
VILLAGE OF MERVIN

FINANCIAL STATEMENTS

DECEMBER 31, 2021



Vantage

CHARTERED PROFESSIONAL ACCOUNTANTS

Management's Responsibility

To the Ratepayers of Village of Mervin

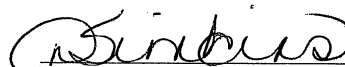
The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods,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

In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

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

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


Mayor


Administrator

February 9, 2022

INDEPENDENT AUDITORS' REPORT

Mayor and Council
Village of Mervin
Mervin, Saskatchewan

Qualified Opinion

We have audited the accompanying financial statements of the Village of Mervin, which comprise the statement of financial position as at December 31, 2021, the statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Village of Mervin as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The municipality has interest in the Mervin Recreation Board and the North Saskatchewan River Municipal Health Holdings both of which are government partnerships. The municipality has not recorded in its financial statements these interests using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. The effect on the financial statements of the failure to consolidate has not been determined.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Village of Mervin in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Village of Mervin'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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Vantage Chartered Professional Accountants, featuring the word "Vantage" in a stylized, cursive script font.

Chartered Professional Accountants

North Battleford, Saskatchewan
February 9, 2022

Village of Mervin
Statement of Financial Position
As at December 31, 2021

Statement 1

	2021	2020
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	463,868	406,002
Taxes Receivable - Municipal (Note 3)	33,941	42,173
Other Accounts Receivable (Note 4)	4,341	5,967
Land for Resale (Note 5)	34,341	13,357
Long-Term Investments (Note 6)	1,425	1,425
Debt Charges Recoverable		
Other (<i>Specify</i>)		
Total Financial Assets	537,916	468,924
LIABILITIES		
Bank Indebtedness		
Accounts Payable	5,232	6,870
Accrued Liabilities Payable		
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 7)	188,838	199,200
Lease Obligations		
Total Liabilities	194,070	206,070
NET FINANCIAL ASSETS (DEBT)	343,846	262,854
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	1,056,818	1,141,993
Prepayments and Deferred Charges	9,884	8,001
Stock and Supplies		
Other		
Total Non-Financial Assets	1,066,702	1,149,994
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	1,410,548	1,412,848

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

Village of Mervin
Statement of Operations
For the year ended December 31, 2021

Statement 2

	2021 Budget	2021	2020
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	208,364	222,873	229,292
Fees and Charges (Schedule 4, 5)	27,100	35,423	29,072
Conditional Grants (Schedule 4, 5)		964	9,639
Tangible Capital Asset Sales - Gain (Schedule 4, 5)			
Land Sales - Gain (Loss) (Schedule 4, 5)	20,000	(4,450)	12,335
Investment Income and Commissions (Schedule 4, 5)		1,891	2,353
Restructurings (Schedule 4,5)			
Other Revenues (Schedule 4, 5)		2,101	400
Total Revenues	255,464	258,802	283,091
EXPENSES			
General Government Services (Schedule 3)	77,997	83,585	84,184
Protective Services (Schedule 3)	4,488	12,352	12,146
Transportation Services (Schedule 3)	24,734	69,937	65,145
Environmental and Public Health Services (Schedule 3)	25,583	22,123	22,415
Planning and Development Services (Schedule 3)			
Recreation and Cultural Services (Schedule 3)	9,450	6,214	7,695
Utility Services (Schedule 3)	868	86,265	139,767
Restructurings (Schedule 3)			
Total Expenses	143,120	280,476	331,352
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	112,344	(21,674)	(48,261)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	84,690	19,374	70,925
Surplus (Deficit) of Revenues over Expenses	197,034	(2,300)	22,664
Accumulated Surplus (Deficit), Beginning of Year	1,412,848	1,412,848	1,390,184
Accumulated Surplus (Deficit), End of Year	1,609,882	1,410,548	1,412,848

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

Village of Mervin
Statement of Change in Net Financial Assets
For the year ended December 31, 2021

Statement 3

	2021 Budget	2021	2020
Surplus (Deficit)	197,034	(2,300)	22,664
(Acquisition) of tangible capital assets			(57,950)
Amortization of tangible capital assets		85,175	80,737
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets			
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures		85,175	22,787
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(1,883)	
Consumption of supplies inventory			
Use of prepaid expense			1,901
Surplus (Deficit) of expenses of other non-financial over expenditures		(1,883)	1,901
Increase/Decrease in Net Financial Assets	197,034	80,992	47,352
Net Financial Assets (Debt) - Beginning of Year	262,854	262,854	215,502
Net Financial Assets (Debt) - End of Year	459,888	343,846	262,854

