

**TOWN OF SHELLBROOK**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2020**

**TOWN OF SHELLBROOK**  
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**For the year ended December 31, 2020**

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## STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Town of Shellbrook:

Management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting 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 fairness of the financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

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

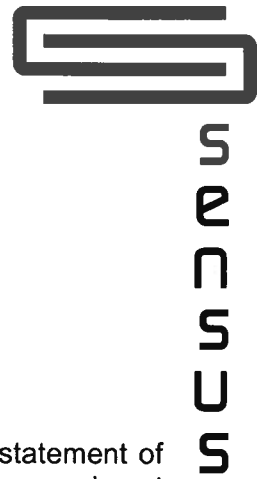
Sensus Chartered Professional Accountants Ltd., an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately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

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Mayor

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Administrator



## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:  
Town of Shellbrook  
Shellbrook, Saskatchewan

### Opinion

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

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

### Basis for Opinion

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

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

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

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

Those charged with governance are responsible for overseeing the Town of Shellbrook's financial reporting process.

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

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

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

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

Yorkton, Saskatchewan  
June 8, 2021



Chartered Professional Accountants Ltd.

**TOWN OF SHELLBROOK**  
**STATEMENT OF FINANCIAL POSITION**  
 As at December 31, 2020

	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash	\$ 2,056,588	\$ 1,284,854
Taxes receivable - municipal (Note 2)	194,359	297,550
Amounts receivable (Note 3)	292,876	318,373
Loans and advances (Note 5)		62,896
Land for resale (Note 4)	1,277,394	1,189,213
<b>TOTAL FINANCIAL ASSETS</b>	<b>3,821,217</b>	<b>3,152,886</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	209,341	119,371
Deferred revenue (Notes 1 and 6)	181,141	68,628
Long-term debt (Note 7)	1,429,885	1,644,572
<b>TOTAL LIABILITIES</b>	<b>1,820,367</b>	<b>1,832,571</b>
<b>NET FINANCIAL ASSETS</b>	<b>2,000,850</b>	<b>1,320,315</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedules 6 and 7)	14,706,440	14,766,026
Inventories (Note 1)	20,650	11,700
Prepaid expenses	20,844	22,682
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>14,747,934</b>	<b>14,800,408</b>
<b>ACCUMULATED SURPLUS (Schedule 8)</b>	<b>\$ 16,748,784</b>	<b>\$16,120,723</b>

**TOWN OF SHELLBROOK**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>REVENUE</b>			
Taxes and other unconditional revenue (Schedule 1)	\$ 1,954,530	\$ 2,015,458	\$ 1,902,720
Fees and charges (Schedules 4 and 5)	1,390,230	1,354,683	1,284,987
Conditional grants (Schedules 4 and 5)	29,400	41,299	30,458
Tangible capital asset sales - gain (Schedules 4 and 5)			45,835
Land sales - gain (Schedules 4 and 5)	170,000	23,357	6,642
Investment income and commissions (Schedules 4 and 5)	12,350	13,777	11,998
Other revenues (Schedules 4 and 5)		233,872	186,500
	<b>3,556,510</b>	<b>3,682,446</b>	<b>3,469,140</b>
<b>EXPENSES</b>			
General government services (Schedule 3)	471,920	425,658	410,904
Protective services (Schedule 3)	182,861	158,707	150,562
Transportation services (Schedule 3)	938,222	711,725	694,821
Environmental and public health services (Schedule 3)	213,585	229,581	231,106
Planning and development services (Schedule 3)	117,910	29,027	25,515
Recreation and cultural services (Schedule 3)	793,465	890,396	659,071
Utility services (Schedule 3)	1,094,570	785,963	882,886
	<b>3,812,533</b>	<b>3,231,057</b>	<b>3,054,865</b>
<b>SURPLUS (DEFICIT) BEFORE OTHER CAPITAL CONTRIBUTIONS</b>	<b>(256,023)</b>	<b>451,389</b>	<b>414,275</b>
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	87,550	176,672	178,590
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(168,473)</b>	<b>628,061</b>	<b>592,865</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>16,120,723</b>	<b>16,120,723</b>	<b>15,527,858</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 15,952,250</b>	<b>\$ 16,748,784</b>	<b>\$16,120,723</b>

