

# **CITY OF MARTENSVILLE**

**Auditor's Report**

**Financial Statements**

**December 31, 2021**

## MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of  
**City of Martensville :**

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 City. 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 the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the City's external auditors.

Jensen Stromberg Chartered Professional Accountants, 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 administration to discuss their audit findings.



Mayor



City Manager



Bill Jensen, CPA, CA\*  
Tyler Olafson, CPA, CA\*  
Jared Udchic, CPA\*  
Dylan Peace, CPA\*

\*denotes professional corporation

## INDEPENDENT AUDITOR'S REPORT

To the **Mayor** and Council of **City of Martensville**

### *Report on the Financial Statements*

#### *Opinion*

We have audited the financial statements of **City of Martensville**, which comprise the statement of financial position as at **December 31, 2021** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the City as at **December 31, 2021** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of these 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 City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the City or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City'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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Saskatoon, Saskatchewan  
September 6, 2022



Chartered Professional Accountants

# CITY OF MARTENSVILLE

**Statement 1**

## STATEMENT OF FINANCIAL POSITION

**December 31, 2021**  
with comparative figures for 2020

	<u>2021</u>	<u>2020</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 18,900,868	14,824,231
Taxes receivable - Municipal (Note 3)	750,550	897,279
Other accounts receivable (Note 4)	1,162,943	1,238,964
Land for re-sale (Note 5)	-	42,670
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Loans and notes receivable (Note 6)	<u>-</u>	<u>5,000</u>
Total financial assets	20,814,361	17,008,144
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 7)	-	-
Accounts payable	1,877,923	1,283,028
Accrued liabilities payable	-	-
Deposits	383,080	409,035
Deferred revenue	-	52,836
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	170,565	159,006
Long-term debt (Note 8)	15,443,139	16,987,676
Lease obligations	<u>-</u>	<u>-</u>
Total liabilities	<u>17,874,707</u>	<u>18,891,581</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	2,939,654	(1,883,437)
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	102,529,930	103,616,850
Prepaid and deferred charges	270,294	210,694
Stock and supplies	<u>-</u>	<u>-</u>
Total non-financial assets	<u>102,800,224</u>	<u>103,827,544</u>
Accumulated Surplus (Deficit) (Schedule 8)	<u>\$105,739,878</u>	<u>101,944,107</u>
Contractual Rights (Note 10)		

**APPROVED ON BEHALF OF COUNCIL:**


Mayor  

Councillor

See accompanying notes to the financial statements.

# CITY OF MARTENSVILLE

Statement 2

## STATEMENT OF FINANCIAL ACTIVITIES

**Year ended December 31, 2021**  
with comparative figures for 2020

		<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>Revenues:</b>				
Taxes and other unconditional revenue	(Schedule 1)	\$ 11,057,700	11,271,681	11,712,849
Fees and charges	(Schedule 4, 5)	7,130,200	8,104,879	7,507,281
Conditional grants	(Schedule 4, 5)	172,200	250,310	147,232
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	(10,594)	(95,114)
Land sales - gain	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	145,000	192,839	184,629
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	<u>80,000</u>	<u>112,321</u>	<u>127,209</u>
<b>Total Revenues</b>		<u>18,585,100</u>	<u>19,921,436</u>	<u>19,584,086</u>
<b>Expenditures:</b>				
General government services	(Schedule 3)	1,880,300	2,061,503	1,831,820
Protective services	(Schedule 3)	1,662,900	1,722,689	1,786,725
Transportation services	(Schedule 3)	3,075,900	3,383,524	3,254,182
Environmental and public health services	(Schedule 3)	821,100	810,793	809,258
Planning and development services	(Schedule 3)	993,250	774,344	766,111
Recreation and cultural services	(Schedule 3)	3,834,950	4,479,671	4,598,100
Utility services	(Schedule 3)	4,367,100	5,692,815	5,484,491
Restructurings	(Schedule 3)	-	-	-
<b>Total Expenditures</b>		<u>16,635,500</u>	<u>18,925,339</u>	<u>18,530,687</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>1,949,600</u>	<u>996,097</u>	<u>1,053,399</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>4,246,000</u>	<u>2,799,674</u>	<u>2,665,755</u>
Surplus (deficit) of revenues over expenditures		6,195,600	3,795,771	3,719,154
Accumulated surplus (deficit), beginning of year		<u>101,944,107</u>	<u>101,944,107</u>	<u>98,224,953</u>
Accumulated surplus (deficit), end of year		<u>\$108,139,707</u>	<u>105,739,878</u>	<u>101,944,107</u>

See accompanying notes to the financial statements.

