

City of Estevan
Consolidated Financial Statements
December 31, 2019

City of Estevan

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For the year ended December 31, 2019

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Management's Responsibility

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

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Council is composed of elected officials who are not employees of the 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 management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the City's external auditors.

MNP LLP is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.



City Manager



City Treasurer

Independent Auditors' Report

To the Council of the City of Estevan:

Opinion

We have audited the Consolidated financial statements of the City of Estevan (the "City"), which comprise the statement of financial position as at December 31, 2019, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2019, 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 Opinion

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the City'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 City or to 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 Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Estevan, Saskatchewan

August 10, 2020

MNP LLP

Chartered Professional Accountants

City of Estevan
 Consolidated Statement of Financial Position
 As at December 31, 2019

Statement 1

	2019	2018
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	6,120,695	7,171,370
Taxes Receivable - Municipal (Note 3)	1,599,133	2,480,419
Other Accounts Receivable (Note 4)	3,764,343	2,144,709
Land for Resale (Note 5)	2,705,278	2,705,278
Local Improvement Receivable (Note 6)	613,671	811,858
Total Financial Assets	14,803,120	15,313,634
LIABILITIES		
Bank Indebtedness (Note 7)	-	-
Accounts Payable	3,859,323	2,085,046
Accrued Liabilities Payable	982,475	1,168,816
Water Meter Deposits	601,063	606,272
Deferred Revenue (Note 8)	72,360	102,600
Accrued Landfill Costs (Note 9)	1,200,535	1,175,627
Long-Term Debt (Note 10)	23,704,819	28,023,679
Lease Obligations (Note 11)	1,210,188	1,007,900
Total Liabilities	31,630,763	34,169,940
NET DEBT	(16,827,643)	(18,856,306)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	115,907,265	110,936,867
Prepayments and Deferred Charges	49,120	64,228
Stock and Supplies	649,727	809,774
Other (Note 12)	85,190	82,394
Total Non-Financial Assets	116,691,302	111,893,263
Subsequent Events (Note 18)		
ACCUMULATED SURPLUS (Schedule 8)	99,863,659	93,036,957


 Mayor


 Councillor

City of Estevan
Consolidated Statement of Operations
As at December 31, 2019

Statement 2

	2019 Budget	2019	2018
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	21,121,753	21,010,829	21,426,615
Fees and Charges (Schedule 4, 5)	9,642,106	10,016,024	10,351,299
Conditional Grants (Schedule 4, 5)	1,158,796	1,140,809	1,175,894
Tangible Capital Asset Sales - (Loss) Gain (Schedule 4, 5)	5,000	(18,621)	68,252
Land Sales - Gain (Schedule 4, 5)	-	794,925	5,425
Investment Income and Commissions (Schedule 4, 5)	20,000	140,241	82,453
Other Revenues (Schedule 4, 5)	83,500	85,326	146,312
Total Revenues	32,031,155	33,169,533	33,256,250
EXPENSES			
General Government Services (Schedule 3)	5,105,833	6,196,257	5,749,599
Protective Services (Schedule 3)	6,498,857	6,055,311	5,836,987
Transportation Services (Schedule 3)	6,016,479	5,912,101	5,795,105
Environmental and Public Health Services (Schedule 3)	912,664	888,550	1,236,889
Planning and Development Services (Schedule 3)	351,971	386,644	310,058
Recreation and Cultural Services (Schedule 3)	6,778,129	7,257,838	7,558,352
Utility Services (Schedule 3)	5,020,823	4,840,729	4,600,947
Total Expenses	30,684,756	31,537,430	31,087,937
Surplus of Revenues over Expenses before Other Capital Contributions	1,346,399	1,632,103	2,168,313
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	2,745,399	5,194,599	1,131,738
Surplus of Revenues over Expenses	4,091,798	6,826,702	3,300,051
Accumulated Surplus, Beginning of Year	93,036,957	93,036,957	89,736,906
Accumulated Surplus, End of Year	97,128,755	99,863,659	93,036,957

City of Estevan
 Consolidated Statement of Change in Net Debt
 As at December 31, 2019

