

VILLAGE OF BROWNLEE
Financial Statements
December 31, 2020

INDEX

Pages 1- 2	Independent Auditors' Report
Page 3	Statement of Financial Position
Page 4	Statement of Operations
Page 5	Statement of Changes in Net Financial Assets
Page 6	Statement of Cash Flows
Pages 7 - 14	Notes to the Financial Statements
Page 15	Schedule of Taxes and Other Unconditional Revenue
Pages 16 - 19	Schedule of Operating and Capital Revenue by Function
Pages 20 - 22	Schedule of Total Expenses by Function
Pages 23 - 24	Schedule of Segment Disclosure by Function
Page 25	Schedule of Tangible Capital Assets by Object
Page 26	Schedule of Tangible Capital Assets by Function
Page 27	Schedule of Accumulated Surplus
Page 28	Schedule of Mill Rates and Assessments
Page 29	Schedule of Council Remuneration

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting policies 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 financial statements.

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

Dudley & Company LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.

Beverly Swanson

Council

Deanne Jacklin

Administration

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors
Village of Brownlee

Opinion

We have audited the financial statements of the **VILLAGE OF BROWNLEE**, which comprise the statement of financial position as at December 31, 2020 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **VILLAGE OF BROWNLEE** as at December 31, 2020 and its financial performance 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

In preparing the financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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.

Auditors' Report continued

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 over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
December 21, 2022

VILLAGE OF BROWNLEE
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
ASSETS		
Financial Assets		
Cash & Temporary Investments (Note 2)	\$ 221,063	\$ 162,544
Taxes Receivable - Municipal (Note 3)	19,451	38,613
Other Accounts Receivable (Note 4)	24,788	28,132
Land for Resale (Note 5)	600	600
SARM	-	-
Other	-	-
Total Financial Assets	265,902	229,889
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 6)	28,059	21,646
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs (Note 7)	47,819	31,563
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 8)	-	-
Lease Obligations	-	-
Other Liabilities	-	-
Total Liabilities	75,878	53,209
NET FINANCIAL ASSETS	190,024	176,680
Tangible Capital Assets (Schedules 6, 7)	30,468	35,540
Prepayment and Deferred Charges	4,346	4,330
Stock and Supplies	-	-
Other	-	-
Total Non-Financial Assets	34,814	39,870
Accumulated Surplus (Deficit) (Schedule 8)	\$ 224,838	\$ 216,550

The accompanying notes form an integral part of these financial statements.

VILLAGE OF BROWNLEE
Statement of Operations
For the year ended December 31, 2020

Statement 2

		2020 Budget	2020	2019
Revenues				
Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 64,121	\$ 72,708	\$ 57,359
Fees and Charges	(Schedule 4, 5)	20,988	25,749	21,629
Conditional Grants	(Schedule 4, 5)	-	7,905	-
Tangible Capital Assets Sales - Gain	(Schedule 4, 5)	-	-	-
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	-	1,133	1,299
Other Revenues	(Schedule 4, 5)	-	-	-
Total Revenues		85,109	107,495	80,287

Expenses

General Government Services	(Schedule 3)	57,802	64,798	44,849
Protective Services	(Schedule 3)	3,338	3,099	6,448
Transportation Services	(Schedule 3)	8,190	9,463	10,311
Environmental and Public Health Services	(Schedule 3)	7,700	22,614	19,295
Planning and Development Services	(Schedule 3)	-	-	-
Recreation and Cultural Services	(Schedule 3)	803	803	803
Utility Services	(Schedule 3)	7,276	9,665	12,018
Total Expenses		85,109	110,442	93,724
Surplus (Deficit) before Other Capital Contributions		-	(2,947)	(13,437)
Other Capital Contributions (Schedule 4, 5)		3,245	11,235	-
Surplus (Deficit) of Revenues over Expenses		3,245	8,288	(13,437)
Accumulated Surplus (Deficit), Beginning of Year		216,550	216,550	229,987
Accumulated Surplus (Deficit), End of Year		\$ 219,795	\$ 224,838	\$ 216,550

The accompanying notes form an integral part of these financial statements.

