

**MUNICIPALITY OF TOWN OF ESTERHAZY  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2020**

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## Management's Responsibility

To: The Ratepayers of the Municipality of Town of Esterhazy

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

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

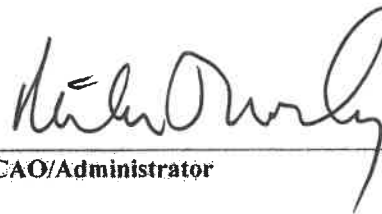
The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management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

Miller Moar Grodecki Kreklewich & Chorney, 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



\_\_\_\_\_  
CAO/Administrator



# **Miller Moar Grodecki Krelewich & Chorney**

Chartered Professional Accountants

## **INDEPENDENT AUDITORS' REPORT**

To: The Council of the Town of Esterhazy

### *Qualified Opinion*

We have audited the financial statements of the Town of Esterhazy, which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net financial assets, and cash flows 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

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

Public Sector Accounting Standards require that the Municipality accrue a liability for the estimated closure and post closure care costs for the landfill. During the year, the Municipality accrued an additional 67,917 in closure and post closure costs for a total accrued liability of 959,100 to date. Due to the inherent difficulties associated with such environmental estimations and the technical nature of environmental requirements, we were unable to obtain sufficient appropriate audit evidence regarding the estimated landfill closure costs as at December 31, 2020. Therefore we were unable to determine the adjustment, if any, required to the accrued landfill liability estimate.

### *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 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 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.

### *Auditor's 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 auditor's 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 misstatements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We also:

- Identify and assess the risks of material misstatements 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 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 the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in the 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.

*Miller Moar Grodecki Kreklewich & Chorney*  
**MILLER MOAR GRODECKI KREKLEWICH & CHORNEY**  
**Chartered Professional Accountants**

Esterhazy, Saskatchewan  
April 16, 2021

Municipality of Town of Esterhazy  
Statement of Financial Position  
As at December 31, 2020

Statement 1

	2020	2019
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 2)	3,798,273	2,205,768
Taxes Receivable - Municipal (Note 3)	146,861	128,829
Other Accounts Receivable (Note 4)	294,638	331,332
Land for Resale (Note 5)	1,006,002	929,231
Long-Term Investments (Note 6)	9,224,928	8,443,680
Debt Charges Recoverable (Note 7)		
Other (Specify)		
<b>Total Financial Assets</b>	<b>14,470,702</b>	<b>12,038,840</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 8)		
Accounts Payable	47,585	5,600
Accrued Liabilities Payable	46,417	42,872
Deposits	32,900	34,700
Deferred Revenue (Note 9)	5,830	7,497
Accrued Landfill Costs (Note 10)	959,100	891,183
Liability for Contaminated Sites (Note 11)		
Other Liabilities		
Long-Term Debt (Note 12)		
Lease Obligations (Note 13)		
<b>Total Liabilities</b>	<b>1,091,832</b>	<b>981,852</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>13,378,870</b>	<b>11,056,988</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule 6, 7)	14,080,241	14,234,730
Prepayments and Deferred Charges	3,478	4,760
Stock and Supplies	39,962	57,360
Other (Note 14)		
<b>Total Non-Financial Assets</b>	<b>14,123,681</b>	<b>14,296,850</b>
<b>ACCUMULATED SURPLUS (DEFICIT)</b> (Schedule 8)	<b>27,502,551</b>	<b>25,353,838</b>

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

**Municipality of Town of Esterhazy**  
**Statement of Operations**  
**As at December 31, 2020**

Statement 2

	<b>2020 Budget</b>	<b>2020</b>	<b>2019</b>
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	3,968,250	4,096,116	3,848,566
Fees and Charges (Schedule 4, 5)	1,399,750	1,325,516	1,370,824
Conditional Grants (Schedule 4, 5)	60,120	88,630	84,395
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	75,000	(1,640)	350
Land Sales - Gain (Schedule 4, 5)	35,000	7,489	-
Investment Income and Commissions (Schedule 4, 5)	134,380	174,851	207,659
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	1,750	1,124	1,237
<b>Total revenues</b>	<b>5,674,250</b>	<b>5,692,086</b>	<b>5,513,031</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	598,580	551,941	684,106
Protective Services (Schedule 3)	350,940	326,050	315,774
Transportation Services (Schedule 3)	1,159,450	1,082,785	1,079,974
Environmental and Public Health Services (Schedule 3)	462,350	624,711	514,869
Planning and Development Services (Schedule 3)	152,020	131,132	115,098
Recreation and Cultural Services (Schedule 3)	815,170	845,759	921,453
Utility Services (Schedule 3)	668,210	606,039	655,621
Restructurings (Schedule 3)	-	-	-
<b>Total expenses</b>	<b>4,206,720</b>	<b>4,168,417</b>	<b>4,286,895</b>
<b>Surplus (deficit) of revenues over expenses before other capital contributions</b>	<b>1,467,530</b>	<b>1,523,669</b>	<b>1,226,136</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	244,620	625,044	501,186
<b>Surplus (deficit) of revenues over expenses</b>	<b>1,712,150</b>	<b>2,148,713</b>	<b>1,727,322</b>
<b>Accumulated surplus (deficit), beginning of year</b>	<b>25,353,838</b>	<b>25,353,838</b>	<b>23,626,516</b>
<b>Accumulated surplus (deficit), end of year</b>	<b>27,065,988</b>	<b>27,502,551</b>	<b>25,353,838</b>

