

VILLAGE OF SHELL LAKE
Consolidated Financial Statements
Year Ended December 31, 2019

VILLAGE OF SHELL LAKE
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Year Ended December 31, 2019

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Management's Responsibility

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

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

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

Grant Thornton LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.


Tara Bueckert, Administrator


Ms Anita Weiers, Mayor

Shell Lake, SK

Date: May 10/21

INDEPENDENT AUDITOR'S REPORT

To the Council of the Village of Shell Lake

Qualified Opinion

We have audited the consolidated financial statements of the Village of Shell Lake (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Municipality has not assessed the scope of the government reporting entity by determining if it controls a number of small entities and organizations, which constitutes a departure from Canadian public sector accounting standards. If the Municipality had completed this assessment and determined that in fact, the Municipality controls these small entities and organizations in accordance to the definition in Canadian public sector accounting standards, these entities would be consolidated in the Municipality's financial statements. The impact from this departure from Canadian public sector accounting standards has not been determined and therefore, we were unable to determine if any adjustments might be necessary to the surplus of revenue over expenditures for the year ending December 31, 2019 and net assets, accumulated surplus and cash flows for the year then ended.

As outlined in Note 9 to the consolidated financial statements, a liability for contaminated sites of \$20,000 is recorded in the statement of financial position as at December 31, 2019. Management was unable to provide the relevant financial information in order to enable us to assess the recorded liability. Consequently, we were unable to perform the procedures we considered necessary. Therefore, we were unable to determine whether any adjustments might be necessary to deficit of revenue over expenses for the year ending December 31, 2019, environmental liabilities as at December 31, 2019 and net financial assets, accumulated surplus and cash flows for the year then ended.

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

Other Matter

Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole. Schedules 1, 2, 3, 7, 9 and 10 are presented for purposes of additional information and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the consolidated financial statements taken as a whole.

Predecessor auditor

The consolidated financial statements of the Village of Shell Lake for the year ended December 31, 2018, were audited by Cogent Chartered Professional Accountants LLP who expressed an unmodified opinion on those consolidated statements on June 30, 2019. The partners and staff of Cogent Chartered Professional Accountants LLP joined Grant Thornton LLP subsequent to that on November 1, 2019.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements 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, Canada
May 10, 2021

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

VILLAGE OF SHELL LAKE
Consolidated Statement of Financial Position
As at December 31, 2019
Statement 1

	2019	2018
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 228,519	\$ 321,459
Taxes Receivable - Municipal (Note 3)	51,989	56,669
Other Accounts Receivable (Note 4)	7,523	12,355
Land for Resale (Note 5)	-	65,547
Long-Term Investments (Note 6)	191,204	86,483
Debt Charges Recoverable	-	-
Other	-	-
Total financial assets	479,235	542,513
LIABILITIES		
Bank indebtedness (Note 8)	-	-
Accounts Payable	8,359	6,500
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred income (Note 7)	19,587	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites (Note 9)	20,000	20,000
Other Liabilities	-	-
Long-Term Debt (Note 10)	-	-
Lease Obligations	-	-
Total liabilities	47,946	26,500
NET FINANCIAL ASSETS	431,289	516,013
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	650,649	569,184
Prepayments and Deferred Charges	-	1,936
Stock and Supplies	-	-
Other	-	-
Total Non-Financial Assets	650,649	571,120
ACCUMULATED SURPLUS (Schedule 8)	\$ 1,081,938	\$ 1,087,133

See notes to financial statements

VILLAGE OF SHELL LAKE**Consolidated Statement of Operations and Accumulated Surplus****As at December 31, 2019****Statement 2**