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

Village of Mervin
Statement of Cash Flow
For the year ended December 31, 2021

Statement 4

	2021	2020
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	(2,300)	22,664
Amortization	85,175	80,737
Loss (gain) on disposal of tangible capital assets		
	82,875	103,401
Change in assets/liabilities		
Taxes Receivable - Municipal	8,232	193
Other Receivables	1,626	(2,331)
Land for Resale	(20,984)	
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(1,638)	584
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies		
Prepayments and Deferred Charges	(1,883)	1,901
Other (<i>Specify</i>)		
Cash provided by operating transactions	68,228	103,748
Capital:		
Acquisition of tangible capital assets		(57,950)
Proceeds from the disposal of tangible capital assets		
Other capital		
Cash applied to capital transactions		(57,950)
Investing:		
Long-term investments		
Other investments		
Cash provided by (applied to) investing transactions		
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid	(10,362)	(416,622)
Other financing		
Cash provided by (applied to) financing transactions	(10,362)	(416,622)
Change in Cash and Temporary Investments during the year	57,866	(370,824)
Cash and Temporary Investments - Beginning of Year	406,002	776,826
Cash and Temporary Investments - End of Year	463,868	406,002

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

Village of Mervin
Notes to the Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies

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

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

- a) **Reporting Entity:** The 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.

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

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

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

Unearned government transfer amounts received will be recorded as deferred revenue.

Earned government transfer amounts not received will be recorded as an amount receivable.

- d) **Deferred Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

Village of Mervin
Notes to the Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

- k) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	10 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	
Water and Sewer	15 Yrs
Road Network Assets	40 Yrs

Government Contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

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

- p) **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 is 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.

Village of Mervin
Notes to the Financial Statements

For the year ended December 31, 2021

1. Significant Accounting Policies - continued

- q) **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.

- r) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 16, 2021.

New Standards and Amendments to Standards:

- s) **Effective for Fiscal Years Beginning On or After April 1, 2022:**

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Effective for Fiscal Years Beginning On or After April 1, 2023:

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

The extent of the impact on adoption of these future standards is not known at this time.

Village of Mervin
Notes to the Financial Statements
For the year ended December 31, 2021

2. Cash and Temporary Investments

	2021	2020
Cash	335,304	279,330
Temporary Investments	128,564	126,672
Restricted Cash		
Total Cash and Temporary Investments	463,868	406,002

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

3. Taxes Receivable - Municipal

	2021	2020
Municipal - Current	23,854	18,316
- Arrears	15,604	29,374
	39,458	47,690
- Less Allowance for Uncollectible	(5,517)	(5,517)
Total municipal taxes receivable	33,941	42,173
School - Current	4,097	2,691
- Arrears	1,651	1,949
Total school taxes receivable	5,748	4,640
Other		
Total taxes and grants in lieu receivable	39,689	46,813
Deduct taxes receivable to be collected on behalf of other organizations	(5,748)	(4,640)
Total Taxes Receivable - Municipal	33,941	42,173

4. Other Accounts Receivable

	2021	2020
Federal Government	2,319	4,203
Provincial Government	1,368	800
Local Government		
Utility		
Trade		
Other (<i>Specify</i>)	654	964
Total Other Accounts Receivable	4,341	5,967
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	4,341	5,967

Village of Mervin
Notes to the Financial Statements
For the year ended December 31, 2021

5. Land for Resale	2021	2020
Tax Title Property	42,540	15,488
Allowance for market value adjustment	(12,549)	(10,931)
Net Tax Title Property	29,991	4,557
Other Land	4,350	8,800
Allowance for market value adjustment		
Net Other Land	4,350	8,800
Total Land for Resale	34,341	13,357

6. Long-Term Investments	2021	2020
Credit union equity	1,425	1,425
Other (<i>Specify</i>)		
Total Long-Term Investments	1,425	1,425

7. Long-Term Debt

a) The debt limit of the municipality is \$191,245. 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)).

b) Debenture debt is repayable at \$17,234 annually including interest at 3.45% and matures October 2035.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2022	10,719	6,515	17,234	17,234
2023	11,089	6,145	17,234	17,234
2024	11,472	5,762	17,234	17,234
2025	11,867	5,367	17,234	17,234
2026	12,277	4,957	17,234	17,234
Thereafter	131,414	23,693	155,107	172,341
Balance	188,838	52,439	241,277	258,511

8. 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 2021 was \$3,288. 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.