**TOWN OF SHELLBROOK**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (168,473)</b>	<b>\$ 628,061</b>	<b>\$ 592,865</b>
Acquisition of tangible capital assets	(110,000)	(374,956)	(644,796)
Amortization of tangible capital assets	434,542	434,542	390,962
Gain on sale of tangible capital assets			(45,835)
Proceeds on sale of tangible capital assets			159,199
Increase in inventories		(8,950)	
Decrease (increase) in prepaid expenses		1,838	(3,572)
	<b>324,542</b>	<b>52,474</b>	<b>(144,042)</b>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>\$ 156,069</b>	<b>680,535</b>	<b>448,823</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<b>1,320,315</b>	<b>871,492</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b>\$ 2,000,850</b>	<b>\$ 1,320,315</b>



**TOWN OF SHELLBROOK**  
**STATEMENT OF CASH FLOWS**  
 For the year ended December 31, 2020

	2020	2019
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 628,061	\$ 592,865
Changes in non-cash items:		
Taxes receivable - municipal	103,190	(61,387)
Amounts receivable	25,497	(154,468)
Inventories	(8,950)	
Prepaid expenses	1,838	(3,572)
Loans and advances	62,896	20,565
Accounts payable and accrued liabilities	89,970	(88,206)
Deferred revenue	112,513	4,048
Gain on sale of tangible capital assets		(45,835)
Gain on sale of land for resale	(23,357)	(6,642)
Amortization	434,542	390,962
Cash provided by operating transactions	<u>1,426,200</u>	<u>648,330</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets		159,199
Acquisition of tangible capital assets	(374,956)	(644,796)
Cash applied to capital transactions	<u>(374,956)</u>	<u>(485,597)</u>
<b>INVESTING TRANSACTIONS</b>		
Proceeds on sale of land for resale	76,661	6,642
Acquisition of real estate properties	(141,485)	(10,436)
Cash applied to investing transactions	<u>(64,824)</u>	<u>(3,794)</u>
<b>FINANCING TRANSACTIONS</b>		
Debt repayment	(214,686)	(195,338)
Repayment of obligation under capital lease		(57,542)
Cash applied to financing transactions	<u>(214,686)</u>	<u>(252,880)</u>
<b>INCREASE (DECREASE) IN CASH</b>	<u>771,734</u>	<u>(93,941)</u>
<b>CASH, BEGINNING OF YEAR</b>	<u>1,284,854</u>	<u>1,378,795</u>
<b>CASH, END OF YEAR</b>	<u>\$ 2,056,588</u>	<u>\$ 1,284,854</u>

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town are 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 are as follows:

**Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognized revenue 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.

**Reporting Entity**

The financial statements consolidates the assets, liabilities, and flow of resources of the Town. The entity is comprised of all of the organizations that are owned or controlled by the Town and are, therefore, accountable to Council for the administration of their financial affairs and resources. The assets, liabilities and operations of the Recreation Boards are not included in these financial statements except for any assistance to the Recreation Boards, as Council's position is that it does not control the Recreation Boards.

**Collection of Funds for Other Authorities**

Collection of funds by the Town for the school board, municipal hail, and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 2.

**Government Transfers**

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

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

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

**Deferred Revenue**

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.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2020

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Local Improvement Charges**

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

**Net-Financial Assets**

Net-financial assets at the end of the 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.

**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.

**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.

**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.

**Portfolio Investments**

Portfolio investments are valued at the lower of cost and market value, less any provisions for other than temporary impairment. The long-term investments in the Saskatchewan Rural Municipalities - Self-Insurance Fund are accounted for on the equity basis.

**Inventories**

Inventories of materials and supplies expected to be used by the Town are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are value at the lower of cost or net realizable value. Cost is based on the actual cost of inventory. Net realizable value is the estimated selling price in the ordinary course of business.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2020

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Tangible Capital Assets**

All tangible capital asset acquisitions or betterment made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired 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 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 Town's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<b>General Assets</b>	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
<b>Infrastructure Assets</b>	
Infrastructure assets	30 to 75 years
Water & sewer	25 to 75 years
Road network assets	20 to 50 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 Town does not capitalize interest incurred while a tangible capital asset is under construction.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

All leases are recorded on the financial statement 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.

**Landfill Liability**

The Town of Shellbrook does not maintain a waste disposal site. Currently, the Town of Shellbrook uses Greenland Waste Disposal Ltd. for waste collection.

