

**NORTHERN VILLAGE OF DENARE BEACH
INDEPENDENT AUDITOR'S REPORT
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Management's Responsibility

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

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

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

Fort Group Chartered Professional Accountants Inc. is an independent firm 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.



Councillor/Reeve/Mayor

(C.A. LENTOWICZ) MAYOR

June 23, 2011

**NORTHERN VILLAGE OF
DENARE BEACH**



CAO/Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of the Council of the Northern Village of Denare Beach:

Opinion

We have audited the accompanying consolidated financial statements of Northern Village of Denare Beach, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net financial assets, and cash flow for the year then ended, and the notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Northern Village of Denare Beach as at December 31, 2020, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization 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.

Other Matter

The consolidated financial statements for the year ended December 31, 2019, were audited by another auditor who expressed an unqualified opinion on those consolidated financial statements on June 24, 2020.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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 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.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (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 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 organization'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 organization'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization 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 representing the underlying transactions and events in a manner that achieved fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization 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.

Winnipeg, Manitoba
June 23, 2021

Fort Group
CHARTERED PROFESSIONAL
ACCOUNTANTS INC.



NORTHERN VILLAGE OF DENARE BEACH

DECEMBER 31, 2020

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Municipality of Northern Village of Denare Beach
 Consolidated Statement of Financial Position
 As at December 31, 2020

Statement 1

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 3,149,925	2,376,809
Taxes Receivable - Municipal (Note 3)	227,353	151,794
Other Accounts Receivable (Note 4)	115,573	93,841
Land for Resale (Note 5)	248,011	248,011
Long-Term Investments (Note 6)	353,712	362,193
Total Financial Assets	4,094,574	3,232,648
LIABILITIES		
Accounts Payable	46,355	44,892
Accrued Liabilities	9,569	10,096
Deposits	35,306	39,806
Deferred Revenue (Note 7)	4,120	4,120
Total Liabilities	95,350	98,914
NET FINANCIAL ASSETS	3,999,224	3,133,733
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	11,404,399	9,965,799
Prepayments and Deferred Charges	2,258	62,098
Stock and Supplies	56,407	32,202
Total Non-Financial Assets	11,463,064	10,060,099
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	\$ 15,462,288	13,193,832

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

Municipality of Northern Village of Denare Beach
 Consolidated Statement of Operations
 As at December 31, 2020

Statement 2

	2020 Budget	2020	2019
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,502,150	1,736,150	1,375,866
Fees and Charges (Schedule 4, 5)	353,410	340,891	362,826
Conditional Grants (Schedule 4, 5)	115,070	72,459	177,271
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	500	-
Land Sales - Gain (Schedule 4, 5)	16,530	11,857	(69,470)
Investment Income and Commissions (Schedule 4, 5)	60,100	35,400	60,105
Other Revenues (Schedule 4, 5)	16,910	11,567	21,612
Total Revenues	2,064,170	2,208,823	1,928,211
EXPENSES			
General Government Services (Schedule 3)	500,560	394,241	386,407
Protective Services (Schedule 3)	102,540	122,332	123,657
Transportation Services (Schedule 3)	516,350	521,361	607,131
Environmental and Public Health Services (Schedule 3)	155,590	159,272	150,865
Planning and Development Services (Schedule 3)	9,050	8,720	7,692
Recreation and Cultural Services (Schedule 3)	229,160	221,778	254,231
Utility Services (Schedule 3)	408,100	554,298	662,578
Total Expenses	1,921,350	1,982,002	2,192,562
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	142,820	226,821	(264,351)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	52,570	2,008,114	160,927
Surplus (Deficit) of Revenues over Expenses before Equity in Net Earnings	195,390	2,234,935	(103,424)
Equity in Net Earnings of Affiliate (Note 6)	-	33,521	(1,210)
Surplus (Deficit) of Revenues over Expenses	195,390	2,268,456	(104,634)
Accumulated Surplus, Beginning of Year	13,193,832	13,193,832	13,298,466
Accumulated Surplus, End of Year	\$ 13,389,222	15,462,288	13,193,832

