

VILLAGE OF DENZIL

Auditor's Report

Financial Statements

December 31, 2021

MANAGEMENT'S RESPONSIBILITY


To the Ratepayers of
Village of Denzil :

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. The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

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

The Council is composed of elected officials who are not employees of the Village. 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 Village's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the 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.


Deputy Mayor


Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Mayor and Council of Village of Denzil**

Report on the consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Village of Denzil**, which comprise the consolidated statement of financial position as at **December 31, 2021** and the consolidated statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, present fairly, in all material respects, the financial position of the Village as at **December 31, 2021** and its financial performance and 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 Village 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 consolidated Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the consolidated Financial Statements

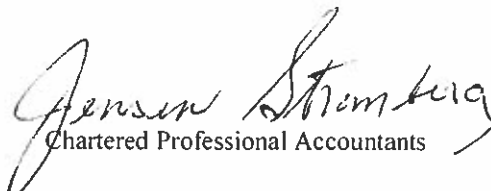
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not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

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

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

Saskatoon, Saskatchewan
May 11, 2022


Chartered Professional Accountants

VILLAGE OF DENZIL

Statement 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 741,102	649,896
Taxes receivable - Municipal (Note 3)	25,733	20,718
Other accounts receivable (Note 4)	21,218	22,178
Land for re-sale (Note 5)	1,999	1,500
Long-term investments (Note 6)	4,401	4,245
Debt charges recoverable	-	-
Other	-	-
Total financial assets	794,453	698,537
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	43,257	32,665
Accrued liabilities payable	-	-
Deposits	7,387	6,993
Deferred revenue	865	287
Accrued landfill costs	-	-
Liability for contaminated sites (Note 10)	-	-
Other liabilities	-	-
Long-term debt (Note 7)	-	-
Lease obligations	-	-
Total liabilities	51,509	39,945
NET FINANCIAL ASSETS (DEBT)	742,944	658,592
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	465,442	430,189
Prepaid and deferred charges	7,872	8,415
Stock and supplies	-	-
Total non-financial assets	473,314	438,604
Accumulated Surplus (Deficit) (Schedule 8)	\$ 1,216,258	1,097,196

APPROVED ON BEHALF OF COUNCIL:

Mayor

Councillor

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

Statement 2

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2021
with comparative figures for 2020

		<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 199,175	189,901	203,567
Fees and charges	(Schedule 4, 5)	76,150	109,831	98,662
Conditional grants	(Schedule 4, 5)	7,000	41,904	52,179
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	1,000
Land sales - gain (loss)	(Schedule 4, 5)	-	-	12,097
Investment income and commissions	(Schedule 4, 5)	1,350	1,710	3,890
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	950	2,368	1,471
Total Revenues		<u>284,625</u>	<u>345,714</u>	<u>372,866</u>
Expenditures:				
General government services	(Schedule 3)	80,625	80,636	121,958
Protective services	(Schedule 3)	12,920	12,947	9,741
Transportation services	(Schedule 3)	58,800	46,652	54,242
Environmental and public health services	(Schedule 3)	43,397	34,977	45,380
Planning and development services	(Schedule 3)	300	732	247
Recreation and cultural services	(Schedule 3)	32,400	56,952	73,315
Utility services	(Schedule 3)	21,867	20,471	19,709
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>250,309</u>	<u>253,367</u>	<u>324,592</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>34,316</u>	<u>92,347</u>	<u>48,274</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>25,000</u>	<u>26,715</u>	<u>33,209</u>
Surplus (deficit) of revenues over expenditures		59,316	119,062	81,483
Accumulated surplus (deficit), beginning of year		<u>1,097,196</u>	<u>1,097,196</u>	<u>1,015,713</u>
Accumulated surplus (deficit), end of year		<u>\$ 1,156,512</u>	<u>1,216,258</u>	<u>1,097,196</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
Surplus (deficit)	\$ <u>59,316</u>	<u>119,062</u>	<u>81,483</u>
(Acquisition) of tangible capital assets	-	(56,905)	-
Amortization of tangible capital assets	-	21,652	21,643
Proceeds on disposal of tangible capital assets	-	-	1,000
Loss (gain) on disposal of tangible capital assets	-	-	(1,000)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>-</u>	<u>(35,253)</u>	<u>21,643</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(7,815)	(7,958)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	-	<u>8,358</u>	<u>7,300</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>543</u>	<u>(658)</u>
Increase (decrease) in Net Financial Assets	59,316	84,352	102,468
Net Financial Assets (Debt) - Beginning of the year	<u>658,592</u>	<u>658,592</u>	<u>556,124</u>
Net Financial Assets (Debt) - End of year	\$ <u>717,908</u>	<u>742,944</u>	<u>658,592</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