	Budget 2019	2019	2018
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue			
(Schedule 1)	\$ 240,959	\$ 229,499	\$ 226,675
Fees and Charges (Schedule 4, 5)	100,570	116,154	116,180
Conditional Grants (Schedule 4, 5)	-	-	-
Tangible Capital Assets Sales - Gain (Loss)			
(Schedule 4, 5)	35,000	12,129	-
Land Sales - Gain (Loss) (Schedule 4, 5)	17,000	-	32,000
Investment Income and Commissions			
(Schedule 4, 5)	3,195	7,992	4,735
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	7,000	-	-
Total Revenues other than Provincial/Federal Capital Grants and Contributions	403,724	365,774	379,590
EXPENSES			
General Government Services (Schedule 3)	83,830	86,825	74,934
Protective Services (Schedule 3)	18,600	14,777	17,271
Transportation Services (Schedule 3)	199,885	210,938	132,670
Environmental and Public Health Services			
(Schedule 3)	12,150	6,181	8,344
Planning and Development Services (Schedule 3)	-	-	-
Recreation and Cultural Services (Schedule 3)	15,111	23,967	21,320
Utility Services (Schedule 3)	55,755	28,281	34,991
Restructurings (Schedule 3)	-	-	-
Total Expenses	385,331	370,969	289,530
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	18,393	(5,195)	90,060
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	9,242	-	9,287
Surplus (Deficit) of Revenues over Expenses	27,635	(5,195)	99,347
Accumulated Surplus (Deficit), Beginning of Year	1,087,133	1,087,133	987,786
ACCUMULATED SURPLUS - END OF YEAR	\$ 1,114,768	\$ 1,081,938	\$ 1,087,133

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2019

Statement 3

	Budget 2019	2019	2018
Surplus (Deficit)	\$ 27,635	\$ (5,195)	\$ 99,347
(Acquisition) of tangible capital assets	(41,000)	(99,467)	(123,548)
Amortization of tangible capital assets	13,671	18,002	13,671
Proceeds on disposal of tangible capital assets	-	12,129	-
Loss (gain) on the disposal of tangible capital assets	-	(12,129)	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	(27,329)	(81,465)	(109,877)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	-	(1,937)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	1,936	-
Surplus (Deficit) of expenses of other non-financial over expenditures	-	1,936	(1,937)
Increase/Decrease in Net Financial Assets	306	(84,724)	(12,467)
Net Financial Assets (Debt) - Beginning of Year	516,013	516,013	528,480
Net Financial Assets (Debt) - End of Year	\$ 516,319	\$ 431,289	\$ 516,013

VILLAGE OF SHELL LAKE
Consolidated Statement of Cash Flows
As at December 31, 2019
Statement 4

Cash provided by (used for) the following activities

	2019	2018
Operating:		
Surplus (Deficit)	\$ (5,195)	\$ 99,347
Amortization	18,002	13,671
Loss (gain) on disposal of tangible capital assets	(12,129)	-
	<u>678</u>	<u>113,018</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	4,680	6,717
Other Receivables	4,832	103
Accounts Payable	1,859	650
Deferred income	19,587	-
Prepayments and Deferred Charges	1,936	(1,937)
	<u>32,894</u>	<u>5,533</u>
Cash provided by operating transactions	<u>33,572</u>	<u>118,551</u>
Capital:		
Acquisition of capital assets	(33,920)	(123,548)
Proceeds from the disposal of capital assets	12,129	-
	<u>(21,791)</u>	<u>(123,548)</u>
Cash applied to capital transactions	<u>(21,791)</u>	<u>(123,548)</u>
Investing:		
Long-Term Investments	(104,721)	(35,836)
Other	-	-
	<u>(104,721)</u>	<u>(35,836)</u>
Cash provided by (applied to) investing transactions	<u>(104,721)</u>	<u>(35,836)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
	<u>-</u>	<u>-</u>
Cash provided by (applied to) financing transactions	<u>-</u>	<u>-</u>
Change in Cash and Temporary Investments during the year	<u>(92,940)</u>	<u>(40,833)</u>
Cash and Temporary Investments - Beginning of Year	<u>321,459</u>	<u>362,292</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 228,519</u>	<u>\$ 321,459</u>

See notes to financial statements

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

1. Significant accounting policies

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

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

(a) **Reporting Entity:**

The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Shell Lake Museum

(b) **Collection of funds for other authorities:**

Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **Government Transfers:**

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

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

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

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(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. Resources restricted by agreement with an external party are recognized as revenue in the municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

(f) **Net Financial Assets:**

Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(g) **Non-financial assets:**

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

1. **Significant accounting policies** *(continued)*

(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, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and 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 or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

1. Significant accounting policies (continued)

(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 inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Years
Buildings	10 to 50 Years
Vehicles & Equipment	
Vehicles	5 to 10 Years
Machinery and Equipment	5 to 10 Years
Infrastructure Assets	
Infrastructure Assets	30 to 75 Years
Water & Sewer	30 to 75 Years
Road Network Assets	30 to 75 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 consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as 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 [lease term]. 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 does not maintain a waste disposal site.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality.

