,299</u>
Total Operating	<u>203,900</u>	<u>206,707</u>	<u>196,299</u>
Capital			
Conditional Grants			
Water and sewer - capital		6,413	
Total Capital	<u>0</u>	<u>6,413</u>	<u>0</u>
Total Utility Services	<u>\$ 203,900</u>	<u>\$ 213,120</u>	<u>\$ 196,299</u>
Total Operating and Capital Revenue by Function	<u>\$ 247,010</u>	<u>\$ 342,524</u>	<u>\$ 289,493</u>
Summary			
Total Other Segmented Revenue	220,940	245,128	230,395
Total Conditional Grants	370	13,008	6,365
Total Capital Grants and Contributions	<u>25,700</u>	<u>84,388</u>	<u>52,733</u>
Total Operating and Capital Revenue by Function	<u>\$ 247,010</u>	<u>\$ 342,524</u>	<u>\$ 289,493</u>

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

Village of Muenster
 Total Expenses by Function
 For the year ended December 31, 2020

Schedule 3-1

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
General Government Services			
Council remuneration and travel	14,500	13,513	13,113
Wages and benefits	82,096	96,400	93,287
Professional/Contractual services	22,221	23,943	22,691
Utilities	5,050	3,781	3,451
Maintenance, materials and supplies	18,000	11,637	15,196
Grants and contributions - operating	4,000	32,455	3,951
Amortization	710	812	441
Interest	1,100	769	748
Theft expense		10,127	
Total General Government Services	\$ 147,677	\$ 193,437	\$ 152,878
Protective Services			
Police protection			
Professional/Contractual services	20,326	20,711	19,991
Maintenance, materials and supplies		8	
Fire protection			
Wages and benefits	10,075	9,028	8,962
Professional/Contractual services	17,336	16,307	14,808
Utilities	1,800	1,045	1,005
Maintenance, materials and supplies	10,600	429	1,080
Amortization	3,379	3,785	3,379
Total Protective Services	\$ 63,516	\$ 51,313	\$ 49,225
Transportation Services			
Wages and benefits	38,500	39,166	36,257
Professional/Contractual services	9,700	4,861	7,893
Utilities	14,800	11,544	13,025
Maintenance, materials and supplies	53,068	30,671	132,948
Gravel	4,000	2,223	1,072
Amortization	12,343	12,068	12,343
Total Transportation Services	\$ 132,411	\$ 100,533	\$ 203,538

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

Village of Muenster
 Total Expenses by Function
 For the year ended December 31, 2020

Schedule 3-2

	2020 Budget [Note 1(q)]	2020 Actual	2019 Actual (Note 11)
Environmental and Public Health Services			
Professional/Contractual services	14,080	13,669	13,919
Maintenance, materials and supplies	11,000	11,250	10,000
Grants and contributions - waste disposal	11,250	11,180	11,180
Total Environmental and Public Health Services	\$ 36,330	\$ 36,099	\$ 35,099
Planning and Development Services			
Maintenance, materials and supplies		2,092	221
Interest	5,775	5,775	5,786
Total Planning and Development Services	\$ 5,775	\$ 7,867	\$ 6,007
Recreation and Cultural Services			
Wages and benefits	3,300	3,270	3,233
Professional/Contractual services	5,784	5,993	5,676
Utilities	2,600	1,617	1,762
Maintenance, materials and supplies		(137)	
Grants and contributions - operating	100	8,110	
Grants and contributions - capital	2,000		350
Other - Muenster Rec Board		7,345	5,553
Other - Baseball park project			500
Total Recreation and Cultural Services	\$ 13,784	\$ 26,198	\$ 17,074
Utility Services			
Wages and benefits	36,830	35,279	35,482
Professional/Contractual services	28,130	42,175	16,437
Utilities	16,500	8,977	13,582
Maintenance, materials and supplies	117,862	119,167	104,182
Amortization	47,121	47,033	47,033
Interest	5,188	5,840	6,474
Other		724	
Total Utility Services	\$ 251,631	\$ 259,195	\$ 223,190
Total Expenses by Function	\$ 651,124	\$ 674,642	\$ 687,011