**Trust Funds**

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

**Employee Benefit Plans**

Contributions to the Town's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multi-employer plan, the Town's obligations are limited to their contributions.

**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 Town:
  - 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.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 collectibility 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.

**Basis of Segmentation/Segment Report**

The Town has adopted the new 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 attributable 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 administration of the Town.

**Protective services:** Is comprised of expenses for police and fire protection.

**Transportation services:** 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:** Environmental segment provides waste disposal and other environmental services and the public health segment provides for expenses related to public health services in the Town.

**Planning and development:** Provides for neighbourhood development and sustainability.

**Recreation and culture:** Provides for community services through provision of recreation and leisure services.

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

**Budget Information**

Budget information is presented on a basis consistent with that used for the actual results. The budget was approved by council on April 20, 2020.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2020

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**New Standards and Amendments to Standards**

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

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

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

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

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

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2020**

**2. TAXES AND GRANTS-IN-LIEU RECEIVABLE**

	2020	2019
Municipal		
- Current	\$ 103,279	\$ 140,829
- Arrears	91,080	156,721
Total municipal taxes receivable	<u>194,359</u>	<u>297,550</u>
School		
- Current	15,728	21,013
- Arrears	14,911	21,385
Total school taxes receivable	<u>30,639</u>	<u>42,398</u>
Total taxes and grants-in-lieu receivable	<u>224,998</u>	<u>339,948</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(30,639)</u>	<u>(42,398)</u>
Municipal and grants-in-lieu taxes receivable	<u>\$ 194,359</u>	<u>\$ 297,550</u>

**3. AMOUNTS RECEIVABLE**

Amounts receivable are valued at their net realized value.

	2020	2019
Organizations and individuals	\$ 134,590	\$ 152,260
Utility	86,496	60,782
Federal government	64,432	97,668
Provincial government	7,358	7,663
	<u>\$ 292,876</u>	<u>\$ 318,373</u>

**4. LAND FOR RESALE**

	2020	2019
Tax Title Property	\$ 211,890	\$ 108,610
Other Land	1,090,515	1,105,614
Allowance for market value adjustment	(25,011)	(25,011)
Net Other Land	<u>1,065,504</u>	<u>1,080,603</u>
Total Land for Resale	<u>\$ 1,277,394</u>	<u>\$ 1,189,213</u>



**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2020

**5. LOANS AND ADVANCES**

	2020	2019
Interest free loan to the Hidden Hills of Shellbrook Golf Course for expanding the course. The minimum repayment was \$15,000 per year. \$62,896 was forgiven in 2020.	\$	\$ 62,896

**6. DEFERRED REVENUE**

	2020	2019
Municipal Economic Enhancement Program	\$ 158,666	
Land for resale deposits	17,940	\$ 63,663
Facility deposits	4,535	4,965
	<b>\$ 181,141</b>	<b>\$ 68,628</b>

**7. LONG-TERM DEBT**

The debt limit of the Town is \$10,000,000. The debt limit for the Town has been established by the Saskatchewan Municipal Board (the *Municipalities Act* Section 161(2)).

	2020	2019
Canada Mortgage and Housing Corporation mortgage. Payable in blended annual installments of \$263,262 including interest at a rate of 3.65%, matures March 2027. Secured by asset.	\$ 1,429,885	\$ 1,644,572

Future principal and interest payments are as follows:

	Principal	Interest	Total
2021	\$ 211,071	52,191	\$ 263,262
2022	218,775	44,487	263,262
2023	226,760	36,502	263,262
2024	235,037	28,225	263,262
2025	243,616	19,646	263,262
Thereafter	294,626	12,291	306,917
Balance	<b>\$ 1,429,885</b>	<b>193,342</b>	<b>\$ 1,623,227</b>

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2020

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**8. PENSION PLAN**

The Town 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 benefits. The Town's pension expense in 2020 was \$66,005 (2019 - \$60,654). The benefits accrued to the Town's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS3250.

**9. COMMITMENTS**

The Town has committed to a water plant expansion/upgrade with total anticipated project costs of \$6,800,000. This project was approved with the Municipal Economic Enhancement Program (MEEP) contributing \$207,544 from the Provincial Government as well as \$532,714 from the Gas Tax Program. The remainder of the project costs will be covered by the Town with further grants or bank loans applied for if necessary. As of the financial statement date, \$48,878 has been spent on this project and the remainder of the MEEP funding for this project has been deferred.