(o) **Employee benefit plans:**

Contributions to the municipality's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

1. Significant accounting policies *(continued)*

(p) **Liability for Contaminated Sites:**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(q) **Measurement Uncertainty:**

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

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

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

(r) **Basis of segmentation/Segment report:**

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on March 11, 2019.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

1. Significant accounting policies (continued)

(t) **New Accounting Standards and Amendments to Standards:**

Future Accounting Standards, Effective for fiscal years beginning on or after April 1, 2022:

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

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

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

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

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

Effective for fiscal years beginning on or After April 1, 2023:

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

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

2. **Cash and Temporary Investments**

	<u>2019</u>	<u>2018</u>
Cash	\$ 207,178	\$ 298,909
Temporary Investments	9,152	8,955
Restricted Cash	12,189	13,595
Total Cash and Temporary Investments	\$ 228,519	\$ 321,459

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

Temporary investment includes a guaranteed income certificate bearing interest at 2.4% (2018 - 2.4%) and matures February 2020 (2018 - February 2019).

Restricted cash consists of funds for the use of the Shell Lake Museum in their daily operations.

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

3. Taxes Receivable - Municipal

	<u>2019</u>	<u>2018</u>
<u>Municipal</u>		
- current	\$ 18,589	\$ 14,190
- Arrears	35,228	44,307
	<u>53,815</u>	<u>58,497</u>
Less - allowance for uncollectibles	(1,828)	(1,828)
Total municipal taxes receivable	<u>51,989</u>	<u>56,669</u>
<u>School</u>		
- Current	5,739	3,362
- Arrears	5,579	8,004
Total school taxes receivable	<u>11,318</u>	<u>11,366</u>
Other	-	-
Total taxes and grants in lieu receivable	<u>63,307</u>	<u>68,035</u>
Deduct taxes receivable to be collected on behalf of other organizations	(11,318)	(11,366)
Total Taxes Receivable - Municipal	<u>\$ 51,989</u>	<u>\$ 56,669</u>

4. Other Accounts Receivable

	<u>2019</u>	<u>2018</u>
Federal Government	\$ 7,024	\$ 9,322
Provincial Government	-	1,222
Local Government	-	-
Utility	43	427
Trade	720	1,648
Other	-	-
Total Other Accounts Receivable	<u>7,787</u>	<u>12,619</u>
Less: allowance for uncollectibles	(264)	(264)
Net Other Accounts Receivable	<u>\$ 7,523</u>	<u>\$ 12,355</u>

5. Land for Resale

	<u>2019</u>	<u>2018</u>
Other Land	\$ -	\$ 65,547
Allowance for market value adjustment	-	-
Net Other Land	<u>-</u>	<u>65,547</u>
Total Land for Resale	<u>\$ -</u>	<u>\$ 65,547</u>

During the 2019 year end the municipality reassessed the assets included in land held for resale and determined they did not meet the criterion to be classified as financial assets. As a result amounts previously included in land held for resale were reclassified to tangible capital assets as at December 31, 2019.

6. Investments

	<u>2019</u>	<u>2018</u>
Innovation Credit Union Term Deposits	\$ 191,204	\$ 86,483
Total Investments	<u>\$ 191,204</u>	<u>\$ 86,483</u>

Innovative Credit Union Term Deposits are recorded at costs and include guaranteed investment certificates with an average interest rate of 2.52% (2018 - 2.42%), maturing between May 2020 and February 2024.

