

**TOWN OF SHELLBROOK**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2022**

**TOWN OF SHELLBROOK**  
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**For the year ended December 31, 2022**

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## STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Town of Shellbrook:

The Town's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting 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, 2022 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, 2022, 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  
July 24, 2023

Chartered Professional Accountants Ltd.

**TOWN OF SHELLBROOK**  
**STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2022**

	2022	2021
<b>FINANCIAL ASSETS</b>		
Cash	\$ 2,214,576	\$ 2,540,436
Taxes receivable - municipal (Note 2)	198,774	118,299
Amounts receivable (Note 3)	381,517	231,316
<b>TOTAL FINANCIAL ASSETS</b>	<b>2,794,867</b>	<b>2,890,051</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	200,880	95,544
Deferred revenue (Notes 1 and 5)	3,622	17,430
Long-term debt (Note 8)	1,593,820	1,212,480
<b>TOTAL LIABILITIES</b>	<b>1,798,322</b>	<b>1,325,454</b>
<b>NET FINANCIAL ASSETS</b>	<b>996,545</b>	<b>1,564,597</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedules 6 and 7)	15,506,863	14,672,620
Assets held for sale (Note 4)	1,252,485	1,177,046
Inventories (Note 1)	61,218	20,650
Prepaid expenses	39,314	41,986
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>16,859,880</b>	<b>15,912,302</b>
<b>ACCUMULATED SURPLUS (Schedule 8)</b>	<b>\$ 17,856,425</b>	<b>\$17,476,899</b>

**TOWN OF SHELLBROOK**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>REVENUE</b>			
Taxes and other unconditional revenue (Schedule 1)	\$ 1,996,030	\$ 1,980,445	\$ 1,903,606
Fees and charges (Schedules 4 and 5)	1,407,340	1,432,795	1,418,459
Conditional grants (Schedules 4 and 5)	32,920	51,238	106,607
Tangible capital asset sales - gain (loss) (Schedules 4 and 5)			(21,716)
Land sales - gain (loss) (Schedules 4 and 5)	105,680	202,598	22,777
Investment income and commissions (Schedules 4 and 5)	11,740	34,473	11,119
Other revenues (Schedules 4 and 5)	40,000	83,321	149,376
	<b>3,593,710</b>	<b>3,784,870</b>	<b>3,590,228</b>
<b>EXPENSES</b>			
General government services (Schedule 3)	536,569	472,890	460,910
Protective services (Schedule 3)	259,445	219,930	180,204
Transportation services (Schedule 3)	986,068	787,297	684,050
Environmental and public health services (Schedule 3)	159,509	184,073	266,978
Planning and development services (Schedule 3)	100,320	94,393	34,960
Recreation and cultural services (Schedule 3)	807,156	824,377	743,370
Utility services (Schedule 3)	1,034,516	867,004	826,258
	<b>3,883,583</b>	<b>3,449,964</b>	<b>3,196,730</b>
<b>SURPLUS (DEFICIT) BEFORE OTHER CAPITAL CONTRIBUTIONS</b>	<b>(289,873)</b>	<b>334,906</b>	<b>393,498</b>
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	89,240	44,620	334,617
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(200,633)</b>	<b>379,526</b>	<b>728,115</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>17,476,899</b>	<b>17,476,899</b>	<b>16,748,784</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 17,276,266</b>	<b>\$ 17,856,425</b>	<b>\$17,476,899</b>

**TOWN OF SHELLBROOK**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the year ended December 31, 2022**

	<b>2022 Budget Unaudited (Note 1)</b>	<b>2022 Actual</b>	<b>2021 Actual</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (200,633)</b>	<b>\$ 379,526</b>	<b>\$ 728,115</b>
Acquisition of tangible capital assets	(671,000)	(1,307,946)	(529,376)
Amortization of tangible capital assets	473,703	473,703	453,043
Loss on sale of tangible capital assets			21,716
Proceeds on disposal of tangible capital assets			88,438
Acquisition of assets held for sale		(97,381)	(69,304)
Gain on sale of assets held for sale		(202,598)	(22,777)
Proceeds on sale of assets held for sale		224,540	192,429
Increase in inventories		(40,568)	
Decrease (increase) in prepaid expenses		2,672	(21,142)
	<b>(197,297)</b>	<b>(947,578)</b>	<b>113,027</b>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>\$ (397,930)</b>	<b>(568,052)</b>	<b>841,142</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<b>1,564,597</b>	<b>723,455</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b>\$ 996,545</b>	<b>\$ 1,564,597</b>