VILLAGE OF BROWNLEE
Statement of Changes in Net Financial Assets
For the year ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	\$ 3,245	\$ 8,288	\$ (13,437)
(Acquisition) of tangible capital assets	-	-	-
Amortization of tangible capital assets	-	5,072	5,428
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	5,072	5,428
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(16)	-
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	-	1,394
Surplus (Deficit) of other non-financial expenses over expenditures	-	(16)	1,394
Increase/Decrease in Net Financial Assets	3,245	13,344	(6,615)
Net Financial Assets - Beginning of Year	176,680	176,680	183,295
Net Financial Assets - End of Year	\$ 179,925	\$ 190,024	\$ 176,680

The accompanying notes form an integral part of these financial statements.

VILLAGE OF BROWNLEE
Statement of Cash Flows
For the year ended December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 8,288	\$ (13,437)
Amortization	5,072	5,428
Loss (gain) on disposal of tangible capital assets	-	-
	13,360	(8,009)
Changes in assets / liabilities		
Taxes Receivable - Municipal	19,162	(17,231)
Other Receivables	3,344	(16,414)
Land for Resale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	6,413	(2,886)
Deposits	-	-
Deferred Revenue	-	-
Other Liabilities	-	-
Accrued Landfill Costs	16,256	15,938
Liability for Contaminated Sites	-	-
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	(16)	1,394
Other	-	-
Net cash from (used for) operations	58,519	(27,208)
Capital:		
Acquisition of Capital Assets	-	-
Proceeds from the Disposal of Capital Assets	-	-
Other Capital	-	-
Net cash from (used for) capital	-	-
Investing:		
Long-Term Investments	-	-
Other Investments	-	-
Net cash from (used for) investing	-	-
Financing:		
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	-	-
Other Financing	-	-
Net cash from (used for) financing	-	-
Increase (Decrease) in cash resources	58,519	(27,208)
Cash and Temporary Investments - Beginning of Year	162,544	189,752
Cash and Temporary Investments - End of Year	\$ 221,063	\$ 162,544

The accompanying notes form an integral part of these financial statements.

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of Accounting:

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

(a) Reporting Entity:

The financial statements report 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.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school board are collected and remitted in accordance with relevant legislation.

(c) Government Transfers:

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

- 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.

(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) 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.

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

(f) 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.

(g) 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.

(h) 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 from other taxing authorities operate as a flow through and are excluded from municipal revenue.

(i) Investments:

Portfolio investments are valued at cost, less any provision 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.

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

(j) Tangible Capital Assets:

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

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

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

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

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. 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 lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(k) Landfill Liability:

The municipality of **VILLAGE OF BROWNLEE** maintains a waste disposal site that is an operating landfill. The annual provision is reported as an expense and the accumulated provision is reported on the statement of financial position.

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

(l) 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 revenues and expenses during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets Costs" of tangible capital assets have been estimated where actual costs were not available.

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

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

(m) 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: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment is comprised of expenses for police and fire protection.

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 items relating to public health services in the municipality.

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 delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(n) Budget Information:

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on July 28, 2020.

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

(o) New Accounting Standards:

Future Accounting Standards:

Effective for Fiscal Years Beginning On or After April 1, 2022:

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

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

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

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instruments 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 from financial instruments and clarification is given for the de-recognition of financial liabilities.

