

Village of Muenster
CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

Village of Muenster

Muenster, Saskatchewan

December 31, 2021

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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, 2021 and the consolidated Statements of Operations, Change 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, 2021, 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 Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
May 17, 2022

Village of Muenster
Muenster, Saskatchewan
Consolidated Statement of Financial Position as at December 31, 2021

Statement 1

	2021	2020
Assets		
Financial Assets		
Cash and temporary investments - note 2	407,807	707,092
Taxes receivable - municipal - note 3	21,262	16,775
Other accounts receivable - note 4	35,360	32,808
Land for resale - note 5	82,806	89,207
Long-term investments - note 6	3,031	3,044
Total Financial Assets	<u>550,266</u>	<u>848,926</u>
Liabilities		
Accounts payable - note 7	33,142	21,243
Accrued liabilities payable	1,045	7,603
Deposits	20,820	19,995
Deferred revenue - note 8	33,623	25,718
Long-term debt - note 9	197,889	581,924
Total Liabilities	<u>286,519</u>	<u>656,483</u>
Net Financial Assets	<u>263,747</u>	<u>192,443</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	2,680,481	2,670,005
Land for development	102,196	98,705
Prepayments and deferred charges	591	186
Stock and supplies	3,977	1,947
Total Non-Financial Assets	<u>2,787,245</u>	<u>2,770,843</u>
Accumulated Surplus - schedule 8	<u>\$ 3,050,992</u>	<u>\$ 2,963,286</u>

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, 2021

Statement 2

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
Revenues			
Taxes and other unconditional revenue - schedule 1	413,444	418,257	439,381
Fees and charges - schedules 4 and 5	220,205	253,685	230,393
Conditional grants - schedules 4 and 5	24,683	31,010	13,008
Tangible capital asset sales - gain - schedules 4 and 5			249
Land sales - gain - schedules 4 and 5	34,099	34,099	
Investment income and commissions - schedules 4 and 5	1,000	6,893	7,994
Other revenues - schedules 4 and 5		6,695	6,492
Total Revenue	<u>693,431</u>	<u>750,639</u>	<u>697,517</u>
Expenses - schedule 3			
General government services	160,698	158,656	193,437
Protective services	60,260	56,882	51,313
Transportation services	135,369	131,865	100,533
Environmental and public health services	36,580	37,898	36,099
Planning and development services	11,639	5,662	7,867
Recreation and cultural services	22,057	29,883	26,198
Utilities services	275,012	277,641	259,195
Total Expenses	<u>701,615</u>	<u>698,487</u>	<u>674,642</u>
Surplus (Deficit) of Revenues over Expenses Before Other Capital Contributions	(8,184)	52,152	22,875
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>26,000</u>	<u>35,554</u>	<u>84,388</u>
Surplus of Revenue over Expenses	17,816	87,706	107,263
Accumulated Surplus, Beginning of Year	<u>2,963,286</u>	<u>2,963,286</u>	<u>2,856,023</u>
Accumulated Surplus, End of Year	<u>\$ 2,981,102</u>	<u>\$ 3,050,992</u>	<u>\$ 2,963,286</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, 2021

Statement 3

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
Surplus	<u>17,816</u>	<u>87,706</u>	<u>107,263</u>
(Acquisition) of tangible capital assets		(78,025)	(53,308)
Amortization of tangible capital assets		67,549	63,698
Proceeds on disposal of tangible capital assets			250
Loss (gain) on the disposal of tangible capital assets	<u> </u>	<u> </u>	<u>(249)</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>0</u>	<u>(10,476)</u>	<u>10,391</u>
(Acquisition) of supplies inventories		(11,500)	(11,250)
(Acquisition) of prepaid expense		(441)	
Consumption of supplies inventory		9,470	10,744
Use of prepaid expense		36	14,871
(Acquisition) of land for development	<u> </u>	<u>(3,491)</u>	<u>(5,540)</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>(5,926)</u>	<u>8,825</u>
Increase in Net Financial Assets	17,816	71,304	126,479
Net Financial Assets, beginning of year	<u>192,443</u>	<u>192,443</u>	<u>65,964</u>
Net Financial Assets, End of Year	<u>\$ 210,259</u>	<u>\$ 263,747</u>	<u>\$ 192,443</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, 2021