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

Municipality of Northern Village of Denare Beach
 Consolidated Statement of Change in Net Financial Assets
 As at December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	\$ 195,390	2,268,456	(104,634)
(Acquisition) of tangible capital assets	-	(1,870,304)	(254,533)
Amortization of tangible capital assets	-	431,704	441,861
Proceeds on disposal of tangible capital assets	-	500	-
Loss (gain) on the disposal of tangible capital assets	-	(500)	-
Surplus (Deficit) of capital expenses over expenditures	-	(1,438,600)	187,328
(Acquisition) of supplies inventories	-	(56,407)	(32,202)
(Acquisition) of prepaid expense	-	(2,258)	(62,098)
Consumption of supplies inventory	-	32,202	32,201
Use of prepaid expense	-	62,098	48,428
Surplus (Deficit) of expenses of other non-financial over expenditures	-	35,635	(13,671)
Increase in Net Financial Assets	195,390	865,491	69,023
Net Financial Assets - Beginning of Year	3,133,733	3,133,733	3,064,710
Net Financial Assets - End of Year	\$ 3,329,123	3,999,224	3,133,733

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

Municipality of Northern Village of Denare Beach
 Consolidated Statement of Cash Flow
 As at December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 2,268,456	(104,634)
Amortization	431,704	441,861
Loss (gain) on disposal of tangible capital assets	(500)	-
	<u>2,699,660</u>	<u>337,227</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(75,559)	(6,769)
Other Receivables	(21,732)	29,878
Land for Resale	-	(2,880)
Accounts and Accrued Liabilities Payable	936	(18,196)
Deposits	(4,500)	(400)
Deferred Revenue	-	-
Stock and Supplies	(24,205)	-
Prepayments and Deferred Charges	59,840	(13,670)
Cash provided by operating transactions	2,634,440	325,190
Capital:		
Acquisition of capital assets	(1,870,304)	(254,533)
Proceeds from the disposal of capital assets	500	-
Cash applied to capital transactions	(1,869,804)	(254,533)
Investing:		
Long-term investment change	8,480	(24,966)
Change in Cash and Temporary Investments during the year	773,116	45,691
Cash and Temporary Investments - Beginning of Year	<u>2,376,809</u>	<u>2,331,118</u>
Cash and Temporary Investments - End of Year	\$ 3,149,925	2,376,809

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

Municipality of Northern Village of Denare Beach
Notes to the Consolidated Financial Statements
As at December 31, 2020

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
Northern Gateway Museum Board

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 hall and conservation and development authorities 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 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.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis.

1. Significant Accounting Policies - continued

- k) **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.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Infrastructure Assets	
Infrastructure Assets	
Water & Sewer	30 to 75 Yrs
Road Network Assets	30 to 75 Yrs

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

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

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

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. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- m) **Landfill Liability:** The municipality maintains a waste disposal site. The municipality is unable to estimate closure and post closure costs. No amount has been recorded as an asset or liability.
- n) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality.
- o) **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.
- p) **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

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

The measurement of materials and supplies are based on estimates of volume and quality.
The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.
Amortization is based on the estimated useful lives of tangible capital assets.

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

- r) **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.

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on March 25, 2020.

- t) **New Standards and Amendments to Standards:
Effective for Fiscal Years Beginning On or After April 1, 2022:**

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

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

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

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

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

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

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

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

Municipality of Northern Village of Denare Beach
Notes to the Consolidated Financial Statements
As at December 31, 2020

2. Cash and Temporary Investments

	<u>2020</u>	<u>2019</u>
Cash	\$ 3,149,925	2,376,809

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

3. Taxes Receivable - Municipal

	<u>2020</u>	<u>2019</u>
Municipal - Current	\$ 163,083	113,988
- Arrears	64,270	45,160
	227,353	159,148
- Less Allowance for Uncollectible	-	(7,354)
Total municipal taxes receivable	227,353	151,794
School - Current	23,668	19,949
Total taxes and grants in lieu receivable	<u>251,021</u>	<u>171,743</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(23,668)</u>	<u>(19,949)</u>
Total Taxes Receivable - Municipal	<u>\$ 227,353</u>	151,794

