

RESORT VILLAGE OF CHITEK LAKE

FINANCIAL STATEMENTS

For the year ended December 31, 2021

RESORT VILLAGE OF CHITEK LAKE
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STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Resort Village of Chitek Lake:

The Resort Village'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 Resort Village. 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 Resort Village'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.


Mayor


Administrator



INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:
Resort Village of Chitek Lake
Chitek Lake, Saskatchewan

Opinion

We have audited the financial statements of the Resort Village of Chitek Lake, which comprise the statement of financial position as at December 31, 2021 and the statement of operations, statement of changes in net debt, 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 Resort Village of Chitek Lake as at December 31, 2021, 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 Resort Village of Chitek Lake 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 Resort Village of Chitek Lake'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 Resort Village of Chitek Lake or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Resort Village of Chitek Lake'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 Resort Village of Chitek Lake'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 Resort Village of Chitek Lake'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 Resort Village of Chitek Lake 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 16, 2022



Chartered Professional Accountants Ltd.

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash (Note 2)	\$ 980,661	\$ 951,692
Taxes receivable - municipal (Note 3)	10,299	41,454
Amounts receivable (Note 4)	67,274	36,134
Patronage equity	100	100
TOTAL FINANCIAL ASSETS	1,058,334	1,029,380
LIABILITIES		
Accounts payable and accrued liabilities	115,177	74,270
Deferred revenue (Notes 1 and 6)	45,000	10,222
Long-term debt (Note 7)	1,140,839	1,191,388
TOTAL LIABILITIES	1,301,016	1,275,880
NET DEBT	(242,682)	(246,500)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	4,440,025	3,955,030
Land for resale (Note 5)	116,039	139,909
Inventories	15,141	11,679
Prepaid expenses	5,632	22,589
TOTAL NON-FINANCIAL ASSETS	4,576,837	4,129,207
ACCUMULATED SURPLUS (Schedule 8)	\$ 4,334,155	\$ 3,882,707

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF OPERATIONS
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 562,750	\$ 568,166	\$ 589,581
Fees and charges (Schedules 4 and 5)	301,730	230,813	217,914
Conditional grants (Schedules 4 and 5)	30,200	23,894	16,452
Tangible capital asset sales - gain (loss) (Schedules 4 and 5)		18,900	(9,494)
Land sales - gain (Schedules 4 and 5)		58,967	
Investment income and commissions (Schedules 4 and 5)	5,000	1,543	5,719
Other revenues (Schedules 4 and 5)	650	5,159	4,445
	900,330	907,442	824,617
EXPENSES			
General government services (Schedule 3)	252,490	254,912	218,437
Protective services (Schedule 3)	15,020	15,032	17,468
Transportation services (Schedule 3)	311,230	270,080	277,508
Environmental and public health services (Schedule 3)	74,890	87,297	67,920
Planning and development services (Schedule 3)	1,300	15,672	24,232
Recreation and cultural services (Schedule 3)	130,540	194,803	181,152
Utility services (Schedule 3)	6,360	46,515	40,620
	791,830	884,311	827,337
SURPLUS (DEFICIT) BEFORE OTHER CAPITAL CONTRIBUTIONS	108,500	23,131	(2,720)
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	108,500	428,317	714,790
ANNUAL SURPLUS	217,000	451,448	712,070
ACCUMULATED SURPLUS, BEGINNING OF YEAR	3,882,707	3,882,707	3,170,637
ACCUMULATED SURPLUS, END OF YEAR	\$ 4,099,707	\$ 4,334,155	\$ 3,882,707

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF CHANGE IN NET DEBT
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
ANNUAL SURPLUS	\$ 217,000	\$ 451,448	\$ 712,070
Acquisition of tangible capital assets	(317,000)	(560,020)	(595,416)
Amortization of tangible capital assets	8,750	70,284	66,586
Loss (gain) on sale of tangible capital assets		(18,900)	9,494
Proceeds on sale of tangible capital assets		23,641	
Acquisition of real estate properties		(3,848)	
Gain on sale of land for resale		(58,967)	
Proceeds on sale of land for resale		86,685	
Increase in inventories		(3,462)	
Decrease (increase) in prepaid expenses		16,957	(18,200)
	<u>(308,250)</u>	<u>(447,630)</u>	<u>(537,536)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (91,250)</u>	<u>3,818</u>	<u>174,534</u>
NET DEBT, BEGINNING OF YEAR		<u>(246,500)</u>	<u>(421,034)</u>
NET DEBT, END OF YEAR		<u>\$ (242,682)</u>	<u>\$ (246,500)</u>