**TOWN OF SHELLBROOK**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2022

	2022	2021
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 379,526	\$ 728,115
Changes in non-cash items:		
Taxes receivable - municipal	(80,475)	76,059
Amounts receivable	(150,201)	61,559
Inventories	(40,568)	
Prepaid expenses	2,672	(21,142)
Accounts payable and accrued liabilities	105,336	(113,797)
Deferred revenue	(13,808)	(163,710)
Loss on sale of tangible capital assets		21,716
Gain on sale of assets held for sale	(202,598)	(22,777)
Amortization	473,703	453,043
Cash provided by operating transactions	<u>473,587</u>	<u>1,019,066</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets		88,438
Cash used to acquire tangible capital assets	(1,307,946)	(529,376)
Cash applied to capital transactions	<u>(1,307,946)</u>	<u>(440,938)</u>
<b>INVESTING TRANSACTIONS</b>		
Proceeds on sale of assets held for sale	224,540	192,429
Acquisition of assets held for sale	(97,381)	(69,304)
Cash provided by investing transactions	<u>127,159</u>	<u>123,125</u>
<b>FINANCING TRANSACTIONS</b>		
Proceeds from debt issues	650,907	
Debt repayment	(269,567)	(217,405)
Cash provided by (applied to) financing transactions	<u>381,340</u>	<u>(217,405)</u>
<b>INCREASE (DECREASE) IN CASH</b>	<u>(325,860)</u>	<u>483,848</u>
<b>CASH, BEGINNING OF YEAR</b>	<u>2,540,436</u>	<u>2,056,588</u>
<b>CASH, END OF YEAR</b>	<u>\$ 2,214,576</u>	<u>\$ 2,540,436</u>

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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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 recognizes 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 consolidate 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. These financial statements do not contain any entities.

**Partnerships**

A partnership represents a contractual arrangement between the Town and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These financial statements do not contain any partnerships.

**Collection of Funds for Other Authorities**

Collection of funds by the Town for the school board, municipal hall, 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.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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

**Other (Non-Government Transfer) Contributions**

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the Town if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

**Deferred Revenue and Deposits**

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.

**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.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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

**Portfolio Investments**

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

**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
Leased capital assets	Lease term
<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.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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

**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.

**Leases**

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

**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 made. 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, 2022**

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

**Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported 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 May 2, 2022.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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

**Assets Held for Sale**

The Town is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

**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.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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

**New Standards and Amendments to Standards (continued)**

**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 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.

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

	2022	2021
Municipal		
- Current	\$ 104,900	\$ 45,433
- Arrears	93,874	72,866
Total municipal taxes receivable	<u>198,774</u>	<u>118,299</u>
School		
- Current	37,901	15,455
- Arrears	8,887	8,164
Total school taxes receivable	<u>46,788</u>	<u>23,619</u>
Total taxes and grants-in-lieu receivable	<u>245,562</u>	<u>141,918</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(46,788)</u>	<u>(23,619)</u>
Municipal and grants-in-lieu taxes receivable	<u>\$ 198,774</u>	<u>\$ 118,299</u>

**3. AMOUNTS RECEIVABLE**

Amounts receivable are valued at their net realized value.

	2022	2021
Organizations and individuals	\$ 184,778	\$ 73,162
Federal government	114,997	74,570
Utility	60,463	69,978
Provincial government	21,279	13,606
	<u>\$ 381,517</u>	<u>\$ 231,316</u>



**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

**4. ASSETS HELD FOR SALE**

	2022	2021
Tax title property	\$ 204,269	\$ 211,889
Other land	1,048,216	990,168
Allowance for market value adjustment		(25,011)
Net other land	1,048,216	965,157
Total assets held for sale	\$ 1,252,485	\$ 1,177,046

**5. DEFERRED REVENUE**

Deferred revenue consists of facility deposits and prepaid tax payments from ratepayers. The prepaid tax payments from ratepayers in 2021 have been applied against their 2022 tax levy.