Statement 4

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2021
with comparative figures for 2020

Cash provided by (used in) the following activities:	<u>2021</u>	<u>2020</u>
Operating:		
Surplus (deficit)	\$ 119,062	81,483
Amortization	21,652	21,643
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>(1,000)</u>
	140,714	102,126
Change in assets/liabilities		
Taxes receivable - Municipal	(5,015)	(399)
Other accounts receivable	960	(3,178)
Land for re-sale	(500)	1,312
Other financial assets	-	-
Accounts and accrued liabilities payable	10,594	(35,852)
Deposits	394	(250)
Deferred revenue	577	130
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	-	-
Prepayments and deferred charges	543	(659)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>148,267</u>	<u>63,230</u>
Capital:		
Acquisition of capital assets	(56,905)	-
Proceeds from the disposal of capital assets	-	1,000
Other capital	<u>-</u>	<u>-</u>
Net cash from (used for) capital	<u>(56,905)</u>	<u>1,000</u>
Investing:		
Long-term investments	(156)	947
Other investments	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>(156)</u>	<u>947</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	91,206	65,177
Cash and temporary investments, beginning of year	<u>649,896</u>	<u>584,719</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 741,102</u>	<u>649,896</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; 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 consolidate the assets, liabilities and flow of resources of the Village. The entity is comprised of all organizations owned or controlled by the Village 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
Denzil Recreation Board

All inter-organizational transactions and balances have been eliminated.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

(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 either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- 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.

(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.

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(i) Appropriated Reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts 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.

(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 of the inventory in the ordinary course of business.

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs 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 Village's tangible capital asset useful lives are estimated as follows:

<i>General Assets</i>	<u>Asset</u>	<u>Useful Life</u>
	Land	Indefinite
	Land improvements	15 to 25 years
	Buildings	10 to 50 years
	Vehicles and equipment	
	Vehicles	10 to 25 years
	Machinery & Equipment	5 to 40 years
<i>Infrastructure Assets</i>		
	Water and sewer	30 to 75 years
	Road network assets	10 to 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 Village 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 the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(n) Landfill liability

The Village of Denzil does not maintain a waste disposal site. No amount has been recorded as an asset or liability.

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) 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.

(p) 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 its contributions.

(q) Measurement Uncertainty

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

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

The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

(r) Basis of Segmentation/Segment Report

The Village follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Village 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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Village.

Protective Services: Protective services 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 expenses related to public health services in the Village.

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

2. CASH AND TEMPORARY INVESTMENTS

	<u>2021</u>	<u>2020</u>
Cash	\$ 632,170	541,583
Temporary investments	<u>108,932</u>	<u>108,313</u>
	<u>\$ 741,102</u>	<u>649,896</u>

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

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2021</u>	<u>2020</u>
Municipal: - Current	\$ 20,998	15,088
- Arrears	<u>4,735</u>	<u>5,630</u>
	25,733	20,718
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>25,733</u>	<u>20,718</u>
School: - Current	3,294	1,585
- Arrears	<u>601</u>	<u>362</u>
Total school taxes receivable	<u>3,895</u>	<u>1,947</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	29,628	22,665
Deduct taxes receivable to be collected on behalf of other organizations	<u>(3,895)</u>	<u>(1,947)</u>
Total taxes receivable - Municipal	<u>\$ 25,733</u>	<u>20,718</u>

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

4. OTHER ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Federal government	\$ 4,334	3,280
Provincial government	-	6,806
Local government	-	-
Utility	12,780	11,747
Trade	4,104	345
Other	-	-
	<hr/>	<hr/>
Total other accounts receivable	21,218	22,178
Less: allowance for uncollectibles	-	-
	<hr/>	<hr/>
Net other accounts receivable	\$ <u>21,218</u>	<u>22,178</u>

5. LAND FOR RESALE

	<u>2021</u>	<u>2020</u>
Tax title property	\$ 14,834	12,172
Less: - allowance for market value adjustment	(11,038)	(8,886)
- due to other taxing authorities	(1,797)	(1,786)
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Net tax title Property	1,999	1,500
Other land	-	-
Less: - allowance for market value adjustment	-	-
	<hr/>	<hr/>
Net other land	-	-
	<hr/>	<hr/>
Total land for resale	\$ <u>1,999</u>	<u>1,500</u>