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

7. Deferred Revenue

	<u>2019</u>	<u>2018</u>
<u>Federal Gas Tax Funding</u>		
Balance - Beginning of Year	\$ -	\$ -
Amounts received during the year	19,587	-
Amounts recognized as revenue during the year	-	-
Balance - End of Year	<u>\$ 19,587</u>	<u>\$ -</u>

8. Bank Indebtedness

At December 31, 2019 the municipality has a line of credit totaling \$38,000 (2018 - \$38,000) bearing interest at 3.45% (2018 - 3.45%) of which \$nil (2018 - \$nil) has been drawn.

9. Liability for Contaminated Sites

	<u>2019</u>	<u>2018</u>
Environmental Liabilities	<u>\$ 20,000</u>	<u>\$ 20,000</u>

The Municipality maintains a clean burn site and has accrued a liability for possible contamination in the amount of \$20,000 (2018 - \$20,000), which represents management's best estimate. The municipality has not performed an assessment of how the obligation arises or is required to be recorded under Canadian public sector accounting standards.

10. Long-term Debt

The debt limit of the municipality is \$284,633 (2018 - \$302,620). 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)).

11. 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 2019 was \$7,025 (2018 - \$3,516). 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.

12. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

Budget surplus per Statement of Operations	<u>2019</u> 27,635
Less: Capital expenditures	(41,000)
Add: Amortization not budgetted	<u>13,671</u>
Approved Budget	<u>\$ 306</u>

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2019

13. Subsequent Events

Subsequent to year end the, the municipality purchased machinery and vehicles for a cost of \$12,000 plus taxes.

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. It is unknown to what extent these factors will impact the Village, however they could play a significant factor on the community in their ability to pay and service their taxes, as well as the utilization of taxes held by the Village. The Village has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Village for future periods.

VILLAGE OF SHELL LAKE

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2019

Schedule 1

	Budget 2019	2019	2018
TAXES			
General municipal tax levy	\$ 179,229	\$ 178,019	\$ 177,518
Abatements and adjustments	-	(4,998)	(8,347)
Discount on current year taxes	(5,800)	(5,532)	(5,453)
Net Municipal Taxes	173,429	167,489	163,718
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	8,700	8,875	9,566
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	182,129	176,364	173,284
UNCONDITIONAL GRANTS			
Revenue Sharing	39,253	37,732	36,720
Organized Hamlet	-	-	-
Total Unconditional Grants	39,253	37,732	36,720
GRANTS IN LIEU OF TAXES			
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	-	-	-
SaskTel	4,500	-	-
Other	-	-	-
Local/Other			
Housing Authority	977	677	712
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	14,100	14,726	15,959
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	19,577	15,403	16,671
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 240,959	\$ 229,499	\$ 226,675

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 1

	Budget 2019	2019	2018
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 2,460	\$ 147	\$ 772
- Custom work	-	-	-
- Sales of supplies	30	60	-
- Other (Rent)	3,000	3,170	3,240
Total Fees and Charges	5,490	3,377	4,012
- Tangible capital asset sales - gain (loss)	35,000	12,129	-
- Land sales - gain (loss)	17,000	-	32,000
- Investment income and commissions	3,195	7,992	4,735
- Other	7,000	-	-
Total Other Segmented Revenue	67,685	23,498	40,747
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	67,685	23,498	40,747
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total General Government Services	67,685	23,498	40,747
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	6,400	6,360	8,234
- Other	-	-	-
Total Fees and Charges	6,400	6,360	8,234
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	6,400	6,360	8,234
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	6,400	6,360	8,234
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	\$ 6,400	\$ 6,360	\$ 8,234

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 2

	Budget 2019	2019	2018
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	2,000	200	330
- Sales of supplies	-	-	-
- Road Maintenance and Restoration	-	-	-
Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	2,000	200	330
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	2,000	200	330
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	2,000	200	330
Capital			
Conditional Grants			
- Federal Gas Tax	9,242	-	9,287
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	9,242	-	9,287
	-	-	-
Total Transportation Services	11,242	200	9,617
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	1,450	650	1,550
- Waste and Disposal Fees	14,780	30,076	29,345
- Other	-	-	-
Total Fees and Charges	16,230	30,726	30,895
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	16,230	30,726	30,895
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	16,230	30,726	30,895
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
	-	-	-
Total Environmental and Public Health Services	\$ 16,230	\$ 30,726	\$ 30,895