	Facility deposits	Prepaid taxes	2022 Total	2021 Total
Balance, beginning of year	\$ 5,868	\$ 11,562	\$ 17,430	\$ 181,141
Contributions received during the year				1,333
Amounts amortized to revenue	(2,246)	(11,562)	(13,808)	(165,044)
Balance, end of year	\$ 3,622	\$	\$ 3,622	\$ 17,430

**6. 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, 2022 is \$208,375 (2021 - \$216,710).

**7. GUARANTEES**

The Town guarantees operating expense deficits of 5% (2021 - 5%) for the Housing Authorities in Shellbrook, operated by Saskatchewan Housing Corporation, which totaled \$3,332 (2021 - \$13,201). No amounts have been accrued in the financial statements on account of the guarantee.

**TOWN OF SHELLBROOK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2022**

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**8. 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)).

	2022	2021
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 building.	\$ 986,550	\$ 1,212,480
Affinity Credit Union Ltd. payable in monthly installments of \$16,505 including interest at a rate of 4.40%, matures in April 2026. Secured by infrastructure.	607,270	
	<u>\$ 1,593,820</u>	<u>\$ 1,212,480</u>

Future principal and interest payments are as follows:

	Principal	Interest	Total
2023	\$ 402,091	\$ 59,231	\$ 461,322
2024	418,236	43,086	461,322
2025	435,035	26,287	461,322
2026	311,910	12,514	324,424
2027	26,548	1,261	27,809
Balance	<u>\$ 1,593,820</u>	<u>\$ 142,379</u>	<u>\$ 1,736,199</u>

**9. 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 2022 was \$72,181 (2021 - \$67,634). 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 PS 3250.

Total current service contributions by the Town to the MEPP in 2022 were \$72,181 (2021 - \$67,634). Total current service contributions by the employees of the Town to the MEPP in 2022 were \$72,181 (2021 - \$67,634).

At December 31, 2021, the MEPP disclosed an actuarial surplus of \$312,928,000. As of the audit report date, the December 31, 2022 MEPP actuarial deficiency/surplus has not yet been released.

For further information of the amount of MEPP deficiency/surplus information, see: <https://mepp.peba.ca/fund-information/plan-reporting>

**TOWN OF SHELLBROOK**  
**SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES**  
**For the year ended December 31, 2022**

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>TAXES</b>			
General municipal tax levy	\$ 1,607,350	\$ 1,606,849	\$ 1,526,584
Abatements and adjustments	(24,410)	(16,951)	(54,162)
Discount on current year taxes	(75,000)	(80,079)	(79,146)
<b>Net Municipal Taxes</b>	<b>1,507,940</b>	<b>1,509,819</b>	1,393,276
Penalties on tax arrears	38,300	16,894	57,743
<b>Total Taxes</b>	<b>1,546,240</b>	<b>1,526,713</b>	1,451,019
<b>UNCONDITIONAL GRANTS</b>			
Equalization (Revenue Sharing)	323,210	323,200	325,987
<b>Total Unconditional Grants</b>	<b>323,210</b>	<b>323,200</b>	325,987
<b>GRANTS-IN-LIEU OF TAXES</b>			
Other Government Transfers			
S.P.C. Surcharge	91,900	95,451	91,920
Sask Energy Surcharge	34,680	35,081	34,680
<b>Total Grants-in-Lieu of Taxes</b>	<b>126,580</b>	<b>130,532</b>	126,600
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,996,030</b>	<b>\$ 1,980,445</b>	<b>\$ 1,903,606</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
**For the year ended December 31, 2022**

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other (pet licenses, mobile home lease fees, administration fees)	\$ 13,230	\$ 9,494	\$ 13,677
Total Fees and Charges	<u>13,230</u>	<u>9,494</u>	<u>13,677</u>
- Assets held for sale - gain (loss)	105,680	202,598	22,777
- Investment income and commissions	<u>11,740</u>	<u>34,473</u>	<u>11,119</u>
Total Other Segmented Revenue	<u>130,650</u>	<u>246,565</u>	<u>47,573</u>
<b>Total Operating</b>	<u>130,650</u>	<u>246,565</u>	<u>47,573</u>
<b>Total General Government Services</b>	<u>130,650</u>	<u>246,565</u>	<u>47,573</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Fire fees	43,170	34,053	43,330
- Police and bylaw fines	<u>40,330</u>	<u>14,666</u>	<u>10,343</u>
Total Fees and Charges	<u>83,500</u>	<u>48,719</u>	<u>53,673</u>
- Fire department donations			<u>975</u>
Total Other Segmented Revenue	<u>83,500</u>	<u>48,719</u>	<u>54,648</u>
<b>Total Operating</b>	<u>83,500</u>	<u>48,719</u>	<u>54,648</u>
<b>Total Protective Services</b>	<u>83,500</u>	<u>48,719</u>	<u>54,648</u>