# CITY OF MARTENSVILLE

**Statement 3**

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

**Year ended December 31, 2021**  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ 6,195,600	3,795,771	3,719,154
(Acquisition) of tangible capital assets	-	(2,831,894)	(4,875,015)
Amortization of tangible capital assets	-	3,879,019	3,772,729
Proceeds on disposal of tangible capital assets	-	29,201	3,845
Loss (gain) on disposal of tangible capital assets	-	10,594	95,115
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (deficit) of capital expenses over expenditures</b>	-	1,086,920	(1,003,326)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(270,295)	(13,519)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	-	210,695	-
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	-	(59,600)	(13,519)
<b>Increase (decrease) in Net Financial Assets</b>	6,195,600	4,823,091	2,702,309
<b>Net Financial Assets (Debt) - Beginning of the year</b>	(1,883,437)	(1,883,437)	(4,585,746)
<b>Net Financial Assets (Debt)- End of year</b>	\$ 4,312,163	2,939,654	(1,883,437)

See accompanying notes to the financial statements.

# CITY OF MARTENSVILLE

**Statement 4**

## STATEMENT OF CHANGES IN FINANCIAL POSITION

**Year ended December 31, 2021**  
with comparative figures for 2020

<b>Cash provided by (used in) the following activities:</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Operating:		
Surplus (deficit)	\$ 3,795,771	3,719,154
Amortization	3,879,019	3,772,729
Developer contributed tangible capital assets	-	-
Loss (gain) on disposal of tangible capital assets	<u>10,594</u>	<u>95,115</u>
	7,685,384	7,586,998
Change in assets/liabilities		
Taxes receivable - Municipal	146,730	(230,780)
Other accounts receivable	76,020	957,717
Land for re-sale	42,670	-
Other financial assets	5,000	5,000
Accounts and accrued liabilities payable	594,894	(394,545)
Deposits	(25,955)	(17,615)
Deferred revenue	(52,836)	9,735
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	11,560	14,074
Stock and supplies	-	-
Prepayments and deferred charges	(59,600)	(13,517)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>8,423,867</u>	<u>7,917,067</u>
Capital:		
Acquisition of capital assets	(2,831,894)	(4,875,015)
Proceeds from the disposal of capital assets	29,201	3,845
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(2,802,693)</u>	<u>(4,871,170)</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	1,040,788
Long-term debt repaid	(1,544,537)	(1,933,816)
Other financing	<u>-</u>	<u>-</u>
Net cash used for financing	<u>(1,544,537)</u>	<u>(893,028)</u>
Increase (decrease) in cash resources	4,076,637	2,152,869
Cash and temporary investments, beginning of year	<u>14,824,231</u>	<u>12,671,362</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 18,900,868</u>	<u>14,824,231</u>

See accompanying notes to the financial statements.



**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the City are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

**(a) Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues 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 City. The entity is comprised of all organizations owned or controlled by the City and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

**(c) Collection of funds for other authorities**

Collection of funds by the City for the school board and conservation and development authorities are collected and remitted in accordance with the 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 the result of a direct financial return. Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

**(e) Deferred Revenue - Fees and Charges**

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

**(f) Local Improvement Charges**

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

**(g) Net-Financial Assets**

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

**(h) Non-Financial Assets**

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

**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(i) Appropriated Reserves**

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

**(j) Property Tax Revenue**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

**(k) Investments**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment.

Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

**(l) Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs 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 tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land improvements	15 to 20 years
Buildings	20 to 60 years
Vehicles and equipment	
Vehicles	10 to 15 years
Machinery & Equipment	5 to 30 years
<i>Infrastructure Assets</i>	
Infrastructure assets	30 to 40 Years
Water and sewer	30 to 75 years

**Developer Contributed Assets:** Developer contributed assets consist of tangible capital assets acquired/constructed and paid for by certain developers, with ownership and responsibility for ongoing maintenance transferring to the City upon completion of the respective development. These assets typically consist of road/street, and water and sewer infrastructure, and the value of these contributions are recorded by the City as a tangible capital asset and capital revenue in the year the assets are completed and transferred to the City based on the fair value of the asset contributed.

**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 City does not capitalize interest incurred while a tangible capital asset is under construction.

**(m) 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 City is directly responsible, or accepts responsibility for the contamination;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

The City has assessed all potential contaminated sites and the criteria are not met, no provision for remediation is required.

**(n) Landfill liability**

The City of Martensville does not maintain a waste disposal site. No amount has been recorded as an asset or liability.

**(o) Employee benefit plans**

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

**(p) Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts 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.

**(q) Basis of Segmentation/Segment Report**

The City follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. City 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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the City.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2021**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Transportation Services: The transportation services segment is 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 City.

