

Annual Financial Statements

And Supporting Schedules

For The

Village of Denholm

As at December 31, 2020

Management's Responsibility

To the Ratepayers of the Village of Denholm:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of 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 the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

HRO Chartered Professional Accountants P.C. Ltd., an independent association of chartered professional accountants, is appointed by Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

August 23, 2021

Date

Donna Olorowsky

Mayor

A. J. J. J.

Administrator



ADDRESS:
1321 101ST STREET
NORTH BATTLEFORD, SK S9A 0Z9

PHONE: 306-445-6291
FAX: 306-445-3882
EMAIL: info@hrocpc.ca

INDEPENDENT AUDITOR'S REPORT

To the Members of Village of Denholm

Opinion

We have audited the financial statements of Village of Denholm (the Organization), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net financial assets, changes in accumulated surplus 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 Organization as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

(continues)

LORALIE A. RAICHE, CPA, CA, CFP*

DALLAN D. OBERG, CPA, CA*

*DENOTES A PROFESSIONAL CORPORATION

www.hrocpc.ca



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

HRO

North Battleford, Saskatchewan
August 23, 2021

Chartered Professional Accountants

Village of Denholm
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 105,340	\$ 76,118
Taxes Receivable - Municipal (Note 3)	18,682	26,633
Other Accounts Receivable (Note 4)	18,190	20,886
Land for Resale (Note 5)	5,306	
Long-term Investments (Note 6)	196,481	173,365
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	343,999	297,002

LIABILITIES

Bank Indebtedness (Note 7)		
Accounts Payable	4,602	5,942
Accrued Liabilities Payable		
Deposits	3,025	2,825
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 8)		
Lease Obligations		
Total Liabilities	7,627	8,767

NET FINANCIAL ASSETS (DEBT)	336,372	288,235
------------------------------------	----------------	----------------

NON-FINANCIAL ASSETS

Tangible Capital Assets (Schedule 6, 7)	82,621	86,725
Prepayments and Deferred Charges	423	775
Stock and Supplies		
Other		
Total Non-Financial Assets	83,044	87,500

Accumulated Surplus (Deficit) (Schedule 8)	\$ 419,416	\$ 375,735
---	-------------------	-------------------

Village of Denholm
Statement of Operations
As at December 31, 2020

Statement 2

	2020 Budget	2020	2019
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 55,448	\$ 64,088	\$ 56,773
Fees and Charges (Schedule 4, 5)	46,110	44,980	46,030
Conditional Grants (Schedule 4, 5)	800	1,935	1,657
Tangible Capital Asset Sales - Gain (loss) (Schedule 4, 5)			
Land Sales - Gain (loss) (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	1,000	2,583	2,539
Restructurings (Schedule 4, 5)			
Other Revenues (Schedule 4, 5)		1,555	2,248
Total Revenues	103,358	115,141	109,247
Expenses			
General Government Services (Schedule 3)	19,674	27,181	27,669
Protective Services (Schedule 3)	4,310	4,412	4,149
Transportation Services (Schedule 3)	2,500	2,592	2,596
Environmental and Public Health Services (Schedule 3)	13,400	13,131	13,411
Planning and Development Services (Schedule 3)			
Recreation and Cultural Services (Schedule 3)	1,500	2,370	2,370
Utility Services (Schedule 3)	54,200	42,210	41,468
Restructurings (Schedule 3)			
Total Expenses	95,584	91,896	91,663
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	7,774	23,245	17,584
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	7,900	20,436	9,808
Surplus (Deficit) of Revenues over Expenses	\$ 15,674	43,681	27,392
Accumulated Surplus (Deficit), Beginning of Year		375,735	348,343
Accumulated Surplus (Deficit), End of Year		\$ 419,416	\$ 375,735

Village of Denholm

Statement of Change in Net Financial Assets

As at December 31, 2020

Statement 3

	2020 Budget	2020	2019
Surplus (Deficit)	\$ 15,674	\$ 43,681	\$ 27,392
(Acquisition) of tangible capital assets			
Amortization of tangible capital assets		4,104	4,104
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets			
Transfer of Assets/Liabilities in Restructuring Transactions			
Surplus (Deficit) of capital revenue over expenditures		4,104	4,104
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			
Consumption of supplies inventories			
Use of prepaid expense		352	162
Surplus (Deficit) of expenses of other non-financial over expenditures		352	162
Increase (Decrease) in Net Financial Assets	\$ 15,674	48,137	31,658
Net Financial Assets - Beginning of Year		288,235	256,577
Net Financial Assets (Debt) - End of Year		\$ 336,372	\$ 288,235