Statement 3

	2019 Budget	2019	2018
Surplus	4,091,798	6,826,702	3,300,051
(Acquisition) of tangible capital assets	(6,997,500)	(11,014,879)	(4,366,393)
Amortization of tangible capital assets	5,700,000	5,958,608	5,699,016
Proceeds on disposal of tangible capital assets	-	67,252	238,203
Loss (gain) on the disposal of tangible capital assets	-	18,621	(68,252)
Surplus (Deficit) of capital expenses over expenditures	(1,297,500)	(4,970,398)	1,502,574
Net consumption of supplies inventories	-	160,046	159,644
Net consumption of prepaid expense	-	15,108	2,155
Increase in patronage equity	-	(2,795)	(36)
Surplus of expenses of other non-financial over expenditures	-	172,359	161,763
Decrease in Net Debt	2,794,298	2,028,663	4,964,388
Net Debt - Beginning of Year	(18,856,306)	(18,856,306)	(23,820,694)
Net Debt - End of Year	(16,062,008)	(16,827,643)	(18,856,306)

City of Estevan
Consolidated Statement of Cash Flow
As at December 31, 2019

Statement 4

	2019	2018
Cash provided by (used for) the following activities		
Operating:		
Surplus	6,826,702	3,300,051
Amortization	5,958,608	5,699,016
Loss (gain) on disposal of tangible capital assets	18,621	(68,252)
	<u>12,803,931</u>	<u>8,930,815</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	881,286	(671,605)
Other Receivables	(1,619,634)	(25,022)
Land for Resale	-	(72,633)
Accounts and Accrued Liabilities Payable	1,587,936	(97,391)
Deposits	(5,209)	19,881
Deferred Revenue	(30,240)	21,600
Accrued Landfill Costs	24,908	285,690
Stock and Supplies	160,047	159,644
Prepayments and Deferred Charges	15,108	2,155
Other (patronage equity)	(2,796)	(35)
Cash provided by operating transactions	13,815,337	8,553,099
Capital:		
Acquisition of capital assets	(10,322,726)	(4,366,393)
Proceeds from the disposal of capital assets	67,252	238,203
Cash applied to capital transactions	(10,255,474)	(4,128,190)
Financing:		
Debt charges recovered	198,187	245,755
Long-term debt issued	-	2,042,424
Long-term debt repaid	(4,808,725)	(4,496,300)
Cash provided by (applied to) financing transactions	(4,610,538)	(2,208,121)
Change in Cash and Temporary Investments during the year	(1,050,675)	2,216,788
Cash and Temporary Investments - Beginning of Year	<u>7,171,370</u>	<u>4,954,582</u>
Cash and Temporary Investments - End of Year	6,120,695	7,171,370

City of Estevan

Notes to the Consolidated Financial Statements

As at December 31, 2019

1. Significant Accounting Policies

The consolidated financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada).

Significant aspects of the accounting policies adopted by the municipality are as follows:

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

- a) **Reporting Entity:** The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Entity

Estevan Police Department

Souris Valley Aquatic & Leisure Centre

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. (Note 3)
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.

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

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

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

1. Significant Accounting Policies - continued

- j) **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.
- k) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	20 to 40 Yrs
Vehicles & Equipment	
Vehicles	15 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	
Water & Sewer	35 to 40 Yrs
Road Network Assets	15 to 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.

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

Leases: All leases are recorded on the consolidated 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 lease 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.

- l) **Landfill Liability:** The Saskatchewan Environmental Protection Acts sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is being provided for over the estimated remaining life of the landfill site based on usage.
- m) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions. Employees make contributions equal to the following percentages of their salary:

Civic employees	8.15% (2018 - 8.15%)
Emergency services	11.35% (2018 - 11.35%)

The City contributes an equal amount to the plan.

- n) **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.

1. Significant Accounting Policies - continued

- o) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

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.

Accrued landfill liability is based on estimates of future costs, usage and capacity.

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

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

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

- q) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *February 11, 2019*.

- r) **Revenue recognition:** The City recognizes revenue for non-government funding as it becomes available under the terms of the applicable funding agreements. Funding received under funding agreements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

The City recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred. Taxes related to unreported taxable events or unidentified economic events that would be taxable events if disclosed or known to the government are recognized when such events are known, the related taxes are quantifiable, and the amounts are collectible. Tax revenue is initially measured at the management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of the acquisition. At each financial statement date, the City evaluates the tax receivable for collectability and records a valuation allowance to best reflect the tax receivable at its net recoverable amount, if necessary.