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

Municipality of Town of Esterhazy  
Statement of Change in Net Financial Assets  
As at December 31, 2020

Statement 3

	2020 Budget	2020	2019
<b>Surplus (deficit)</b>	1,712,150	2,148,713	1,727,322
(Acquisition) of tangible capital assets	(1,015,600)	(770,862)	(501,840)
Amortization of tangible capital assets	723,900	861,351	838,309
Proceeds on disposal of tangible capital assets	75,000	62,360	59,350
Loss (gain) on the disposal of tangible capital assets	-	1,640	(350)
Transfer of assets/liabilities in restructuring transactions			
<b>Surplus (deficit) of capital expenses over expenditures</b>	<b>(216,700)</b>	<b>154,489</b>	<b>395,469</b>
(Acquisition) of supplies inventories	-	(39,962)	(57,360)
(Acquisition) of prepaid expense	-	(3,478)	(4,760)
Consumption of supplies inventory	-	57,360	59,114
Use of prepaid expense	-	4,760	3,742
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>18,680</b>	<b>736</b>
<b>Increase/decrease in net financial assets</b>	<b>1,495,450</b>	<b>2,321,882</b>	<b>2,123,527</b>
<b>Net financial assets (debt) - beginning of year</b>	<b>11,056,988</b>	<b>11,056,988</b>	<b>8,933,461</b>
<b>Net financial assets (debt) - end of year</b>	<b>12,552,438</b>	<b>13,378,870</b>	<b>11,056,988</b>

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



**Municipality of Town of Esterhazy**  
**Statement of Cash Flow**  
**As at December 31, 2020**

Statement 4

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	2,148,713	1,727,322
Amortization	861,351	838,309
Loss (gain) on disposal of tangible capital assets	1,640	(350)
	<u>3,011,704</u>	<u>2,565,281</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(18,032)	54,872
Other Receivables	36,694	(30,846)
Land for Resale	(76,771)	-
Other Financial Assets		
Accounts and Accrued Liabilities Payable	45,530	(84,841)
Deposits	(1,800)	(2,000)
Deferred Revenue	(1,667)	722
Accrued Landfill Costs	67,917	54,392
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies	17,398	1,754
Prepayments and Deferred Charges	1,282	(1,018)
Other (Specify)		
<b>Cash provided by operating transactions</b>	<b>3,082,255</b>	<b>2,558,316</b>
<b>Capital:</b>		
Acquisition of capital assets	(770,862)	(501,840)
Proceeds from the disposal of capital assets	62,360	59,350
Other capital		
<b>Cash applied to capital transactions</b>	<b>(708,502)</b>	<b>(442,490)</b>
<b>Investing:</b>		
Long-term investments	(781,248)	(2,412,928)
Other investments		
<b>Cash provided by (applied) to investing transactions</b>	<b>(781,248)</b>	<b>(2,412,928)</b>
<b>Financing:</b>		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid		
Other financing		
<b>Cash provided by (applied) to financing transactions</b>	<b>-</b>	<b>-</b>
<b>Change in cash and temporary investments during the year</b>	<b>1,592,505</b>	<b>(297,102)</b>
<b>Cash and temporary investments - beginning of year</b>	<b>2,205,768</b>	<b>2,502,870</b>
<b>Cash and temporary investments - end of year</b>	<b>3,798,273</b>	<b>2,205,768</b>

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

**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**1. Significant accounting policies**

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

- a) **Basis of accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable; 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 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. There are no other entities included in these financial statements.
- c) **Collection of funds for other authorities:** Collection of funds by the municipality for the school boards are collected and remitted in accordance with relevant legislation.
- d) **Government transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
  - a) the transfers are authorized
  - b) any eligibility criteria have been met; and
  - c) reasonable estimates of the amounts can be made.

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

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

Liabilities recognized arising from government transfers received include:

	2020	2019
	-	-

- e) **Deferred revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local improvement charges:** Does not apply to this Municipality
- g) **Financial instruments:** Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The municipality recognizes a financial instrument when it becomes a party to such a contract. Financial instruments of the municipality include cash and cash equivalents, accounts receivable, portfolio investments, bank indebtedness, accrued salaries and benefits, accounts payable, accrued liabilities and long term debt.
 

All financial assets and financial liabilities are measured at cost or amortized cost. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Impairment losses such as write-downs or write-offs are reported in the statement of operations. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations in the period the gain or loss occurs.
- h) **Net-financial assets:** Net-Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- i) **Non-financial assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- j) **Appropriated reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**1. Significant accounting policies - continued**

- k) **Property tax revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- l) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.
- m) **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.
- n) **Tangible capital assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
<b>Vehicles &amp; Equipment</b>	
Vehicles	10 Yrs
Machinery and Equipment	10 Yrs
Computer Equipment	5 Yrs
<b>Infrastructure Assets</b>	
Infrastructure Assets	15 to 40 Yrs
Water & Sewer	40 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.

**Works of art and other unrecognized assets:** Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

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

- o) **Leases:** All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital leases and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. Significant accounting policies - continued

- p) **Landfill liability:** The Municipality maintains a waste disposal site. The Municipality has estimated closure and post closure costs as detailed in note 10.
- q) **Trust funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- r) **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.
- s) **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.

The municipality has not identified any contaminated sites to date.

- t) **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.

Future landfill closure and post closure costs have been estimated and are being expensed over the expected remaining useful life of the landfill.

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.

- u) **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.

