

**TOWN OF PENSE**  
Financial Statements  
December 31, 2020

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## Management's Responsibility

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

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

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

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



Council



Administration

## **INDEPENDENT AUDITORS' REPORT**

To the Mayor and Councillors  
Town of Pense

### *Opinion*

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

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

### *Basis for Opinion*

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

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

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

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

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

  
Dudley & Company LLP  
Chartered Professional Accountants

Regina, Saskatchewan  
April 14, 2021

**TOWN OF PENSE**  
Statement of Financial Position  
As at December 31, 2020

Statement 1

	2020	2019
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash & Temporary Investments (Note 2)	\$ 1,236,206	\$ 939,055
Taxes Receivable - Municipal (Note 3)	36,362	60,351
Other Accounts Receivable (Note 4)	27,014	30,873
Land for Resale (Note 5)	148,361	135,790
Long-Term Frontages Receivable (Note 6)	25,360	115,793
Other	-	-
<b>Total Financial Assets</b>	<b>1,473,303</b>	<b>1,281,862</b>
<b>LIABILITIES</b>		
Bank Indebtedness	-	-
Accounts Payable (Note 7)	138,375	164,220
Accrued Liabilities Payable	-	-
Deposits	31,018	29,618
Deferred Revenue (Note 8)	200	200
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 9)	87,047	252,869
Lease Obligations	-	-
Other Liabilities	2,177	-
<b>Total Liabilities</b>	<b>258,817</b>	<b>446,907</b>
<b>NET FINANCIAL ASSETS</b>	<b>1,214,486</b>	<b>834,955</b>
Tangible Capital Assets (Schedules 6, 7)	9,946,022	10,230,619
Prepayment and Deferred Charges	-	-
Stock and Supplies	-	-
Other	-	-
<b>Total Non-Financial Assets</b>	<b>9,946,022</b>	<b>10,230,619</b>
<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 11,160,508</b>	<b>\$ 11,065,574</b>

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

**TOWN OF PENSE**  
Statement of Operations  
For the year ended December 31, 2020

Statement 2

**Revenues**

		2020 Budget	2020	2019
Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 610,839	\$ 643,673	\$ 591,932
Fees and Charges	(Schedule 4, 5)	349,250	370,043	343,938
Conditional Grants	(Schedule 4, 5)	40,000	124,369	425
Tangible Capital Assets Sales - Gain	(Schedule 4, 5)	-	-	2,235
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	5,000	6,551	11,816
Other Revenues	(Schedule 4, 5)	5,575	5,550	11,011
Restructurings	(Schedule 4, 5)	-	-	-
<b>Total Revenues</b>		<b>1,010,664</b>	<b>1,150,186</b>	<b>961,357</b>

**Expenses**

General Government Services	(Schedule 3)	160,053	163,649	200,467
Protective Services	(Schedule 3)	55,800	65,573	49,024
Transportation Services	(Schedule 3)	184,651	235,103	184,400
Environmental and Public Health Services	(Schedule 3)	48,900	45,784	50,051
Planning and Development Services	(Schedule 3)	-	141	141
Recreation and Cultural Services	(Schedule 3)	74,945	219,136	220,305
Utility Services	(Schedule 3)	230,549	377,816	418,252
Restructurings	(Schedule 3)	-	-	-
<b>Total Expenses</b>		<b>754,898</b>	<b>1,107,202</b>	<b>1,122,640</b>

<b>Surplus (Deficit) before Other Capital Contributions</b>	<b>255,766</b>	<b>42,984</b>	<b>(161,283)</b>
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Other Capital Contributions (Schedule 4, 5)	32,500	51,950	67,803
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<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>288,266</b>	<b>94,934</b>	<b>(93,480)</b>
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Accumulated Surplus (Deficit), Beginning of Year	11,065,574	11,065,574	11,159,054
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<b>Accumulated Surplus (Deficit), End of Year</b>	<b>\$ 11,353,840</b>	<b>\$ 11,160,508</b>	<b>\$ 11,065,574</b>
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The accompanying notes form an integral part of these financial statements.