9. Comparative Figures

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

10. Subsequent Events

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern." This coronavirus continues to spread throughout the world and has adversely impacted global commercial activity and has contributed to significant declines and volatility in financial markets. The extent of COVID-19's effect on the municipality's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict. The rapid development and fluidity of this situation make it impossible to ascertain the ultimate adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the municipality, its performance, and its financial results.

Village of Mervin
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2021

Schedule 1

	2021 Budget	2021	2020
TAXES			
General municipal tax levy	161,930	169,022	165,795
Abatements and adjustments			(1,591)
Discount on current year taxes	(4,238)	(4,761)	(4,784)
Net Municipal Taxes	157,692	164,261	159,420
Potash tax share			
Trailer license fees			
Penalties on tax arrears		5,512	7,254
Special tax levy			
Other (<i>Specify</i>)			
Total Taxes	157,692	169,773	166,674
UNCONDITIONAL GRANTS			
Revenue Sharing	38,022	37,697	38,022
Safe Restart Program	600		9,485
Total Unconditional Grants	38,622	37,697	47,507
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	950	1,300	937
Other (<i>Specify</i>)			500
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (<i>Specify</i>)			
Other Government Transfers			
S.P.C. Surcharge	9,500	9,588	9,421
Sask Energy Surcharge	1,600	4,515	4,253
Other (<i>Specify</i>)			
Total Grants in Lieu of Taxes	12,050	15,403	15,111
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	208,364	222,873	229,292

Village of Mervin
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Other (<i>Specify</i>)	600	1,694	2,355
Total Fees and Charges	600	1,694	2,355
- Tangible capital asset sales - gain (loss)			
- Land sales - gain	20,000	(4,450)	12,335
- Investment income and commissions		1,891	2,353
- Other (Donations and miscellaneous)		2,101	400
Total Other Segmented Revenue	20,600	1,236	17,443
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating	20,600	1,236	17,443
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Asset management)	38,690		
Total Capital	38,690		
Restructuring Revenue (<i>Specify, if any</i>)			
Total General Government Services	59,290	1,236	17,443

PROTECTIVE SERVICES

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

Village of Mervin
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 2

	2021 Budget	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work		1,700	2,150
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (<i>Specify</i>)			
Total Fees and Charges		1,700	2,150
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue		1,700	2,150
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (SGI Traffic Grant)		964	9,639
Total Conditional Grants		964	9,639
Total Operating		2,664	11,789
Capital			
Conditional Grants			
- Federal Gas Tax/AMP grant	24,000	19,374	48,072
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (MEEP)	22,000		22,853
Total Capital	46,000	19,374	70,925
Restructuring Revenue (<i>Specify, if any</i>)			
Total Transportation Services	46,000	22,038	82,714

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	5,900	8,616	3,976
- Other (Cemetery)	200	1,000	
Total Fees and Charges	6,100	9,616	3,976
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue	6,100	9,616	3,976
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating	6,100	9,616	3,976
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Environmental and Public Health Services	6,100	9,616	3,976

Village of Mervin
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 3

	2021 Budget	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (<i>Specify</i>)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

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

Village of Mervin
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2021

Schedule 2 - 4

	2021 Budget	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	1,500	4,343	1,931
- Sewer	18,900	18,070	18,660
- Other (<i>Specify</i>)			
Total Fees and Charges	20,400	22,413	20,591
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue	20,400	22,413	20,591
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
Total Conditional Grants			
Total Operating	20,400	22,413	20,591
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Utility Services	20,400	22,413	20,591
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	131,790	55,303	124,724

SUMMARY

Total Other Segmented Revenue	47,100	34,965	44,160
Total Conditional Grants		964	9,639
Total Capital Grants and Contributions	84,690	19,374	70,925
Restructuring Revenue			
TOTAL REVENUE BY FUNCTION	131,790	55,303	124,724