**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**1. Significant accounting policies - continued**

v) **Budget information**

The budget adopted by Council on April 22, 2020 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of reserves and/or surpluses accumulated in previous years to increase current year revenues in excess of expenditures. In addition, the budget expensed all tangible capital expenditures rather than including an amortization expense. As a result, the budget figures presented in the statements of operations and changes in net financial assets include the following adjustments:

		2020
Budget capital surplus (deficit) for the year		29,550
Add:	Debt principal repayments	-
	Investment in tangible capital assets	1,015,600
Less:	Other transfers to reserves	667,000
	Transfers from surplus	-
<b>Budgeted surplus per statement of operations</b>		<b>1,712,150</b>

w) **New standards and amendments to standards:**

**Effective for fiscal years beginning on or after April 1, 2022:**

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

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

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

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

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

**Effective for fiscal years beginning on or after April 1, 2023:**

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

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

x) **Statement of remeasurement gains and losses:** The municipality has not presented a Statement of Remeasurement Gains or Losses because it does not have financial instruments that give rise to remeasurement gains or losses.

Municipality of Town of Esterhazy  
Notes to the Financial Statements  
As at December 31, 2020

2. Cash and temporary investments	2020	2019
Cash	3,798,273	2,205,768
Temporary Investments		
Restricted Cash		
<b>Total cash and temporary investments</b>	<b>3,798,273</b>	<b>2,205,768</b>

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	2020	2019
Municipal - Current	76,130	68,972
- Arrears	79,731	68,857
	155,861	137,829
- Less Allowance for Uncollectibles	(9,000)	(9,000)
Total municipal taxes receivable	146,861	128,829
School - Current	16,593	16,135
- Arrears	19,186	16,406
Total school taxes receivable	35,779	32,541
Other		
Total taxes and grants in lieu receivable	182,640	161,370
Deduct taxes receivable to be collected on behalf of other organizations	(35,779)	(32,541)
<b>Total taxes receivable - municipal</b>	<b>146,861</b>	<b>128,829</b>

4. Other accounts receivable	2020	2019
Federal government	75,865	18,621
Provincial government	27,239	85,431
Local government	41,608	-
Utility	34,477	32,194
Trade	25,347	44,749
<b>Other (specify)</b> Accrued interest, TTP agreements	93,752	154,512
Total Other Accounts Receivable	298,288	335,507
Less Allowance for Uncollectibles	(3,650)	(4,175)
<b>Net other accounts receivable</b>	<b>294,638</b>	<b>331,332</b>

**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**5. Land for resale**

	2020	2019
Tax Title Property	181,819	181,819
Allowance for market value adjustment	(173,877)	(173,877)
Net Tax Title Property	7,942	7,942
Other Land	998,060	921,289
Allowance for market value adjustment		
Net Other Land	998,060	921,289
<b>Total land for resale</b>	<b>1,006,002</b>	<b>929,231</b>

**6. Long-term investments**

	2020	2019
Term deposits (See note 18)	9,173,441	8,372,193
Loan to local non profit organization		
Loan to Esterhazy Regional Park	51,487	71,487
<b>Total long term investments</b>	<b>9,224,928</b>	<b>8,443,680</b>

**7. Debt charges recoverable**

Does not apply to this Municipality

**8. Bank indebtedness**

**Credit arrangements**

At year end, the Municipality had lines of credit totaling 300,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement.

**9. Deferred revenue**

	2020	2019
Esterhazy Bucks outstanding	3,630	1,900
Rent and sundry	-	1,597
Hall Deposits	2,200	4,000
<b>Total deferred revenue</b>	<b>5,830</b>	<b>7,497</b>

**10. Accrued landfill costs**

	2020	2019
<b>Environmental liabilities</b>	<b>959,100</b>	<b>891,183</b>

In the current year the Municipality has accrued an overall liability for environmental matters in the amount of 959,100 (prior year - 891,183) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is 959,100 (prior year - 891,183) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at year end based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Municipality's estimated average long-term borrowing rate of 6.5% (prior year - 6.5%).

**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**10. Accrued landfill costs - continued**

Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 10-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 52,165 cubic metres (prior year - 56,600 cubic metres) of its total estimated capacity of 1,250,8800 cubic metres and its estimated remaining life is 6 years (prior year – 7 years). The period for post-closure care is estimated to be 25 years (prior year – 25).

The unfunded portion of the liability for the landfill costs will be paid for through current operations. To date, a funded reserve of 300,000 has been established to offset these costs.

The municipality has purchased a landfill compactor and is examining possible options to extend the life of the landfill including expansion into adjoining land or obtaining approval to increase the pile height. To date, the cost of these options and the related impact on the accrued liability have not been estimated.

**11. Liability for contaminated sites**

Does not apply to this Municipality

**12. Long-term debt**

The debt limit of the municipality is \$4,598,983. 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).

**13. Lease obligations**

Does not apply to this Municipality

**14. Other non-financial assets**

Does not apply to this Municipality

**15. Contingent liabilities**

The Municipality is involved in union negotiations. As of year end, there has been no agreement reached or contract signed. Once an agreement is reached, there is potential for retroactive pay adjustments and accruals. The amount of these adjustments, if any, has not been reflected in these financial statements.

**16. Pension plan**

The Town of Esterhazy 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 Town of Esterhazy pension expense in 2020 was 87,408. The benefits accrued to the Town of Esterhazy employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The Municipality's contributions are expensed when due.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any determined deficiency is the responsibility of the participating employers and employees.