**TOWN OF PENSE**  
Statement of Changes in Net Financial Assets  
For the year ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
<b>Surplus (Deficit)</b>	\$ 288,266	\$ 94,934	\$ (93,480)
(Acquisition) of tangible capital assets	(156,783)	-	(21,995)
Amortization of tangible capital assets	-	284,597	282,517
Proceeds on disposal of tangible capital assets	-	-	7,250
Loss (gain) on disposal of tangible capital assets	-	-	(2,235)
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>(156,783)</b>	<b>284,597</b>	<b>265,537</b>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	-	-
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	-	-
<b>Surplus (Deficit) of other non-financial expenses over expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>131,483</b>	<b>379,531</b>	<b>172,057</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>834,955</b>	<b>834,955</b>	<b>662,898</b>
<b>Net Financial Assets - End of Year</b>	<b>\$ 966,438</b>	<b>\$ 1,214,486</b>	<b>\$ 834,955</b>

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

**TOWN OF PENSE**  
Statement of Cash Flows  
For the year ended December 31, 2020

Statement 4

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 94,934	\$ (93,480)
Amortization	284,597	282,517
Loss (gain) on disposal of tangible capital assets	-	(2,235)
	379,531	186,802
<b>Changes in assets / liabilities</b>		
Taxes Receivable - Municipal	23,989	(12,003)
Other Receivables	3,859	(5,041)
Land for Resale	(12,571)	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(25,845)	140,670
Deposits	1,400	(7,198)
Deferred Revenue	-	200
Other Liabilities	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	2,177	-
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	-	-
Other	-	-
<b>Net cash from (used for) operations</b>	<b>372,540</b>	<b>303,430</b>
<b>Capital:</b>		
Acquisition of Capital Assets	-	(21,995)
Proceeds from the Disposal of Capital Assets	-	7,250
Other Capital	-	-
<b>Net cash from (used for) capital</b>	<b>-</b>	<b>(14,745)</b>
<b>Investing:</b>		
Long-Term Financial Assets	90,433	78,255
Other Investments	-	-
<b>Net cash from (used for) investing</b>	<b>90,433</b>	<b>78,255</b>
<b>Financing:</b>		
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	(165,822)	(159,397)
Other Financing	-	-
<b>Net cash from (used for) financing</b>	<b>(165,822)</b>	<b>(159,397)</b>
<b>Increase (Decrease) in cash resources</b>	<b>297,151</b>	<b>207,543</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>939,055</b>	<b>731,512</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>\$ 1,236,206</b>	<b>\$ 939,055</b>

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

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**Basis of Accounting:**

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

**(a) Reporting Entity:**

The financial statements report the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

**(b) Collection of Funds for Other Authorities:**

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

**(c) Government Transfers:**

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

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

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

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

**(d) Deferred Revenue:**

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

**(e) Local Improvement Charges:**

Completed local improvement projects financed by frontage taxes recognize the taxes as capital revenue in the period the prepayments are accepted. Any frontage taxes not prepaid are then reported as a long-term asset to be reduced by the principal portion of each annual frontage tax levy.

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

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

**(j) Investments:**

Portfolio investments are valued at cost, less any provision for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

**(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 and 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.

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

**(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; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	20 years
Buildings	50 years
Vehicles and Equipment	
Vehicles	10 years
Machinery and Equipment	10 years
<b>Infrastructure Assets</b>	
Infrastructure Assets	
Water and Sewer	75 years
Road Network Assets	40 years

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

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

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

**Leases:** All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

**(m) Landfill Liability:**

The municipality of **TOWN OF PENSE** does not maintain a waste disposal site.

**(n) Employee Benefit Plans:**

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

**(o) Measurement Uncertainty:**

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

The measurement of stock and supplies inventories, if any, may be partly based on estimates of volume and quality.