Village of Mervin

Total Expenses by Function

For the year ended December 31, 2021

Schedule 3 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	600	1,840	1,585
Wages and benefits	47,822	45,902	43,952
Professional/Contractual services	21,045	26,021	27,436
Utilities	4,280	4,102	4,116
Maintenance, materials and supplies	4,200	5,649	6,531
Grants and contributions - operating		20	550
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)	50	51	14
General Government Services	77,997	83,585	84,184
Restructuring (<i>Specify, if any</i>)			
Total General Government Services	77,997	83,585	84,184

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services		7,864	7,658
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other (<i>Specify</i>)			

Fire protection

Wages and benefits			
Professional/Contractual services	4,488	4,488	4,488
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (<i>Specify</i>)			

Protective Services	4,488	12,352	12,146
Restructuring (<i>Specify, if any</i>)			
Total Protective Services	4,488	12,352	12,146

TRANSPORTATION SERVICES

Wages and benefits	10,000	12,269	
Professional/Contractual Services	2,734	36,145	26,295
Utilities	6,950	5,891	6,861
Maintenance, materials and supplies	5,050	8,298	29,093
Gravel			
Grants and contributions - operating			
- capital			
Amortization		7,334	2,896
Interest			
Other (<i>Specify</i>)			

Transportation Services	24,734	69,937	65,145
Restructuring (<i>Specify, if any</i>)			
Total Transportation Services	24,734	69,937	65,145

Village of Mervin

Total Expenses by Function

For the year ended December 31, 2021

Schedule 3 - 2

	2021 Budget	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	21,183	17,750	18,042
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
o Waste disposal	4,400	4,373	4,373
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (<i>Specify</i>)			
Environmental and Public Health Services	25,583	22,123	22,415
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	25,583	22,123	22,415

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (<i>Specify</i>)			
Planning and Development Services			
Restructuring (Specify, if any)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Wages and benefits	200	400	200
Professional/Contractual services	1,450	277	1,600
Utilities	5,000	315	3,439
Maintenance, materials and supplies	300	1,134	50
Grants and contributions - operating	2,500	4,088	2,406
- capital			
Amortization			
Interest			
Allowance for uncollectible			
Other (<i>Specify</i>)			
Recreation and Cultural Services	9,450	6,214	7,695
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	9,450	6,214	7,695

Village of Mervin
Total Expenses by Function
For the year ended December 31, 2021

Schedule 3 - 3

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and benefits		1,051	
Professional/Contractual services	868	591	2,869
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization		77,841	77,841
Interest		6,782	59,057
Allowance for uncollectible			
Other (<i>Specify</i>)			
Utility Services	868	86,265	139,767
Restructuring (Specify, if any)			
Total Utility Services	868	86,265	139,767
TOTAL EXPENSES BY FUNCTION	143,120	280,476	331,352

Village of Mervin
Schedule of Segment Disclosure by Function
For the year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	1,694		1,700	9,616			22,413	35,423
Tangible Capital Asset Sales - Gain								
Land Sales - Gain (Loss)	(4,450)							(4,450)
Investment Income and Commissions	1,891							1,891
Other Revenues	2,101							2,101
Grants - Conditional			964					964
- Capital			19,374					19,374
Restructurings								
Total Revenues	1,236		22,038	9,616			22,413	55,303
Expenses (Schedule 3)								
Wages and Benefits	47,742		12,269			400	1,051	61,462
Professional/Contractual Services	26,021	12,352	36,145	17,750		277	591	93,136
Utilities	4,102		5,891			315		10,308
Maintenance Materials and Supplies	5,649		8,298			1,134		15,081
Grants and Contributions	20			4,373		4,088		8,481
Amortization			7,334				77,841	85,175
Interest							6,782	6,782
Allowance for Uncollectible								
Restructurings								
Other	51							51
Total Expenses	83,585	12,352	69,937	22,123		6,214	86,265	280,476
Surplus (Deficit) by Function	(82,349)	(12,352)	(47,899)	(12,507)		(6,214)	(63,852)	(225,173)

Taxes and other unconditional revenue (Schedule 1)

222,873

Net Surplus (Deficit)

(2,300)