6. LONG-TERM INVESTMENTS

	<u>2021</u>	<u>2020</u>
Co-op equity shares	\$ 1,598	1,544
Synergy Credit Union Profit Shares	2,616	2,514
United Farmers of Alberta Shares and equity	162	162
Miscellaneous shares	25	25
	<hr/>	<hr/>
Total long term investments	\$ <u>4,401</u>	<u>4,245</u>

7. LONG-TERM DEBT

The authorized debt limit for the Village is \$242,998. The authorized debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

8. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer 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 pension expense in 2021 was \$6,624 (2020 - \$6,509). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Based on the latest information available (December 31, 2020 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$838,900,000. This is based on the most recent actuarial valuation, completed December 31, 2019. The Village's portion of this is not readily determinable.

9. BUDGET

The Financial Plan (Budget) adopted by Council on April 14, 2021 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget expensed all tangible capital expenditure, and as a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2021</u>
Budget net surplus	\$ (52,684)
Add: Investment in tangible capital assets	<u>112,000</u>
Budget surplus per statement of operations	<u>\$ 59,316</u>

VILLAGE OF DENZIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021

10. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Village:

Standards Effective 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 is 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 is 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.

Standards Effective On Or After April 1, 2023:

PS 3400 Revenue is 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 Village continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

VILLAGE OF DENZIL

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 147,000	142,713	145,713
Abatements and adjustments	(2,550)	(349)	(1,299)
Discount on current year taxes	-	(2,735)	(2,534)
Net municipal taxes	<u>144,450</u>	<u>139,629</u>	<u>141,880</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	4,300	2,034	4,292
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>148,750</u>	<u>141,663</u>	<u>146,172</u>
UNCONDITIONAL GRANTS			
Revenue sharing	35,000	34,107	34,399
Organized Hamlet	-	-	-
Other (Safe restart)	<u>500</u>	<u>-</u>	<u>8,531</u>
Total Unconditional Grants	<u>35,500</u>	<u>34,107</u>	<u>42,930</u>
GRANTS IN LIEU OF TAXES			
Federal	525	511	514
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	4,600	4,039	4,452
TransGas	-	-	-
Provincial - Central Services	-	-	-
Sasktel	1,500	1,409	1,331
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	8,300	8,172	8,168
Other	-	-	-
Total Grants in Lieu of Taxes	<u>14,925</u>	<u>14,131</u>	<u>14,465</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 199,175</u>	<u>189,901</u>	<u>203,567</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 1,200	25	-
Sales of supplies	100	-	100
Other Licenses, Certificates, Enforcement	<u>1,250</u>	<u>1,334</u>	<u>3,946</u>
Total Fees and Charges	2,550	1,359	4,046
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	12,097
Investment income and commissions	1,200	1,608	3,649
Other (Miscellaneous)	<u>950</u>	<u>2,368</u>	<u>1,471</u>
Total other segmented revenue	<u>4,700</u>	<u>5,335</u>	<u>21,263</u>
Conditional Grants			
Student employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	-	-	-
Total Operating	<u>4,700</u>	<u>5,335</u>	<u>21,263</u>
Capital			
Conditional Grants			
Canada Community - Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>4,700</u>	<u>5,335</u>	<u>21,263</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>-</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community - Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	50	50
Sales of supplies	-	-	-
Road Maintenance and Restoration Agreements	-	-	-
Other Survey and sign fees	100	310	11
Total Fees and Charges	100	360	61
Tangible capital asset sales - gain (loss)	-	-	1,000
Other	-	-	-
Total other segmented revenue	100	360	1,061
Conditional Grants			
Primary Weight Corridor	-	-	-
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>100</u>	<u>360</u>	<u>1,061</u>
Capital			
Conditional Grants			
Canada Community - Building Fund	13,000	17,425	12,656
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (SGI Traffic Safety)	12,000	9,290	-
Other (Municipal Economic Enhancement Program)	-	-	20,553
Total Capital	<u>25,000</u>	<u>26,715</u>	<u>33,209</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>25,100</u>	<u>27,075</u>	<u>34,270</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	11,900	12,203	11,261
Other Cemetery fees	-	800	305
Total Fees and Charges	11,900	13,003	11,566
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	11,900	13,003	11,566
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>11,900</u>	<u>13,003</u>	<u>11,566</u>
Capital			
Conditional Grants			
Canada Community - Building Fund	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>11,900</u>	<u>13,003</u>	<u>11,566</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community - Building Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Fundraising event revenue	-	2,523	15,472
Recreation sales, rents & fees	5,400	35,613	15,892
Other	-	-	-
Total Fees and Charges	5,400	38,136	31,364
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	150	102	241
Other	-	-	-
Total other segmented revenue	5,550	38,238	31,605
Conditional Grants			
Student Employment	-	-	-
Local government	7,000	4,804	32,702
Donations	-	32,100	11,236
Other (Sask Lotteries, CRAG)	-	5,000	8,241
Total Conditional Grants	7,000	41,904	52,179
Total Operating	12,550	80,142	83,784
Capital			
Conditional Grants			
Canada Community - Building Fund	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	12,550	80,142	83,784