Statement 4

	2021	2020
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	87,706	107,263
Amortization	67,549	63,698
Loss (gain) on disposal of tangible capital assets	<u>(249)</u>	<u>(249)</u>
	155,255	170,712
Change in Assets/Liabilities		
Taxes receivable - municipal	(4,487)	(2,953)
Other receivables	(2,552)	4,979
Land for resale	6,400	
Land for development	(3,491)	(5,540)
Accounts payable	11,903	(7,605)
Accrued liabilities payable	(6,559)	(15,219)
Deposits	825	720
Deferred revenue	7,904	21,718
Stock and supplies for use	(2,030)	(505)
Prepayments and deferred charges	<u>(405)</u>	<u>14,871</u>
Cash Provided by Operating Transactions	<u>162,763</u>	<u>181,178</u>
Capital:		
Acquisition of capital assets	(78,025)	(53,308)
Proceeds from the disposal of capital assets	<u>250</u>	<u>250</u>
Cash Applied to Capital Transactions	<u>(78,025)</u>	<u>(53,058)</u>
Investing:		
Proceeds on disposal of long-term investments	13	
Additions to long-term investments	<u>(71)</u>	<u>(71)</u>
Cash Provided by (Applied to) Investing Transactions	<u>13</u>	<u>(71)</u>
Financing:		
Long-term debt repaid	<u>(384,036)</u>	<u>(33,002)</u>
Change in Cash and Temporary Investments During the Year	(299,285)	95,047
Cash and temporary investments, beginning of year	<u>707,092</u>	<u>612,045</u>
Cash and Temporary Investments, End of Year	<u>\$ 407,807</u>	<u>\$ 707,092</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, 2021

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, 2021

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, 2021

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, 2021

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, 2021.

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

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, 2021

	2021	2020
2. Cash and Temporary Investments		
Cash	276,637	321,581
Temporary investments	<u>131,170</u>	<u>385,511</u>
Total Cash and Temporary Investments	<u>\$ 407,807</u>	<u>\$ 707,092</u>

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

	2021	2020
3. Taxes and Grants In Lieu Receivable		
Municipal - current	11,362	11,465
Municipal - arrears	<u>9,900</u>	<u>5,310</u>
	21,262	16,775
Less: Allowance for uncollectibles	<u>0</u>	<u>0</u>
Total municipal taxes receivable	<u>21,262</u>	<u>16,775</u>
School - current	4,612	4,494
School - arrears	<u>2,160</u>	<u>1,272</u>
Total school taxes receivable	<u>6,772</u>	<u>5,766</u>
Total taxes and grants in lieu receivable	28,034	22,541
Less: Taxes receivable to be collected on behalf of other organizations	<u>6,772</u>	<u>5,766</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 21,262</u>	<u>\$ 16,775</u>

4. Other Accounts Receivable		
Federal government	16,694	13,362
Utility	17,370	15,959
Trade	<u>1,296</u>	<u>3,487</u>
Net Other Accounts Receivable	<u>\$ 35,360</u>	<u>\$ 32,808</u>

5. Land for Resale		
Other land	<u>82,806</u>	<u>89,207</u>
Total Land for Resale	<u>\$ 82,806</u>	<u>\$ 89,207</u>

6. Long-Term Investments		
Equity in co-operatives	<u>\$ 3,031</u>	<u>\$ 3,044</u>

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

	2021	2020
7. Accounts Payable		
Accounts payable are comprised of the following items:		
Accounts payable	17,004	4,198
Due to School	<u>16,138</u>	<u>17,045</u>
	<u>\$ 33,142</u>	<u>\$ 21,243</u>

8. Deferred Revenue		
Municipal Economic Enhancement Program	3,753	21,883
Canada Community Building Fund	25,071	
Deferred revenue	<u>4,799</u>	<u>3,835</u>
	<u>\$ 33,623</u>	<u>\$ 25,718</u>

9. Long-Term Debt

- (a) The debt limit of the municipality for 2022 is \$553,113. 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	2021 Total	2020 Total
2021				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	16,163	1,602	17,765	17,765
2026	16,680	1,085	17,765	17,765
Thereafter	<u>17,213</u>	<u>549</u>	<u>17,762</u>	<u>17,762</u>
	<u>\$ 95,599</u>	<u>\$ 10,988</u>	<u>\$ 106,587</u>	<u>\$ 124,352</u>