# TOWN OF SHELLBROOK

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 9,920	\$ 10,485	\$ 11,906
- Sale of supplies	150	910	
- Airport lease	3,130	3,500	3,500
Total Fees and Charges	13,200	14,895	15,406
- Tangible capital asset sales - gain (loss)			(21,716)
Total Other Segmented Revenue	13,200	14,895	(6,310)
Conditional Grants			
- Traffic Safety Grant			15,750
Total Conditional Grants			15,750
<b>Total Operating</b>	<b>13,200</b>	<b>14,895</b>	<b>9,440</b>
<b>Total Transportation Services</b>	<b>13,200</b>	<b>14,895</b>	<b>9,440</b>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	128,100	112,616	184,257
- Cemetery fees	7,430	54,027	47,253
Total Fees and Charges	135,530	166,643	231,510
- Cemetery donations			250
Total Other Segmented Revenue	135,530	166,643	231,760
Conditional Grants			
- Transit Assistance for People with Disabilities (TAPD)	1,760	3,992	1,759
- Multi-Material Stewardship Western and Ministry of Environment Rebate	9,680	18,511	39,135
Total Conditional Grants	11,440	22,503	40,894
<b>Total Operating</b>	<b>146,970</b>	<b>189,146</b>	<b>272,654</b>
<b>Total Environmental and Public Health Services</b>	<b>146,970</b>	<b>189,146</b>	<b>272,654</b>

# TOWN OF SHELLBROOK

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Permits and business licenses	\$ 20,310	\$ 29,777	\$ 25,650
Total Fees and Charges	<u>20,310</u>	<u>29,777</u>	25,650
Total Other Segmented Revenue	<u>20,310</u>	<u>29,777</u>	25,650
<b>Total Operating</b>	<u>20,310</u>	<u>29,777</u>	25,650
<b>Total Planning and Development Services</b>	<u>20,310</u>	<u>29,777</u>	25,650
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- User fees and rentals	343,470	362,078	271,860
Total Fees and Charges	<u>343,470</u>	<u>362,078</u>	271,860
- Fundraising and donations	<u>40,000</u>	<u>83,321</u>	148,151
Total Other Segmented Revenue	<u>383,470</u>	<u>445,399</u>	420,011
Conditional Grants			
- Student Employment			7,494
- Local government	20,230	27,535	29,669
- Sask Lotteries and Sask Parks and Recreation	1,250	1,200	12,800
Total Conditional Grants	<u>21,480</u>	<u>28,735</u>	49,963
<b>Total Operating</b>	<u>404,950</u>	<u>474,134</u>	469,974
<b>Total Recreation and Cultural Services</b>	<u>404,950</u>	<u>474,134</u>	469,974

# TOWN OF SHELLBROOK

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 437,150	\$ 437,753	\$ 445,008
- Sewer	352,520	356,304	355,140
- Interest	8,430	7,132	6,535
	<u>798,100</u>	<u>801,189</u>	<u>806,683</u>
Total Fees and Charges	798,100	801,189	806,683
Total Other Segmented Revenue	<u>798,100</u>	<u>801,189</u>	<u>806,683</u>
<b>Total Operating</b>	<u>798,100</u>	<u>801,189</u>	<u>806,683</u>
<b>Capital</b>			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	89,240	44,620	175,951
- Municipal Economic Enhancement Program (MEEP)			158,666
	<u>89,240</u>	<u>44,620</u>	<u>334,617</u>
<b>Total Capital</b>	<u>89,240</u>	<u>44,620</u>	<u>334,617</u>
<b>Total Utility Services</b>	<u>887,340</u>	<u>845,809</u>	<u>1,141,300</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 1,686,920</u>	<u>\$ 1,849,045</u>	<u>\$ 2,021,239</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 1,564,760	\$ 1,753,187	\$ 1,580,015
Total Conditional Grants	32,920	51,238	106,607
Total Capital Grants and Contributions	<u>89,240</u>	<u>44,620</u>	<u>334,617</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 1,686,920</u>	<u>\$ 1,849,045</u>	<u>\$ 2,021,239</u>