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 41,000	41,993	38,420
Sewer	15,200	14,980	13,205
Other	-	-	-
Total Fees and Charges	56,200	56,973	51,625
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	56,200	56,973	51,625
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>56,200</u>	<u>56,973</u>	<u>51,625</u>
Capital			
Conditional Grants			
Canada Community - Building Fund	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>56,200</u>	<u>56,973</u>	<u>51,625</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 110,450</u>	<u>182,528</u>	<u>202,508</u>
SUMMARY			
Total Other Segmented Revenue	\$ 78,450	113,909	117,120
Total Conditional Grants	7,000	41,904	52,179
Total Capital Grants and Contributions	25,000	26,715	33,209
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 110,450</u>	<u>182,528</u>	<u>202,508</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021

with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 4,000	3,840	2,640
Wages and benefits	43,000	44,376	41,789
Professional/Contractual services	18,900	20,168	21,351
Utilities	5,500	5,140	5,225
Maintenance, materials, and supplies	6,300	4,369	6,597
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	325	66	541
Allowance for uncollectibles	2,000	2,152	2,650
Other (Loan payout, election, supplies)	600	525	41,165
General Government Services	<u>80,625</u>	<u>80,636</u>	<u>121,958</u>
Restructuring	-	-	-
Total General Government Services	<u>80,625</u>	<u>80,636</u>	<u>121,958</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	7,640	7,644	7,459
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	180	-	177
Professional/Contractual services	4,700	-	2,105
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	3,132	-
-operating	-	1,566	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (First aid supplies)	400	605	-
Protective Services	<u>12,920</u>	<u>12,947</u>	<u>9,741</u>
Restructuring	-	-	-
Total Protective Services	<u>12,920</u>	<u>12,947</u>	<u>9,741</u>
TRANSPORTATION SERVICES			
Wages and benefits	18,500	23,827	18,365
Professional/Contractual services	16,350	1,154	18,268
Utilities	7,300	6,448	7,116
Maintenance, materials, and supplies	7,100	10,359	5,684
Gravel	2,050	55	-
Grants and contributions	2,800	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	4,700	4,809	4,809
Interest	-	-	-
Other	-	-	-
Transportation Services	<u>58,800</u>	<u>46,652</u>	<u>54,242</u>
Restructuring	-	-	-
Total Transportation Services	<u>58,800</u>	<u>46,652</u>	<u>54,242</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	23,500	17,384	23,544
Professional/Contractual services	14,400	11,776	14,042
Utilities	600	488	567
Maintenance, materials, and supplies	3,100	4,532	6,430
Grants and contributions			
-operating			
Waste disposal	1,000	-	-
Public health	-	-	-
-capital			
Waste disposal	-	-	-
Public health	-	-	-
Amortization	797	797	797
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>43,397</u>	<u>34,977</u>	<u>45,380</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>43,397</u>	<u>34,977</u>	<u>45,380</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	-	305	-
Maintenance, materials, and supplies	300	427	247
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>300</u>	<u>732</u>	<u>247</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>300</u>	<u>732</u>	<u>247</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	4,100	4,000	4,075
Professional/Contractual services	500	1,576	2,530
Utilities	14,300	18,285	23,076
Maintenance, materials, and supplies	2,000	21,732	32,110
Grants and contributions			
-operating	2,300	2,164	2,164
-capital	-	-	100
Amortization	9,200	9,170	9,170
Interest	-	25	90