Investment income is recognized as it is earned.

- s) **Expenditure recognition:** Expenditures are recognized in the period the goods and services are acquired and a liability is incurred. They also include grants and contributions made when no direct goods or services were acquired. Expenditures include amounts for interest on debt outstanding but do not include any amounts for principal repayments.

1. Significant Accounting Policies - continued

t) **New Accounting Standards:**

Effective January 1, 2019, the municipality adopted the following standard to comply with Public Sector Accounting Standards (PSAS). This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

PS 3430 Restructuring Transactions provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis. There was no impact as a result of implementing this accounting standard.

Future Accounting Standards:

Effective On or After April 1, 2021:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Effective in the period PS 3450 and PS 2601 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. 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 On or After April 1, 2022:

PS 3400, Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

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

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2019

2. Cash and Temporary Investments

	2019	2018
Cash	2,969,276	4,074,368
Restricted Cash	3,151,419	3,097,002
Total Cash and Temporary Investments	6,120,695	7,171,370

Cash and temporary investments include balances with banks, term deposits, with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. The restricted cash is to provide up keep of the cemetery amount to \$172,966 (2018 - \$264,700), \$978,453 (2018 - \$832,302) for the New Nursing Home in Estevan, and \$2,000,000 (2018 - \$2,000,000) for the Gas Tax fund.

3. Taxes Receivable - Municipal

	2019	2018
Municipal - Current	963,405	1,406,544
- Arrears	635,728	1,073,875
	1,599,133	2,480,419
- Less Allowance for Uncollectible	-	-
Total municipal taxes receivable	1,599,133	2,480,419
School - Current	428,679	440,313
- Arrears	259,575	608,286
Total school taxes receivable	688,254	1,048,599
Other	-	-
Total taxes and grants in lieu receivable	2,287,387	3,529,018
Deduct taxes receivable to be collected on behalf of other organizations	(688,254)	(1,048,599)
Total Taxes Receivable - Municipal	1,599,133	2,480,419

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2019

4. Other Accounts Receivable	2019	2018
Federal Government	201,179	160,321
Utility	1,187,368	1,011,618
Trade	2,375,796	972,770
Total Other Accounts Receivable	3,764,343	2,144,709
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	3,764,343	2,144,709

5. Land for Resale	2019	2018
Other Land	2,705,278	2,705,278
Allowance for market value adjustment	-	-
Net Other Land	2,705,278	2,705,278
Total Land for Resale	2,705,278	2,705,278

6. Local Improvements Receivable	2019	2018
Current portion	195,963	198,187
Non-current portion	417,708	613,671
Total Local Improvement Receivable	613,671	811,858

Local improvements were paid in full by the City and will be repaid at the total cost plus interest at a rate of 7% (2018 - 7%) by rate payers as follows:

Year	Principal	Interest	Total
2020	195,963	13,717	209,680
2021	103,460	7,242	110,702
2022	99,955	6,997	106,952
2023	31,911	2,234	34,145
2024	-	-	-
Thereafter	182,382	12,767	195,149
Balance	613,671	42,957	656,628

City of Estevan

Notes to the Consolidated Financial Statements

As at December 31, 2019

7. Bank Indebtedness

Bank indebtedness includes an operating line of credit amounting to \$9,000,000 (2018 - \$9,000,000) and bearing interest at prime less 0.50% (2018 - prime less 0.50%). Assets are pledged as collateral.

8. Deferred Revenue

	2019	2018
Land Sales option deposits	21,600	21,600
Security deposits	50,760	81,000
Total Deferred Revenue	72,360	102,600

9. Accrued Landfill Costs

	2019	2018
Environmental Liabilities	1,200,535	1,175,627

In 2019 the City has calculated an overall liability for environmental matters in the amount of \$4,188,128 (2018 - \$4,174,175) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

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 December 31, 2019 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 average long-term borrowing rate of 4.18% (2018 - 4.18%).

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 fifty-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 70.49% – 245,478 cubic metres (2018 - 71.84% - 251,425 cubic metres) of its total estimated capacity of 350,000 cubic metres and its estimated remaining life is unknown (2018 year – unknown). The period for post-closure care is estimated to be 50 years (2018 – 50 years).