Details of the MEPP are as follows:

	2020	2019
Member contribution rate (percentage of salary)	9%	9%
Municipal contribution rate (percentage of salary)	9%	9%
Member contributions for the year	87,408	94,481
Municipal contributions for the year	87,408	94,481
Actuarial extrapolation date	Dec-31-2019	Dec-31-2018
Plan asset (in thousands)	2,819,222	2,487,505
Plan liabilities (in thousands)	2,160,754	2,024,269
Plan surplus (in thousands)	658,468	463,236



**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**17. Comparative figures**

Does not apply to this Municipality

**18. Trusts administered by the municipality**

Does not apply to this Municipality

**19. Related parties**

Does not apply to this Municipality

**20. Contingent assets**

Does not apply to this Municipality

**21. Contractual rights**

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

Curling club lease	The municipality has leased the curling arena for October 2020 to March 2021 at 2,400/month, a portion forgiven due to COVID 19 restrictions.
Hall rent	The municipality rents space for Provincial Court services at 300/day, dependent upon court schedule. The contract is ongoing and cancellable.
Eco centre rent	The municipality has contracted for the disposal of used oil, antifreeze, etc. from January 2017 to December 2021. The contract requires a service fee of 750/month be paid to the municipality plus collection incentives for quantity of product collections. The contract is cancellable with three months notice.
Office space rent	The municipality rents office space at 400/month for April 2020 to March 2021. The contract is renewable for an additional 1 year term and cancellable with 30 days notice.
Building lease	The municipality has one ongoing month to month exclusive use building lease at 1,850/month and a second one at 1,285/month.
Airport rent	The municipality has three ongoing airport hanger leases at 600/year for January 2018 to December 2020, cancellable with 30 days notice. These are currently in the process of renewal.
Land lease	The municipality has leased land for 1,687/year for October 2019 to October 2023, cancellable with 30 days notice.
Maintenance agreement	The municipality has an ongoing maintenance agreement at 9,343/year. The agreement is ongoing, cancellable with 2 years notice.

**22. Contractual obligations and commitments**

The municipality has guaranteed a commitment to the building of a new hospital facility within the Town of Esterhazy in the amount of \$2 million. The date the funds will need to be advanced is dependent upon the provincial government committing a share of funds for the project. If no commitment is received, the project will not move forward. Therefore at this time no liability for this commitment has been recorded in the books of the municipality, however a funded reserve has been established to offset this commitment.

The municipality has entered into multiple-year contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Bylaw enforcement	The municipality has contracted for by-law enforcement. The contract expires in December 2019 and requires 206 hours over the annual term. The amount expected to be paid on this contract in the next year is 9,888.
Recycle collection	The municipality has contracted for recycling pickup. The contract expired in December 2019, however continued in 2020 and requires monthly payments at 33 per 6yd <sup>3</sup> bin and 22 per 4yd <sup>3</sup> bin. The average contract cost is 11,500 per month.

**Municipality of Town of Esterhazy**  
**Notes to the Financial Statements**  
**As at December 31, 2020**

**22. Contractual obligations and commitments . . . continued**

Waste collection	The municipality has contracted for waste collection. The contract requires a total payment of 137,175 per year with CPI increases annually, paid bi-monthly and expires in June 2022.
Office cleaning	The municipality has contracted for office cleaning. The contract requires monthly payments of 1,406 and has a 3% per year increase over the term, expiring in May 2020. This is currently in the process of renewal.
Municipal website	The municipality has contracted for set up and maintenance of the website. The contract requires an annual payment of 3,835 and expires in August 2021.
Sign corridor	The municipality has contracted for use of the sign corridors. The contracts require an annual payment of 50 per sign per year and automatically renews annually.
Electronic message board	The municipality has contracted for programming of the electronic message board. The contract requires a portion of the sales to be remitted to the contractor and automatically renews annually.
Photocopier	The municipality has contracted for office photocopier. The contract is non cancelable and requires quarterly payment of 1,274 and expires in December 2023.
Mail system	The municipality has contracted for a mail system. The contract is non cancelable and requires quarterly payment of 665 and expires in 2024.
Energy service	The municipality has contracted for natural gas supply. The contract is non cancelable and requires payment at .1136/m3 and expires in 2024.

**23. Restructuring transactions**

Does not apply to this Municipality

**24. Risk management**

The municipality is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk.

**a) Credit risk**

Credit risk is the risk to the municipality from potential non-payment of accounts receivable. The credit risk related to the municipality's receivables from the provincial government, federal government and their agencies are considered to be minimal. Management reviews other accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect any impairment in collectability.

**b) Liquidity risk**

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they come due. The municipality manages liquidity risk by monitoring budgets and maintaining adequate cash balances.