Allowance for uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	<u>32,400</u>	<u>56,952</u>	<u>73,315</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>32,400</u>	<u>56,952</u>	<u>73,315</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2021</u>	<u>2020</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
UTILITY SERVICES			
Wages and benefits	3.500	3.000	3.000
Professional/Contractual services	1.000	150	-
Utilities	3.200	2.882	2.872
Maintenance, materials, and supplies	7.300	7.563	6.970
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	6.867	6.876	6.867
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Utility Services	<u>21.867</u>	<u>20.471</u>	<u>19.709</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>21.867</u>	<u>20.471</u>	<u>19.709</u>
 TOTAL EXPENDITURES BY FUNCTION	 <u>\$ 250,309</u>	 <u>253,367</u>	 <u>324,592</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
Year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 1,359	-	360	13,003	-	38,136	56,973	109,831
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	1,608	-	-	-	-	102	-	1,710
Other revenues	2,368	-	-	-	-	-	-	2,368
Grants - Conditional	-	-	-	-	-	41,904	-	41,904
Grants - Capital	-	-	26,715	-	-	-	-	26,715
Restructurings	-	-	-	-	-	-	-	-
Total revenues	<u>5,335</u>	<u>-</u>	<u>27,075</u>	<u>13,003</u>	<u>-</u>	<u>80,142</u>	<u>56,973</u>	<u>182,528</u>
Expenses (Schedule 3)								
Wages & Benefits	48,216	-	23,827	17,384	-	4,000	3,000	96,427
Professional/Contractual Services	20,168	7,644	1,154	11,776	305	1,576	150	42,773
Utilities	5,140	-	6,448	488	-	18,285	2,882	33,243
Maintenance, materials and supplies	4,369	-	10,414	4,532	427	21,732	7,563	49,037
Grants and contributions	-	4,698	-	-	-	2,164	-	6,862
Amortization	-	-	4,809	797	-	9,170	6,876	21,652
Interest	66	-	-	-	-	25	-	91
Allowance for uncollectibles	2,152	-	-	-	-	-	-	2,152
Other	525	605	-	-	-	-	-	1,130
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>80,636</u>	<u>12,947</u>	<u>46,652</u>	<u>34,977</u>	<u>732</u>	<u>56,952</u>	<u>20,471</u>	<u>253,367</u>
Surplus (deficit) by function	(75,301)	(12,947)	(19,577)	(21,974)	(732)	23,190	36,502	(70,839)
Taxation and other unconditional revenue (Schedule 1)								<u>189,901</u>
Net Surplus (Deficit)								<u>\$ 119,062</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 4,046	-	61	11,566	-	31,364	51,625	98,662
Tangible capital asset sales - Gain (loss)	-	-	1,000	-	-	-	-	1,000
Land sales - Gain (loss)	12,097	-	-	-	-	-	-	12,097
Investment income and commissions	3,649	-	-	-	-	-	-	3,890
Other revenues	1,471	-	-	-	-	241	-	1,471
Grants - Conditional	-	-	-	-	-	-	-	-
Grants - Capital	-	-	33,209	-	-	52,179	-	52,179
Restructurings	-	-	-	-	-	-	-	33,209
Total revenues	<u>21,263</u>	<u>-</u>	<u>34,270</u>	<u>11,566</u>	<u>-</u>	<u>83,784</u>	<u>51,625</u>	<u>202,508</u>
Expenses (Schedule 3)								
Wages & Benefits	44,429	177	18,365	23,544	-	4,075	3,000	93,590
Professional/Contractual Services	21,351	9,564	18,268	14,042	-	2,530	-	65,755
Utilities	5,225	-	7,116	567	-	23,076	2,872	38,856
Maintenance, materials and supplies	6,597	-	5,684	6,430	247	32,110	6,970	58,038
Grants and contributions	-	-	-	-	-	2,264	-	2,264
Amortization	-	-	4,809	797	-	9,170	6,867	21,643
Interest	541	-	-	-	-	90	-	631
Allowance for uncollectibles	2,650	-	-	-	-	-	-	2,650
Other	41,165	-	-	-	-	-	-	41,165
Restructurings	-	-	-	-	-	-	-	-
Total expenses	<u>121,958</u>	<u>9,741</u>	<u>54,242</u>	<u>45,380</u>	<u>247</u>	<u>73,315</u>	<u>19,709</u>	<u>324,592</u>
Surplus (deficit) by function	(100,695)	(9,741)	(19,972)	(33,814)	(247)	10,469	31,916	(122,084)
Taxation and other unconditional revenue (Schedule 1)								<u>203,567</u>
Net Surplus (Deficit)								<u>\$ 81,483</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2021
with comparative figures for 2020