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

Village of Denholm
Statement of Cash Flow
As at December 31, 2020

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 43,681	\$ 27,392
Amortization	4,104	4,104
	47,785	31,496
Change in assets/liabilities		
Taxes Receivable - Municipal	7,951	(6,157)
Other Receivables	2,696	(1,097)
Land for Resale	(5,306)	
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(1,340)	116
Deposits	200	90
Deferred Revenue		
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use		
Prepayments and Deferred Charges	352	162
Other (Specify)		
Cash provided by (applied to) operating transactions	52,338	24,610
Capital:		
Acquisition of Tangible Capital Assets		
Proceeds From the Disposal of Tangible Capital Assets		
Other Capital		
Cash provided by (applied to) capital transactions		
Investing:		
Long-term Investments	(23,116)	(2,107)
Other Investments		
Cash provided by (applied to) investing transactions	(23,116)	(2,107)
Financing:		
Debt Charges Recovered		
Long-term Debt Issued		
Long-term Debt Repaid		
Other Financing		
Cash provided by (applied to) financing transactions		
Change in Cash and Temporary Investments during the year	29,222	22,503
Cash and Temporary Investments - Beginning of Year	76,118	53,615
Cash and Temporary Investments - End of Year	\$ 105,340	\$ 76,118

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

Village of Denholm

Notes to the Financial Statements

As at December 31, 2020

1. Significant Accounting Policies

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

- a) **Basis of Accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable 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.
- b) **Reporting Entity:** The financial statements consolidates 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 financial statements are as follows:

Entity

Village of Denholm

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

- e) **Deferred Revenue:** Fees and charges - certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

1. Significant Accounting Policies - continued

- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. Guarantee investment certificates are recorded at cost.
- l) **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.
- m) **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. The 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 and Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Infrastructure Assets	
Water and Sewer	30 to 75 Yrs
Road Network Assets	30 to 75 Yrs

Government Contributions: Government contributions for the acquisition of tangible 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 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.

1. Significant Accounting Policies - continued

- n) **Landfill Liability:** The municipality does not maintain a waste disposal site.
- 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.
- 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. Taxes receivable and 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 has adopted 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 neighborhood development and sustainability.

Recreation and Cultural: 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) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- t) **Land for Resale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- u) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

Village of Denholm
Notes to the Financial Statements
As at December 31, 2020

1. Significant Accounting Policies - continued

- v) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *July 24, 2020*.
- w) **New Standards and Amendments to Standards:**
Effective for Fiscal Years Beginning On or After April 1, 2022:

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

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

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

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

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

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

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

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

Village of Denholm
Notes to the Financial Statements
As at December 31, 2020

	2020	2019
2. Cash and Temporary Investments		
Cash	\$ 105,340	\$ 76,118
Temporary Investments		
Restricted Cash		
Total Cash and Temporary Investments	\$ 105,340	\$ 76,118

Cash and temporary investments include balances with banks, Credit Unions, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

The municipality has set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are underfunded by \$135,430 and \$115,430 as of December 31, 2020 and 2019, respectively.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 10,416	\$ 10,088
- Arrears	11,338	19,617
	21,754	29,705
- Less Allowance for Uncollectibles	(3,072)	(3,072)
Total Municipal Taxes Receivable	18,682	26,633

School - Current	3,971	4,032
- Arrears	3,128	5,070
Total School Taxes Receivable	7,099	9,102

Other		
-------	--	--

Total Taxes and Grants in Lieu Receivable 25,781 35,735

Deduct Taxes Receivable to be Collected on Behalf of Other Organizations (7,099) (9,102)

Total Taxes Receivable - Municipal \$ 18,682 \$ 26,633

4. Other Accounts Receivable

Federal government	\$ 1,486	\$ 2,006
Provincial government	865	978
Local government		
Utility	10,014	10,104
Trade	5,620	7,060
Other (Interest)	205	738
Total Other Accounts Receivable	18,190	20,886