**c) Market risk**

The municipality is exposed to market risks with respect to interest rates as follows:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality's interest rate exposure relates to cash and cash equivalents and portfolio investments and long-term debt. The municipality minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- investing in GICs and term deposits for short terms at fixed interest rates

Municipality of Town of Esterhazy  
 Schedule of Taxes and Other Unconditional Revenue  
 As at December 31, 2020

Schedule 1

	2020 Budget	2020	2019
<b>TAXES</b>			
General municipal tax levy	2,785,000	2,784,352	2,778,825
Abatements and adjustments	-	(13,011)	(7,991)
Discount on current year taxes			
<b>Net Municipal Taxes</b>	<b>2,785,000</b>	<b>2,771,341</b>	<b>2,770,834</b>
Potash tax share	326,150	326,151	276,953
Trailer license fees	3,000	3,843	2,661
Penalties on tax arrears	40,000	41,620	44,762
Special tax levy			
<b>Other (Specify)</b>			
<b>Total taxes</b>	<b>3,154,150</b>	<b>3,142,955</b>	<b>3,095,210</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	568,460	568,465	512,530
Safe Restart	-	149,254	-
<b>Total unconditional grants</b>	<b>568,460</b>	<b>717,719</b>	<b>512,530</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	18,060	17,709	17,709
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	4,500	4,502	4,502
<b>Other (Specify) SLGA</b>	4,390	4,212	4,212
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
<b>Other (Specify)</b>			
Other Government Transfers			
S.P.C. Surcharge	156,750	151,498	153,675
Sask Energy Surcharge	61,940	57,521	60,728
<b>Other (Specify)</b>			
<b>Total grants in lieu of taxes</b>	<b>245,640</b>	<b>235,442</b>	<b>240,826</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>3,968,250</b>	<b>4,096,116</b>	<b>3,848,566</b>

Municipality of Town of Esterhazy  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies	690	1,400	680
- <b>Other (Specify)</b> Rentals, Licenses	30,790	50,627	48,723
<b>Total Fees and Charges</b>	31,480	52,027	49,403
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	134,380	174,803	207,659
- <b>Other (Specify)</b> Seismic, sundry	1,000	1,124	483
<b>Total Other Segmented Revenue</b>	166,860	227,954	257,545
Conditional Grants			
- Student Employment			
- <b>Other (Specify)</b>			
<b>Total Conditional Grants</b>	-	-	-
<b>Total operating</b>	166,860	227,954	257,545
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total capital</b>	-	-	-
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total general government services</b>	166,860	227,954	257,545

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other - Fines, Licenses	50,000	55,687	51,309
- <b>Other (Specify)</b>	10,120	7,688	9,918
<b>Total Fees and Charges</b>	60,120	63,375	61,227
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b>			
<b>Total Other Segmented Revenue</b>	60,120	63,375	61,227
Conditional Grants			
- Student Employment			
- Local government			
- <b>Other (Specify)</b>			
<b>Total Conditional Grants</b>	-	-	-
<b>Total operating</b>	60,120	63,375	61,227
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Local government	41,000	37,677	41,403
- <b>Other (Specify)</b>			
<b>Total capital</b>	41,000	37,677	41,403
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total protective services</b>	101,120	101,052	102,630

Municipality of Town of Esterhazy  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	3,000	4,363	3,526
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- <b>Other (Specify)</b> Rental	12,190	5,517	4,118
Total Fees and Charges	15,190	9,880	7,644
- Tangible capital asset sales - gain (loss)	75,000	(1,640)	350
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	90,190	8,240	7,994
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- <b>Other (Specify)</b> Airport	5,000	9,343	9,343
Total Conditional Grants	5,000	9,343	9,343
<b>Total operating</b>	95,190	17,583	17,337
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b> MEEP, Traffic safety	50,000	235,940	-
<b>Total capital</b>	50,000	235,940	-
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total transportation services</b>	<b>145,190</b>	<b>253,523</b>	<b>17,337</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	98,840	82,512	90,555
- <b>Other (Specify)</b> Rentals, cemetery	53,200	54,870	39,021
Total Fees and Charges	152,040	137,382	129,576
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b> Interest	220	48	236
Total Other Segmented Revenue	152,260	137,430	129,812
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- <b>Other (Specify)</b> Donations	-	5,448	-
Total Conditional Grants	-	5,448	-
<b>Total operating</b>	152,260	142,878	129,812

**Capital**

Conditional Grants			
- Federal Gas Tax			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total capital</b>	-	-	-
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total environmental and public health services</b>	<b>152,260</b>	<b>142,878</b>	<b>129,812</b>

Municipality of Town of Esterhazy  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2020

Schedule 2 - 3

	2020 Budget	2020	2019
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	2,500	2,000	2,470
- <b>Other (Specify)</b> Welcome program	2,600	2,200	2,450
<b>Total Fees and Charges</b>	5,100	4,200	4,920
- Tangible capital asset sales - gain (loss)			
- Land sales	35,000	7,489	-
- <b>Other (Specify)</b>			
<b>Total Other Segmented Revenue</b>	40,100	11,689	4,920
Conditional Grants			
- Student Employment			
- <b>Other (Specify)</b>			
<b>Total Conditional Grants</b>	-	-	-
<b>Total operating</b>	40,100	11,689	4,920
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total capital</b>	-	-	-
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total planning and development services</b>	<b>40,100</b>	<b>11,689</b>	<b>4,920</b>

**RECREATION AND CULTURAL SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges	199,620	123,491	198,825
- <b>Other (Specify)</b>			
<b>Total Fees and Charges</b>	199,620	123,491	198,825
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b> Fundraising	530	-	518
<b>Total Other Segmented Revenue</b>	200,150	123,491	199,343
Conditional Grants			
- Student Employment	22,660	19,810	22,215
- Local government			
- Donations	6,780	22,098	26,803
- <b>Other (Specify)</b> SK lotteries, RC operating	25,680	31,931	26,034
<b>Total Conditional Grants</b>	55,120	73,839	75,052
<b>Total operating</b>	255,270	197,330	274,395