**TOWN OF SHELLBROOK**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
**For the year ended December 31, 2022**

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 66,300	\$ 44,460	\$ 51,946
Wages and benefits	265,020	256,907	229,716
Professional/Contractual services	100,550	93,928	94,283
Utilities	12,260	19,169	13,318
Maintenance, materials, and supplies	65,350	32,860	45,402
Amortization	24,089	24,089	23,893
Interest	3,000	1,477	2,352
<b>Total General Government Services</b>	<b>536,569</b>	<b>472,890</b>	<b>460,910</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	39,910	20,180	15,498
Professional/Contractual services	130,000	139,642	115,445
Utilities	500	409	
Maintenance, materials, and supplies	31,400	2,425	
<b>Fire protection</b>			
Wages and benefits	7,500	10,179	10,829
Professional/Contractual services	18,000	24,048	3,119
Utilities	3,250	2,808	5,234
Maintenance, materials, and supplies	17,130	8,484	21,680
Amortization	11,755	11,755	8,399
<b>Total Protective Services</b>	<b>259,445</b>	<b>219,930</b>	<b>180,204</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	401,410	377,369	287,653
Professional/Contractual services	26,000	31,477	24,284
Utilities	62,100	67,201	58,051
Maintenance, materials, and supplies	353,800	205,286	180,217
Gravel	60,000	23,206	58,532
Amortization	82,758	82,758	75,313
<b>Total Transportation Services</b>	<b>986,068</b>	<b>787,297</b>	<b>684,050</b>



**TOWN OF SHELLBROOK**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
**For the year ended December 31, 2022**

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 18,390	\$ 27,569	\$ 22,169
Professional/Contractual services	116,000	91,686	186,036
Maintenance, materials, and supplies	11,000	877	3,564
Amortization	139	139	139
Other (Transit Assistance, doctor recruitment and Housing Authority deficit)	13,980	63,802	55,070
<b>Total Environmental and Public Health Services</b>	<b>159,509</b>	<b>184,073</b>	<b>266,978</b>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Professional/Contractual services	95,970	94,133	34,681
Utilities	350	260	279
Maintenance, materials, and supplies	4,000		
<b>Total Planning and Development Services</b>	<b>100,320</b>	<b>94,393</b>	<b>34,960</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	282,630	321,112	320,886
Professional/Contractual services	95,389	89,614	57,228
Utilities	84,950	120,971	78,307
Maintenance, materials, and supplies	204,830	174,313	137,403
Grants and contributions			
- Operating	106,890	85,205	120,348
Amortization	31,867	31,867	28,527
Interest	600	1,295	671
<b>Total Recreation and Cultural Services</b>	<b>807,156</b>	<b>824,377</b>	<b>743,370</b>
<b>UTILITY SERVICES</b>			
Wages and benefits	162,560	151,705	151,193
Professional/Contractual services	18,300	18,098	17,359
Utilities	91,430	98,326	86,695
Maintenance, materials, and supplies	304,630	233,238	216,830
Amortization	323,096	323,096	316,772
Interest on long-term debt	134,500	42,541	37,409
<b>Total Utility Services</b>	<b>1,034,516</b>	<b>867,004</b>	<b>826,258</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 3,883,583</b>	<b>\$ 3,449,964</b>	<b>\$ 3,196,730</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2022**

	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	\$ 9,494	\$ 48,719	\$ 14,895	\$ 166,643	\$ 29,777	\$ 362,078	\$ 801,189	\$ 1,432,795
Tangible Capital Asset Sale - Gain (Loss)								202,598
Land Sales - Gain (Loss)	202,598							34,473
Investment Income & Commissions	34,473					83,321		83,321
Other Revenues				22,503		28,735		51,238
Grants - Conditional							44,620	44,620
- Capital								
<b>Total revenues</b>	<b>246,565</b>	<b>48,719</b>	<b>14,895</b>	<b>189,146</b>	<b>29,777</b>	<b>474,134</b>	<b>845,809</b>	<b>1,849,045</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	301,367	30,359	377,369	27,569		321,112	151,705	1,209,481
Professional/Contractual Services	93,928	163,690	31,477	91,686	94,133	89,614	18,098	582,626
Utilities	19,169	3,217	67,201		260	120,971	98,326	309,144
Maintenance, Materials, Supplies	32,860	10,909	228,492	877		174,313	233,239	680,690
Grants and Contributions						85,205		85,205
Amortization	24,089	11,755	82,758	139		31,867	323,095	473,703
Interest	1,477					1,295	42,541	45,313
Allowance for Uncollectibles								
Other				63,802				63,802
<b>Total expenses</b>	<b>472,890</b>	<b>219,930</b>	<b>787,297</b>	<b>184,073</b>	<b>94,393</b>	<b>824,377</b>	<b>867,004</b>	<b>3,449,964</b>
<b>Surplus (Deficit) by Function</b>	<b>(226,325)</b>	<b>(171,211)</b>	<b>(772,402)</b>	<b>5,073</b>	<b>(64,616)</b>	<b>(350,243)</b>	<b>(21,195)</b>	<b>(1,600,919)</b>
Taxation and other unconditional revenue (Schedule 1)								1,980,445
<b>Net Surplus</b>								<b>\$ 379,526</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2021**