**10. GOVERNMENT ASSISTANCE**

In response to the pandemic, the Provincial and Federal governments have provided funds to municipalities in order to stimulate economic recovery and enhance infection protection and control measures in their operations. Through the Municipal Economic Enhancement Program (MEEP), the Town received funds of \$207,544 which was approved to be spent on a water treatment plant expansion/upgrade that was started in 2020 and expected to be complete in 2022. \$48,878 has been spent on this as of December 31, 2020 and the remaining \$158,666 has been deferred to 2021. In addition, the Safe Restart Program provided \$86,140 in unconditional funding to the Town.

**11. OTHER MATTERS**

On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a worldwide pandemic. Subsequently, on March 18, 2020, the Province of Saskatchewan declared a province-wide state of emergency to help reduce the spread of COVID-19. The Town has not suffered any significant disruptions throughout the year as a result from the outbreak.

While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of this disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2020**

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**12. ASSETS PLEDGED AS SECURITY**

Included in the tangible capital assets is the skating arena which has been pledged as collateral on a line of credit held by Shellbrook Skating Rink Operations Incorporated for the purpose of skating rink renovations. The net book value of the arena as of December 31, 2020 is \$225,045 (2019 - \$233,380).

The credit limit on the line of credit is \$300,000. The balance on the line of credit on December 31, 2020 is \$NIL (2019 - \$74,625). The terms of the line of credit include interest payable monthly at a rate of 4.95% per year with the principal payable on demand.

**TOWN OF SHELLBROOK**  
**SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES**  
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>TAXES</b>			
General municipal tax levy	\$ 1,540,000	\$ 1,544,184	\$ 1,553,218
Abatements and adjustments	(24,410)	(42,803)	(50,392)
Discount on current year taxes	(70,000)	(74,818)	(69,772)
<b>Net Municipal Taxes</b>	<b>1,445,590</b>	<b>1,426,563</b>	<b>1,433,054</b>
Penalties on tax arrears	50,000	49,176	47,669
<b>Total Taxes</b>	<b>1,495,590</b>	<b>1,475,739</b>	<b>1,480,723</b>
<b>UNCONDITIONAL GRANTS</b>			
Equalization (Revenue Sharing)	328,940	328,939	296,657
Safe Restart Program		86,140	
<b>Total Unconditional Grants</b>	<b>328,940</b>	<b>415,079</b>	<b>296,657</b>
<b>GRANTS-IN-LIEU OF TAXES</b>			
Local/Other			
Housing Authority			690
Other Government Transfers			
S.P.C. Surcharge	90,000	88,724	87,251
Sask Energy Surcharge	40,000	35,916	37,399
<b>Total Grants-in-Lieu of Taxes</b>	<b>130,000</b>	<b>124,640</b>	<b>125,340</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,954,530</b>	<b>\$ 2,015,458</b>	<b>\$ 1,902,720</b>

**TOWN OF SHELLBROOK**
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Sales of supplies	\$ 100		\$ 73
- Other (pet licenses, mobile home lease fees, administration fees)	11,850	11,572	15,744
Total Fees and Charges	11,950	11,572	15,817
- Tangible capital asset sales - gain (loss)			45,835
- Land sales - gain	170,000	23,357	6,642
- Investment income and commissions	12,350	13,777	11,998
- Post office rental			22,051
Total Other Segmented Revenue	194,300	48,706	102,343
<b>Total Operating</b>	<b>194,300</b>	<b>48,706</b>	<b>102,343</b>
<b>Total General Government Services</b>	<b>194,300</b>	<b>48,706</b>	<b>102,343</b>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (fire fees, police fines, and bylaw fines)	27,420	58,784	66,454
Total Fees and Charges	27,420	58,784	66,454
Total Other Segmented Revenue	27,420	58,784	66,454
<b>Total Operating</b>	<b>27,420</b>	<b>58,784</b>	<b>66,454</b>
<b>Total Protective Services</b>	<b>27,420</b>	<b>58,784</b>	<b>66,454</b>