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

9. **Long-Term Debt** - continued

- (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	2021 Total	2020 Total
2021				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	14,286	441	14,727	14,727
	<u>\$ 54,618</u>	<u>\$ 4,296</u>	<u>\$ 58,914</u>	<u>\$ 73,643</u>

- (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	2021 Total	2020 Total
2021				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
2026	8,301	514	8,815	8,815
Thereafter	8,553	260	8,813	8,813
	<u>\$ 47,672</u>	<u>\$ 5,216</u>	<u>\$ 52,888</u>	<u>\$ 61,703</u>

10. **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.

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

10. Employee Benefit Plans - continued

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:

	2021	2020
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 10,641	\$ 10,277
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As per the most recently audited consolidated financial statements dated December 31, 2020, the plan surplus is \$838,900,000.

11. 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.

12. Contractual Obligations

In 2021, the municipality signed an agreement with Direct Energy Marketing Limited to purchase natural gas at a fixed price from November 1, 2021 to October 31, 2024. The contract terms specify a fixed price of \$0.0996/m3 for the first year, followed by a fixed price of \$0.1387/m3 for the next two years.

Village of Muenster
Consolidated Schedule of Taxes and Other Unconditional Revenue Schedule 1
For the year ended December 31, 2021

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
Taxes			
General municipal tax levy	296,548	297,501	294,184
Abatements and adjustments		(255)	
Discount on current year taxes	(13,000)	(11,406)	(11,153)
Net municipal taxes	<u>283,548</u>	<u>285,840</u>	<u>283,031</u>
Penalties on tax arrears	<u>1,500</u>	<u>1,677</u>	<u>1,382</u>
Total Taxes	<u>285,048</u>	<u>287,517</u>	<u>284,413</u>
Unconditional Grants			
Equalization (revenue sharing)	98,496	98,496	99,375
Safe Restart Saskatchewan			<u>25,651</u>
Total Unconditional Grants	<u>98,496</u>	<u>98,496</u>	<u>125,026</u>
Grants In Lieu of Taxes			
Provincial			
SaskTel	1,100	1,169	1,072
Local/Other			
Housing authority	2,100	1,999	2,151
Other Government Transfers			
S.P.C. surcharge	18,400	19,425	18,355
Sask Energy Surcharge	<u>8,300</u>	<u>9,651</u>	<u>8,364</u>
Total Grants In Lieu of Taxes	<u>29,900</u>	<u>32,244</u>	<u>29,942</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 413,444</u>	<u>\$ 418,257</u>	<u>\$ 439,381</u>

Village of Muenster

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-1
For the year ended December 31, 2021

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	105	368	229
Donations	500	11,917	
Rentals	500	770	770
Licenses and permits	700	1,756	568
Other		1,340	7,288
Total Fees and Charges	<u>1,805</u>	<u>16,151</u>	<u>8,855</u>
Tangible capital asset sales - gain			249
Investment income and commissions	1,000	6,893	7,994
Total Other Segmented Revenue	<u>2,805</u>	<u>23,044</u>	<u>17,098</u>
Conditional Grants			
SGI	21,883	20,370	
Student employment		2,319	2,717
Total Conditional Grants	<u>21,883</u>	<u>22,689</u>	<u>2,717</u>
Total Operating	<u>24,688</u>	<u>45,733</u>	<u>19,815</u>
Total General Government Services	<u>\$ 24,688</u>	<u>\$ 45,733</u>	<u>\$ 19,815</u>
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees	500		497
Total Other Segmented Revenue	<u>500</u>	<u>0</u>	<u>497</u>
Total Operating	<u>500</u>	<u>0</u>	<u>497</u>
Capital			
Conditional Grants			
Municipal Economic Enhancement Program			33,903
Total Capital	<u>0</u>	<u>0</u>	<u>33,903</u>
Total Protective Services	<u>\$ 500</u>	<u>\$ 0</u>	<u>\$ 34,400</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 2-2
For the year ended December 31, 2021