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

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

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

**(p) Basis of Segmentation / Segment Report:**

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

The segments (functions) are as follows:

**General Government:** The General Government segment provides for the administration of the municipality.

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

**Transportation Services:** The Transportation Services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

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

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

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

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

**(q) Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 29, 2020.

**(r) New Accounting Standards:**

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

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

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

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

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

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

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

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

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

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

<b>2. Cash and Temporary Investments</b>	<b>2020</b>	<b>2019</b>
Cash	\$ 200	\$ 200
Temporary investments (1-year or less)	-	257,057
Savings	949,904	445,642
General bank	286,102	236,156
<b>Total Cash and Temporary Investments</b>	<b>\$ 1,236,206</b>	<b>\$ 939,055</b>

Cash and temporary investments include balances with banks, redeemable term deposits, and marketable securities and other short-term investments with maturities within the upcoming fiscal cycle.

<b>3. Taxes Receivable</b>	<b>2020</b>	<b>2019</b>
Municipal - Current	\$ 22,039	\$ 42,024
- Arrears	14,323	18,327
	36,362	60,351
- Less Allowance for Uncollectables	-	-
Total Municipal Taxes Receivable	36,362	60,351
School - Current	6,797	14,726
- Arrears	3,607	3,116
Total School Taxes Receivable	10,404	17,842
Other	-	-
Total Taxes Receivable	46,766	78,193
Deduct taxes to be collected on behalf of other organizations	(10,404)	(17,842)
<b>Total Taxes Receivable - Municipal</b>	<b>\$ 36,362</b>	<b>\$ 60,351</b>

<b>4. Other Accounts Receivable</b>	<b>2020</b>	<b>2019</b>
Trade receivables	\$ 3,666	\$ 2,800
GST receivable	11,396	10,346
Local government	-	1,529
Utility accounts receivable	11,858	15,248
Accrued interest	94	950
Total Other Accounts Receivable	27,014	30,873
Less Allowance for Uncollectables	-	-
<b>Net Other Accounts Receivable</b>	<b>\$ 27,014</b>	<b>\$ 30,873</b>

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

<b>5. Land for Resale</b>	<b>2020</b>	<b>2019</b>
Tax title property (municipal share)	\$ 12,571	\$ -
Allowance for market value adjustment	-	-
Net Tax Title Property	12,571	-
Other land for resale - subdivisions, cost	178,168	178,168
Sales applied, cumulative	(30,499)	(30,499)
Allowance for market value adjustment	(11,879)	(11,879)
Net Other Land	135,790	135,790
<b>Total Land for Resale</b>	<b>\$ 148,361</b>	<b>\$ 135,790</b>

<b>6. Long-Term Frontages Receivable</b>	<b>2020</b>	<b>2019</b>
Frontage projects forward	\$ 115,793	\$ 194,048
Frontage levy added to tax and grant-in-lieu receivables	(86,415)	(86,415)
Interest component of current frontage levy	4,435	8,160
Early payout upon property sale	(8,453)	-
<b>Total Long Term Frontages Receivable</b>	<b>\$ 25,360</b>	<b>\$ 115,793</b>

As indicated in Note 1(e), capital frontage revenue is recognized in the year in which prepayments are accepted against the local improvement special assessment roll. Those owners choosing not to prepay are instead levied annual frontage installments over the ten years from 2017-2026 (2016 project) and the seven years from 2014-2020 (2014 project), at amounts which include interest at 5% and 4% respectively. This interest is reported as revenue in the year of levy.

<b>7. Accounts Payable</b>	<b>2020</b>	<b>2019</b>
Trade payables	\$ 8,663	\$ 6,283
Accrued interest	1,250	2,450
Local governments	-	20,610
School tax collections	128,462	134,877
<b>Total Accounts Payable</b>	<b>\$ 138,375</b>	<b>\$ 164,220</b>

<b>8. Deferred Revenue</b>	<b>2020</b>	<b>2019</b>
Corporate donations, restricted to recreation project	\$ 200	\$ 200
<b>Total Deferred Revenue</b>	<b>\$ 200</b>	<b>\$ 200</b>

**9. Long-Term Debt**

a) The debt limit of the municipality is \$815,864. 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)).

b) Debenture capital debt is repayable to Municipal Financing Corporation, annually, at 4.85%