**TOWN OF SHELLBROOK**
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 9,920	\$ 11,720	\$ 17,700
- Sale of supplies	150	200	160
- Airport lease	5,000	3,500	3,711
Total Fees and Charges	<u>15,070</u>	<u>15,420</u>	<u>21,571</u>
Total Other Segmented Revenue	<u>15,070</u>	<u>15,420</u>	<u>21,571</u>
Conditional Grants			
- Transit Assistance for People with Disabilities	1,510	1,925	1,522
Total Conditional Grants	<u>1,510</u>	<u>1,925</u>	<u>1,522</u>
<b>Total Operating</b>	<u>16,580</u>	<u>17,345</u>	<u>23,093</u>
<b>Total Transportation Services</b>	<u>16,580</u>	<u>17,345</u>	<u>23,093</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	171,200	178,696	153,802
- Cemetery fees	6,500	28,520	40,155
Total Fees and Charges	<u>177,700</u>	<u>207,216</u>	<u>193,957</u>
- Cemetery donations			<u>2,900</u>
Total Other Segmented Revenue	<u>177,700</u>	<u>207,216</u>	<u>196,857</u>
Conditional Grants			
- Multi-Material Stewardship Western	6,180	7,849	2,060
Total Conditional Grants	<u>6,180</u>	<u>7,849</u>	<u>2,060</u>
<b>Total Operating</b>	<u>183,880</u>	<u>215,065</u>	<u>198,917</u>
<b>Total Environmental and Public Health Services</b>	<u>183,880</u>	<u>215,065</u>	<u>198,917</u>

**TOWN OF SHELLBROOK**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Permits and business licenses	\$ 25,250	\$ 18,185	\$ 17,195
Total Fees and Charges	<u>25,250</u>	<u>18,185</u>	<u>17,195</u>
Total Other Segmented Revenue	<u>25,250</u>	<u>18,185</u>	<u>17,195</u>
<b>Total Operating</b>	<u>25,250</u>	<u>18,185</u>	<u>17,195</u>
<b>Total Planning and Development Services</b>	<u>25,250</u>	<u>18,185</u>	<u>17,195</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (user fees and rentals)	387,950	276,280	237,038
Total Fees and Charges	<u>387,950</u>	<u>276,280</u>	<u>237,038</u>
- Other (fundraising and donations)		<u>233,872</u>	<u>161,549</u>
Total Other Segmented Revenue	<u>387,950</u>	<u>510,152</u>	<u>398,587</u>
Conditional Grants			
- Student Employment		8,150	3,561
- Local government	6,800	7,650	6,950
- Saskatchewan Lotteries	14,910	15,725	16,365
Total Conditional Grants	<u>21,710</u>	<u>31,525</u>	<u>26,876</u>
<b>Total Operating</b>	<u>409,660</u>	<u>541,677</u>	<u>425,463</u>
<b>Total Recreation and Cultural Services</b>	<u>409,660</u>	<u>541,677</u>	<u>425,463</u>

**TOWN OF SHELLBROOK**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 424,160	\$ 422,184	\$ 420,606
- Sewer	313,700	339,813	306,079
- Interest	7,030	5,229	6,270
Total Fees and Charges	<u>744,890</u>	<u>767,226</u>	<u>732,955</u>
Total Other Segmented Revenue	<u>744,890</u>	<u>767,226</u>	<u>732,955</u>
<b>Total Operating</b>	<u>744,890</u>	<u>767,226</u>	<u>732,955</u>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	87,550	127,794	178,590
- Municipal Economic Enhancement Program		48,878	
<b>Total Capital</b>	<u>87,550</u>	<u>176,672</u>	<u>178,590</u>
<b>Total Utility Services</b>	<u>832,440</u>	<u>943,898</u>	<u>911,545</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 1,689,530</u>	<u>\$ 1,843,660</u>	<u>\$ 1,745,010</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 1,572,580	\$ 1,625,689	\$ 1,535,962
Total Conditional Grants	29,400	41,299	30,458
Total Capital Grants and Contributions	<u>87,550</u>	<u>176,672</u>	<u>178,590</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 1,689,530</u>	<u>\$ 1,843,660</u>	<u>\$ 1,745,010</u>