Less Allowance for Uncollectibles

Net Other Accounts Receivable \$ 18,190 \$ 20,886

5. Land for Resale

Tax Title Property	\$ 5,306	
Allowance for Market Value Adjustment		
Net Tax Title Property	5,306	
Allowance for Market Value Adjustment		
Net Other Land		

Total Land for Resale \$ 5,306 \$

	2020	2019
6. Long-term Investments		
Guaranteed Investment Certificate, 1.00% due July 2021	\$ 20,000	\$ 173,365
Guaranteed Investment Certificate, 0.45% due November 2021	176,481	
Total Long-term Investments	\$ 196,481	\$ 173,365

7. Credit Facility Agreement
The municipality did not have a line of credit at December 31, 2020 and December 31, 2019.

8. Long-term Debt
The debt limit of the municipality is \$95,535. 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. Comparative Figures
Prior year comparative figures have been restated to conform to the current year's presentation.

Village of Denholm
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	\$ 31,048	\$ 31,048	\$ 30,899
Abatements and adjustments			
Discount on current year taxes	(800)	(882)	(824)
Net Municipal Taxes	30,248	30,166	30,075
Potash tax share			
Trailer license fees			
Penalties on tax arrears		1,487	1,178
Special tax levy			
Other (Specify)			
Total Taxes	30,248	31,653	31,253

UNCONDITIONAL GRANTS

Revenue Sharing	20,000	21,948	19,980
Safe Restart		5,250	
Organized Hamlet			
Total Unconditional Grants	20,000	27,198	19,980

GRANTS IN LIEU OF TAXES

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	200	200	200
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	5,000	5,037	5,340
SaskEnergy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	5,200	5,237	5,540

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 55,448	\$ 64,088	\$ 56,773
--	------------------	------------------	------------------

Village of Denholm
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			
- Tax certificates	\$ 10	\$ 20	10
- Sales of supplies			
- Other (Rentals)	3,000	5,720	\$ 6,220
Total Fees and Charges	3,010	5,740	6,230
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	1,000	2,583	2,539
- Other (Utility charges)		600	948
Total Other Segmented Revenue	4,010	8,923	9,717
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	4,010	8,923	9,717
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total General Government Services	4,010	8,923	9,717

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Protective Services			

Village of Denholm
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			
- Custom work			
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- RIRG (Heavy Haul, CTP, Bridge and Large Culvert)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Transportation Services			

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	7,680	7,720	7,900
- Other (Cemetery plot fees)	100	100	
Total Fees and Charges	7,780	7,820	7,900
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	7,780	7,820	7,900
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (MMSW)		1,109	831
Total Conditional Grants		1,109	831
Total Operating	7,780	8,929	8,731
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- Other (MEEP)		12,648	
Total Capital		12,648	
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	7,780	21,577	8,731

Village of Denholm
Schedule of Operating and Capital Revenue by Function
As at 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 (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Hall rental)		955	1,300
Total Other Segmented Revenue		955	1,300
Conditional Grants			
- Student Employment			
- Local government			
- Other (Sask Lotteries)	800	826	826
Total Conditional Grants	800	826	826
Total Operating	800	1,781	2,126
Capital			
Conditional Grants			
- Federal Gas Tax			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (<i>Specify, if any</i>)			
Total Recreation and Cultural Services	800	1,781	2,126

Village of Denholm
Schedule of Operating and Capital Revenue by Function
As at December 31, 2020

Schedule 2 - 4

	2020 Budget	2020	2019
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	35,320	31,120	31,600
- Sewer			
- Other (Lot maintenance)		300	300
Total Fees and Charges	35,320	31,420	31,900
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	35,320	31,420	31,900
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	35,320	31,420	31,900
Capital			
Conditional Grants			
- Federal Gas Tax	7,900	7,788	9,808
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	7,900	7,788	9,808
Restructuring Revenue (Specify, if any)			
Total Utility Services	43,220	39,208	41,708
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 55,810	\$ 71,489	\$ 62,282