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2020	\$ -	\$ -	\$ -	\$ 32,965
2021	34,563	1,677	36,240	34,563
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ 34,563	\$ 1,677	\$ 36,240	\$ 67,528

c) Bank Loan - capital debt: Due to Royal Bank for the purpose of financing a utility infrastructure upgrade and remediation project. The loan is payable in monthly installments of \$4,571, including interest at 3.77%. The liability matures in 2021.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2020	\$ -	\$ -	\$ -	\$ 53,075
2021	18,134	149	18,283	18,141
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ 18,134	\$ 149	\$ 18,283	\$ 71,216

d) Bank Loan - operating debt: Due to Royal Bank for the purpose of financing the unprepaid property owners' share of a local improvement project. The loan is payable in monthly installments of \$6,892, including interest at 3.77%. The liability matures in 2021.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2020	\$ -	\$ -	\$ -	\$ 79,778
2021	34,350	112	34,462	34,347
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ 34,350	\$ 112	\$ 34,462	\$ 114,125

## 10. 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 \$14,555 (2019 - \$13,535). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the

**TOWN OF PENSE**  
Notes to the Financial Statements  
For the year ended December 31, 2020

plan accrual rate.

**11. Related Parties**

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

**12. Fair Value**

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature. The fair value of the municipality's long term debt approximates the carrying value as the terms and conditions are comparable to current market conditions, or they are due in a relatively short period of time.

**13. Interest Rate Risk**

The rural municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity. The municipality is exposed to interest rate price risk on its long term debt that has a fixed interest rate. The interest rate and maturity date of the debt is disclosed in Note 9.

**14. Credit Risk**

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

**15. COVID-19 Pandemic**

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

**TOWN OF PENSE**  
Schedule of Taxes and Other Unconditional Revenue  
For the year ended December 31, 2020

Schedule 1

	2020 Budget	2020	2019
<b>TAXES</b>			
General municipal tax levy	\$ 396,652	\$ 396,169	\$ 397,285
Abatements and adjustments	(8,900)	(10,668)	(9,594)
Discount on current year taxes	-	-	-
<b>Net Municipal Taxes</b>	<b>387,752</b>	<b>385,501</b>	<b>387,691</b>
Potash tax share	65,758	65,809	62,315
Trailer license fees	-	-	-
Penalties on tax arrears	12,450	12,467	10,170
Special tax levy	-	-	-
Other -	-	-	-
<b>Total Taxes</b>	<b>465,960</b>	<b>463,777</b>	<b>460,176</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	134,919	134,919	121,796
Organized Hamlet	-	-	-
Other - Safe Restart	-	35,017	-
<b>Total Unconditional Grants</b>	<b>134,919</b>	<b>169,936</b>	<b>121,796</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial	-	-	-
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	980	979	979
Other -	-	-	-
Local/Other	-	-	-
Housing Authority	-	-	-
C.P.R. Mainline	8,980	8,981	8,981
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers	-	-	-
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<b>9,960</b>	<b>9,960</b>	<b>9,960</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 610,839</b>	<b>\$ 643,673</b>	<b>\$ 591,932</b>

# TOWN OF PENSE

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

Schedule 2-1

	2020 Budget	2020	2019
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 500	\$ 862	\$ 627
- Sales of supplies	-	-	-
- Other - Licences and permits	250	592	209
Total Fees and Charges	750	1,454	836
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Interest	5,000	6,551	11,816
- Other - Rentals	5,575	5,370	10,750
Total Other Segmented Revenue	11,325	13,375	23,402
Conditional Grants			
- Federal / FCM - Asset Management Program	40,000	40,000	-
- Other - Donations	-	-	425
Total Conditional Grants	40,000	40,000	425
<b>Total Operating</b>	<b>51,325</b>	<b>53,375</b>	<b>23,827</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>\$ 51,325</b>	<b>\$ 53,375</b>	<b>\$ 23,827</b>

## PROTECTIVE SERVICES

### Operating

Other Segmented Revenue			
Fees and Charges			
- Other - Fines	\$ -	\$ 883	\$ 253
Total Fees and Charges	-	883	253
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	883	253
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other - MEEP - fire hydrant updating project	-	84,369	-
Total Conditional Grants	-	84,369	-
<b>Total Operating</b>	<b>-</b>	<b>85,252</b>	<b>253</b>