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

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

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

**2. CASH AND TEMPORARY INVESTMENTS**

	<u>2021</u>	<u>2020</u>
Cash	\$ 18,900,868	14,824,231
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 18,900,868</u>	<u>14,824,231</u>

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

**3. TAXES AND GRANTS IN LIEU RECEIVABLE**

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 484,790	601,449
- Arrears	<u>265,760</u>	<u>295,830</u>
	750,550	897,279
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>750,550</u>	<u>897,279</u>
School: - Current	406,577	503,066
- Arrears	<u>222,884</u>	<u>247,526</u>
Total school taxes receivable	<u>629,461</u>	<u>750,592</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	1,380,011	1,647,871
Deduct taxes receivable to be collected on behalf of other organizations	<u>(629,461)</u>	<u>(750,592)</u>
Total taxes receivable - Municipal	<u>\$ 750,550</u>	<u>897,279</u>

**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2021

**4. OTHER ACCOUNTS RECEIVABLE**

	<u>2021</u>	<u>2020</u>
Federal government	\$ 20,701	162,741
Provincial government	292,969	83,930
Local government	-	-
Utility	476,361	479,972
Trade	372,912	512,321
Other	<u>-</u>	<u>-</u>
Total other accounts receivable	1,162,943	1,238,964
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 1,162,943</u>	<u>1,238,964</u>

**5. LAND FOR RESALE**

	<u>2021</u>	<u>2020</u>
Tax title property	\$ -	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net tax title Property	<u>-</u>	<u>-</u>
Other land	-	42,670
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>42,670</u>
Total land for resale	<u>\$ -</u>	<u>42,670</u>

**6. LOANS AND NOTES RECEIVABLE**

	<u>2021</u>	<u>2020</u>
Construction agreement loan	<u>\$ -</u>	<u>5,000</u>

Loans and notes receivable includes a 5 year non-interest bearing loan that is repayable on May 30, 2024, for the purpose of completing a shade/shelter facility in the City of Martensville. Upon and following the due date, interest shall accrue at a rate of 7% per annum.

**7. BANK INDEBTEDNESS**

**Credit Arrangements**

At December 31, 2021, the City had a line of credit totaling \$1,500,000, bearing interest at 2.45%, none of which was drawn. The following has been collateralized in connection with this line of credit:

- General Security Agreement; and
- Assignment of municipal taxes receivable

**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2021**

**8. LONG-TERM DEBT**

The authorized debt limit for the City is \$40,000,000. The authorized debt limit for a City is the total amount of the City's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

Debenture debt:

	<u>2021</u>	<u>2020</u>
Debenture, repayable in annual payments of \$367,909; including interest at 4.00%; matures in 2034. Secured by Land, NBV \$5,077,600.	\$ 3,673,807	3,886,265
Debenture, repayable in annual payments of \$584,658 including interest at 2.95%; matures in 2024. Secured by Land, NBV \$6,587,989.	1,655,362	2,175,832
Debenture, repayable in annual payments of \$743,903 including interest at 3.90%; matures in 2034. Secured by Building, NBV \$11,250,774.	7,474,660	7,910,071
Debenture, repayable in annual payments of \$332,404 including interest at 2.90%; matures in 2027. Secured by Linear Asset NBV \$2,455,978.	1,806,680	2,078,799
Debenture, repayable in annual payments of \$104,079 non-interest bearing; matures in 2029. Secured by Linear Asset, NBV \$962,729.	<u>832,630</u>	<u>936,709</u>
	<u>\$ 15,443,139</u>	<u>16,987,676</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2022	\$ 1,593,262	\$ 539,691	\$ 2,132,953
2023	1,643,670	489,282	2,132,952
2024	1,695,823	437,130	2,132,953
2025	1,165,122	383,173	1,548,295
2026	1,515,936	344,595	1,860,531
Thereafter	<u>7,829,326</u>	<u>1,397,571</u>	<u>9,226,897</u>
Balance	<u>\$ 15,443,139</u>	<u>\$ 3,591,442</u>	<u>\$ 19,034,581</u>

# CITY OF MARTENSVILLE

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

### 9. PENSION PLAN

The City is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer 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 City pension expense in 2021 was \$337,520 (2020 - \$317,940). The benefits accrued to the City's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Based on the latest information available (December 31, 2021 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,144,386,000. This is based on the most recent actuarial valuation, completed December 31, 2020. The City's portion of this is not readily determinable.

### 10. 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. The Government of Canada and the Government of Saskatchewan have agreed to provide funding to the City of Martensville for the Wastewater Treatment and Drinking Water Distribution Upgrades project under the New Building Canada Fund (hereby referred to as: NBCF). Significant contractual rights of the City are as follows:

Federal NBCF	Funding to the City per the agreement dated October 19, 2018 of one-third (33.33%) of total eligible expenditures for the project up to a maximum funding amount of \$6,721,294, agreement ending March 31, 2024.
Provincial NBCF	Funding to the City per the agreement dated October 19, 2018 of one-third (33.33%) of total eligible expenditures for the project up to a maximum funding amount of \$6,721,294, agreement ending September 30, 2024.