**Capital**

Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b> MEEP, CIF	6,000	130,000	-
<b>Total capital</b>	6,000	130,000	-
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total recreation and cultural services</b>	<b>261,270</b>	<b>327,330</b>	<b>274,395</b>

Municipality of Town of Esterhazy  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2020

Schedule 2 - 4

2020 Budget	2020	2019
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**UTILITY SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Water	926,200	929,441	910,668
- Sewer			
- <b>Other (Specify)</b> Penalties	10,000	5,720	8,561
<b>Total Fees and Charges</b>	936,200	935,161	919,229
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b>			
<b>Total Other Segmented Revenue</b>	936,200	935,161	919,229
Conditional Grants			
- Student Employment			
- <b>Other (Specify)</b>			
<b>Total Conditional Grants</b>	-	-	-
<b>Total operating</b>	936,200	935,161	919,229

**Capital**

Conditional Grants			
- Federal Gas Tax	147,620	221,427	308,402
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund	-	-	151,381
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total capital</b>	147,620	221,427	459,783
<b>Restructuring revenue (Specify, if any)</b>			
<b>Total utility services</b>	<b>1,083,820</b>	<b>1,156,588</b>	<b>1,379,012</b>

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>1,950,620</b>	<b>2,221,014</b>	<b>2,165,651</b>
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**SUMMARY**

Total Other Segmented Revenue	1,645,880	1,507,340	1,580,070
Total Conditional Grants	60,120	88,630	84,395
Total Capital Grants and Contributions	244,620	625,044	501,186
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<b>1,950,620</b>	<b>2,221,014</b>	<b>2,165,651</b>

Municipality of Town of Esterhazy  
 Total Expenses by Function  
 As at December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	58,000	58,229	59,063
Wages and benefits	310,000	294,690	372,927
Professional/Contractual services	159,220	138,900	164,618
Utilities	20,470	21,334	20,070
Maintenance, materials and supplies	45,000	31,860	27,894
Grants and contributions - operating			
- capital			
Amortization	5,760	6,710	5,758
Interest			
Allowance for uncollectible	130	218	6,276
Other (Specify) Legal settlement	-	-	27,500
<b>General government services</b>	<b>598,580</b>	<b>551,941</b>	<b>684,106</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total general government services</b>	<b>598,580</b>	<b>551,941</b>	<b>684,106</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits			
Professional/Contractual services	195,000	194,803	188,032
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

**Fire protections**

Wages and benefits	38,000	42,820	34,391
Professional/Contractual services	41,540	18,888	28,314
Utilities	10,860	10,875	11,433
Maintenance, material and supplies	24,200	14,664	12,268
Grants and contributions - operating			
- capital			
Amortization	41,340	44,000	41,336
Interest			
Allowances			
Other (Specify)			

<b>Protective services</b>	<b>350,940</b>	<b>326,050</b>	<b>315,774</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total protective services</b>	<b>350,940</b>	<b>326,050</b>	<b>315,774</b>

**TRANSPORTATION SERVICES**

Wages and benefits	330,350	314,117	338,368
Professional/Contractual Services	114,280	63,051	77,679
Utilities	79,120	78,455	84,325
Maintenance, materials, and supplies	151,530	118,609	113,538
Gravel	30,000	52,306	11,893
Grants and contributions - operating			
- capital			
Amortization	454,170	456,247	454,171
Interest			
Other (Specify)			

<b>Transportation services</b>	<b>1,159,450</b>	<b>1,082,785</b>	<b>1,079,974</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total transportation services</b>	<b>1,159,450</b>	<b>1,082,785</b>	<b>1,079,974</b>



Municipality of Town of Esterhazy

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	86,440	99,336	77,663
Professional/Contractual services	338,000	366,158	339,854
Utilities	-	2,539	3,135
Maintenance, materials and supplies	1,920	35,859	4,174
Grants and contributions - operating			
o Waste disposal			
o Public Health	5,000	13,178	4,664
- capital			
o Waste disposal			
o Public Health			
Amortization	30,990	39,724	30,987
Interest			
<b>Other (Specify)</b> Accrued landfill closure costs	-	67,917	54,392
<b>Environmental and public health services</b>	<b>462,350</b>	<b>624,711</b>	<b>514,869</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total environmental and public health services</b>	<b>462,350</b>	<b>624,711</b>	<b>514,869</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	70,000	77,013	67,333
Professional/Contractual Services	70,620	43,134	37,139
Utilities	2,400	2,076	-
Maintenance, materials and supplies	9,000	5,037	5,828
Grants and contributions - operating			
- capital			
Amortization	-	3,872	4,798
Interest			
<b>Other (Specify)</b>			
<b>Planning and development services</b>	<b>152,020</b>	<b>131,132</b>	<b>115,098</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total planning and development services</b>	<b>152,020</b>	<b>131,132</b>	<b>115,098</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	391,570	355,077	396,350
Professional/Contractual services	72,440	112,135	133,889
Utilities	119,520	110,681	126,292
Maintenance, materials and supplies	166,000	84,198	84,893
Grants and contributions - operating	65,640	64,504	70,404
- capital			
Amortization	-	119,164	109,625
Interest			
Allowance for uncollectibles			
<b>Other (Specify)</b>			
<b>Recreation and cultural services</b>	<b>815,170</b>	<b>845,759</b>	<b>921,453</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total recreation and cultural services</b>	<b>815,170</b>	<b>845,759</b>	<b>921,453</b>