### Capital

Conditional Grants			
- Federal Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>\$ -</b>	<b>\$ 85,252</b>	<b>\$ 253</b>

# TOWN OF PENSE

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

Schedule 2-2

	2020 Budget	2020	2019
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ -	\$ 490	\$ 280
- Sales of supplies	-	1,713	130
- Road maintenance, restoration agreements	-	-	-
- Frontage installment interest	2,500	2,509	6,007
- Other -	-	-	-
Total Fees and Charges	2,500	4,712	6,417
- Tangible capital asset sales - gain (loss)	-	-	1,885
- Other -	-	-	-
Total Other Segmented Revenue	2,500	4,712	8,302
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>2,500</b>	<b>4,712</b>	<b>8,302</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- MREP (CTP)	-	-	-
- MREP (Heavy Haul)	-	-	-
- MREP (Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Transportation Services</b>	<b>\$ 2,500</b>	<b>\$ 4,712</b>	<b>\$ 8,302</b>

## ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 500	\$ 643	\$ 607
- Other -	-	-	-
Total Fees and Charges	500	643	607
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Housing surplus	-	180	261
Total Other Segmented Revenue	500	823	868
Conditional Grants			
- Recycling, Pest Control	-	-	-
- Local Government	-	-	-
- TAPD	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>500</b>	<b>823</b>	<b>868</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local Government	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>\$ 500</b>	<b>\$ 823</b>	<b>\$ 868</b>

# TOWN OF PENSE

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

Schedule 2-3

	2020 Budget	2020	2019
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ -	\$ -
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Planning and Development Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## RECREATION AND CULTURAL SERVICES

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	350
- Other -	-	-	-
Total Other Segmented Revenue	-	-	350
Conditional Grants			
- Federal Government	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	350
<b>Capital</b>			
Conditional Grants and Donations			
- Federal Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Donations - Hall capital project	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 350</b>

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

Schedule 2-4

	2020 Budget	2020	2019
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 301,500	\$ 318,810	\$ 292,082
- Sewer	41,500	41,614	41,590
- Other - Frontage installment interest	2,500	1,927	2,153
Total Fees and Charges	345,500	362,351	335,825
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	345,500	362,351	335,825
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>345,500</b>	<b>362,351</b>	<b>335,825</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	32,500	51,950	67,803
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>32,500</b>	<b>51,950</b>	<b>67,803</b>
<b>Total Utility Services</b>	<b>\$ 378,000</b>	<b>\$ 414,301</b>	<b>\$ 403,628</b>

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 432,325</b>	<b>\$ 558,463</b>	<b>\$ 437,228</b>
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**SUMMARY**

Total Other Segmented Revenue	\$ 359,825	\$ 382,144	\$ 369,000
Total Conditional Grants	40,000	124,369	425
Total Capital Grants and Contributions	32,500	51,950	67,803

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 432,325</b>	<b>\$ 558,463</b>	<b>\$ 437,228</b>
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**TOWN OF PENSE**  
Schedule of Total Expenses by Function  
For the year ended December 31, 2020

Schedule 3-1

	2020 Budget	2020	2019
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 3,800	\$ 3,255	\$ 3,247
Wages and benefits	105,468	103,612	89,265
Professional/Contractual services	40,285	38,124	39,447
Utilities	6,200	4,903	4,747
Maintenance, materials, and supplies	4,300	5,918	5,153
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	7,837	7,957
Interest	-	-	-
Allowance for uncollectables	-	-	653
Other - Consulting engineers	-	-	49,998
<b>Total General Government Services</b>	<b>\$ 160,053</b>	<b>\$ 163,649</b>	<b>\$ 200,467</b>

**PROTECTIVE SERVICES**

**Police Protection**

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	27,500	28,273	27,290
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-

**Fire Protection**

Wages and benefits	-	-	-
Professional/Contractual services	800	770	734
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	20,000	20,881	20,000
- capital	-	-	-
Amortization	-	1,000	1,000
Interest	-	-	-
Other - fire hydrant updating project	7,500	14,649	-