### 11. BUDGET

The Financial Plan (Budget) adopted by Council on February 16, 2021 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 budgeted surplus expensed all tangible capital expenditures, included transfers to and from reserves, and included principal debenture payments. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2021</u>
Approved budget operating surplus for the year	\$ -
Add: Capital asset purchases	8,465,000
Transfer to reserves	1,403,900
Principal debenture payments	1,560,700
Less: Transfer from reserves	<u>(5,234,000)</u>
Budget surplus per statement of operations	<u>\$ 6,195,600</u>

**CITY OF MARTENSVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2021**

**12. RECENT ACCOUNTING PRONOUNCEMENTS**

A number of new and amended standards have been issued that may impact the City:

**Standards Effective 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** is 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** is 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.

**Standards Effective On Or After April 1, 2023**

**PS 3400 Revenue** is 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 City continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.



## CITY OF MARTENSVILLE

## SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>TAXES</b>			
General municipal tax levy	\$ 8,258,000	8,279,636	8,257,283
Abatements and adjustments	(100,000)	(76,827)	(101,118)
Discount on current year taxes	-	-	-
<b>Net municipal taxes</b>	<u>8,158,000</u>	<u>8,202,809</u>	<u>8,156,165</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	80,000	112,939	49,617
Special tax levy	-	-	-
Other	-	-	-
<b>Total Taxes</b>	<u>8,238,000</u>	<u>8,315,748</u>	<u>8,205,782</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	1,913,000	1,927,922	1,945,057
Organized Hamlet	-	-	-
Other (Safe Restart)	-	-	<u>575,363</u>
<b>Total Unconditional Grants</b>	<u>1,913,000</u>	<u>1,927,922</u>	<u>2,520,420</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
Provincial - S.P.C. Electrical	-	-	-
Sask. Energy Gas	134,000	164,150	169,396
TransGas	-	-	-
Central Services	-	-	-
Sasktel	3,500	6,087	3,683
Other	-	-	-
Local/Other			
Housing Authority	3,200	4,568	3,490
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Local/Other	16,000	16,006	16,006
Other Government Transfers			
S.P.C. Surcharge	750,000	837,200	794,072
Sask Energy Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<u>906,700</u>	<u>1,028,011</u>	<u>986,647</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 11,057,700</u>	<u>11,271,681</u>	<u>11,712,849</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	5,500	4,824	10,500
Other Licences, permits and other	<u>1,500</u>	<u>3,440</u>	<u>2,486</u>
Total Fees and Charges	7,000	8,264	12,986
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	-	-	-
Investment income and commissions	145,000	192,839	184,629
Other Segmented Revenue (Insurance, rental)	<u>36,500</u>	<u>40,686</u>	<u>31,396</u>
Total other segmented revenue	<u>188,500</u>	<u>241,789</u>	<u>229,011</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>188,500</u>	<u>241,789</u>	<u>229,011</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	<u>50,000</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>50,000</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>238,500</u>	<u>241,789</u>	<u>229,011</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (Policing and fire fees)	<u>96,000</u>	<u>110,032</u>	<u>180,799</u>
Total Fees and Charges	96,000	110,032	180,799
Tangible capital asset sales - gain (loss)	-	-	(637)
Other Segmented Revenue (Fire department environmental charges)	<u>1,000</u>	<u>1,450</u>	<u>3,100</u>
Total other segmented revenue	<u>97,000</u>	<u>111,482</u>	<u>183,262</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Local government-Operating	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>97,000</u>	<u>111,482</u>	<u>183,262</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Local Government-Capital	80,000	80,000	92,000
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>80,000</u>	<u>80,000</u>	<u>92,000</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>177,000</u>	<u>191,482</u>	<u>275,262</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sale of gravel and supplies	-	-	-
Road maintenance and restoration agreements	-	-	-
Other (SGI rebates)	-	4,595	-
Total Fees and Charges	-	4,595	-
Tangible capital asset sales - gain (loss)	-	(783)	(89,720)
Other Segmented Revenue	-	-	-
Total other segmented revenue	-	3,812	(89,720)
Conditional Grants			
Federal - Primary Weight Corridor	-	-	-
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	3,812	(89,720)
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	569,000	1,175,243	853,583
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (Capital revenue)	40,000	8,368	1
<b>Total Capital</b>	609,000	1,183,611	853,584
<b>Restructuring Revenue</b>	-	-	-
<b>Total Transportation Services</b>	609,000	1,187,423	763,864
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Charges	10,700	14,954	12,473
Other (Base tax levy)	791,000	786,660	789,915
Total Fees and Charges	801,700	801,614	802,388
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	801,700	801,614	802,388
Conditional Grants			
Federal - Student Employment	-	-	-
TAPD	-	-	-
Local government-Operating	60,000	89,368	83,303
Other	-	-	-
Total Conditional Grants	60,000	89,368	83,303
<b>Total Operating</b>	861,700	890,982	885,691
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
TAPD	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Environmental and Public Health Services Services</b>	861,700	890,982	885,691