SUMMARY

Total Other Segmented Revenue	\$ 47,110	\$ 49,118	\$ 50,817
Total Conditional Grants	800	1,935	1,657
Total Capital Grants and Contributions	7,900	20,436	9,808
Restructuring Revenue			
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 55,810	\$ 71,489	\$ 62,282

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 4,200	\$ 4,000	\$ 4,200
Wages and benefits	3,360	8,400	8,400
Professional/Contractual services	8,900	10,428	9,786
Utilities	2,400	3,167	3,209
Maintenance, materials and supplies	640	832	1,736
Grants and contributions - operating			
- capital			
Amortization		124	124
Interest	174	230	214
Allowance for uncollectibles			
Other (Specify)			
General Government Services	19,674	27,181	27,669
Restructuring (Specify, if any)			
Total General Government Services	19,674	27,181	27,669

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	4,200	4,239	4,091
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Dispatch)	110	115	

Fire protections

Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization		58	58
Interest			
Other (Specify)			

Protective Services	4,310	4,412	4,149
Restructuring (Specify, if any)			
Total Protective Services	4,310	4,412	4,149

TRANSPORTATION SERVICES

Wages and benefits			
Professional/Contractual Services			
Utilities	2,500	2,592	2,596
Maintenance, materials and supplies			
Gravel			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			

Transportation Services	2,500	2,592	2,596
Restructuring (Specify, if any)			
Total Transportation Services	2,500	2,592	2,596

Village of Denholm

Total Expenses by Function

As at December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	4,800	4,800	4,800
Professional/Contractual services	8,600	8,246	8,526
Utilities			
Maintenance, materials and supplies		85	85
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (Specify)			
Environmental and Public Health Services	13,400	13,131	13,411
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	13,400	13,131	13,411

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Planning and Development Services			
Restructuring (Specify, if any)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	1,500	1,331	1,331
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization		1,039	1,039
Interest			
Allowance for uncollectibles			
Other (Specify)			
Recreation and Cultural Services	1,500	2,370	2,370
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	1,500	2,370	2,370

Village of Denholm
Schedule of Segment Disclosure by Function
As at December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 5,740	\$	\$	\$ 7,820	\$	\$	\$ 31,420	\$ 44,980
Tangible Capital Asset Sales - Gain								
Land Sales - Gain								
Investment Income and Commissions	2,583							2,583
Other Revenues	600					955		1,555
Grants - Conditional				1,109		826		1,935
- Capital				12,648			7,788	20,436
Restructurings								
Total Revenues	8,923			21,577		1,781	39,208	71,489
Expenses (Schedule 3)								
Wages & Benefits	12,400			4,800			9,287	26,487
Professional/ Contractual Services	10,428	4,239		8,246		1,331	9,914	34,158
Utilities	3,167		2,592				5,445	11,204
Maintenance, Materials and Supplies	832			85			14,681	15,598
Grants and Contributions								
Amortization	124	58				1,039	2,883	4,104
Interest	230							230
Allowance for Uncollectibles								
Other		115						115
Restructurings								
Total Expenses	27,181	4,412	2,592	13,131		2,370	42,210	91,896
Surplus (Deficit) by Function	\$ (18,258)	\$ (4,412)	\$ (2,592)	\$ 8,446	\$	\$ (589)	\$ (3,002)	(20,407)

Taxation and Other Unconditional Revenue (Schedule 1) 64,088

Net Surplus (Deficit) \$ 43,681

Village of Denholm
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 and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6,230	\$	\$	\$ 7,900	\$	\$	\$ 31,900	\$ 46,030
Tangible Capital Asset Sales - Gain								
Land Sales - Gain								
Investment Income and Commissions	2,539							2,539
Other Revenues	948					1,300		2,248
Grants - Conditional				831		826		1,657
- Capital							9,808	9,808
Restructurings								
Total Revenues	9,717			8,731		2,126	41,708	62,282
Expenses (Schedule 3)								
Wages & Benefits	12,600			4,800			9,619	27,019
Professional/ Contractual Services	9,786	4,091		8,526		1,331	7,945	31,679
Utilities	3,209		2,596				5,008	10,813
Maintenance, Materials and Supplies	1,736			85			9,392	11,213
Grants and Contributions								
Amortization	124	58				1,039	2,883	4,104
Interest	214							214
Allowance for Uncollectibles								
Other							6,621	6,621
Restructurings								
Total Expenses	27,669	4,149	2,596	13,411		2,370	41,468	91,663
Surplus (Deficit) by Function	\$ (17,952)	\$ (4,149)	\$ (2,596)	\$ (4,680)	\$	\$ (244)	\$ 240	(29,381)