City of Estevan

Notes to the Consolidated Financial Statements

As at December 31, 2019

10. Long-Term Debt

The debt limit of the municipality is \$55,000,000. The debt limit for the municipality has been established by the Saskatchewan Municipal Board (the Municipalities Act section 161(2)).

Bank loans are repayable in monthly instalments ranging from \$17,357 to \$98,925 (2018 - \$17,357 to \$98,925) or annual payments of \$137,442 to \$428,586 (2018 - \$137,442 to \$428,586), bearing interest rates that range from prime less 0.50% to fixed rates of 5.50% (2018 - prime less 0.50% to fixed rates of 5.50%), maturing from March 2021 to August 2032 (2018 - maturing from March 2021 to August 2032). Long-term debt is subject to certain financial covenants with respect to annual audited statements to be provided to the bank 120 days after year end. The City is not compliant with this requirement.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2020	4,465,069	673,605	5,138,674	5,120,433
2021	3,698,242	550,174	4,248,416	5,138,674
2022	3,505,417	450,661	3,956,078	4,248,416
2023	2,940,630	353,706	3,294,336	3,956,078
2024	1,715,921	283,942	1,999,863	3,294,336
Thereafter	7,379,540	823,391	8,202,931	10,202,793
Balance	23,704,819	3,135,479	26,840,298	31,960,730

11. Lease Obligations

Lease obligations are repayable in monthly instalments ranging from \$2,852 to \$9,651 (2018 - \$2,852 to \$18,504), bearing interest ranging from 1.63% to 4.67% (2018 - 2.72% to 5.72%), maturing from July 2021 to November 2023 (2018 - June 2019 to June 2023).

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2020	446,192
2021	414,613
2022	290,756
2023	144,490
2024	-
Thereafter	-
Total future minimum lease payments	1,296,051
Amounts representing interest at a weighted average rate of 2.72%	(85,863)
Capital Lease Liability	1,210,188

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2019

12. Other Non-financial Assets	2019	2018
Patronage equity	85,190	82,394

13. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

In the ordinary course of business, various claims and lawsuit are brought against the City. It is the opinion of management that settlement of these actions will not resulting in material liabilities beyond any amounts already accrued.

14. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2019 was \$2,101,066 (2018 - \$1,957,592). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

15. Comparative Figures

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

16. Guarantees

As part of an agreement with the Estevan TS&M Woodlawn Golf Course, the City has a residual value guarantee on the mortgage of the land and buildings of the golf course. The maximum amount payable under the guarantee is \$500,000 (2018 - \$500,000).

As at December 31, 2019 no liability has been recorded associated with this guarantee.

17. Intergovernmental Transactions

Intergovernmental transactions were conducted in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	<u>2019</u>	<u>2018</u>
CAPITAL GRANTS		
Government of Saskatchewan		
GTF (Gas Tax Program)	1,387,773	675,399
Transit assistance	-	-
Saskatchewan infrastructure Growth	425,535	50,055
Total funding from Government of Saskatchewan	1,813,308	725,454
Other Governments		
RM of Estevan	70,000	70,000
Total Capital Grants	1,883,308	795,454
OPERATING GRANTS		
Unconditional		
Municipal Government Revenue Sharing	2,092,757	2,021,011
OPERATING GRANTS		
Conditional		
Government of Saskatchewan		
Transit assistance	75,300	75,086
Sask. Justice		
Funded Police Officers	330,000	330,000
Sask. Municipal Affairs		
Grants In Lieu	61,935	70,297
Total Conditional Operating Grants	467,235	475,383
Total Operating Grants	2,559,992	2,496,394

18. Subsequent events

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak will have an impact on the local economy and therefore could impact the timing of collection of receivables and a decline in recreation type revenues.

City of Estevan
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2019

Schedule 1

	2019 Budget	2019	2018
TAXES			
General municipal tax levy	16,789,133	16,704,948	16,776,561
Abatements and adjustments	(15,000)	(246,859)	(172,567)
Discount on current year taxes	(52,000)	(53,577)	(51,835)
Net Municipal Taxes	16,722,133	16,404,512	16,552,159
Trailer license fees	131,816	115,678	124,816
Penalties on tax arrears	125,000	291,524	397,451
Other (Interest)	-	69,886	70,648
Total Taxes	16,978,949	16,881,600	17,145,074
UNCONDITIONAL GRANTS			
Revenue Sharing	2,025,000	2,092,757	2,021,911
Total Unconditional Grants	2,025,000	2,092,757	2,021,911
GRANTS IN LIEU OF TAXES			
Federal	-	5,241	-
Provincial			
S.P.C. Electrical	250,000	29,714	230,699
SaskEnergy Gas	250,000	318,094	283,334
Local/Other			
Housing Authority	237,804	246,043	248,371
Other Government Transfers			
S.P.C. Surcharge	1,380,000	1,437,380	1,497,226
Total Grants in Lieu of Taxes	2,117,804	2,036,472	2,259,630
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	21,121,753	21,010,829	21,426,615