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ -	-	-
Other (Building permits and development)	99,800	194,141	98,959
Total Fees and Charges	99,800	194,141	98,959
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue (Licences, permits and other)	41,700	65,378	91,656
Total other segmented revenue	141,500	259,519	190,615
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<u>141,500</u>	<u>259,519</u>	<u>190,615</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>141,500</u>	<u>259,519</u>	<u>190,615</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (MAP: Registration, fees and rentals)	1,201,500	1,238,815	1,074,470
Total Fees and Charges	1,201,500	1,238,815	1,074,470
Tangible capital asset sales - gain (loss)	-	3,456	1,172
Other Segmented Revenue (rebates and recycling)	800	4,315	1,154
Total other segmented revenue	1,202,300	1,246,586	1,076,796
Conditional Grants			
Federal - Student Employment	6,500	-	5,000
Local government-Operating	81,700	134,238	41,104
Donations	19,000	16,204	17,825
Other	5,000	10,500	-
Total Conditional Grants	112,200	160,942	63,929
<b>Total Operating</b>	<u>1,314,500</u>	<u>1,407,528</u>	<u>1,140,725</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
Local Government-Capital	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (MEEP grant)	340,000	1,508,458	1,486,261
<b>Total Capital</b>	<u>340,000</u>	<u>1,508,458</u>	<u>1,486,261</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>1,654,500</u>	<u>2,915,986</u>	<u>2,626,986</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 3,388,200	4,281,080	3,906,775
Sewer	1,536,000	1,466,338	1,430,904
Other	-	-	-
Total Fees and Charges	<u>4,924,200</u>	<u>5,747,418</u>	<u>5,337,679</u>
Tangible capital asset sales - gain (loss)	-	(13,267)	(5,929)
Other Segmented Revenue	-	492	(97)
Total other segmented revenue	<u>4,924,200</u>	<u>5,734,643</u>	<u>5,331,653</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>4,924,200</u>	<u>5,734,643</u>	<u>5,331,653</u>
<b>Capital</b>			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
New Building Canada Fund (SCF, NRP)	3,167,000	27,605	233,910
Clean Water and Wastewater Fund	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>3,167,000</u>	<u>27,605</u>	<u>233,910</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>8,091,200</u>	<u>5,762,248</u>	<u>5,565,563</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 11,773,400</u>	<u>11,449,429</u>	<u>10,536,992</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 7,355,200	8,399,445	7,724,005
Total Conditional Grants	172,200	250,310	147,232
Total Capital Grants and Contributions	4,246,000	2,799,674	2,665,755
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 11,773,400</u>	<u>11,449,429</u>	<u>10,536,992</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 208,500	157,578	133,915
Wages and benefits	885,200	880,415	878,143
Professional/Contractual services	400,900	501,694	269,067
Utilities	32,100	29,644	31,075
Maintenance, materials, and supplies	132,300	138,012	128,398
Grants and contributions	-	-	7,500
-operating	-	-	-
-capital	-	-	-
Amortization	-	143,171	139,840
Interest	221,300	210,989	237,191
Allowance for uncollectibles	-	-	-
Other (Elections)	-	-	6,691
<b>General Government Services</b>	<u>1,880,300</u>	<u>2,061,503</u>	<u>1,831,820</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>1,880,300</u>	<u>2,061,503</u>	<u>1,831,820</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	154,600	139,947	166,635
Professional/Contractual services	967,500	926,144	996,312
Utilities	5,800	6,513	5,962
Maintenance, materials, and supplies	19,800	20,516	21,700
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	61,860	61,860
Interest	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	317,800	320,410	298,349
Professional/Contractual services	54,300	34,244	40,623
Utilities	17,400	17,470	18,552
Maintenance, materials, and supplies	125,700	115,276	107,349
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	80,309	69,383
Interest	-	-	-
Other	-	-	-
<b>Protective Services</b>	<u>1,662,900</u>	<u>1,722,689</u>	<u>1,786,725</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>1,662,900</u>	<u>1,722,689</u>	<u>1,786,725</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	868,000	894,437	779,917
Professional/Contractual services	250,600	173,074	281,569
Utilities	158,400	149,762	159,940
Maintenance, materials, and supplies	1,638,600	500,593	431,902
Gravel	100,000	100,125	91,627
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	1,505,291	1,441,315
Interest	60,300	60,242	67,912
Other	-	-	-
<b>Transportation Services</b>	<u>3,075,900</u>	<u>3,383,524</u>	<u>3,254,182</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>3,075,900</u>	<u>3,383,524</u>	<u>3,254,182</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>ENVIRONMENTAL SERVICES</b>			
Wages and benefits	-	-	-
Contractual services	776,100	794,187	766,906
Utilities	-	-	-
Maintenance, materials, and supplies	45,000	16,606	42,352
Grants and contributions			
-operating			
Waste disposal	-	-	-
Public health	-	-	-
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Environmental and Public Health Services</b>	<u>821,100</u>	<u>810,793</u>	<u>809,258</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services</b>	<u>821,100</u>	<u>810,793</u>	<u>809,258</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	366,800	368,013	382,543
Contractual services	624,250	404,658	382,238
Utilities	1,300	1,143	1,238
Maintenance, materials, and supplies	400	127	92
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	500	403	-
<b>Planning and Development Services</b>	<u>993,250</u>	<u>774,344</u>	<u>766,111</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Planning and Development Services</b>	<u>993,250</u>	<u>774,344</u>	<u>766,111</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	1,735,700	1,724,040	1,598,114
Contractual services	950,300	438,410	768,353
Utilities	335,600	306,671	307,103
Maintenance, materials, and supplies	335,650	358,968	359,237
Grants and contributions			
-operating	163,200	198,136	113,442
-capital	-	-	-
Amortization	-	1,141,861	1,125,186
Interest	314,500	311,585	326,665
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<u>3,834,950</u>	<u>4,479,671</u>	<u>4,598,100</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Recreation and Cultural Services</b>	<u>3,834,950</u>	<u>4,479,671</u>	<u>4,598,100</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021  
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	677,800	693,145	749,928
Contractual services	91,000	112,921	145,105
Utilities	204,600	194,216	200,946
Maintenance, materials, and supplies	3,392,700	3,744,718	3,444,376
Grants and contributions	-	-	-
	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	946,527	935,145
Interest	-	-	8,486
Allowance for uncollectibles	-	-	-
Other (Plumbing rebate)	1,000	1,288	505
<b>Utility Services</b>	<u>4,367,100</u>	<u>5,692,815</u>	<u>5,484,491</u>
<b>Restructuring</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>4,367,100</u>	<u>5,692,815</u>	<u>5,484,491</u>
<b>TOTAL EXPENDITURES BY FUNCTION</b>	<u>\$ 16,635,500</u>	<u>18,925,339</u>	<u>18,530,687</u>