Municipality of Northern Village of Denare Beach
 Notes to the Consolidated Financial Statements
 As at December 31, 2020

4. Other Accounts Receivable

	2020	2019
Federal Government	\$ 9,523	11,207
Utility	87,440	61,608
Other (Specify)	18,610	21,026
Total Other Accounts Receivable	<u>115,573</u>	<u>93,841</u>
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	<u>\$ 115,573</u>	<u>93,841</u>

5. Land for Resale

	2020	2019
Total Land for Resale	<u>\$ 248,011</u>	<u>248,011</u>

6. Long-Term Investments

	2020	2019
Other (101304210 SK LTD)	<u>\$ 353,712</u>	<u>362,193</u>

The Long term investments of 101304210 SK Ltd. - Gas distribution company accounted for on the equity basis.

7. Deferred Revenue

	2020	2019
Total Deferred Revenue	<u>\$ 4,120</u>	<u>4,120</u>

8. Long-Term Debt

The debt limit of the municipality is \$908,680 (2019 - \$1,016,480). 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 \$43,558 (2019 - \$45,349). 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.

10. Commitments

The municipality has entered into contracts for various maintenance services. The future annual contract payments for the municipality are as follows:

2021	\$ 88,137
2022	90,557
2023	90,557
2024	85,717
2025	<u>27,766</u>
	<u>\$ 382,734</u>

11. Material Uncertainty due to COVID-19

The safety measures to combat COVID-19 (Coronavirus) and the government response continue to evolve and change quickly. It is management's opinion that the municipality has adequately adapted to the impact of this pandemic and will continue to maintain operations for the foreseeable future. While management will continue to monitor and evaluate the implications of the pandemic, it is difficult to predict the extent and duration this pandemic could have on the future finances and operations of the municipality.

Municipality of **Northern Village of Denare Beach**
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	\$ 514,190	537,599	513,856
Abatements and adjustments	-	-	(9,284)
Discount on current year taxes	-	(26,332)	(24,013)
Net Municipal Taxes	514,190	511,267	480,559
Penalties on tax arrears	10,360	12,948	10,363
Total Taxes	524,550	524,215	490,922
UNCONDITIONAL GRANTS			
Revenue Sharing	934,910	1,117,945	842,260
Total Unconditional Grants	934,910	1,117,945	842,260
GRANTS IN LIEU OF TAXES			
SaskTel	3,220	3,667	3,219
Other - COVID-19 Restart grant	-	48,499	-
Local/Other			
Treaty Land Entitlement	39,470	41,824	39,465
Total Grants in Lieu of Taxes	42,690	93,990	42,684
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE \$	1,502,150	1,736,150	1,375,866

Municipality of Northern Village of Denare Beach
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2020

Schedule 2 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sales of supplies	\$ 5,800	2,480	16,300
- Other - Permits, tax certificates, licenses etc.	2,090	3,537	3,074
Total Fees and Charges	7,890	6,017	19,374
- Land sales - gain	16,530	11,857	(69,470)
- Investment income and commissions	60,100	35,400	60,105
- Other - Land lease, rentals	12,410	4,417	12,412
Total Other Segmented Revenue	96,930	57,691	22,421
Conditional Grants			
- Other - Provincial 5 year capital grant	50,000	15,960	112,182
Total General Government Services	\$ 146,930	73,651	134,604

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other - Dog fines	\$ 100	40	-
Total Protective Services	\$ 100	40	-

Municipality of **Northern Village of Denare Beach**
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Road Maintenance and Restoration Agreement	\$ 1,550	1,861	-
- Tangible capital asset sales - gain (loss)	-	500	-
Total Transportation Services	\$ 1,550	2,361	-

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	\$ 47,000	46,621	43,040
- Other - Cemetary fees	4,500	7,150	9,200
Total Environmental and Public Health Services	\$ 51,500	53,771	52,240

Municipality of Northern Village of Denare Beach
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2020