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	3,000	2,923	3,063
Total Other Segmented Revenue	<u>3,000</u>	<u>2,923</u>	<u>3,063</u>
Total Operating	<u>3,000</u>	<u>2,923</u>	<u>3,063</u>
Capital			
Conditional Grants			
Municipal Economic Enhancement Program		6,059	4,250
Total Capital	<u>0</u>	<u>6,059</u>	<u>4,250</u>
Total Transportation Services	<u>\$ 3,000</u>	<u>\$ 8,982</u>	<u>\$ 7,313</u>
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Waste and disposal fees	11,000	11,714	11,271
Total Other Segmented Revenue	<u>11,000</u>	<u>11,714</u>	<u>11,271</u>
Total Environmental and Public Health Services	<u>\$ 11,000</u>	<u>\$ 11,714</u>	<u>\$ 11,271</u>
Planning and Development Services			
Land sales - gain	34,099	34,099	
Total Other Segmented Revenue	<u>34,099</u>	<u>34,099</u>	<u>0</u>
Total Operating	<u>34,099</u>	<u>34,099</u>	<u>0</u>
Capital			
Conditional Grants			
Canada Community Building Fund	26,000	27,325	38,055
Total Capital	<u>26,000</u>	<u>27,325</u>	<u>38,055</u>
Total Planning and Development Services	<u>\$ 60,099</u>	<u>\$ 61,424</u>	<u>\$ 38,055</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, 2021

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Muenster Recreation Board		6,695	6,492
Total Other Segmented Revenue	<u>0</u>	<u>6,695</u>	<u>6,492</u>
Conditional Grants			
Local		4,000	
Donations	300	1,821	10,291
Community Initiatives Fund - Community Grant	2,500	2,500	
Total Conditional Grants	<u>2,800</u>	<u>8,321</u>	<u>10,291</u>
Total Operating	<u>2,800</u>	<u>15,016</u>	<u>16,783</u>
Capital			
Conditional Grants			
Municipal Economic Enhancement Program		2,170	1,767
Total Capital	<u>0</u>	<u>2,170</u>	<u>1,767</u>
Total Recreation and Cultural Services	<u>\$ 2,800</u>	<u>\$ 17,186</u>	<u>\$ 18,550</u>
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Water	174,900	193,450	177,485
Sewer	29,000	29,447	29,222
Total Fees and Charges	<u>203,900</u>	<u>222,897</u>	<u>206,707</u>
Total Other Segmented Revenue	<u>203,900</u>	<u>222,897</u>	<u>206,707</u>
Total Operating	<u>203,900</u>	<u>222,897</u>	<u>206,707</u>
Capital			
Conditional Grants			
Water and sewer - capital			6,413
Total Capital	<u>0</u>	<u>0</u>	<u>6,413</u>
Total Utility Services	<u>\$ 203,900</u>	<u>\$ 222,897</u>	<u>\$ 213,120</u>
Total Operating and Capital Revenue by Function	<u>\$ 305,987</u>	<u>\$ 367,936</u>	<u>\$ 342,524</u>
Summary			
Total Other Segmented Revenue	255,304	301,372	245,128
Total Conditional Grants	24,683	31,010	13,008
Total Capital Grants and Contributions	<u>26,000</u>	<u>35,554</u>	<u>84,388</u>
Total Operating and Capital Revenue by Function	<u>\$ 305,987</u>	<u>\$ 367,936</u>	<u>\$ 342,524</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, 2021

Schedule 3-1

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
General Government Services			
Council remuneration and travel	15,500	14,300	13,513
Wages and benefits	85,860	93,378	96,400
Professional/Contractual services	27,740	23,243	23,943
Utilities	4,200	4,143	3,781
Maintenance, materials and supplies	22,750	16,206	11,637
Grants and contributions - operating	2,000	4,291	32,455
Amortization	1,548	1,693	812
Interest	1,100	833	769
Theft expense	<u> </u>	<u>569</u>	<u>10,127</u>
Total General Government Services	<u>\$ 160,698</u>	<u>\$ 158,656</u>	<u>\$ 193,437</u>
Protective Services			
Police protection			
Professional/Contractual services	21,500	21,267	20,711
Maintenance, materials and supplies			8
Fire protection			
Wages and benefits	10,085	8,981	9,028
Professional/Contractual services	15,578	16,106	16,307
Utilities	1,172	1,246	1,045
Maintenance, materials and supplies	6,200	3,552	429
Amortization	5,725	5,725	3,785
Interest	<u> </u>	<u>5</u>	<u> </u>
Total Protective Services	<u>\$ 60,260</u>	<u>\$ 56,882</u>	<u>\$ 51,313</u>
Transportation Services			
Wages and benefits	55,426	37,845	39,166
Professional/Contractual services	9,300	11,554	4,861
Utilities	12,500	9,566	11,544
Maintenance, materials and supplies	41,669	52,326	30,671
Gravel	4,000	6,735	2,223
Amortization	<u>12,474</u>	<u>13,839</u>	<u>12,068</u>
Total Transportation Services	<u>\$ 135,369</u>	<u>\$ 131,865</u>	<u>\$ 100,533</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, 2021