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

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	2,355		2,150	3,976			20,591	29,072
Tangible Capital Asset Sales - Gain								12,335
Land Sales - Gain	12,335							2,353
Investment Income and Commissions	2,353							400
Other Revenues	400							9,639
Grants - Conditional			9,639					70,925
- Capital			70,925					
Restructurings								
Total Revenues	17,443		82,714	3,976			20,591	124,724
Expenses (Schedule 3)								
Wages and Benefits	45,537					200		45,737
Professional/Contractual Services	27,436	12,146	26,295	18,042		1,600	2,869	88,388
Utilities	4,116		6,861			3,439		14,416
Maintenance Materials and Supplies	6,531		29,093			50		35,674
Grants and Contributions	550			4,373		2,406		7,329
Amortization			2,896				77,841	80,737
Interest							59,057	59,057
Allowance for Uncollectible								
Restructurings								
Other	14							14
Total Expenses	84,184	12,146	65,145	22,415		7,695	139,767	331,352
Surplus (Deficit) by Function	(66,741)	(12,146)	17,569	(18,439)		(7,695)	(119,176)	(206,628)
Taxes and other unconditional revenue (Schedule 1)								229,292
Net Surplus (Deficit)								22,664

Village of Mervin
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

		2021						2020		
		General Assets				Infrastructure Assets	General/ Infrastructure			
		Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear assets	Assets Under Construction	Total	Total
Assets	Asset costs									
	Opening Asset Costs	23,600		105,916		72,466	1,224,919		1,426,901	1,368,951
	Additions during the year									57,950
	Disposals and write-downs during the year									
	Transfers (from) assets under construction									
	Transfer of capital assets related to restructuring (Schedule 11)									
	Closing Asset Costs	23,600		105,916		72,466	1,224,919		1,426,901	1,426,901
Amortization	Accumulated Amortization Costs									
	Opening Accumulated Amortization Costs			105,912		13,340	165,656		284,908	204,171
	Correctly allocate opening figures									
	Add: Amortization taken					5,904	79,271		85,175	80,737
	Less: Accumulated amortization on disposals									
	Transfer of capital assets related to restructuring (Schedule 11)									
	Closing Accumulated Amortization Costs			105,912		19,244	244,927		370,083	284,908
	Net Book Value	23,600		4		53,222	979,992		1,056,818	1,141,993

1. Total contributed/donated assets received in 2021

Nil

are:

- Infrastructure Assets

Nil

- Vehicles

Nil

- Machinery and Equipment

Nil

3. Amount of interest capitalized in Schedule 6

Nil

Village of Mervin
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2021

Schedule 7

		2021							2020	
		General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total	Total
Assets	Asset costs									
	Opening Asset Costs	58,927		129,754			67,589	1,170,631	1,426,901	1,368,951
	Additions during the year									57,950
	Disposals and write-downs during the year									
	Transfer of capital assets related to restructuring (Schedule 11)									
	Closing Asset Costs	58,927		129,754			67,589	1,170,631	1,426,901	1,426,901
Amortization	Accumulated Amortization Costs									
	Opening Accumulated Amortization Costs	38,326		23,306			67,586	155,690	284,908	204,171
	Add: Amortization taken			7,334				77,841	85,175	80,737
	Less: Accumulated amortization on disposals									
	Transfer of capital assets related to restructuring (Schedule 11)									
	Closing Accumulated Amortization Costs	38,326		30,640			67,586	233,531	370,083	284,908
	Net Book Value	20,601		99,114			3	937,100	1,056,818	1,141,993

Village of Mervin
 Schedule of Accumulated Surplus
 For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	263,933	82,875	346,808
APPROPRIATED RESERVES			
Machinery and Equipment			
Public Reserve			
Capital Trust			
Utility			
Other (<i>Specify</i>)	6,922		6,922
Total Appropriated	6,922		6,922
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Total Organized Hamlets			
INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	1,141,993	(85,175)	1,056,818
Less: Related debt			
Net Investment in Tangible Capital Assets	1,141,993	(85,175)	1,056,818
Total Accumulated Surplus	1,412,848	(2,300)	1,410,548

Village of Mervin
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	49,155	8,672,880			435,200		9,157,235
Regional Park Assessment							
Total Assessment							9,157,235
Mill Rate Factor(s)	2.0000	1.0000			1.0000		
Total Base/Minimum Tax (generated for each property class)	1,300	116,350			11,300		128,950
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,801	154,646			12,575		169,022

MILL RATES:	MILLS
Average Municipal*	18.4578
Average School*	4.5522
Potash Mill Rate	
Uniform Municipal Mill Rate	6.5000

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

Village of Mervin
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Jason Bergen	490		490
Councillor	Keri Burgess	350		350
Councillor	Linda Knowlton	350		350
Councillor	Miguel De Freitas	275		275
Councillor	Doris Tollifson	375		375
Total		1,840		1,840