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 1

	2019 Budget	2019	2018
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	20,000	21,326	72,810
- Sales of supplies	30,000	36,063	28,758
- Other (fees & permits)	110,000	163,474	572,041
Total Fees and Charges	160,000	220,863	673,609
- Land sales - gain	-	4,925	5,425
- Investment income and commissions	20,000	140,241	82,453
- Other (Rentals)	82,500	85,326	120,782
Total Other Segmented Revenue	262,500	451,355	882,269
Conditional Grants			
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	262,500	451,355	882,269
Capital			
Conditional Grants			
- Federal Gas Tax	675,399	1,387,773	675,399
Total Capital	675,399	1,387,773	675,399
Total General Government Services	937,899	1,839,128	1,557,668

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other	422,103	634,285	557,116
Total Fees and Charges	422,103	634,285	557,116
- Tangible capital asset sales - loss	-	(8,499)	(6,524)
Total Other Segmented Revenue	422,103	625,786	550,592
Conditional Grants			
- Other (special constable)	330,000	330,000	330,000
- Other (court, violations, & enforcement)	233,500	287,906	234,601
Total Conditional Grants	563,500	617,906	564,601
Total Operating	985,603	1,243,692	1,115,193

Capital

Conditional Grants			
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	985,603	1,243,692	1,115,193

City of Estevan
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2019

Schedule 2 - 2

	2019 Budget	2019	2018
TRANSPORTATION SERVICES			
Operating			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain	-	6,650	90,003
Total Operating	-	6,650	90,003
Capital			
Conditional Grants	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Transportation Services	-	6,650	90,003

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	904,666	1,053,221	911,132
- Other (Cemetery fees)	25,000	35,012	30,156
Total Fees and Charges	929,666	1,088,233	941,288
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (cemetery donations)	1,000	-	25,530
Total Other Segmented Revenue	930,666	1,088,233	966,818
Conditional Grants			
- TAPD	75,686	75,300	75,086
Total Conditional Grants	75,686	75,300	75,086
Total Operating	1,006,352	1,163,533	1,041,904
Capital			
Conditional Grants			
- TAPD	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	1,006,352	1,163,533	1,041,904

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 3

	2019 Budget	2019	2018
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	63,500	15,100	29,121
Total Fees and Charges	63,500	15,100	29,121
- Tangible capital asset sale - gain	-	790,000	-
Total Other Segmented Revenue	63,500	805,100	29,121
Total Operating	63,500	805,100	29,121
Total Planning and Development Services	63,500	805,100	29,121

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	1,294,337	1,731,469	1,964,408
Total Fees and Charges	1,294,337	1,731,469	1,964,408
- Tangible capital asset sales - gain (loss)	5,000	(16,772)	(15,227)
Total Other Segmented Revenue	1,299,337	1,714,697	1,949,181
Conditional Grants			
- Other (Donations)	305,000	236,310	313,834
- Other (animal licenses)	5,000	3,115	6,362
- Other (provincial agencies)	209,610	208,178	216,011
Total Conditional Grants	519,610	447,603	536,207
Total Operating	1,818,947	2,162,300	2,485,388
Capital			
Conditional Grants			
- Local government	70,000	70,000	70,000
Total Capital	70,000	70,000	70,000
Total Recreation and Cultural Services	1,888,947	2,232,300	2,555,388

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 4

	2019 Budget	2019	2018
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	3,801,500	3,720,845	3,479,302
- Sewer	2,971,000	2,605,229	2,706,455
Total Operating	6,772,500	6,326,074	6,185,757
Capital			
Conditional Grants			
- Other (Provincial & federal water & sewer grant)	2,000,000	3,736,826	386,339
Total Capital	2,000,000	3,736,826	386,339
Total Utility Services	8,772,500	10,062,900	6,572,096
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	13,654,801	17,353,303	12,961,373