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

Village of Muenster

Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	8,855	497	3,063	11,271			206,707	230,393
Tangible capital asset sales - gain	249							249
Investment income and commissions	7,994							7,994
Other revenues						6,492		6,492
Grants - conditional	2,717					10,291		13,008
Grants - capital		33,903	4,250		38,055	1,767	6,413	84,388
Total Revenues	19,815	34,400	7,313	11,271	38,055	18,550	213,120	342,524
Expenses - schedule 3								
Wages and benefits	109,913	9,028	39,166			3,270	35,279	196,656
Professional/contractual services	23,943	37,018	4,861	13,669		5,993	42,175	127,659
Utilities	3,781	1,045	11,544			1,617	8,977	26,964
Maintenance materials and supplies	11,637	437	32,894	11,250	2,092	(137)	119,167	177,340
Grants and contributions	32,455			11,180		8,110		51,745
Amortization	812	3,785	12,068				47,033	63,698
Interest	769				5,775		5,840	12,384
Other	10,127					7,345	724	18,196
Total Expenses	193,437	51,313	100,533	36,099	7,867	26,198	259,195	674,642
Surplus (Deficit) by Function	\$(173,622)	\$(16,913)	\$(93,220)	\$(24,828)	\$ 30,188	\$(7,648)	\$(46,075)	(332,118)
Taxation and other unconditional revenue - schedule 1								<u>439,381</u>
Net Surplus								<u>\$ 107,263</u>

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

Village of Muenster

Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	8,143	850	3,000	8,646			196,299	216,938
Tangible capital asset sales - gain	4,997							4,997
Investment income and commissions	1,945							1,945
Other revenues						6,515		6,515
Grants - conditional	5,070					1,295		6,365
Grants - capital					52,733			52,733
Total Revenues	<u>20,155</u>	<u>850</u>	<u>3,000</u>	<u>8,646</u>	<u>52,733</u>	<u>7,810</u>	<u>196,299</u>	<u>289,493</u>
Expenses - schedule 3								
Wages and benefits	93,287	8,962	36,257			3,233	35,482	177,221
Professional/contractual services	35,804	34,799	7,893	13,919		5,676	16,437	114,528
Utilities	3,451	1,005	13,025			1,762	13,582	32,825
Maintenance materials and supplies	15,196	1,080	134,020	10,000	221		104,182	264,699
Grants and contributions	3,951			11,180		350		15,481
Amortization	441	3,379	12,343				47,033	63,196
Interest	748				5,786		6,474	13,008
Other						6,053		6,053
Total Expenses	<u>152,878</u>	<u>49,225</u>	<u>203,538</u>	<u>35,099</u>	<u>6,007</u>	<u>17,074</u>	<u>223,190</u>	<u>687,011</u>
Surplus (Deficit) by Function	<u>\$(132,723)</u>	<u>\$(48,375)</u>	<u>\$(200,538)</u>	<u>\$(26,453)</u>	<u>\$ 46,726</u>	<u>\$(9,264)</u>	<u>\$(26,891)</u>	<u>(397,518)</u>
Taxation and other unconditional revenue - schedule 1								<u>406,133</u>
Net Surplus								<u>\$ 8,615</u>

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

Village of Muenster
 Consolidated Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2020

Schedule 6

	2020							2019	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Total		
Asset Cost									
Opening Asset Cost	15	45,732	1,213,156	0	244,527	2,173,403	0	3,676,833	3,673,950
Additions during the year					53,308			53,308	2,888
Disposals and write-down during the year					(2,500)			(2,500)	(5)
Closing Asset Costs	15	45,732	1,213,156	0	295,335	2,173,403	0	3,727,641	3,676,833
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	30,484	229,281	0	191,729	544,943	0	996,437	933,244
Add: Amortization taken		1,016	24,263		4,786	33,633		63,698	63,196
Less: Accumulated amortization on disposals					(2,499)			(2,499)	(3)
Closing Accumulated Amortization Costs	0	31,500	253,544	0	194,016	578,576	0	1,057,636	996,437
Net Book Value	\$ 15	\$ 14,232	\$ 959,612	\$ 0	\$ 101,319	\$ 1,594,827	\$ 0	\$ 2,670,005	\$ 2,680,396