**TOWN OF SHELLBROOK**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 52,400	\$ 33,306	\$ 46,206
Wages and benefits	217,060	222,545	203,207
Professional/Contractual services	128,020	110,559	110,050
Utilities	11,100	11,435	19,899
Maintenance, materials, and supplies	37,800	22,944	27,911
Amortization	22,040	22,040	3,637
Interest	3,500	2,829	3,271
Allowance for uncollectibles			(3,277)
<b>Total General Government Services</b>	<b>471,920</b>	<b>425,658</b>	<b>410,904</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	560		
Professional/Contractual services	115,000	114,323	109,974
Maintenance, materials, and supplies	1,100	90	103
<b>Fire protection</b>			
Wages and benefits	7,500	10,670	12,817
Professional/Contractual services	34,280	15,052	12,111
Utilities	3,250	4,684	4,354
Maintenance, materials, and supplies	13,500	6,217	3,413
Amortization	7,671	7,671	5,109
Allowance for uncollectibles			2,681
<b>Total Protective Services</b>	<b>182,861</b>	<b>158,707</b>	<b>150,562</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	334,520	318,517	318,577
Professional/Contractual services	26,630	26,165	25,867
Utilities	64,800	62,657	60,459
Maintenance, materials, and supplies	383,640	185,497	219,781
Gravel	56,000	46,752	
Amortization	70,212	70,212	63,689
Interest	900		4,926
Transit Assistance	1,520	1,925	1,522
<b>Total Transportation Services</b>	<b>938,222</b>	<b>711,725</b>	<b>694,821</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 17,680	\$ 17,329	\$ 16,921
Professional/Contractual services	171,500	174,483	162,456
Maintenance, materials, and supplies	16,850	2,614	11,204
Amortization	35	35	
Other - (doctor recruitment, housing authority deficit)	7,520	35,120	40,525
<b>Total Environmental and Public Health Services</b>	<b>213,585</b>	<b>229,581</b>	<b>231,106</b>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Professional/Contractual services	57,400	24,136	19,255
Utilities	510	254	503
Maintenance, materials, and supplies	60,000	4,637	5,757
<b>Total Planning and Development Services</b>	<b>117,910</b>	<b>29,027</b>	<b>25,515</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	335,760	304,162	235,673
Professional/Contractual services	66,700	35,686	59,579
Utilities	90,080	98,119	71,198
Maintenance, materials, and supplies	192,170	156,169	173,375
Grants and contributions			
- Operating	87,230	275,377	103,027
Amortization	20,325	20,325	15,533
Interest	1,200	558	686
<b>Total Recreation and Cultural Services</b>	<b>793,465</b>	<b>890,396</b>	<b>659,071</b>
<b>UTILITY SERVICES</b>			
Wages and benefits	116,270	121,391	142,287
Professional/Contractual services	17,570	17,920	15,177
Utilities	91,340	98,332	89,696
Maintenance, materials, and supplies	555,130	185,891	265,410
Amortization	314,260	314,260	302,993
Interest on long-term debt		48,169	67,323
<b>Total Utility Services</b>	<b>1,094,570</b>	<b>785,963</b>	<b>882,886</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 3,812,533</b>	<b>\$ 3,231,057</b>	<b>\$ 3,054,865</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2020**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 11,572	\$ 58,784	\$ 15,420	\$ 207,216	\$ 18,185	\$ 276,280	\$ 767,226	\$ 1,354,683
Tangible Capital Asset Sale - Gain (Loss)								23,357
Land Sales - Gain (Loss)	23,357							13,777
Investment Income & Commissions	13,777							233,872
Other Revenues			1,925	7,849		233,872		41,299
Grants - Conditional						31,525		176,672
- Capital								
<b>Total revenues</b>	<b>48,706</b>	<b>58,784</b>	<b>17,345</b>	<b>215,065</b>	<b>18,185</b>	<b>541,677</b>	<b>943,898</b>	<b>1,843,660</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	255,851	10,670	318,517	17,329		304,162	121,391	1,027,920
Professional/Contractual Services	110,559	129,375	26,165	174,483	24,136	35,686	17,920	518,324
Utilities	11,435	4,684	62,657		254	98,119	98,332	275,481
Maintenance, Materials, Supplies	22,944	6,307	232,249	2,614	4,637	156,169	185,892	610,812
Grants and Contributions						275,377		275,377
Amortization	22,040	7,671	70,212	35		20,325	314,259	434,542
Interest	2,829					558	48,169	51,556
Allowance for Uncollectibles								
Other			1,925	35,120				37,045
<b>Total expenses</b>	<b>425,658</b>	<b>158,707</b>	<b>711,725</b>	<b>229,581</b>	<b>29,027</b>	<b>890,396</b>	<b>785,963</b>	<b>3,231,057</b>
<b>Surplus (Deficit) by Function</b>	<b>(376,952)</b>	<b>(99,923)</b>	<b>(694,380)</b>	<b>(14,516)</b>	<b>(10,842)</b>	<b>(348,719)</b>	<b>157,935</b>	<b>(1,387,397)</b>