Schedule 2 - 3

	2020 Budget	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Total Planning and Development Services	\$ -	-	-

RECREATION AND CULTURAL SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other - Festival, concession, event etc fees	\$ 46,170	41,910	53,238
Conditional Grants			
- Student Employment	10,770	-	3,097
- Local government	-	-	-
- Other - Provincial recreation grant	54,300	56,499	61,992
Total Conditional Grants	65,070	56,499	65,089
Total Operating	\$ 111,240	98,409	118,327

Capital

Conditional Grants			
- Other - MEEP fire hall expansion and museum grant	\$ 2,570	119,423	2,572
Total Recreation and Cultural Services	\$ 113,810	217,832	120,899

Municipality of **Northern Village of Denare Beach**
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 4

	<u>2020 Budget</u>	<u>2020</u>	<u>2019</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 125,900	121,480	125,899
- Sewer	121,280	119,692	121,275
- Other (turn on and off fees)	3,520	3,270	-
Total Operating	\$ 250,700	244,442	247,174
Capital			
Conditional Grants			
- Federal Gas Tax	\$ 50,000	71,951	101,802
- Other - W&S replacement	-	1,816,740	56,553
Total Capital	50,000	1,888,691	158,355
Total Utility Services	\$ 300,700	2,133,133	405,529
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 614,590	2,480,788	713,272

SUMMARY

Total Other Segmented Revenue	\$ 446,950	400,215	375,073
Total Conditional Grants	-	-	-
Total Capital Grants and Contributions	115,070	72,459	177,271
	-	-	-
	52,570	2,008,114	160,927
TOTAL REVENUE BY FUNCTION	\$ 614,590	2,480,788	713,272

Municipality of Northern Village of Denare Beach

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 60,370	57,527	64,507
Wages and benefits	252,970	229,194	177,424
Professional/Contractual services	141,180	60,343	59,986
Utilities	16,570	18,627	35,692
Maintenance, materials and supplies	18,260	22,836	20,377
Grants and contributions - operating	7,600	4,675	11,046
Amortization	-	7,277	6,714
Interest	910	656	911
Other - Bad debt recovery	2,700	(6,894)	9,751
Total General Government Services	\$ 500,560	394,241	386,407

PROTECTIVE SERVICES

Police protection

Wages and benefits	\$ 22,080	20,490	22,077
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Fire protection

Wages and benefits	32,710	35,673	29,973
Professional/Contractual services	10,420	7,939	9,453
Utilities	10,150	9,122	10,148
Maintenance, material and supplies	23,480	19,314	17,874
Amortization	-	27,387	30,629
Other - Jackets and misc	3,700	2,407	3,503

Total Protective Services	\$ 102,540	122,332	123,657
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TRANSPORTATION SERVICES

Wages and benefits	\$ 281,450	275,085	309,476
Professional/Contractual Services	21,480	12,533	11,985
Utilities	53,620	52,071	50,304
Maintenance, materials, and supplies	159,800	92,224	154,002
Amortization	-	89,448	81,364

Total Transportation Services	\$ 516,350	521,361	607,131
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Municipality of Northern Village of Denare Beach
 Total Expenses by Function
 As at December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	12,356	-
Professional/Contractual services	100,210	96,511	94,453
Utilities	55,380	49,366	55,373
Amortization	-	1,039	1,039
Total Environmental and Public Health Services	\$ 155,590	159,272	150,865

PLANNING AND DEVELOPMENT SERVICES			
Professional/Contractual Services	\$ 9,050	8,720	7,692
Total Planning and Development Services	\$ 9,050	8,720	7,692

RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ 93,730	75,397	93,627
Professional/Contractual services	31,280	23,908	28,828
Utilities	45,760	37,523	43,430
Maintenance, materials and supplies	51,530	47,122	46,822
Grants and contributions - operating	1,360	1,359	1,357
Amortization	-	33,387	35,963
Other - Canada Day expenses	5,500	3,082	4,204
Total Recreation and Cultural Services	\$ 229,160	221,778	254,231

Municipality of Northern Village of Denare Beach
Total Expenses by Function
As at December 31, 2020