<b>Total Protective Services</b>	<b>\$ 55,800</b>	<b>\$ 65,573</b>	<b>\$ 49,024</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	\$ 52,225	\$ 48,489	\$ 28,835
Council remuneration and travel	-	-	-
Professional/Contractual services	27,400	23,163	17,005
Utilities	13,850	12,293	13,016
Maintenance, materials, and supplies	68,250	58,642	35,470
Gravel	20,000	17,309	14,150
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	72,273	70,073
Interest	2,926	2,934	5,851
Other -	-	-	-

<b>Total Transportation Services</b>	<b>\$ 184,651</b>	<b>\$ 235,103</b>	<b>\$ 184,400</b>
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**TOWN OF PENSE**  
Schedule of Total Expenses by Function  
For the year ended December 31, 2020

Schedule 3-2

	2020 Budget	2020	2019
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	47,500	45,418	48,492
Utilities	-	-	-
Maintenance, materials, and supplies	1,400	366	1,559
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Accrued landfill and/or contaminated sites costs	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>\$ 48,900</b>	<b>\$ 45,784</b>	<b>\$ 50,051</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	141	141
Interest	-	-	-
Other -	-	-	-
<b>Total Planning and Development Services</b>	<b>\$ -</b>	<b>\$ 141</b>	<b>\$ 141</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	\$ 47,475	\$ 40,571	\$ 46,045
Professional/Contractual services	8,570	8,687	8,567
Utilities	6,500	5,477	6,180
Maintenance, materials, and supplies	12,400	6,353	9,465
Grants and contributions - operating	-	8,000	-
- capital	-	-	-
Amortization	-	150,048	150,048
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
<b>Total Recreation and Cultural Services</b>	<b>\$ 74,945</b>	<b>\$ 219,136</b>	<b>\$ 220,305</b>

**TOWN OF PENSE**  
Schedule of Total Expenses by Function  
For the year ended December 31, 2020

Schedule 3-3

	2020 Budget	2020	2019
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ 12,300	\$ 11,375	\$ 21,869
Professional/Contractual services	37,300	86,465	46,183
Utilities	9,100	9,235	10,046
Maintenance, materials, and supplies	6,800	17,320	13,271
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	53,298	53,298
Interest	5,049	3,842	7,400
Allowance for uncollectables	-	-	-
Other - Water purchases	160,000	196,281	266,185
<b>Total Utility Services</b>	<b>\$ 230,549</b>	<b>\$ 377,816</b>	<b>\$ 418,252</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 754,898</b>	<b>\$ 1,107,202</b>	<b>\$ 1,122,640</b>

**TOWN OF PENSE**  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 1,454	\$ 883	\$ 4,712	\$ 643	\$ -	\$ -	\$ 362,351	\$ 370,043
Investment Income and Commissions	6,551	-	-	-	-	-	-	6,551
Other Revenues	5,370	-	-	180	-	-	-	5,550
Grants - Conditional	40,000	84,369	-	-	-	-	-	124,369
- Capital	-	-	-	-	-	-	51,950	51,950
<b>Total Revenues</b>	<b>53,375</b>	<b>85,252</b>	<b>4,712</b>	<b>823</b>	<b>-</b>	<b>-</b>	<b>414,301</b>	<b>558,463</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	106,867	-	48,489	-	-	40,571	11,375	207,302
Professional/Contractual Services	38,124	29,043	23,163	45,418	-	8,687	86,465	230,900
Utilities	4,903	-	12,293	-	-	5,477	9,235	31,908
Maintenance, Materials, and Supplies	5,918	-	75,951	366	-	6,353	17,320	105,908
Grants and Contributions	-	20,881	-	-	-	8,000	-	28,881
Amortization	7,837	1,000	72,273	-	141	150,048	53,298	284,597
Interest	-	-	2,934	-	-	-	3,842	6,776
Other	-	14,649	-	-	-	-	196,281	210,930
<b>Total Expenses</b>	<b>163,649</b>	<b>65,573</b>	<b>235,103</b>	<b>45,784</b>	<b>141</b>	<b>219,136</b>	<b>377,816</b>	<b>1,107,202</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (110,274)</b>	<b>\$ 19,679</b>	<b>\$ (230,391)</b>	<b>\$ (44,961)</b>	<b>\$ (141)</b>	<b>\$ (219,136)</b>	<b>\$ 36,485</b>	<b>\$ (548,739)</b>