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

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

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

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

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

2. Cash and Temporary Investments	2020	2019
Cash	\$ 84,119	\$ 26,039
Temporary investments	136,944	136,505
Total Cash and Temporary Investments	\$ 221,063	\$ 162,544

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

3. Taxes Receivable	2020	2019
Municipal - Current	\$ 12,413	\$ 21,433
- Arrears	26,522	33,522
	38,935	54,955
- Less Allowance for Uncollectables	(19,484)	(16,342)
Total Municipal Taxes Receivable	19,451	38,613
School - Current	1,456	4,739
- Arrears	4,601	5,103
Total School Taxes Receivable	6,057	9,842
Other	-	-
Total Taxes Receivable	25,508	48,455
Deduct taxes to be collected on behalf of other organizations	(6,057)	(9,842)
Total Taxes Receivable - Municipal	\$ 19,451	\$ 38,613

4. Other Accounts Receivable	2020	2019
Trade receivables	\$ 510	\$ 500
Provincial government	5,561	5,182
GST receivable	5,173	5,800
Utility accounts receivable	13,163	15,987
Accrued interest	381	663
Total Other Accounts Receivable	24,788	28,132
Less Allowance for Uncollectables	-	-
Net Other Accounts Receivable	\$ 24,788	\$ 28,132

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

5. Land for Resale	2020	2019
Tax title property (municipal share)	\$ 2,646	\$ 2,646
Allowance for market value adjustment	(2,646)	(2,646)
Net Tax Title Property	-	-
Other land for resale	600	600
Allowance for market value adjustment	-	-
Net Other Land	600	600
Total Land for Resale	\$ 600	\$ 600

6. Accounts Payable	2020	2019
Trade payables	\$ 27,798	\$ 21,385
Payroll source deductions payable	261	261
Total Accounts Payable	\$ 28,059	\$ 21,646

7. Environmental Liability - Accrued Landfill Costs	2020	2019
Accrued Landfill Costs	\$ 47,819	\$ 31,563

In 2020, the municipality has accrued a liability for landfill closure and post-closure care expenses in the amount of \$47,819 (2019 - \$31,563) which represents management's best estimate of this liability. 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, 2020 based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenses 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. 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.

8. Long-Term Debt

a) The debt limit of the municipality is \$57,873. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act Section 161(1)).

9. 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 2020 was \$1,973 (2019 - \$598). 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.

VILLAGE OF BROWNLEE
Notes to the Financial Statements
For the year ended December 31, 2020

10. Related Parties

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

11. Fair Value

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature.

12. Interest Rate Risk

The village is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity.

13. Credit Risk

The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

14. COVID-19 Pandemic

The COVID-19 pandemic is complex and continues to evolve. It has caused material disruption to businesses and has resulted in an economic slowdown. The municipality continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the municipality's financial position and operations.

VILLAGE OF BROWNLEE
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	\$ 44,994	\$ 44,994	\$ 35,684
Abatements and adjustments	-	(241)	-
Discount on current year taxes	(800)	(1,345)	(739)
Net Municipal Taxes	44,194	43,408	34,945
Potash tax share	-	-	-
Trailer license fees	-	-	-
Tax enforcement and penalties on tax arrears	-	6,112	3,669
Special tax levy	-	-	-
Other -	-	-	-
Total Taxes	44,194	49,520	38,614
UNCONDITIONAL GRANTS			
Revenue Sharing	14,477	14,477	13,247
Organized Hamlet	-	-	-
Other - Safe restart	-	3,281	-
Total Unconditional Grants	14,477	17,758	13,247
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other -	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	3,700	3,716	3,759
SaskEnergy Surcharge	1,750	1,714	1,739
Other -	-	-	-
Total Grants in Lieu of Taxes	5,450	5,430	5,498
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 64,121	\$ 72,708	\$ 57,359

VILLAGE OF BROWNLEE
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2-1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ -	\$ -	\$ -
- Sales of supplies	-	-	-
- Other - Licences and permits	-	250	12
Total Fees and Charges	-	250	12
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	-	1,133	1,299
- Other -	-	-	-
Total Other Segmented Revenue	-	1,383	1,311
Conditional Grants			
- Student Employment	-	-	-
- Other - Provincial small business grant	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	1,383	1,311
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total General Government Services	\$ -	\$ 1,383	\$ 1,311