Taxation and other unconditional revenue (Schedule 1)

2,015,458

**Net Surplus**

**\$ 628,061**



**TOWN OF SHELLBROOK**  
**SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2019**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 15,817	\$ 66,454	\$ 21,571	\$ 193,957	\$ 17,195	\$ 237,038	\$ 732,955	\$ 1,284,987
Tangible Capital Asset Sale - Gain (Loss)	45,835							45,835
Land Sales - Gain (Loss)	6,642							6,642
Investment Income & Commissions	11,998							11,998
Other Revenues	22,051		1,522	2,900		161,549		186,500
Grants - Conditional				2,060		26,876		30,458
Grants - Capital							178,590	178,590
<b>Total revenues</b>	<b>102,343</b>	<b>66,454</b>	<b>23,093</b>	<b>198,917</b>	<b>17,195</b>	<b>425,463</b>	<b>911,545</b>	<b>1,745,010</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	249,413	12,817	318,577	16,921		235,673	142,287	975,688
Professional/Contractual Services	110,050	122,085	25,867	162,456	19,255	59,579	15,177	514,469
Utilities	19,899	4,354	60,459		503	71,198	89,696	246,109
Maintenance, Materials, Supplies	27,911	3,516	219,781	11,204	5,757	173,375	265,409	706,953
Grants and Contributions						103,027		103,027
Amortization	3,637	5,109	63,689			15,533	302,994	390,962
Interest	3,271	4,926				686	67,323	76,206
Allowance for Uncollectibles	(3,277)						(3,277)	(3,277)
Other		2,681	1,522	40,525			44,728	44,728
<b>Total expenses</b>	<b>410,904</b>	<b>150,562</b>	<b>694,821</b>	<b>231,106</b>	<b>25,515</b>	<b>659,071</b>	<b>882,886</b>	<b>3,054,865</b>
<b>Surplus (Deficit) by Function</b>	<b>(308,561)</b>	<b>(84,108)</b>	<b>(671,728)</b>	<b>(32,189)</b>	<b>(8,320)</b>	<b>(233,608)</b>	<b>28,659</b>	<b>(1,309,855)</b>
Taxation and other unconditional revenue (Schedule 1)								1,902,720
<b>Net Surplus</b>								<b>\$ 592,865</b>



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**TOWN OF SHELLBROOK**  
**SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**  
**For the year ended December 31, 2020**

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment			Linear Assets	Assets Under Construction
Cost									
Opening costs	\$ 444,520	7,945,485	1,210,988	211,035	1,860,561	6,437,196		\$ 18,109,785	\$ 17,607,789
Additions during the year		34,093			190,281	101,704		48,878	644,796
Disposals and write downs									(142,800)
Closing costs	<u>444,520</u>	<u>7,945,485</u>	<u>1,245,081</u>	<u>211,035</u>	<u>2,050,842</u>	<u>6,538,900</u>	<u>48,878</u>	<u>18,484,741</u>	<u>18,109,785</u>
<b>Accumulated Amortization</b>									
Opening accumulated amortization		1,372,543	342,323	81,293	468,565	1,079,035		3,343,759	2,982,233
Amortization		198,637	30,993	9,628	79,978	115,306		434,542	390,962
Disposals and write downs									(29,436)
Closing accumulated amortization		<u>1,571,180</u>	<u>373,316</u>	<u>90,921</u>	<u>548,543</u>	<u>1,194,341</u>		<u>3,778,301</u>	<u>3,343,759</u>
Net Book Value	<u>\$ 444,520</u>	<u>6,374,305</u>	<u>871,765</u>	<u>120,114</u>	<u>1,502,299</u>	<u>5,344,559</u>	<u>48,878</u>	<u>\$ 14,706,440</u>	<u>\$ 14,766,026</u>



**TOWN OF SHELLBROOK**  
**SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**For the year ended December 31, 2020**