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 643,673

**Net Surplus (Deficit)**

**\$ 94,934**

**TOWN OF PENSE**  
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 Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 836	\$ 253	\$ 6,417	\$ 607	\$ -	\$ -	\$ 335,825	\$ 343,938
Tangible Capital Asset Sales - Gain	-	-	1,885	-	-	350	-	2,235
Investment Income and Commissions	11,816	-	-	-	-	-	-	11,816
Other Revenues	10,750	-	-	261	-	-	-	11,011
Grants - Conditional	425	-	-	-	-	-	-	425
- Capital	-	-	-	-	-	-	67,803	67,803
<b>Total Revenues</b>	<b>23,827</b>	<b>253</b>	<b>8,302</b>	<b>868</b>	<b>-</b>	<b>350</b>	<b>403,628</b>	<b>437,228</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	92,512	-	28,835	-	-	46,045	21,869	189,261
Professional/Contractual Services	89,445	28,024	17,005	48,492	-	8,567	46,183	237,716
Utilities	4,747	-	13,016	-	-	6,180	10,046	33,989
Maintenance, Materials, and Supplies	5,153	-	49,620	1,559	-	9,465	13,271	79,068
Grants and Contributions	-	20,000	-	-	-	-	-	20,000
Amortization	7,957	1,000	70,073	-	141	150,048	53,298	282,517
Interest	-	-	5,851	-	-	-	7,400	13,251
Allowance for Uncollectables	653	-	-	-	-	-	-	653
Other	-	-	-	-	-	-	266,185	266,185
<b>Total Expenses</b>	<b>200,467</b>	<b>49,024</b>	<b>184,400</b>	<b>50,051</b>	<b>141</b>	<b>220,305</b>	<b>418,252</b>	<b>1,122,640</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (176,640)</b>	<b>\$ (48,771)</b>	<b>\$ (176,098)</b>	<b>\$ (49,183)</b>	<b>\$ (141)</b>	<b>\$ (219,955)</b>	<b>\$ (14,624)</b>	<b>\$ (685,412)</b>

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 591,932

**Net Surplus (Deficit)**

**\$ (93,480)**

**TOWN OF PENSE**  
Schedule of Tangible Capital Assets by Object  
For the year ended December 31, 2020

Schedule 6

	2020							2019	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
Asset Cost	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Opening Asset Costs	\$ 205,700	\$ 22,314	\$ 8,765,713	\$ 37,580	\$ 575,188	\$ 4,369,559	\$ -	\$ 13,976,054	\$ 13,965,154
Additions during the year	-	-	-	-	-	-	-	-	21,995
Disposals and write downs during the year	-	-	-	-	-	-	-	-	(11,095)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ 205,700	\$ 22,314	\$ 8,765,713	\$ 37,580	\$ 575,188	\$ 4,369,559	\$ -	\$ 13,976,054	\$ 13,976,054
Accumulated Amortization									
Opening Accum. Amort. Cost	\$ -	\$ 7,355	\$ 2,079,279	\$ 11,800	\$ 467,758	\$ 1,179,243	\$ -	\$ 3,745,435	\$ 3,468,998
Add: Amortization taken	-	1,116	175,314	3,758	17,263	87,146	-	284,597	282,517
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	(6,080)
Closing Accumulated Amort.	\$ -	\$ 8,471	\$ 2,254,593	\$ 15,558	\$ 485,021	\$ 1,266,389	\$ -	\$ 4,030,032	\$ 3,745,435
Net Book Value	\$ 205,700	\$ 13,843	\$ 6,511,120	\$ 22,022	\$ 90,167	\$ 3,103,170	\$ -	\$ 9,946,022	\$ 10,230,619