Schedule 3 - 3

	2020 Budget	2020	2019
UTILITY SERVICES			
Wages and benefits	\$ 100,510	98,863	134,362
Professional/Contractual services	111,500	43,056	71,259
Utilities	74,700	72,313	74,356
Maintenance, materials and supplies	121,390	66,900	96,448
Amortization	-	273,166	286,152
Total Utility Services	\$ 408,100	554,298	662,578
TOTAL EXPENSES BY FUNCTION	\$ 1,921,350	1,982,002	2,192,562

Municipality of Northern Village of Denare Beach
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6,017	40	1,861	46,621	-	41,910	244,442	340,891
Tangible Capital Asset Sales - Gain	-	-	500	-	-	-	-	500
Land Sales - Gain	11,857	-	-	-	-	-	-	11,857
Investment Income and Commissions	35,400	-	-	-	-	-	-	35,400
Other Revenues	4,417	-	-	7,150	-	-	-	11,567
Grants - Conditional	15,960	-	-	-	-	56,499	-	72,459
- Capital	-	-	-	-	-	119,423	1,888,691	2,008,114
Total Revenues	73,651	40	2,361	53,771	-	217,832	2,133,133	2,480,788
Expenses (Schedule 3)								
Wages and Benefits	286,721	56,163	275,085	12,356	-	75,397	98,863	804,585
Professional/Contractual Services	60,343	7,939	12,533	96,511	8,720	23,908	43,056	253,010
Utilities	18,627	9,122	52,071	49,366	-	37,523	72,313	239,022
Maintenance Materials and Supplies	22,836	19,314	92,224	-	-	47,122	66,900	248,396
Grants and Contributions	4,675	-	-	-	-	1,359	-	6,034
Amortization	7,277	27,387	89,448	1,039	-	33,387	273,166	431,704
Interest	656	-	-	-	-	-	-	656
Other	(6,894)	2,407	-	-	-	3,082	-	(1,405)
Total Expenses	394,241	122,332	521,361	159,272	8,720	221,778	554,298	1,962,002
Surplus (Deficit) by Function	\$ (320,590)	(122,292)	(519,000)	(105,501)	(8,720)	(3,946)	1,578,835	498,785
Taxes and other unconditional revenue (Schedule 1)								1,736,150
Surplus of Revenues over Expenses before Equity in Net Earnings								\$ 2,234,935

Municipality of Northern Village of Denare Beach
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2019

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 19,374	-	-	43,040	-	53,238	247,174	362,826
Land Sales - Gain	(69,470)	-	-	-	-	-	-	(69,470)
Investment Income and Commissions	60,105	-	-	-	-	-	-	60,105
Other Revenues	12,412	-	-	9,200	-	-	-	21,612
Grants - Conditional	112,182	-	-	-	-	65,089	-	177,271
- Capital	-	-	-	-	-	2,572	158,355	160,927
Total Revenues	134,604	-	-	52,240	-	120,899	405,529	713,272
Expenses (Schedule 3)								
Wages and Benefits	241,929	52,051	309,476	-	-	93,627	134,362	831,445
Professional/Contractual Services	59,986	9,453	11,985	94,453	7,692	28,828	71,260	283,657
Utilities	35,692	10,148	50,304	-	-	43,430	74,356	213,931
Maintenance Materials and Supplies	20,377	17,874	154,002	55,373	-	46,822	96,448	390,897
Grants and Contributions	11,046	-	-	-	-	1,357	-	12,403
Amortization	6,714	30,629	81,364	1,039	-	35,963	286,152	441,861
Interest	911	-	-	-	-	-	-	911
Other	9,751	3,503	-	-	-	4,204	-	17,457
Total Expenses	386,406	123,657	607,131	150,865	7,692	254,231	662,579	2,192,562
Surplus (Deficit) by Function	\$ (251,802)	(123,657)	(607,131)	(98,625)	(7,692)	(133,332)	(257,050)	(1,479,290)

Taxes and other unconditional revenue (Schedule 1)

1,375,866

Surplus (Deficit) of Revenues over Expenses before Equity in Net Earnings

\$ (103,424)

Municipality of Northern Village of Denare Beach
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2020