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

Village of Muenster

Consolidated Schedule of Tangible Capital Assets by Function For the year ended December 31, 2020

Schedule 7

	2020							2019	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	31,168	144,890	535,192	2	0	4	2,965,577	3,676,833	3,673,950
Additions during the year	3,798	49,510						53,308	2,888
Disposals and write-down during the year	(2,500)							(2,500)	(5)
Closing Asset Costs	32,466	194,400	535,192	2	0	4	2,965,577	3,727,641	3,676,833
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	25,879	100,951	193,322	0	0	0	676,285	996,437	933,244
Add: Amortization taken	812	3,785	12,068				47,033	63,698	63,196
Less: Accumulated amortization on disposals	(2,499)							(2,499)	(3)
Closing Accumulated Amortization Costs	24,192	104,736	205,390	0	0	0	723,318	1,057,636	996,437
Net Book Value	\$ 8,274	\$ 89,664	\$ 329,802	\$ 2	\$ 0	\$ 4	\$ 2,242,259	\$ 2,670,005	\$ 2,680,396

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

Village of Muenster
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
Unappropriated Surplus	<u>434,130</u>	<u>54,515</u>	<u>488,645</u>
Appropriated Surplus			
Transportation expenditures	<u>500</u>	<u>0</u>	<u>500</u>
Public reserve	<u>4,707</u>	<u>52</u>	<u>4,759</u>
Capital trust reserve	<u>84,852</u>	<u>24,708</u>	<u>109,560</u>
Utility			
Waterworks	<u>8,940</u>	<u>(8,547)</u>	<u>393</u>
Other			
Land development	251,856	666	252,522
Fire department	2,430	1,253	3,683
Entrance sign	0	12,004	12,004
Muenster Recreation Board	<u>3,139</u>		<u>3,139</u>
	<u>257,425</u>	<u>13,923</u>	<u>271,348</u>
Total Appropriated	<u>356,424</u>	<u>30,136</u>	<u>386,560</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	2,680,396	(10,391)	2,670,005
Less: Related debt	<u>614,927</u>	<u>(33,003)</u>	<u>581,924</u>
Net Investment in Tangible Capital Assets	<u>2,065,469</u>	<u>22,612</u>	<u>2,088,081</u>
Total Accumulated Surplus	<u>\$ 2,856,023</u>	<u>\$ 107,263</u>	<u>\$ 2,963,286</u>

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

Village of Muenster
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2020

Schedule 9

	<u>Property Class</u>					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	89,760	30,968,640	370,960		1,494,100	32,923,460
Regional Park Assessment						
Total Assessment						32,923,460
Mill Rate Factor(s)	4	4	4		4	
Total Base/Minimum Tax (generated for each property class)	1,160	140,620			20,710	162,490
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,519	264,495	1,484		26,686	294,184
Mill Rates:	Mills					
Average Municipal*	8.9354					
Average School*	4.2100					
Potash Mill Rate						
Uniform Municipal Mill Rate	4.0000					

*Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

Village of Muenster
Schedule of Council Remuneration
For the year ended December 31, 2020

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Scott Davis	7,400	1,113	8,513
James Wassermann	1,200		1,200
Richard Blechinger	1,400		1,400
Karl Senko	1,200		1,200
Doug Hushagen	<u>1,200</u>	<u> </u>	<u>1,200</u>
	<u>\$ 12,400</u>	<u>\$ 1,113</u>	<u>\$ 13,513</u>

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part of these consolidated financial statements.*