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other -	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-

Capital

Conditional Grants			
- Federal Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Protective Services	\$ -	\$ -	\$ -

VILLAGE OF BROWNLEE
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2-2

	2020 Budget	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 700	\$ 2,936	\$ -
- Sales of supplies	-	-	-
- Road maintenance, restoration agreements	-	-	-
- Frontage	-	-	-
- Other - Rentals	-	-	-
Total Fees and Charges	700	2,936	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	700	2,936	-
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other - MEEP	-	7,905	-
Total Conditional Grants	-	7,905	-
Total Operating	700	10,841	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	3,245	11,235	-
- MREP (CTP)	-	-	-
- MREP (Heavy Haul)	-	-	-
- MREP (Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	3,245	11,235	-
Total Transportation Services	\$ 3,945	\$ 22,076	\$ -

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 2,828	\$ 3,068	\$ 3,067
- Other - Cemetery fees and donations	-	250	100
Total Fees and Charges	2,828	3,318	3,167
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	2,828	3,318	3,167
Conditional Grants			
- Recycling, Pest Control	-	-	-
- Local Government	-	-	-
- TAPD	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	2,828	3,318	3,167
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Local Government	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	\$ 2,828	\$ 3,318	\$ 3,167

VILLAGE OF BROWNLEE

Schedule of Operating and Capital Revenue by Function For the year ended December 31, 2020

Schedule 2-3

	2020 Budget	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ -	\$ -
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	\$ -	\$ -	\$ -

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Rink Affordability, Canada Day	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Community Initiative Fund	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	\$ -	\$ -	\$ -

VILLAGE OF BROWNLEE
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2-4

	2020 Budget	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 13,690	\$ 15,035	\$ 14,360
- Sewer	3,770	4,210	4,090
- Other -	-	-	-
Total Fees and Charges	17,460	19,245	18,450
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	17,460	19,245	18,450
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	17,460	19,245	18,450
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Utility Services	\$ 17,460	\$ 19,245	\$ 18,450

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 24,233	\$ 46,022	\$ 22,928
--	------------------	------------------	------------------

SUMMARY

Total Other Segmented Revenue	\$ 20,988	\$ 26,882	\$ 22,928
Total Conditional Grants	-	7,905	-
Total Capital Grants and Contributions	3,245	11,235	-

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 24,233	\$ 46,022	\$ 22,928
--	------------------	------------------	------------------

VILLAGE OF BROWNLEE
Schedule of Total Expenses by Function
For the year ended December 31, 2020

Schedule 3-1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 1,080	\$ 480	\$ 270
Wages and benefits	28,638	25,821	12,926
Professional/Contractual services	22,585	27,825	22,560
Utilities	4,315	4,416	3,899
Maintenance, materials, and supplies	1,184	1,392	1,433
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	1,589	1,385
Interest	-	-	145
Allowance for uncollectables	-	3,275	2,231
Other -	-	-	-
Total General Government Services	\$ 57,802	\$ 64,798	\$ 44,849

PROTECTIVE SERVICES

Police Protection

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	2,650	2,649	2,557
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-

Fire Protection

Wages and benefits	-	-	-
Professional/Contractual services	138	-	141
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	550	450	3,750
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-

Total Protective Services	\$ 3,338	\$ 3,099	\$ 6,448
----------------------------------	-----------------	-----------------	-----------------

TRANSPORTATION SERVICES

Wages and benefits	\$ 2,250	\$ 1,908	\$ 1,935
Council remuneration and travel	-	-	-
Professional/Contractual services	1,000	2,847	1,210
Utilities	2,495	2,455	3,010
Maintenance, materials, and supplies	2,445	594	2,037
Gravel	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	1,659	2,119
Interest	-	-	-
Other -	-	-	-

Total Transportation Services	\$ 8,190	\$ 9,463	\$ 10,311
--------------------------------------	-----------------	-----------------	------------------