SUMMARY

Total Other Segmented Revenue	9,750,606	11,017,895	10,653,741
Total Conditional Grants	1,158,796	1,140,809	1,175,894
Total Capital Grants and Contributions	2,745,399	5,194,599	1,131,738
TOTAL REVENUE BY FUNCTION	13,654,801	17,353,303	12,961,373

City of Estevan

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 1

	2019 Budget	2019	2018
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	211,804	213,640	176,236
Wages and benefits	1,641,298	1,501,319	1,511,740
Professional/Contractual services	921,499	930,522	896,368
Utilities	142,540	145,983	130,614
Maintenance, materials and supplies	407,159	358,674	359,447
Grants and contributions - operating	1,023,382	1,017,705	1,078,651
Amortization	407,000	446,736	407,321
Interest	40,000	909,324	1,007,900
Other	311,151	672,354	181,322
Total General Government Services	5,105,833	6,196,257	5,749,599

PROTECTIVE SERVICES

Police protection

Wages and benefits	4,204,832	4,172,743	4,012,922
Professional/Contractual services	551,544	276,841	362,817
Utilities	30,000	24,559	25,530
Maintenance, material and supplies	473,800	523,250	411,813

Fire protection

Wages and benefits	436,852	425,367	423,216
Professional/Contractual services	73,100	47,098	39,939
Utilities	35,000	34,235	36,263
Maintenance, material and supplies	363,729	222,225	195,272
Amortization	330,000	328,993	329,215

Total Protective Services	6,498,857	6,055,311	5,836,987
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TRANSPORTATION SERVICES

Wages and benefits	1,726,660	1,580,886	1,650,754
Professional/Contractual Services	559,554	555,850	691,432
Utilities	376,676	384,081	356,633
Maintenance, materials, and supplies	1,234,589	1,262,301	977,287
Amortization	2,119,000	2,128,983	2,118,999

Total Transportation Services	6,016,479	5,912,101	5,795,105
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City of Estevan

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 2

	2019 Budget	2019	2018
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	114,885	75,433	153,303
Professional/Contractual services	611,779	637,838	842,793
Utilities	6,500	9,433	10,578
Maintenance, materials and supplies	22,500	12,013	72,895
Amortization	157,000	153,833	157,320
Total Environmental and Public Health Services	912,664	888,550	1,236,889
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	207,589	197,222	202,912
Professional/Contractual Services	73,462	119,014	36,604
Amortization	69,000	68,690	68,515
Other	1,920	1,718	2,027
Total Planning and Development Services	351,971	386,644	310,058
RECREATION AND CULTURAL SERVICES			
Wages and benefits	3,394,416	3,564,977	3,315,346
Professional/Contractual services	805,916	721,866	639,282
Utilities	658,100	647,244	724,735
Maintenance, materials and supplies	1,000,050	1,059,135	1,556,857
Grants and contributions - operating	78,000	85,386	76,837
Amortization	708,000	749,265	707,669
Other	133,647	429,965	537,626
Total Recreation and Cultural Services	6,778,129	7,257,838	7,558,352

City of Estevan
Total Expenses by Function
As at December 31, 2019

Schedule 3 - 3

	2019 Budget	2019	2018
UTILITY SERVICES			
Wages and benefits	1,450,003	1,284,833	1,401,350
Professional/Contractual services	436,500	470,769	394,493
Utilities	303,720	261,452	299,219
Maintenance, materials and supplies	920,600	741,567	595,908
Amortization	1,910,000	2,082,108	1,909,977
Total Utility Services	5,020,823	4,840,729	4,600,947
TOTAL EXPENSES BY FUNCTION	30,684,756	31,537,430	31,087,937