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2020	2019
Opening costs	\$ 860,747	133,037	2,106,451			687,544	14,322,006	\$ 18,109,785	\$ 17,607,789
Additions during the year	8,045	17,476	104,120	5,579		89,154	150,582	374,956	644,796
Disposals and write downs									(142,800)
Closing costs	<u>868,792</u>	<u>150,513</u>	<u>2,210,571</u>	<u>5,579</u>		<u>776,698</u>	<u>14,472,588</u>	<u>18,484,741</u>	<u>18,109,785</u>
<b>Accumulated Amortization</b>									
Opening accumulated amortization	100,145	45,979	604,197			167,912	2,425,526	3,343,759	2,982,233
Amortization	22,040	7,671	70,212	35		20,325	314,259	434,542	390,962
Disposals and write downs									(29,436)
Closing accumulated amortization	<u>122,185</u>	<u>53,650</u>	<u>674,409</u>	<u>35</u>		<u>188,237</u>	<u>2,739,785</u>	<u>3,778,301</u>	<u>3,343,759</u>
Net Book Value	\$ <u>746,607</u>	<u>96,863</u>	<u>1,536,162</u>	<u>5,544</u>		<u>588,461</u>	<u>11,732,803</u>	<u>\$ 14,706,440</u>	<u>\$ 14,766,026</u>



**TOWN OF SHELLBROOK**  
**SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS**  
**For the year ended December 31, 2020**

	2019	Changes	2020
<b>UNAPPROPRIATED SURPLUS</b>	\$ 1,698,559	\$ (358,986)	\$ 1,339,573
<b>APPROPRIATED RESERVES</b>			
General Administrative Reserve	7,012	6,521	13,533
Asset Management Reserve	25,830	28,657	54,487
Legal Fees Reserve	2,648		2,648
Fire Services Reserve	68,000	13,000	81,000
Recreation Program Reserve	4,163		4,163
Recreation Center Reserve	51,548	32,019	83,567
Swimming Pool Reserve	12,924	76,510	89,434
Museum Reserve	4,109		4,109
Cemetery Reserve	15,008	(11,800)	3,208
Landfill Site Reserve	10,811		10,811
Recycling Reserve	6,181	4,765	10,946
Public Works Reserve	43,692	5,889	49,581
Streets Reserve	70,412	77,000	147,412
Transportation Reserve	150,000	5,000	155,000
Water Reserve	561,830	357,544	919,374
Waste Water Reserve	181,500	170,000	351,500
Dedicated Lands Reserve	15,042		15,042
Hospital Reserve	40,000	20,000	60,000
Land Development Reserve	30,000		30,000
Dog Park Reserve		6,181	6,181
Local Improvement Reserve		25,000	25,000
Lotteries Grant Reserve		3,660	3,660
Public Works Building Maintenance Reserve		12,000	12,000
<b>Total appropriated</b>	<b>1,300,710</b>	<b>831,946</b>	<b>2,132,656</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	14,766,026	(59,586)	14,706,440
Less: Related debt	(1,644,572)	214,687	(1,429,885)
<b>Net Investment in Tangible capital assets</b>	<b>13,121,454</b>	<b>155,101</b>	<b>13,276,555</b>
<b>TOTAL ACCUMULATED SURPLUS</b>	<b>\$ 16,120,723</b>	<b>\$ 628,061</b>	<b>\$ 16,748,784</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS**  
 For the year ended December 31, 2020

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	161,755	106,569,280			12,808,950		119,539,985
Regional Park Assessment							
Total Assessment							119,539,985
Mill Rate Factor(s)	1.00	1.00			2.75		
Total Base/Minimum Tax	8,400	854,400			116,400		979,200
Total Municipal Tax Levy	9,044	1,278,546			256,594		1,544,184

**MILL RATES:**

	MILLS
Average Municipal	12.9177
Average School	4.3467
Potash Mill Rate	
Uniform Municipal Mill Rate	3.9800





**TOWN OF SHELLBROOK**  
**SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION**  
 For the year ended December 31, 2020

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<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - George Tomporowski	\$ 4,520	\$ 785	5,305
Mayor - Amund Otterson	4,169	675	4,844
Councilor - David Knight	4,700	840	5,540
Councilor - Bruce Clements	3,480	513	3,993
Councilor - Kathleen Nording	2,960		2,960
Councilor - Lyle Banda	2,360		2,360
Councilor - Lois Freeman	1,740		1,740
Councilor - Cheryl Ledding	420		420
	<hr/>	<hr/>	<hr/>
	\$ 24,349	\$ 2,813	27,162