	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	\$ 13,677	\$ 53,673	\$ 15,406	\$ 231,510	\$ 25,650	\$ 271,860	\$ 806,683	\$ 1,418,459
Tangible Capital Asset Sale - Gain (Loss)			(21,716)					(21,716)
Land Sales - Gain (Loss)	22,777							22,777
Investment Income & Commissions	11,119	975		250		148,151		11,119
Other Revenues			15,750	40,894		49,963		149,376
Grants - Conditional							334,617	106,607
- Capital								334,617
<b>Total revenues</b>	<b>47,573</b>	<b>54,648</b>	<b>9,440</b>	<b>272,654</b>	<b>25,650</b>	<b>469,974</b>	<b>1,141,300</b>	<b>2,021,239</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	281,662	26,327	287,653	22,169		320,886	151,193	1,089,890
Professional/Contractual Services	94,283	118,564	24,284	186,036	34,681	57,228	17,359	532,435
Utilities	13,318	5,234	58,051		279	78,307	86,695	241,884
Maintenance, Materials, Supplies	45,402	21,680	238,749	3,564		137,403	216,829	663,627
Grants and Contributions						120,348		120,348
Amortization	23,893	8,399	75,313	139		28,527	316,772	453,043
Interest	2,352					671	37,409	40,432
Allowance for Uncollectibles								
Other				55,070				55,070
<b>Total expenses</b>	<b>460,910</b>	<b>180,204</b>	<b>684,050</b>	<b>266,978</b>	<b>34,960</b>	<b>743,370</b>	<b>826,257</b>	<b>3,196,729</b>
<b>Surplus (Deficit) by Function</b>	<b>(413,337)</b>	<b>(125,556)</b>	<b>(674,610)</b>	<b>5,676</b>	<b>(9,310)</b>	<b>(273,396)</b>	<b>315,043</b>	<b>(1,175,490)</b>
Taxation and other unconditional revenue (Schedule 1)								1,903,606
<b>Net Surplus</b>								<b>\$ 728,116</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**  
**For the year ended December 31, 2022**

Cost	General Assets						Infrastructure Assets	General/ Infrastructure	Totals
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Opening costs	\$ 444,520	7,945,485	1,302,548	211,035	2,164,721	6,728,493	72,375	\$ 18,869,177	\$ 18,484,741
Additions during the year		30,850	70,784	84,722			8,496	1,307,946	529,376
Disposals and write downs									(144,940)
Transfers from assets under construction					21,796		(21,796)		
Closing costs	444,520	7,945,485	1,333,398	281,819	2,271,239	7,841,587	59,075	20,177,123	18,869,177
<b>Accumulated Amortization</b>									
Opening accumulated amortization		1,769,817	407,194	100,550	606,841	1,312,155		4,196,557	3,778,300
Amortization		198,637	36,749	12,564	101,272	124,481		473,703	453,043
Disposals and write downs									(34,786)
Closing accumulated amortization		1,968,454	443,943	113,114	708,113	1,436,636		4,670,260	4,196,557
Net Book Value	\$ 444,520	5,977,031	889,455	168,705	1,563,126	6,404,951	59,075	\$ 15,506,863	\$ 14,672,620

**TOWN OF SHELLBROOK**  
**SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**For the year ended December 31, 2022**