See accompanying notes to the financial statements.



**CITY OF MARTENSVILLE**

**Schedule 4**

**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

**Year ended December 31, 2021**

	<b>General Government</b>	<b>Protective Services</b>	<b>Transportation Services</b>	<b>Environmental &amp; Public Health</b>	<b>Planning and Development</b>	<b>Recreation and Culture</b>	<b>Utility Services</b>	<b>Total</b>
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 8,264	110,032	4,595	801,614	194,141	1,238,815	5,747,418	8,104,879
Tangible capital asset sales - Gain (loss)	-	-	(783)	-	-	3,456	(13,267)	(10,594)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	192,839	-	-	-	-	-	-	192,839
Other revenues	40,686	1,450	-	-	65,378	4,315	492	112,321
Grants - Conditional	-	-	-	89,368	-	160,942	-	250,310
Grants - Capital	-	80,000	1,183,611	-	-	1,508,458	27,605	2,799,674
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>241,789</u>	<u>191,482</u>	<u>1,187,423</u>	<u>890,982</u>	<u>259,519</u>	<u>2,915,986</u>	<u>5,762,248</u>	<u>11,449,429</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	1,037,993	460,357	894,437	-	368,013	1,724,040	693,145	5,177,985
Professional/Contractual Services	501,694	960,388	173,074	794,187	404,658	438,410	112,921	3,385,332
Utilities	29,644	23,983	149,762	-	1,143	306,671	194,216	705,419
Maintenance, materials and supplies	138,012	135,792	600,718	16,606	127	358,968	3,744,718	4,994,941
Grants and contributions	-	-	-	-	-	198,136	-	198,136
Amortization	143,171	142,169	1,505,291	-	-	1,141,861	946,527	3,879,019
Interest	210,989	-	60,242	-	-	311,585	-	582,816
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	403	-	1,288	1,691
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>2,061,503</u>	<u>1,722,689</u>	<u>3,383,524</u>	<u>810,793</u>	<u>774,344</u>	<u>4,479,671</u>	<u>5,692,815</u>	<u>18,925,339</u>
<b>Surplus (deficit) by function</b>	(1,819,714)	(1,531,207)	(2,196,101)	80,189	(514,825)	(1,563,685)	69,433	(7,475,910)
Taxation and other unconditional revenue (Schedule 1)								<u>11,271,681</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 3,795,771</u>

See accompanying notes to the financial statements.