Taxation and Other Unconditional Revenue (Schedule 1)

56,773

Net Surplus (Deficit)

\$ 27,392

Village of Denholm
Schedule of Tangible Capital Assets by Object
As at December 31, 2020

Schedule 6

		2020					2019		
		General Assets					General/ Infrastructure Assets Under Construction	Total	Total
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets		
<i>Assets</i>	Asset Cost								
	Opening Asset costs	\$ 475		\$ 103,496		\$ 1,150	\$ 65,988	\$ 171,109	\$ 171,109
	Additions during the year								
	Disposals and write-downs during the year								
	Transfers (from) assets under construction								
	Transfer of Capital Assets related to restructuring								
	Closing Asset Costs	475		103,496		1,150	65,988	171,109	171,109
<i>Amortization</i>	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs			61,980		579	21,825	84,384	80,280
	Add: Amortization taken			2,403		58	1,643	4,104	4,104
	Less: Accumulated amortization on disposals								
	Transfer of Capital Assets related to restructuring								
	Closing Accumulated Amortization Costs			64,383		637	23,468	88,488	84,384
Net Book Value		\$ 475		\$ 39,113		\$ 513	\$ 42,520	\$ 82,621	\$ 86,725

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 \$ -

Village of Denholm
Schedule of Tangible Capital Assets by Function
As at December 31, 2020

Schedule 7

		2020							2019	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total	Total
Assets	Asset Cost									
	Opening Asset costs	\$ 7,178	\$ 1,150	\$ 8	\$ 1		\$ 43,487	\$ 119,285	\$ 171,109	\$ 171,109
	Additions during the year									
	Disposals and write-downs during the year									
	Transfer of Capital Assets related to restructuring									
	Closing Asset Costs	7,178	1,150	8	1		43,487	119,285	171,109	171,109
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	3,008	578	8	1		39,053	41,736	84,384	80,280
	Add: Amortization taken	124	58				1,039	2,883	4,104	4,104
	Less: Accumulated amortization on disposals									
	Transfer of Capital Assets related to restructuring									
	Closing Accumulated Amortization Costs	3,132	636	8	1		40,092	44,619	88,488	84,384
Net Book Value		\$ 4,046	\$ 514				\$ 3,395	\$ 74,666	\$ 82,621	\$ 86,725

Village of Denholm
Schedule of Accumulated Surplus
As at December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 173,580	\$ 27,785	\$ 201,365

APPROPRIATED RESERVES

Machinery and Equipment			
Public Reserve			
Capital Trust	115,430	20,000	135,430
Utility			
Other (Specify)			
Total Appropriated	115,430	20,000	135,430

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	86,725	(4,104)	82,621
Less: Related debt			
Net Investment in Tangible Capital Assets	86,725	(4,104)	82,621

Total Accumulated Surplus	\$ 375,735	\$ 43,681	\$ 419,416
----------------------------------	-------------------	------------------	-------------------

Village of Denholm

Schedule of Mill Rates and Assessments

As at December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment		\$ 2,443,200			\$ 144,100		\$ 2,587,300
Regional Park Assessment							
Total Assessment							2,587,300
Mill Rate Factor(s)							
Total Base/Minimum Tax (generated for each property class)							
Total Municipal Tax Levy (include base and/or minimum tax and special levies)		\$ 29,319			\$ 1,729		\$ 31,048

MILL RATES:	MILLS
Average Municipal*	12.000
Average School*	5.553
Potash Mill Rate	
Uniform Municipal Mill Rate	12.000

* **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 Denholm
Schedule of Council Remuneration
As at December 31, 2020
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Donna Oborowsky	\$ 1,800		\$ 1,800
Councillor	Wes Peters	1,000		1,000
Councillor	Brendan Oborowsky	1,200		1,200
Total		\$ 4,000		\$ 4,000