VILLAGE OF BROWNLEE
Schedule of Total Expenses by Function
For the year ended December 31, 2020

Schedule 3-2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	7,700	5,707	2,620
Utilities	-	-	-
Maintenance, materials, and supplies	-	310	396
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	-	341	341
Interest	-	-	-
Other - Accrued landfill and/or contaminated sites costs	-	16,256	15,938
Total Environmental and Public Health Services	\$ 7,700	\$ 22,614	\$ 19,295

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-
Total Planning and Development Services	\$ -	\$ -	\$ -

RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	803	803	803
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Recreation and Cultural Services	\$ 803	\$ 803	\$ 803

VILLAGE OF BROWNLEE
Schedule of Total Expenses by Function
For the year ended December 31, 2020

Schedule 3-3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits	\$ 3,816	\$ 3,816	\$ 3,911
Professional/Contractual services	560	468	679
Utilities	2,100	2,275	5,038
Maintenance, materials, and supplies	800	1,624	808
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	1,482	1,582
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	\$ 7,276	\$ 9,665	\$ 12,018
 TOTAL EXPENSES BY FUNCTION			
	\$ 85,109	\$ 110,442	\$ 93,724

VILLAGE OF BROWNLEE
Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 250	\$ -	\$ 2,936	\$ 3,318	\$ -	\$ -	\$ 19,245	\$ 25,749
Investment Income and Commissions	1,133	-	-	-	-	-	-	1,133
Grants - Conditional	-	-	7,905	-	-	-	-	7,905
- Capital	-	-	11,235	-	-	-	-	11,235
Total Revenues	1,383	-	22,076	3,318	-	-	19,245	46,022
Expenses (Schedule 3)								
Wages and Benefits	26,301	-	1,908	-	-	-	3,816	32,025
Professional/Contractual Services	27,825	2,649	2,847	5,707	-	803	468	40,299
Utilities	4,416	-	2,455	-	-	-	2,275	9,146
Maintenance, Materials, and Supplies	1,392	-	594	310	-	-	1,624	3,920
Grants and Contributions	-	450	-	-	-	-	-	450
Amortization	1,589	-	1,659	341	-	-	1,482	5,071
Allowance for Uncollectables	3,275	-	-	-	-	-	-	3,275
Other	-	-	-	16,256	-	-	-	16,256
Total Expenses	64,798	3,099	9,463	22,614	-	803	9,665	110,442
Surplus (Deficit) by Function	\$ (63,415)	\$ (3,099)	\$ 12,613	\$ (19,296)	\$ -	\$ (803)	\$ 9,580	\$ (64,420)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 72,708

Net Surplus (Deficit)

\$ 8,288

VILLAGE OF BROWNLEE
Schedule of Segment Disclosure by Function
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 12	\$ -	\$ -	\$ 3,167	\$ -	\$ -	\$ 18,450	\$ 21,629
Investment Income and Commissions	1,299	-	-	-	-	-	-	1,299
Total Revenues	1,311	-	-	3,167	-	-	18,450	22,928
Expenses (Schedule 3)								
Wages and Benefits	13,196	-	1,935	-	-	-	3,911	19,042
Professional/Contractual Services	22,560	2,698	1,210	2,620	-	803	679	30,570
Utilities	3,899	-	3,010	-	-	-	5,038	11,947
Maintenance, Materials, and Supplies	1,433	-	2,037	396	-	-	808	4,674
Grants and Contributions	-	3,750	-	-	-	-	-	3,750
Amortization	1,385	-	2,119	341	-	-	1,582	5,427
Interest	145	-	-	-	-	-	-	145
Allowance for Uncollectables	2,231	-	-	-	-	-	-	2,231
Other	-	-	-	15,938	-	-	-	15,938
Total Expenses	44,849	6,448	10,311	19,295	-	803	12,018	93,724
Surplus (Deficit) by Function	\$ (43,538)	\$ (6,448)	\$ (10,311)	\$ (16,128)	\$ -	\$ (803)	\$ 6,432	\$ (70,796)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 57,359