**CITY OF MARTENSVILLE**

**Schedule 5**

**SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**

**Year ended December 31, 2020**

	<b>General Government</b>	<b>Protective Services</b>	<b>Transportation Services</b>	<b>Environmental &amp; Public Health</b>	<b>Planning and Development</b>	<b>Recreation and Culture</b>	<b>Utility Services</b>	<b>Total</b>
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 12,986	180,799	-	802,388	98,959	1,074,470	5,337,679	7,507,281
Tangible capital asset sales - Gain (loss)	-	(637)	(89,720)	-	-	1,172	(5,929)	(95,114)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	184,629	-	-	-	-	-	-	184,629
Other revenues	31,396	3,100	-	-	91,656	1,154	(97)	127,209
Grants - Conditional	-	-	-	83,303	-	63,929	-	147,232
Grants - Capital	-	92,000	853,584	-	-	1,486,261	233,910	2,665,755
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>229,011</u>	<u>275,262</u>	<u>763,864</u>	<u>885,691</u>	<u>190,615</u>	<u>2,626,986</u>	<u>5,565,563</u>	<u>10,536,992</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	1,012,058	464,984	779,917	-	382,543	1,598,114	749,928	4,987,544
Professional/Contractual Services	269,067	1,036,935	281,569	766,906	382,238	768,353	145,105	3,650,173
Utilities	31,075	24,514	159,940	-	1,238	307,103	200,946	724,816
Maintenance, materials and supplies	128,398	129,049	523,529	42,352	92	359,237	3,444,376	4,627,033
Grants and contributions	7,500	-	-	-	-	113,442	-	120,942
Amortization	139,840	131,243	1,441,315	-	-	1,125,186	935,145	3,772,729
Interest	237,191	-	67,912	-	-	326,665	8,486	640,254
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	6,691	-	-	-	-	-	505	7,196
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>1,831,820</u>	<u>1,786,725</u>	<u>3,254,182</u>	<u>809,258</u>	<u>766,111</u>	<u>4,598,100</u>	<u>5,484,491</u>	<u>18,530,687</u>
<b>Surplus (deficit) by function</b>	(1,602,809)	(1,511,463)	(2,490,318)	76,433	(575,496)	(1,971,114)	81,072	(7,993,695)
Taxation and other unconditional revenue (Schedule 1)								<u>11,712,849</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 3,719,154</u>

See accompanying notes to the financial statements.

## CITY OF MARTENSVILLE

## SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2021  
with comparative figures for 2020

	2021							2020	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
<b>Asset cost</b>									
Opening asset costs	\$ 12,667,687	15,869,444	33,517,096	2,148,781	7,090,607	77,732,149	-	149,025,764	144,915,516
Additions during the year	-	1,053,991	203,823	163,224	229,162	1,181,693	-	2,831,893	4,874,906
Disposals and write-downs during the year	-	-	-	(160,816)	(186,150)	(369,719)	-	(716,685)	(764,658)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>12,667,687</u>	<u>16,923,435</u>	<u>33,720,919</u>	<u>2,151,189</u>	<u>7,133,619</u>	<u>78,544,123</u>	<u>-</u>	<u>151,140,972</u>	<u>149,025,764</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	-	6,169,799	9,282,695	1,193,737	3,306,476	25,456,207	-	45,408,914	42,301,994
Add: Amortization taken	-	787,759	702,725	138,354	343,307	1,906,874	-	3,879,019	3,772,729
Less: Accumulated amortization on disposals	-	-	-	(142,106)	(170,778)	(364,007)	-	(676,891)	(665,809)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>6,957,558</u>	<u>9,985,420</u>	<u>1,189,985</u>	<u>3,479,005</u>	<u>26,999,074</u>	<u>-</u>	<u>48,611,042</u>	<u>45,408,914</u>
<b>Net book value</b>	<u>\$ 12,667,687</u>	<u>9,965,877</u>	<u>23,735,499</u>	<u>961,204</u>	<u>3,654,614</u>	<u>51,545,049</u>	<u>-</u>	<u>102,529,930</u>	<u>103,616,850</u>

1. Total contributed/donated assets received in 2021: \$ -

2. List of assets recognized at nominal value in 2021 are:

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

3. Amount of interest capitalized in 2021: \$ -

See accompanying notes to the financial statements.

**CITY OF MARTENSVILLE**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**Year ended December 31, 2021**  
with comparative figures for 2020