Schedule 6

	2020							2019	
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Infrastructure Assets	General/ Infrastructure Assets	Assets Under Construction	Total
Assets									
Asset cost									
Opening Asset costs	\$ 246,065	64,510	3,935,172	536,495	2,934,625	12,935,594	130,810	20,683,270	20,428,737
Additions during the year	-	-	-	-	57,402	-	1,812,902	1,870,304	254,533
Disposals and write-downs during the year	-	-	-	(105,196)	-	-	-	(105,196)	-
Closing Asset Costs	246,065	64,510	3,935,172	431,299	2,992,027	12,935,594	1,943,712	22,448,378	20,683,270
Amortization									
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	12,860	3,175,905	416,583	2,192,489	4,919,634	-	10,717,471	10,275,610
Add: Amortization taken	-	2,572	76,137	21,748	94,230	237,017	-	431,704	441,861
Less: Accumulated amortization on disposals	-	-	-	(105,196)	-	-	-	(105,196)	-
Closing Accumulated Amortization	-	15,432	3,252,042	333,135	2,286,719	5,156,651	-	11,043,979	10,717,471
Net Book Value	\$ 246,065	49,078	683,130	98,164	705,308	7,678,943	1,943,712	11,404,399	9,965,799

Municipality of Northern Village of Denare Beach
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2020

Schedule 7

	2020						2019	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total
Assets								
Asset cost								
Opening Asset costs	\$ 408,228	522,931	2,965,900	21,975	48,619	1,354,261	15,361,357	20,428,737
Additions during the year	6,762	-	21,390	-	-	4,400	1,837,752	254,533
Disposals and write-downs during the year	-	-	(105,196)	-	-	-	-	-
Closing Asset Costs	414,990	522,931	2,882,094	21,975	48,619	1,358,661	17,199,109	20,683,270
Amortization								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	220,376	379,895	2,110,306	2,745	9,542	889,918	7,104,689	10,275,610
Add: Amortization taken	7,277	27,387	89,448	1,039	-	33,387	273,166	441,861
Less: Accumulated amortization on disposals	-	-	(105,196)	-	-	-	-	-
Closing Accumulated Amortization	227,653	407,282	2,094,558	3,784	9,542	923,305	7,377,855	10,717,471
Net Book Value	\$ 187,337	115,649	787,536	18,191	39,077	435,356	9,821,254	9,965,799

Municipality of Northern Village of Denare Beach
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 1,582,999	809,914	2,392,913

APPROPRIATED RESERVES

Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust	-	-	-
Utility	586,645	7,557	594,202
Other (Specify)	1,058,389	13,505	1,071,894
Total Appropriated	1,645,034	21,062	1,666,096

ORGANIZED HAMLETS (add lines if required)

Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Organized Hamlet of (Name)	-	-	-
Total Organized Hamlets	-	-	-

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	9,965,799	1,438,600	11,404,399
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	9,965,799	1,438,600	11,404,399

Total Accumulated Surplus	\$ 13,193,832	2,269,576	15,463,408
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Municipality of Northern Village of Denare Beach
 Schedule of Mill Rates and Assessments
 As at December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	-	39,761,680	-	6,587,680	1,877,000		48,226,360
Regional Park Assessment							
Total Assessment							48,226,360
Mill Rate Factor(s)	-	1.0000	-	1.0000	1.5000		
Total Base/Minimum Tax (generated for each property class)	-	283,500	-	15,525	22,275		321,300
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	-	385,478	-	122,795	30,722		538,995

MILL RATES:	MILLS
Average Municipal*	11.18
Average School*	4.20
Potash Mill Rate	-
Uniform Municipal Mill Rate	4.50

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

Municipality of Northern Village of Denare Beach
 Schedule of Council Remuneration
 As at December 31, 2020

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Carl Lentowicz	\$ 10,140	2,266	12,406
Councillor	Nicole Bayless	1,125	400	1,525
Councillor	Jean Champagne	7,374	400	7,774
Councillor	Dale Holmgren	6,281	400	6,681
Councillor	Scott McCullum	6,965	576	7,541
Councillor	Karen Thomson	6,305	1,271	7,576
Councillor	Beverly Wheeler	7,230	400	7,630
Councillor	Frank Wiegiers	6,834	400	7,234
Total		\$ 52,254	6,113	58,366