City of Estevan
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2019

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	220,863	634,285	-	1,088,233	15,100	1,731,469	6,326,074	10,016,024
Tangible Capital Asset Sales - (Loss) Gain	-	(8,499)	6,650	-	-	(16,772)	-	(18,621)
Land Sales - Gain	4,925	-	-	-	790,000	-	-	794,925
Investment Income and Commissions	140,241	-	-	-	-	-	-	140,241
Other Revenues	85,326	-	-	-	-	-	-	85,326
Grants - Conditional	-	617,906	-	75,300	-	447,603	-	1,140,809
- Capital	1,387,773	-	-	-	-	70,000	3,736,826	5,194,599
Total Revenues	1,839,128	1,243,692	6,650	1,163,533	805,100	2,232,300	10,062,900	17,353,303
Expenses (Schedule 3)								
Wages & Benefits	1,714,959	4,598,110	1,580,886	75,433	197,222	3,564,977	1,284,833	13,016,420
Professional/ Contractual Services	930,522	323,939	555,850	637,838	119,014	721,866	470,769	3,759,798
Utilities	145,983	58,794	384,081	9,433	-	647,244	261,452	1,506,987
Maintenance Materials and Supplies	358,674	745,475	1,262,301	12,013	-	1,059,135	741,567	4,179,165
Grants and Contributions	1,017,705	-	-	-	-	85,386	-	1,103,091
Amortization	446,736	328,993	2,128,983	153,833	68,690	749,265	2,082,108	5,958,608
Interest	909,324	-	-	-	-	-	-	909,324
Other	672,354	-	-	-	1,718	429,965	-	1,104,037
Total Expenses	6,196,257	6,055,311	5,912,101	888,550	386,644	7,257,838	4,840,729	31,537,430
Surplus (Deficit) by Function	(4,357,129)	(4,811,619)	(5,905,451)	274,983	418,456	(5,025,538)	5,222,171	(14,184,127)
Taxes and other unconditional revenue (Schedule 1)								21,010,829
Net Surplus								6,826,702

City of Estevan
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2018

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	673,609	557,116	-	941,288	29,121	1,964,408	6,185,757	10,351,299
Tangible Capital Asset Sales - (Loss) Gain	-	(6,524)	90,003	-	-	(15,227)	-	68,252
Land Sales - Gain	5,425	-	-	-	-	-	-	5,425
Investment Income and Commissions	82,453	-	-	-	-	-	-	82,453
Other Revenues	120,782	-	-	25,530	-	-	-	146,312
Grants - Conditional	-	564,601	-	75,086	-	536,207	-	1,175,894
- Capital	675,399	-	-	-	-	70,000	386,339	1,131,738
Total Revenues	1,557,668	1,115,193	90,003	1,041,904	29,121	2,555,388	6,572,096	12,961,373
Expenses (Schedule 3)								
Wages & Benefits	1,687,976	4,436,138	1,650,754	153,303	202,912	3,315,346	1,401,350	12,847,779
Professional/ Contractual Services	896,368	402,756	691,432	842,793	36,604	639,282	394,493	3,903,728
Utilities	130,614	61,793	356,633	10,578	-	724,735	299,219	1,583,572
Maintenance Materials and Supplies	359,447	607,085	977,287	72,895	-	1,556,857	595,908	4,169,479
Grants and Contributions	1,078,651	-	-	-	-	76,837	-	1,155,488
Amortization	407,321	329,215	2,118,999	157,320	68,515	707,669	1,909,977	5,699,016
Interest	1,007,900	-	-	-	-	-	-	1,007,900
Other	181,322	-	-	-	2,027	537,626	-	720,975
Total Expenses	5,749,599	5,836,987	5,795,105	1,236,889	310,058	7,558,352	4,600,947	31,087,937
Surplus (Deficit) by Function	(4,191,931)	(4,721,794)	(5,705,102)	(194,985)	(280,937)	(5,002,964)	1,971,149	(18,126,564)
Taxes and other unconditional revenue (Schedule 1)								21,426,615
Net Surplus								3,300,051

City of Estevan
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2019

Schedule 6

		2019					2018		
		General Assets					Infrastructure Assets		
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Total	Total
Assets	Asset cost								
	Opening Asset costs	1,279,314	10,448,863	55,849,645	5,220,683	13,129,748	139,703,380	225,631,633	222,411,046
	Additions during the year	200,411	531,763	1,254,198	230,648	868,144	7,929,715	11,014,879	4,366,393
	Disposals and write-downs during the year	-	-	(62,723)	(54,350)	(50,400)	-	(167,473)	(1,145,806)
	Closing Asset Costs	1,479,725	10,980,626	57,041,120	5,396,981	13,947,492	147,633,095	236,479,039	225,631,633
Amortization	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs	-	2,663,393	17,461,742	2,749,111	9,990,105	81,830,415	114,694,766	109,971,606
	Add: Amortization taken	-	420,859	1,002,204	344,836	611,353	3,579,356	5,958,608	5,699,016
	Less: Accumulated amortization on disposals	-	-	(6,272)	(28,558)	(46,770)	-	(81,600)	(975,856)
	Closing Accumulated Amortization	-	3,084,252	18,457,674	3,065,389	10,554,688	85,409,771	120,571,774	114,694,766
	Net Book Value	1,479,725	7,896,374	38,583,446	2,331,592	3,392,804	62,223,324	115,907,265	110,936,867