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 3

	Budget 2019	2019	2018
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	-	-	-
- Other (Licenses)	1,850	2,971	2,927
Total Fees and Charges	1,850	2,971	2,927
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	1,850	2,971	2,927
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,850	2,971	2,927
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	1,850	2,971	2,927
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	27,800	33,059	29,057
- Other	-	-	-
Total Fees and Charges	27,800	33,059	29,057
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	27,800	33,059	29,057
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	27,800	33,059	29,057
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	\$ 27,800	\$ 33,059	\$ 29,057

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2019

Schedule 2 - 4

	Budget 2019	2019	2018
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	-	-	-
- Sewer	40,800	39,461	40,725
- Other	-	-	-
Total Fees and Charges	40,800	39,461	40,725
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	40,800	39,461	40,725
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	40,800	39,461	40,725
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Utility Services	40,800	39,461	40,725
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 172,007	\$ 136,275	\$ 162,202

SUMMARY

Total Other Segmented Revenue	\$ 162,765	\$ 136,275	\$ 152,915
Total Conditional Grants	-	-	-
Total Capital Grants and Contributions	9,242	-	9,287
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 172,007	\$ 136,275	\$ 162,202

VILLAGE OF SHELL LAKE

Total Expenses by Function

As at December 31, 2019
Schedule 3 - 1

	Budget 2019	2019	2018
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 5,000	\$ 4,125	\$ 4,125
Wages and benefits	36,000	36,375	35,449
Professional/Contractual services	28,375	21,761	20,913
Utilities	7,700	5,835	5,953
Maintenance, materials and supplies	6,700	7,566	8,439
Grants and contributions			
- operating	55	55	55
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Bad Debt	-	11,108	-
Other	-	-	-
General Government Services	83,830	86,825	74,934
	-	-	-
Total General Government Services	83,830	86,825	74,934
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	8,000	8,136	7,987
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
Grants and Contributions - Operating	-	-	-
Grants and Contributions - Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	3,500	-	1,979
Professional/Contractual Services	6,600	6,250	6,215
Utilities	-	-	-
Maintenance, Materials and Supplies	500	391	1,090
Grants and contributions			
Grants and Contributions - Operating	-	-	-
Grants and Contributions - Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	18,600	14,777	17,271
	-	-	-
Total Protective Services	18,600	14,777	17,271
TRANSPORTATION SERVICES			
Wages and Benefits	63,200	63,645	54,069
Professional/Contractual Services	7,100	4,396	4,619
Utilities	16,500	16,879	18,817
Maintenance, Materials and Supplies	100,650	121,754	50,730
Gravel	8,000	-	-
Grants and contributions			
Grants and Contributions - Operating	-	-	-
Grants and Contributions - Capital	-	-	-
Amortization	4,435	4,264	4,435
Interest	-	-	-
Other	-	-	-
Transportation Services	199,885	210,938	132,670
	-	-	-
Total Transportation Services	\$ 199,885	\$ 210,938	\$ 132,670

VILLAGE OF SHELL LAKE

Total Expenses by Function

As at December 31, 2019
Schedule 3 - 2

	Budget 2019	2019	2018
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	9,150	6,181	8,319
Utilities	-	-	-
Maintenance, Materials and Supplies	3,000	-	25
Grants and contributions			
Grants and contributions - operating	-	-	-
Grants and contributions - waste disposal	-	-	-
Grants and contributions - Public Health	-	-	-
Grants and contributions - capital	-	-	-
Grants and contributions - waste disposal	-	-	-
Grants and contributions - Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	12,150	6,181	8,344
Total Environmental and Public Health Services	12,150	6,181	8,344
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	-	-	-
Grants and contributions			
Grants and Contributions - Operating	-	-	-
Grants and Contributions - Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	2,800	-	132
Professional/Contractual Services	3,750	2,837	2,815
Utilities	3,900	6,383	7,644
Maintenance, Materials, and Supplies	1,580	9,436	7,348
Grants and contributions			
Grants and Contributions - Operating	350	650	650
Grants and Contributions - Capital	-	-	-
Amortization	2,731	4,661	2,731
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	15,111	23,967	21,320
Total Recreation and Cultural Services	\$ 15,111	\$ 23,967	\$ 21,320