Schedule 3-2

	2021 Budget [Note 1(q)]	2021 Actual	2020 Actual
Environmental and Public Health Services			
Professional/Contractual services	14,080	14,181	13,669
Maintenance, materials and supplies	11,250	11,982	11,250
Grants and contributions - waste disposal	11,250	11,180	11,180
Other		555	
	<u>36,580</u>	<u>37,898</u>	<u>36,099</u>
Total Environmental and Public Health Services	\$ 36,580	\$ 37,898	\$ 36,099
Planning and Development Services			
Professional/Contractual services	4,864		
Maintenance, materials and supplies	1,000	1,327	2,092
Interest	5,775	4,335	5,775
	<u>11,639</u>	<u>5,662</u>	<u>7,867</u>
Total Planning and Development Services	\$ 11,639	\$ 5,662	\$ 7,867
Recreation and Cultural Services			
Wages and benefits	3,300	3,366	3,270
Professional/Contractual services	5,785	6,622	5,993
Utilities	1,772	1,935	1,617
Maintenance, materials and supplies		7,865	(137)
Grants and contributions - operating	2,500	3,500	8,110
Grants and contributions - capital	8,700		
Other - Muenster Rec Board		6,595	7,345
	<u>22,057</u>	<u>29,883</u>	<u>26,198</u>
Total Recreation and Cultural Services	\$ 22,057	\$ 29,883	\$ 26,198
Utility Services			
Wages and benefits	46,826	32,799	35,279
Professional/Contractual services	45,070	46,227	42,175
Utilities	8,300	6,568	8,977
Maintenance, materials and supplies	121,150	141,199	119,167
Amortization	47,033	46,292	47,033
Interest	5,883	4,556	5,840
Other	750		724
	<u>275,012</u>	<u>277,641</u>	<u>259,195</u>
Total Utility Services	\$ 275,012	\$ 277,641	\$ 259,195
Total Expenses by Function	\$ 701,615	\$ 698,487	\$ 674,642

Village of Muenster

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

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	16,151		2,923	11,714			222,897	253,685
Land sales - gain					34,099			34,099
Investment income and commissions	6,893							6,893
Other revenues						6,695		6,695
Grants - conditional	22,689					8,321		31,010
Grants - capital			6,059		27,325	2,170		35,554
Total Revenues	45,733	0	8,982	11,714	61,424	17,186	222,897	367,936
Expenses - schedule 3								
Wages and benefits	107,678	8,981	37,845			3,366	32,799	190,669
Professional/contractual services	23,243	37,373	11,554	14,181		6,622	46,227	139,200
Utilities	4,143	1,246	9,566			1,935	6,568	23,458
Maintenance materials and supplies	16,206	3,552	59,061	11,982	1,327	7,865	141,199	241,192
Grants and contributions	4,291			11,180		3,500		18,971
Amortization	1,693	5,725	13,839				46,292	67,549
Interest	833	5			4,335		4,556	9,729
Other	569			555		6,595		7,719
Total Expenses	158,656	56,882	131,865	37,898	5,662	29,883	277,641	698,487
Surplus (Deficit) by Function	\$(112,923)	\$(56,882)	\$(122,883)	\$(26,184)	\$ 55,762	\$(12,697)	\$(54,744)	(330,551)
Taxation and other unconditional revenue - schedule 1								<u>418,257</u>
Net Surplus								<u>\$ 87,706</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, 2020

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	8,855	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	96,400	9,028	39,166			3,270	35,279	183,143
Professional/contractual services	37,456	37,018	4,861	13,669		5,993	42,175	141,172
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	<u>\$(173,622)</u>	<u>\$(16,913)</u>	<u>\$(93,220)</u>	<u>\$(24,828)</u>	<u>\$ 30,188</u>	<u>\$(7,648)</u>	<u>\$(46,075)</u>	<u>(332,118)</u>
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 Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