Municipality of Town of Esterhazy  
 Schedule of Segment Disclosure by Function  
 As at December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	52,027	63,375	9,880	137,382	4,200	123,491	935,161	1,325,516
Tangible Capital Asset Sales - Gain	-	-	(1,640)	-	-	-	-	(1,640)
Land Sales - Gain	-	-	-	-	7,489	-	-	7,489
Investment Income and Commissions	174,803	-	-	48	-	-	-	174,851
Other Revenues	1,124	-	-	-	-	-	-	1,124
Grants - Conditional	-	-	9,343	5,448	-	73,839	-	88,630
- Capital	-	37,677	235,940	-	-	130,000	221,427	625,044
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>227,954</b>	<b>101,052</b>	<b>253,523</b>	<b>142,878</b>	<b>11,689</b>	<b>327,330</b>	<b>1,156,588</b>	<b>2,221,014</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	352,919	42,820	314,117	99,336	77,013	355,077	232,704	1,473,986
Professional/ Contractual Services	138,900	213,691	63,051	366,158	43,134	112,135	56,704	993,773
Utilities	21,334	10,875	78,455	2,539	2,076	110,681	50,911	276,871
Maintenance Materials and Supplies	31,860	14,664	170,915	35,859	5,037	84,198	73,921	416,454
Grants and Contributions	-	-	-	13,178	-	64,504	-	77,682
Amortization	6,710	44,000	456,247	39,724	3,872	119,164	191,634	861,351
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectable	218	-	-	-	-	-	165	383
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	67,917	-	-	-	67,917
<b>Total expenses</b>	<b>551,941</b>	<b>326,050</b>	<b>1,082,785</b>	<b>624,711</b>	<b>131,132</b>	<b>845,759</b>	<b>606,039</b>	<b>4,168,417</b>
<b>Surplus (deficit) by function</b>	<b>(323,987)</b>	<b>(224,998)</b>	<b>(829,262)</b>	<b>(481,833)</b>	<b>(119,443)</b>	<b>(518,429)</b>	<b>550,549</b>	<b>(1,947,403)</b>
Taxation and other unconditional revenue (Schedule 1)								4,096,116
<b>Net surplus (deficit)</b>								<b>2,148,713</b>

Municipality of Town of Esterhazy  
 Schedule of Segment Disclosure by Function  
 As at December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	49,403	61,227	7,644	129,576	4,920	198,825	919,229	1,370,824
Tangible Capital Asset Sales - Gain	-	-	350	-	-	-	-	350
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	207,659	-	-	-	-	-	-	207,659
Other Revenues	483	-	-	236	-	518	-	1,237
Grants - Conditional	-	-	9,343	-	-	75,052	-	84,395
- Capital	-	41,403	-	-	-	-	459,783	501,186
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>257,545</b>	<b>102,630</b>	<b>17,337</b>	<b>129,812</b>	<b>4,920</b>	<b>274,395</b>	<b>1,379,012</b>	<b>2,165,651</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	431,990	34,391	338,368	77,663	67,333	396,350	254,947	1,601,042
Professional/ Contractual Services	164,618	216,346	77,679	339,854	37,139	133,889	48,892	1,018,417
Utilities	20,070	11,433	84,325	3,135	-	126,292	54,491	299,746
Maintenance Materials and Supplies	27,894	12,268	125,431	4,174	5,828	84,893	105,657	366,145
Grants and Contributions	-	-	-	4,664	-	70,404	-	75,068
Amortization	5,758	41,336	454,171	30,987	4,798	109,625	191,634	838,309
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	6,276	-	-	-	-	-	-	6,276
Restructurings	-	-	-	-	-	-	-	-
Other	27,500	-	-	54,392	-	-	-	81,892
<b>Total expenses</b>	<b>684,106</b>	<b>315,774</b>	<b>1,079,974</b>	<b>514,869</b>	<b>115,098</b>	<b>921,453</b>	<b>655,621</b>	<b>4,286,895</b>
<b>Surplus (deficit) by function</b>	<b>(426,561)</b>	<b>(213,144)</b>	<b>(1,062,637)</b>	<b>(385,057)</b>	<b>(110,178)</b>	<b>(647,058)</b>	<b>723,391</b>	<b>(2,121,244)</b>
Taxation and other unconditional revenue (Schedule 1)								3,848,566
<b>Net surplus (deficit)</b>								<b>1,727,322</b>

Municipality of Town of Estherhazy  
 Schedule of Tangible Capital Assets by Object  
 As at December 31, 2020

Assets	2020										2019	
	General Assets					Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total	Total	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Linear Assets					
<b>Asset cost</b>												
Opening Asset costs	18,486	631,684	6,866,632	376,356	3,027,628	21,283,317	220,252	32,424,355	31,986,885			
Additions during the year		113,868	251,889		152,854	70,836	181,415	770,862	501,840			
Disposals and write-downs during the year					(64,971)			(64,971)	(64,370)			
Transfers (from) assets under construction												
Transfers of capital assets related to restructuring (schedule 11)												
<b>Closing asset costs</b>	<b>18,486</b>	<b>745,552</b>	<b>7,118,521</b>	<b>376,356</b>	<b>3,115,511</b>	<b>21,354,153</b>	<b>401,667</b>	<b>33,130,246</b>	<b>32,424,355</b>			
<b>Accumulated amortization cost</b>												
Opening Accumulated Amortization Costs		169,596	4,716,524	248,726	1,767,334	11,287,445		18,189,625	17,356,686			
Add: Amortization taken		25,179	122,801	18,163	175,554	519,654		861,351	838,309			
Less: Accumulated amortization on disposals					(971)			(971)	(5,370)			
Transfers of capital assets related to restructuring (schedule 11)												
<b>Closing accumulated amortization costs</b>	<b>-</b>	<b>194,775</b>	<b>4,839,325</b>	<b>266,889</b>	<b>1,941,917</b>	<b>11,807,099</b>	<b>-</b>	<b>19,050,005</b>	<b>18,189,625</b>			
<b>Net book value</b>	<b>18,486</b>	<b>550,777</b>	<b>2,279,196</b>	<b>109,467</b>	<b>1,173,594</b>	<b>9,547,054</b>	<b>401,667</b>	<b>14,080,241</b>	<b>14,234,730</b>			