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2022	2021
Opening costs	\$ 874,683	172,309	2,301,981	5,579		852,444	14,662,181	\$ 18,869,177	\$ 18,484,741
Additions during the year		119,682	395,951			62,450	729,863	1,307,946	529,376
Disposals and write downs									(144,940)
Closing costs	<u>874,683</u>	<u>291,991</u>	<u>2,697,932</u>	<u>5,579</u>		<u>914,894</u>	<u>15,392,044</u>	<u>20,177,123</u>	<u>18,869,177</u>
<b>Accumulated Amortization</b>									
Opening accumulated amortization	146,078	62,049	714,936	174		216,764	3,056,556	4,196,557	3,778,300
Amortization	24,089	11,755	82,758	139		31,867	323,095	473,703	453,043
Disposals and write downs									(34,786)
Closing accumulated amortization	<u>170,167</u>	<u>73,804</u>	<u>797,694</u>	<u>313</u>		<u>248,631</u>	<u>3,379,651</u>	<u>4,670,260</u>	<u>4,196,557</u>
Net Book Value	<u>\$ 704,516</u>	<u>218,187</u>	<u>1,900,238</u>	<u>5,266</u>		<u>666,263</u>	<u>12,012,393</u>	<u>\$ 15,506,863</u>	<u>\$ 14,672,620</u>

**TOWN OF SHELLBROOK**  
**SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS**  
For the year ended December 31, 2022

	2021	Changes	2022
<b>UNAPPROPRIATED SURPLUS</b>	\$ 1,603,520	\$ (221,739)	\$ 1,381,781
<b>APPROPRIATED RESERVES</b>			
General Administrative Reserve	7,642	9,063	16,705
Asset Management Reserve	40,128	(28,058)	12,070
Legal Fees Reserve	2,648	7,552	10,200
Fire Services Reserve	68,788	15,000	83,788
Recreation Program Reserve	4,163		4,163
Recreation Centre Reserve	187,223	31,818	219,041
Swimming Pool Reserve	122,079	(68,049)	54,030
Museum Reserve	4,109		4,109
Cemetery Reserve	8,383	2,850	11,233
Landfill Site Reserve	10,811		10,811
Recycling Reserve	10,946		10,946
Public Works Reserve	55,338	10,000	65,338
Streets Reserve	131,319	(111,200)	20,119
Transportation Reserve	58,100	48,280	106,380
Water Reserve	362,550	127,400	489,950
Waste Water Reserve	1,027,214	84,478	1,111,692
Dedicated Lands Reserve	15,387		15,387
Hospital Reserve	80,000	(80,000)	
Land Development Reserve	148,230	74,228	222,458
Dog Park Reserve	6,181	10,000	16,181
Local Improvement Reserve	50,000	15,000	65,000
Public Works Building Maintenance Reserve	12,000		12,000
<b>Total appropriated</b>	<b>2,413,239</b>	<b>148,362</b>	<b>2,561,601</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	14,672,620	834,243	15,506,863
Less: Related debt	(1,212,480)	(381,340)	(1,593,820)
<b>Net investment in tangible capital assets</b>	<b>13,460,140</b>	<b>452,903</b>	<b>13,913,043</b>
<b>TOTAL ACCUMULATED SURPLUS</b>	<b>\$ 17,476,899</b>	<b>\$ 379,526</b>	<b>\$ 17,856,425</b>

**TOWN OF SHELLBROOK**  
**SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS**  
**For the year ended December 31, 2022**

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	113,685	108,692,240			13,571,185		122,377,110
Regional Park Assessment							
Total Assessment							122,377,110
Mill Rate Factor(s)	1.00	1.00			2.75		
Total Base/Minimum Tax	3,750	882,500			111,250		997,500
Total Municipal Tax Levy	4,224	1,335,747			266,878		1,606,849

**MILL RATES:**

	MILLS
Average Municipal	13.1303
Average School	4.7944
Potash Mill Rate	
Uniform Municipal Mill Rate	4.1700

**TOWN OF SHELLBROOK**  
**SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION**  
**For the year ended December 31, 2022**

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<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Amund Otterson	\$ 8,435	\$ 5,876	14,311
Councilor - Brent Miller	5,440	485	5,925
Councilor - Larry Batten	4,175		4,175
Councilor - Peter Halayka	4,105		4,105
Councilor - Kathleen Nording	3,640		3,640
Councilor - David Knight	3,588		3,588
Councilor - Cheryl Ledding	2,640		2,640
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	\$ 32,023	\$ 6,361	38,384
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