Included in capital assets are fully amortized assets with a cost of \$38,921,217 (2018 - \$35,938,814), accumulated amortization of \$21,348,661 (2018 - \$18,366,258), and a residual value of \$17,572,556 (2018 - \$17,572,556).

Included in capital assets are leased assets with a NBV of \$2,276,467 (2018 - \$1,854,519).

Included in capital assets are contributed assets of \$nil (2018 - \$30,000).

City of Estevan
Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2019

Schedule 7

		2019							2018	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	10,761,466	7,131,201	89,415,809	2,146,783	2,630,357	42,002,168	71,543,849	225,631,633	222,411,046
	Additions during the year	268,227	255,287	626,614	531,990	3,500	1,112,116	8,217,145	11,014,879	4,366,393
	Disposals and write-downs during the year	-	(23,950)	(30,400)	-	-	(113,123)	-	(167,473)	(1,145,806)
	Closing Asset Costs	11,029,693	7,362,538	90,012,023	2,678,773	2,633,857	43,001,161	79,760,994	236,479,039	225,631,633
Amortization	Accumulated									
	Opening Accumulated Amortization Costs	1,956,739	2,835,600	62,111,105	1,255,976	291,353	11,375,703	34,868,290	114,694,766	109,971,606
	Add: Amortization taken	446,736	328,993	2,128,983	153,833	68,690	749,265	2,082,108	5,958,608	5,699,016
	Less: Accumulated amortization on disposals	-	(1,198)	(27,360)	-	-	(53,042)	-	(81,600)	(975,856)
	Closing Accumulated Amortization Costs	2,403,475	3,163,395	64,212,728	1,409,809	360,043	12,071,926	36,950,398	120,571,774	114,694,766
	Net Book Value	8,626,218	4,199,143	25,799,295	1,268,964	2,273,814	30,929,235	42,810,596	115,907,265	110,936,867

City of Estevan
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2019

Schedule 8

	2018	Changes	2019
UNAPPROPRIATED SURPLUS	10,844,409	(2,260,268)	8,584,141
APPROPRIATED RESERVES			
Utility	287,260		287,260
Total Appropriated	287,260	-	287,260
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	110,936,867	4,970,398	115,907,265
Less: Related debt	(29,031,579)	4,116,572	(24,915,007)
Net Investment in Tangible Capital Assets	81,905,288	9,086,970	90,992,258
Total Accumulated Surplus	93,036,957	6,826,702	99,863,659

City of Estevan
 Schedule of Mill Rates and Assessments
 As at December 31, 2019

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	321,150	838,077,200	208,266,440		509,037,600		1,555,702,390
Regional Park Assessment							
Total Assessment							1,555,702,390
Mill Rate Factor(s)	0.8500	0.8000	0.8000; 0.9000	-	1.3300; 1.45000; 2.5000; 3.000		
Total Base/Minimum Tax (generated for each property class)	-	1,400	-	-	1,400		2,800
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,965	7,331,856	1,873,301	-	7,496,826		16,704,948

MILL RATES:	MILLS
Average Municipal*	10.74
Average School*	4.82
Uniform Municipal Mill Rate	10.32

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

City of Estevan
Schedule of Council Remuneration
As at December 31, 2019

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Ludwig, Roy	52,081	7,706	59,788
Councillor	Frank, Travis	17,176	4,615	21,790
Councillor	Hoffort, Greg	17,176	620	17,796
Councillor	Knibbs, Trevor	17,176	920	18,096
Councillor	Moore, Dennis	17,176	2,681	19,856
Councillor	Veroba, Shelley	17,176	4,672	21,848
Councillor	Yanish, Lyle	17,176	1,500	18,676
Total		155,135	22,714	177,849