VILLAGE OF SHELL LAKE

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 3

	Budget 2019	2019	2018
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	10,650	2,790	5,434
Utilities	8,700	10,287	9,050
Maintenance, Materials and Supplies	29,900	6,127	14,002
Grants and contributions			
Grants and Contributions - Operating	-	-	-
Grants and Contributions - Capital	-	-	-
Amortization	6,505	9,077	6,505
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	55,755	28,281	34,991
	-	-	-
Total Utility Services	55,755	28,281	34,991
TOTAL EXPENSES BY FUNCTION	\$ 385,331	\$ 370,969	\$ 289,530

VILLAGE OF SHELL LAKE

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2019

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	\$ 3,377	\$ 6,360	\$ 200	\$ 30,726	\$ 2,971	\$ 33,059	\$ 39,461	\$ 116,154
Tangible Capital Asset Sales - Gain (Loss)	12,129	-	-	-	-	-	-	12,129
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	7,992	-	-	-	-	-	-	7,992
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	-	-	-
- Capital	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	23,498	6,360	200	30,726	2,971	33,059	39,461	136,275
Expenses (Schedule 3)								
Wages and Benefits	40,500	-	63,645	-	-	-	-	104,145
Professional/Contractual Services	21,761	14,386	4,396	6,181	-	2,837	2,790	52,351
Utilities	5,835	-	16,879	-	-	6,383	10,287	39,384
Maintenance Material and Supplies	7,566	391	121,754	-	-	9,436	6,127	145,274
Grants and Contributions	55	-	-	-	-	650	-	705
Amortization	-	-	4,264	-	-	4,661	9,077	18,002
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	11,108	-	-	-	-	-	-	11,108
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	86,825	14,777	210,938	6,181	-	23,967	28,281	370,969
Surplus (Deficit) by Function	(63,327)	(8,417)	(210,738)	24,545	2,971	9,092	11,180	(234,694)
Taxes and other unconditional revenue (Schedule 1)								<u>229,499</u>
Net Surplus (Deficit)								<u>\$ (5,195)</u>

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2018

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 4,012	\$ 8,234	\$ 330	\$ 30,895	\$ 2,927	\$ 29,057	\$ 40,725	\$ 116,180
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	32,000	-	-	-	-	-	-	32,000
Investment Income and Commissions	4,735	-	-	-	-	-	-	4,735
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	-	-	-
- Capital	-	-	9,287	-	-	-	-	9,287
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	40,747	8,234	9,617	30,895	2,927	29,057	40,725	162,202
Expenses (Schedule 3)								
Wages and Benefits	39,574	1,979	54,069	-	-	132	-	95,754
Professional/ Contractual Services	20,913	14,202	4,619	8,319	-	2,815	5,434	56,302
Utilities	5,953	-	18,817	-	-	7,644	9,050	41,464
Maintenance Material and Supplies	8,439	1,090	50,730	25	-	7,348	14,002	81,634
Grants and Contributions	55	-	-	-	-	650	-	705
Amortization	-	-	4,435	-	-	2,731	6,505	13,671
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	74,934	17,271	132,670	8,344	-	21,320	34,991	289,530
Surplus (Deficit) by Function	(34,187)	(9,037)	(123,053)	22,551	2,927	7,737	5,734	(127,328)
Taxes and other unconditional revenue (Schedule 1)								<u>226,675</u>
Net Surplus (Deficit)								<u>\$ 99,347</u>

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Tangible Capital Assets by Object