	2021							2020
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets		Total
Asset cost								
Opening asset costs	\$ 8,900	39,234	388,081	-	127,455	470,522	-	1,034,192
Additions during the year	-	-	29,105	-	10,973	16,827	-	56,905
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	(5,000)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing asset costs	<u>8,900</u>	<u>39,234</u>	<u>417,186</u>	<u>-</u>	<u>138,428</u>	<u>487,349</u>	<u>-</u>	<u>1,091,097</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	14,178	219,723	-	50,925	319,177	-	604,003
Add: Amortization taken	-	1,089	8,878	-	4,535	7,150	-	21,652
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(5,000)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>15,267</u>	<u>228,601</u>	<u>-</u>	<u>55,460</u>	<u>326,327</u>	<u>-</u>	<u>604,003</u>
Net book value	<u>\$ 8,900</u>	<u>23,967</u>	<u>188,585</u>	<u>-</u>	<u>82,968</u>	<u>161,022</u>	<u>-</u>	<u>430,189</u>
1. Total contributed/donated assets received in 2021:	\$ -							
2. List of assets recognized at nominal value in 2021 are:								
-Infrastructure Assets	\$ -							
-Vehicles	\$ -							
-Machinery and Equipment	\$ -							
3. Amount of interest capitalized in 2021:	\$ -							

See accompanying notes to the financial statements.

VILLAGE OF DENZIL

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2021
with comparative figures for 2020

	2021							2020
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								Total
Opening asset costs	\$ 26,856	-	148,644	39,849	-	334,316	484,527	1,034,192
Additions during the year	-	-	27,800	-	-	29,105	-	56,905
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(5,000)
Closing asset costs	<u>26,856</u>	<u>-</u>	<u>176,444</u>	<u>39,849</u>	<u>-</u>	<u>363,421</u>	<u>484,527</u>	<u>1,091,097</u>
Accumulated amortization cost								
Opening accumulated amortization costs	25,856	-	47,457	8,767	-	165,284	356,639	604,003
Add: Amortization taken	-	-	4,809	797	-	9,170	6,876	21,652
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	(5,000)
Closing accumulated amortization costs	<u>25,856</u>	<u>-</u>	<u>52,266</u>	<u>9,564</u>	<u>-</u>	<u>174,454</u>	<u>363,515</u>	<u>625,655</u>
Net book value	<u>\$ 1,000</u>	<u>-</u>	<u>124,178</u>	<u>30,285</u>	<u>-</u>	<u>188,967</u>	<u>121,012</u>	<u>430,189</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2021

	<u>2020</u>	<u>Changes</u>	<u>2021</u>
UNAPPROPRIATED SURPLUS	\$ <u>646,641</u>	<u>83,809</u>	<u>730,450</u>
APPROPRIATED RESERVES			
Machinery and equipment	20,366	-	20,366
Public reserve	-	-	-
Capital trust	-	-	-
Utility	-	-	-
Total Appropriated	<u>20,366</u>	<u>-</u>	<u>20,366</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	430,189	35,253	465,442
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	<u>430,189</u>	<u>35,253</u>	<u>465,442</u>
Total Accumulated Surplus	\$ <u>1,097,196</u>	<u>119,062</u>	<u>1,216,258</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2021
with comparative figures for 2020

	PROPERTY CLASS						
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	<u>Total</u>
Taxable Assessment	\$ 66,715	4,515,120	-	-	800,615	-	\$ 5,382,450
Regional Park Assessment							-
Total Assessment							\$ 5,382,450
Mill Rate Factor(s)	1.0000	1.0000	1.0000	1.0000	1.0000		
Total Base/Minimum Tax (generated for each property class)	2,250	45,000	-	-	22,800		70,050
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 3,151	105,954	-	-	33,608		142,713

MILL RATES:

	<u>MILLS</u>
Average Municipal*	26.515
Average School*	4.762
Potash Mill Rate	-
Uniform Municipal Mill Rate	13.500

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

See accompanying notes to the financial statements.

VILLAGE OF DENZIL
SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2021
with comparative figures for 2020

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor	Michael Bartsch	\$ 1,200	-	1,200
Councillor	Mitch Baier	600	-	600
Councillor	Ted Burrows	720	-	720
Councillor	Chelsea Saddler	720	-	720
Councillor	Jason Volk	600	-	600
Total		<u>\$ 3,840</u>	<u>-</u>	<u>3,840</u>

See accompanying notes to the financial statements.

VILLAGE OF DENZIL
SCHEDULE OF RESTRUCTURING
Year ended December 31, 2021

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
	<hr/>
Total Net Carrying Amount Received (Transferred)	\$ - <hr/>

See accompanying notes to the financial statements.