Net Surplus (Deficit)

\$ (13,437)

VILLAGE OF BROWNLEE
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2020

Schedule 6

2020						2019		
General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
\$ 2,500	\$ -	\$ 140,100	\$ -	\$ 62,716	\$ -	\$ -	\$ 205,316	\$ 205,316
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ 2,500	\$ -	\$ 140,100	\$ -	\$ 62,716	\$ -	\$ -	\$ 205,316	\$ 205,316
\$ -	\$ -	\$ 140,100	\$ -	\$ 29,676	\$ -	\$ -	\$ 169,776	\$ 164,348
-	-	-	-	5,072	-	-	5,072	5,428
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ 140,100	\$ -	\$ 34,748	\$ -	\$ -	\$ 174,848	\$ 169,776
\$ 2,500	\$ -	\$ -	\$ -	\$ 27,968	\$ -	\$ -	\$ 30,468	\$ 35,540

1. Total contributed/donated assets received in 2020: \$ -
2. List of assets recognized at nominal value in 2020 are:
 - Infrastructure assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2020: \$ -

VILLAGE OF BROWNLEE
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2020

Schedule 7

	2020								2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Costs	\$ 47,394	\$ -	\$ 28,187	\$ 5,914	\$ -	\$ 76,000	\$ 47,821	\$ 205,316	\$ 205,316
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ 47,394	\$ -	\$ 28,187	\$ 5,914	\$ -	\$ 76,000	\$ 47,821	\$ 205,316	\$ 205,316
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ 32,885	\$ -	\$ 17,637	\$ 2,390	\$ -	\$ 76,000	\$ 40,864	\$ 169,776	\$ 164,348
Add: Amortization taken	1,590	-	1,659	341	-	-	1,482	5,072	5,428
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization	\$ 34,475	\$ -	\$ 19,296	\$ 2,731	\$ -	\$ 76,000	\$ 42,346	\$ 174,848	\$ 169,776
Net Book Value	\$ 12,919	\$ -	\$ 8,891	\$ 3,183	\$ -	\$ -	\$ 5,475	\$ 30,468	\$ 35,540

VILLAGE OF BROWNLEE
Schedule of Accumulated Surplus
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 177,460	\$ 13,320	\$ 190,780
APPROPRIATED RESERVES			
Capital Reserve	2,215	-	2,215
Cemetery Reserve	1,000	40	1,040
General Reserve	335	-	335
Total Appropriated	3,550	40	3,590
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	35,540	(5,072)	30,468
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	35,540	(5,072)	30,468
OTHER	-	-	-
Total Accumulated Surplus	\$ 216,550	\$ 8,288	\$ 224,838

VILLAGE OF BROWNLEE
Schedule of Mill Rates and Assessments
For the year ended December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 281,315	\$ 1,329,520	\$ -	\$ -	\$ 732,800	\$ -	\$ 2,343,635
Regional Park Assessment							-
Total Assessment							2,343,635
Mill Rate Factor(s)	0.780	0.920	-	-	1.170		
Total Minimum Tax	100	3,250	-	-	700		4,050
Total Municipal Tax Levy	\$ 4,041	\$ 24,985	\$ -	\$ -	\$ 15,968		\$ 44,994

MILL RATES:	MILLS
Average Municipal*	19.198
Average School*	4.469
Potash Mill Rate	-
Uniform Municipal Mill Rate	18.000

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

VILLAGE OF BROWNLEE
Schedule of Council Remuneration
For the year ended December 31, 2020

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Sacha Elez	\$ 120	\$ -	\$ 120
Kim McCallum	180	-	180
Janet Howard	150	-	150
Beverly Swanson	30	-	30
Total	\$ 480	\$ -	\$ 480