As at December 31, 2019

Schedule 6

	2019								2018 Total
	General Assets					Infrastructure Assets	General/ Infrastructure	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction		
Asset cost									
Opening Asset costs	\$ 50,188	\$ 54,620	\$ 271,584	\$ 6,100	\$ 122,108	\$ 1,187,074	\$ -	\$ 1,691,674	\$ 1,568,126
Additions during the year	65,547	-	-	-	33,920	-	-	99,467	123,548
Disposals and write-downs during the year	-	-	-	-	(32,000)	(41,564)	-	(73,564)	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	115,735	54,620	271,584	6,100	124,028	1,145,510	-	1,717,577	1,691,674
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	21,848	189,178	1,700	81,936	827,828	-	1,122,490	1,108,819
Add: Amortization taken	-	2,731	1,025	550	4,264	9,432	-	18,002	13,671
Less: Accumulated amortization on disposals	-	-	-	-	(32,000)	(41,564)	-	(73,564)	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	24,579	190,203	2,250	54,200	795,696	-	1,066,928	1,122,490
Net Book Value	\$ 115,735	\$ 30,041	\$ 81,381	\$ 3,850	\$ 69,828	\$ 349,814	\$ -	\$ 650,649	\$ 569,184

1. Total contributed donated assets received in 2019: \$ -
2. List of assets recognized at nominal value in 2019 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -
 - c) Machinery and Equipment \$ -
3. Amount of interest capitalized in 2019: \$ -

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Tangible Capital Assets by Function

As at December 31, 2019

Schedule 7

	2019								2018
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening Asset costs	\$ 90,000	\$ 600	\$ 663,222	\$ 188	\$ -	\$ 146,620	\$ 791,044	\$ 1,691,674	\$ 1,568,126
Additions during the year	65,547	-	33,920	-	-	-	-	99,467	123,548
Disposals and write-downs during the year	-	-	(32,000)	-	-	-	(41,564)	(73,564)	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	155,547	600	665,142	188	-	146,620	749,480	1,717,577	1,691,674
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	90,000	600	479,117	-	-	113,848	438,925	1,122,490	1,108,819
Add: Amortization taken	-	-	4,264	-	-	4,661	9,077	18,002	13,671
Less: Accumulated amortization on disposals	-	-	(32,000)	-	-	-	(41,564)	(73,564)	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	90,000	600	451,381	-	-	118,509	406,438	1,066,928	1,122,490
Net Book Value	\$ 65,547	\$ -	\$ 213,761	\$ 188	\$ -	\$ 28,111	\$ 343,042	\$ 650,649	\$ 569,184

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Accumulated Surplus

As at December 31, 2019

Schedule 8

	2018	Changes	2019
UNAPPROPRIATED SURPLUS	\$ 497,288	\$ (86,660)	\$ 410,628
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	8,000	-	8,000
Capital Trust	-	-	-
Utility	-	-	-
Other (Museum)	12,661	-	12,661
Total Appropriated	20,661	-	20,661
ORGANIZED HAMLETS			
Tangible capital assets (Schedule 6)	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	569,184	81,465	650,649
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	569,184	81,465	650,649
Total Accumulated Surplus	\$ 1,087,133	\$ (5,195)	\$ 1,081,938

VILLAGE OF SHELL LAKE
Schedule of Mill Rates and Assessments
As at December 31, 2019

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ -	\$ 12,898,400	\$ -	\$ -	\$ 1,978,400	\$ -	\$ 14,876,800
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	-	12,898,400	-	-	1,978,400	-	14,876,800
Mill Rate Factor(s)	-	1.0000	-	-	1.4500	-	-
Total Base/Minimum Tax (generated for each property class)	-	77,550	-	-	13,750	-	91,300
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ -	\$ 148,491	\$ -	\$ -	\$ 29,528	\$ -	\$ 178,019

MILL RATES:

Average Municipal *
Average School
Potash Mill Rate
Uniform Municipal Mill Rate

MILLS
11.9662
4.4059
-
5.5000

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

VILLAGE OF SHELL LAKE

Schedule of Council Remuneration

As at December 31, 2019

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Mayor	Anita Weiers	\$ 900	\$ 158	\$ 1,058
Alderman	Greg Ardagh	900	-	900
Alderman	Al Sulymka	750	-	750
Alderman	Joe Delisle	900	-	900
Alderman	Dillan Simonar	675	-	675
Total		<u>\$ 4,125</u>	<u>\$ 158</u>	<u>\$ 4,283</u>