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

**TOWN OF PENSE**  
Schedule of Tangible Capital Assets by Function  
For the year ended December 31, 2020

Schedule 7

	2020								2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Asset Cost</b>									
Opening Asset Costs	\$ 378,678	\$ 107,114	\$ 2,572,983	\$ 9,754	\$ 2,815	\$ 7,783,786	\$ 3,120,924	\$ 13,976,054	\$ 13,965,154
Additions during the year	-	-	-	-	-	-	-	-	21,995
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	(11,095)
<b>Closing Asset Costs</b>	<b>\$ 378,678</b>	<b>\$ 107,114</b>	<b>\$ 2,572,983</b>	<b>\$ 9,754</b>	<b>\$ 2,815</b>	<b>\$ 7,783,786</b>	<b>\$ 3,120,924</b>	<b>\$ 13,976,054</b>	<b>\$ 13,976,054</b>
<b>Accumulated Amortization</b>									
Opening Accum. Amort. Costs	\$ 89,336	\$ 102,112	\$ 492,613	\$ 9,751	\$ 564	\$ 1,984,290	\$ 1,066,769	\$ 3,745,435	\$ 3,468,998
Add: Amortization taken	7,837	1,000	72,273	-	141	150,048	53,298	284,597	282,517
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	(6,080)
<b>Closing Accumulated Amortization</b>	<b>\$ 97,173</b>	<b>\$ 103,112</b>	<b>\$ 564,886</b>	<b>\$ 9,751</b>	<b>\$ 705</b>	<b>\$ 2,134,338</b>	<b>\$ 1,120,067</b>	<b>\$ 4,030,032</b>	<b>\$ 3,745,435</b>
<b>Net Book Value</b>	<b>\$ 281,505</b>	<b>\$ 4,002</b>	<b>\$ 2,008,097</b>	<b>\$ 3</b>	<b>\$ 2,110</b>	<b>\$ 5,649,448</b>	<b>\$ 2,000,857</b>	<b>\$ 9,946,022</b>	<b>\$ 10,230,619</b>

**TOWN OF PENSE**  
Schedule of Accumulated Surplus  
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
<b>UNAPPROPRIATED SURPLUS</b>	\$ 910,927	\$ 137,614	\$ 1,048,541
<b>APPROPRIATED RESERVES</b>			
Transportation Equipment Reserve	20,920	-	20,920
Utility Reserve	41,852	155,870	197,722
<b>Total Appropriated</b>	<b>62,772</b>	<b>155,870</b>	<b>218,642</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible Capital Assets (Schedule 6, 7)	10,230,619	(284,597)	9,946,022
Less: Related debt	(138,744)	86,047	(52,697)
<b>Net Investment in Tangible Capital Assets</b>	<b>10,091,875</b>	<b>(198,550)</b>	<b>9,893,325</b>
<b>OTHER</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Accumulated Surplus</b>	<b>\$ 11,065,574</b>	<b>\$ 94,934</b>	<b>\$ 11,160,508</b>

**TOWN OF PENSE**  
Schedule of Mill Rates and Assessments  
For the year ended December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
<b>Taxable Assessment</b>	\$ 252,065	\$ 44,298,080	\$ 1,933,360	\$ -	\$ 2,020,400	\$ -	\$ 48,503,905
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							48,503,905
<b>Mill Rate Factor(s)</b>	1.820	0.997	0.997	-	1.000		
<b>Total Base/Minimum Tax</b>	3,640	162,770	-	-	13,550		179,960
<b>Total Municipal Tax Levy</b>	\$ 5,032	\$ 361,312	\$ 8,751	\$ -	\$ 21,074		\$ 396,169

MILL RATES:	MILLS
Average Municipal*	8.168
Average School*	4.196
Potash Mill Rate	-
Uniform Municipal Mill Rate	4.540

\* 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).

**TOWN OF PENSE**  
Schedule of Council Remuneration  
For the year ended December 31, 2020

Schedule 10

<b>Name</b>	<b>Remuneration</b>	<b>Travel and other Costs</b>	<b>Total</b>
Botkin, B	\$ 150	\$ -	\$ 150
Cairns, M	484	-	484
Davison, D	462	78	540
DesRosiers, A	110	-	110
LeBlanc, M	616	-	616
Lovell, K	594	-	594
Neumann, A	66	-	66
Young, S	690	-	690
<b>Total</b>	<b>\$ 3,172</b>	<b>\$ 78</b>	<b>\$ 3,250</b>