	2021							2020
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets		Total
Asset Cost								
Opening Asset Cost	15	45,732	1,213,156	0	295,335	2,173,403	0	3,727,641
Additions during the year					60,311	1,750	15,964	78,025
Disposals and write-down during the year								(2,500)
Closing Asset Costs	15	45,732	1,213,156	0	355,646	2,175,153	15,964	3,805,666
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	0	31,500	253,544	0	194,016	578,576	0	1,057,636
Add: Amortization taken		1,016	24,263		9,334	32,936		67,549
Less: Accumulated amortization on disposals								(2,499)
Closing Accumulated Amortization Costs	0	32,516	277,807	0	203,350	611,512	0	1,125,185
Net Book Value	\$ 15	\$ 13,216	\$ 935,349	\$ 0	\$ 152,296	\$ 1,563,641	\$ 15,964	\$ 2,680,481
								\$ 2,670,005

*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, 2021

Schedule 7

	2021							2020	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	32,466	194,400	535,192	2	0	4	2,965,577	3,727,641	3,676,833
Additions during the year	7,079		62,061				8,885	78,025	53,308
Disposals and write-down during the year									(2,500)
Closing Asset Costs	39,545	194,400	597,253	2	0	4	2,974,462	3,805,666	3,727,641
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	24,192	104,736	205,390	0	0	0	723,318	1,057,636	996,437
Add: Amortization taken	1,693	5,725	13,839				46,292	67,549	63,698
Less: Accumulated amortization on disposals									(2,499)
Closing Accumulated Amortization Costs	25,885	110,461	219,229	0	0	0	769,610	1,125,185	1,057,636
Net Book Value	\$ 13,660	\$ 83,939	\$ 378,024	\$ 2	\$ 0	\$ 4	\$ 2,204,852	\$ 2,680,481	\$ 2,670,005

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, 2021

Schedule 8

	2020	Changes	2021
Unappropriated Surplus	<u>488,645</u>	<u>(93,133)</u>	<u>395,512</u>
Appropriated Surplus			
Transportation expenditures	<u>500</u>	<u>0</u>	<u>500</u>
Public reserve	<u>4,759</u>	<u>31</u>	<u>4,790</u>
Capital trust reserve	<u>109,560</u>	<u>4,042</u>	<u>113,602</u>
Utility			
Waterworks	<u>393</u>	<u>4,678</u>	<u>5,071</u>
Other			
Land development	252,522	(252,522)	
Greenspace Park Reserve		5,817	5,817
Roadwork		33,777	33,777
Fire department	3,683	1,865	5,548
Entrance sign	12,004	(11,360)	644
Muenster Recreation Board	<u>3,139</u>		<u>3,139</u>
	<u>271,348</u>	<u>(222,423)</u>	<u>48,925</u>
Total Appropriated	<u>386,560</u>	<u>(213,672)</u>	<u>172,888</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	2,670,005	10,476	2,680,481
Less: Related debt	<u>581,924</u>	<u>(384,035)</u>	<u>197,889</u>
Net Investment in Tangible Capital Assets	<u>2,088,081</u>	<u>394,511</u>	<u>2,482,592</u>
Total Accumulated Surplus	<u>\$ 2,963,286</u>	<u>\$ 87,706</u>	<u>\$ 3,050,992</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, 2021

Schedule 9

	Property Class						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	97,845	29,392,480	348,480		1,758,820		31,597,625
Regional Park Assessment							
Total Assessment							31,597,625
Mill Rate Factor(s)	1	1	1		1		
Total Base/Minimum Tax (generated for each property class)	975	146,850			22,500		170,325
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,366	265,206	1,394		29,535		297,501
Mill Rates:	Mills						
Average Municipal*	9.4153						
Average School*	4.5765						
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, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Scott Davis	8,100	10	8,110
Doug Hushagen	2,000		2,000
Karl Senko	1,700		1,700
James Wassermann	1,500		1,500
Lindsay Gabriel	600		600
Richard Blechinger	400		400
	<u>\$ 14,300</u>	<u>\$ 10</u>	<u>\$ 14,310</u>