1. Total contributed/donated assets received in 2020: \$ -

2. List of assets recognized at nominal value in 2020 are:

- Infrastructure Assets \$ -
- Vehicles \$ -
- Machinery and Equipment \$ -

3. Amount of interest capitalized in Schedule 6 \$ -

Municipality of Town of Esterhazy  
 Schedule of Tangible Capital Assets by Function  
 As at December 31, 2020

	2020							2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
<b>Assets</b>								
Asset cost								
Opening Asset costs	501,437	1,676,310	12,317,674	1,166,740	47,872	5,212,015	11,502,307	31,986,885
Additions during the year	4,765	26,639	110,057	58,385	36,995	352,605	181,416	501,840
Disposals and write-downs during the year			(64,971)					(64,370)
Transfers of capital assets related to restructuring (Schedule 11)								
<b>Closing asset costs</b>	<b>506,202</b>	<b>1,702,949</b>	<b>12,362,760</b>	<b>1,225,125</b>	<b>84,867</b>	<b>5,564,620</b>	<b>11,683,723</b>	<b>32,424,355</b>
<b>Amortization</b>								
Accumulated amortization cost								
Opening Accumulated Amortization Costs	459,991	1,193,669	6,456,553	655,267	47,696	3,574,478	5,801,971	17,356,686
Add: Amortization taken	6,710	44,000	456,247	39,724	3,872	119,164	191,634	838,309
Less: Accumulated amortization on disposals			(971)					(5,370)
Transfers of capital assets related to restructuring (Schedule 11)								
<b>Closing accumulated amortization costs</b>	<b>466,701</b>	<b>1,237,669</b>	<b>6,911,829</b>	<b>694,991</b>	<b>51,568</b>	<b>3,693,642</b>	<b>5,993,605</b>	<b>18,189,625</b>
<b>Net book value</b>	<b>39,501</b>	<b>465,280</b>	<b>5,450,931</b>	<b>530,134</b>	<b>33,299</b>	<b>1,870,978</b>	<b>5,690,118</b>	<b>14,234,730</b>

Municipality of Town of Esterhazy  
 Schedule of Accumulated Surplus  
 As at December 31, 2020

Schedule 8

	2019	Changes	2020
<b>UNAPPROPRIATED SURPLUS</b>	<b>2,727,019</b>	<b>1,606,394</b>	<b>4,333,413</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment			-
Public Reserve			-
Capital Trust	200,000	-	200,000
Utility	4,507,563	613,064	5,120,627
Other (Specify)	3,684,526	83,744	3,768,270
<b>Total appropriated</b>	<b>8,392,089</b>	<b>696,808</b>	<b>9,088,897</b>
<b>ORGANIZED HAMLETS (add lines if required)</b>			
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
<b>Total organized hamlets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	14,234,730	(154,489)	14,080,241
Less: Related debt			-
<b>Net investment in tangible capital assets</b>	<b>14,234,730</b>	<b>(154,489)</b>	<b>14,080,241</b>
<b>Total accumulated surplus</b>	<b>25,353,838</b>	<b>2,148,713</b>	<b>27,502,551</b>

Municipality of Town of Esterhazy  
 Schedule of Mill Rates and Assessments  
 As at December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	59,325	194,979,520			36,117,600		231,156,445
Regional Park Assessment							
Total Assessment							231,156,445
Mill Rate Factor(s)	1.0	1.0			1.7		
Total Base/Minimum Tax (generated for each property class)	4,500	990,900			122,100		1,117,500
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	4,886	2,258,266			521,200		2,784,352

MILL RATES:	MILLS
Average Municipal*	12.0453
Average School*	4.4552
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).



**Municipality of Town of Esterhazy**  
**Schedule of Council Remuneration**  
**As at December 31, 2020**

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Reeve/Mayor	Forster	14,937	1,757	16,694
Councillor	Bot	5,586	-	5,586
Councillor	Flick	7,985	389	8,374
Councillor	Nickell	7,146	607	7,753
Councillor	Petracek	8,435	607	9,042
Councillor	Pfeifer	6,366	614	6,980
Councillor	Rowland	7,135	564	7,699
				-
				-
				-
<b>Total</b>		<b>42,653</b>	<b>2,781</b>	<b>45,434</b>

**Municipality of Town of Esterhazy**  
**Schedule of Restructuring**  
**As at December 31, 2020**

Schedule 11

	<b>2020</b>
<b>Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date:</b>	
Cash and Temporary Investments	-
Taxes Receivable - Municipal	-
Other Accounts Receivable	-
Land for Resale	-
Long-Term Investments	-
Debt Charges Recoverable	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Deposits	-
Deferred Revenue	-
Accrued Landfill Costs	-
Liability for Contaminated Sites	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>-</b>