	<b>2021</b>							<b>2020</b>	
	<b>General Government</b>	<b>Protective Services</b>	<b>Transportation Services</b>	<b>Environmental &amp; Public Health</b>	<b>Planning &amp; Development</b>	<b>Recreation &amp; Culture</b>	<b>Water &amp; Sewer</b>	<b>Total</b>	<b>Total</b>
<b>Asset cost</b>									
Opening asset costs	\$ 16,664,130	3,263,109	46,268,167	-	-	36,415,159	46,415,199	149,025,764	144,915,516
Additions during the year	59,619	64,528	1,109,021	-	-	1,170,593	428,132	2,831,893	4,874,906
Disposals and write-downs during the year	-	(10,000)	(493,359)	-	-	(76,570)	(136,756)	(716,685)	(764,658)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>16,723,749</u>	<u>3,317,637</u>	<u>46,883,829</u>	<u>-</u>	<u>-</u>	<u>37,509,182</u>	<u>46,706,575</u>	<u>151,140,972</u>	<u>149,025,764</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	1,191,294	1,389,505	18,271,633	-	-	12,491,718	12,064,764	45,408,914	42,301,994
Add: Amortization taken	143,171	142,169	1,505,291	-	-	1,141,861	946,527	3,879,019	3,772,729
Less: Accumulated amortization on disposals	-	(10,000)	(473,527)	-	-	(70,898)	(122,466)	(676,891)	(665,809)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>1,334,465</u>	<u>1,521,674</u>	<u>19,303,397</u>	<u>-</u>	<u>-</u>	<u>13,562,681</u>	<u>12,888,825</u>	<u>48,611,042</u>	<u>45,408,914</u>
<b>Net book value</b>	<u>\$ 15,389,284</u>	<u>1,795,963</u>	<u>27,580,432</u>	<u>-</u>	<u>-</u>	<u>23,946,501</u>	<u>33,817,750</u>	<u>102,529,930</u>	<u>103,616,850</u>

See accompanying notes to the financial statements.

**CITY OF MARTENSVILLE**  
**SCHEDULE OF ACCUMULATED SURPLUS**  
**Year ended December 31, 2021**

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>2,315,318</u>	<u>(8,382)</u>	<u>2,306,936</u>
<b>APPROPRIATED RESERVES</b>			
Reserve for machinery and equipment	-	-	-
Public reserve	12,999,616	3,346,536	16,346,152
Capital trust fund	-	-	-
Utility reserve	-	-	-
<b>Total Appropriated</b>	<u>12,999,616</u>	<u>3,346,536</u>	<u>16,346,152</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	103,616,850	(1,086,920)	102,529,930
Less: Related debt	<u>(16,987,677)</u>	<u>1,544,537</u>	<u>(15,443,140)</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>86,629,173</u>	<u>457,617</u>	<u>87,086,790</u>
<b>Total Accumulated Surplus</b>	<u>\$101,944,107</u>	<u>3,795,771</u>	<u>105,739,878</u>

See accompanying notes to the financial statements.

**CITY OF MARTENSVILLE**  
**SCHEDULE OF MILL RATES AND ASSESSMENTS**  
 Year ended December 31, 2021

	<b>PROPERTY CLASS</b>						<b>Total</b>
	<b><u>Agriculture</u></b>	<b><u>Residential</u></b>	<b><u>Residential Condominium</u></b>	<b><u>Seasonal Residential</u></b>	<b><u>Commercial &amp; Industrial</u></b>	<b><u>Potash Mine(s)</u></b>	
<b>Taxable Assessment</b>	\$ 512,985	819,777,390	131,360,000	-	125,642,825	-	\$1,077,293,200
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							<u>\$1,077,293,200</u>
<b>Mill Rate Factor(s)</b>	1.0000	1.0000	1.0000	1.0000	1.1625		
<b>Total Base/Minimum Tax</b> (generated for each property class)	<u>1,538</u>	<u>1,859,453</u>	<u>402,825</u>	<u>-</u>	<u>132,675</u>		<u>2,396,491</u>
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	\$ <u>3,022</u>	<u>6,308,433</u>	<u>1,116,284</u>	<u>-</u>	<u>851,897</u>		<u>8,279,636</u>

<b><u>MILL RATES:</u></b>	<b><u>MILLS</u></b>
<b>Average Municipal*</b>	7.686
<b>Average School*</b>	4.720
<b>Potash Mill Rate</b>	-
<b>Uniform Municipal Mill Rate</b>	5.430

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

See accompanying notes to the financial statements.

**CITY OF MARTENSVILLE**  
**SCHEDULE OF COUNCIL REMUNERATION**  
**Year ended December 31, 2021**

<b>Position</b>	<b>Name</b>	<b><u>Remuneration</u></b>	<b><u>Reimbursed Costs</u></b>	<b><u>Total</u></b>
Mayor	Kent Muench	\$ 51,239	900	52,139
Councillor	Tyson Chillog	23,269	-	23,269
Councillor	Michael Cox	20,104	-	20,104
Councillor	Darren MacDonald	20,104	-	20,104
Councillor	Jamie Martens	25,371	-	25,371
Councillor	Deborah McGuire	20,104	-	20,104
Councillor	Spencer Nikkel	20,664	-	20,664
Total		<u>\$ 180,855</u>	<u>900</u>	<u>181,755</u>

See accompanying notes to the financial statements.

**CITY OF MARTENSVILLE**

**SCHEDULE OF RESTRUCTURING**

**Year ended December 31, 2021**

**Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date**

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	-
	<hr/>
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>\$ <u>-</u></b>

See accompanying notes to the financial statements.