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	2021	2020
OPERATING TRANSACTIONS		
Annual surplus	\$ 451,448	\$ 712,070
Changes in non-cash items:		
Taxes receivable - municipal	31,155	6,314
Amounts receivable	(31,140)	49,733
Inventories	(3,462)	603
Prepaid expenses	16,957	(18,200)
Accounts payable and accrued liabilities	40,907	(97,450)
Deferred revenue	34,778	10,147
Loss (gain) on sale of tangible capital assets	(18,900)	9,494
Gain on sale of land for resale	(58,967)	
Amortization	70,284	66,586
Cash provided by operating transactions	<u>533,060</u>	<u>739,297</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	23,641	
Acquisition of tangible capital assets	(560,020)	(595,416)
Cash applied to capital transactions	<u>(536,379)</u>	<u>(595,416)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of land for resale	86,685	
Acquisition of real estate properties	(3,848)	
Cash provided by investing transactions	<u>82,837</u>	
FINANCING TRANSACTIONS		
Debt repayment	(50,549)	(48,618)
Cash applied to financing transactions	<u>(50,549)</u>	<u>(48,618)</u>
INCREASE IN CASH	28,969	95,263
CASH, BEGINNING OF YEAR	951,692	856,429
CASH, END OF YEAR	\$ 980,661	\$ 951,692

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Resort Village 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 Resort Village. The entity is comprised of all of the organizations that are owned or controlled by the Resort Village 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 Resort Village 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 3.

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 grants, 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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

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 Resort Village 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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

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 Resort Village's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Infrastructure Assets	
Infrastructure assets	30 to 75 years
Water & sewer	40 years
Road network assets	40 years

Government Contributions

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

Works of Art and Other Unrecognized Assets

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

Capitalization of Interest

The Resort Village does not capitalize interest incurred while a tangible capital asset is under construction.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

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 Resort Village of Chitek Lake does not maintain a waste disposal site. Currently the Resort Village of Chitek Lake 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 Resort Village.

Employee Benefit Plans

Contributions to the Resort Village's defined benefit plans are expensed when contributions are made. Under the defined benefit multi-employer plan, the Resort Village'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 Resort Village:
 - 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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

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 Resort Village 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 Resort Village.

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 Resort Village.

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 20, 2021.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

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 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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

2. CASH

The Resort Village banks with Innovation Credit Union Ltd. where they have an authorized overdraft limit of \$45,000 (2020 - \$45,000) at an interest rate of 2.95% (2020 - 2.95%) (unauthorized overdraft interest rate of 19.80%).

3. TAXES AND GRANTS-IN-LIEU RECEIVABLE

	2021	2020
Municipal		
- Current	\$ 5,876	\$ 23,188
- Arrears	4,423	18,266
Total municipal taxes receivable	<u>10,299</u>	<u>41,454</u>
School		
- Current	2,316	10,867
- Arrears	1,952	4,693
Total school taxes receivable	<u>4,268</u>	<u>15,560</u>
Total taxes and grants-in-lieu receivable	<u>14,567</u>	<u>57,014</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(4,268)</u>	<u>(15,560)</u>
Municipal and grants-in-lieu taxes receivable	<u>\$ 10,299</u>	<u>\$ 41,454</u>

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2021	2020
Federal government	\$ 54,394	\$ 34,097
Provincial government	10,686	2,037
Organizations and individuals	2,194	
	<u>\$ 67,274</u>	<u>\$ 36,134</u>

5. LAND FOR RESALE

	2021	2020
Tax Title Property	\$ 116,039	\$ 139,909

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

6. DEFERRED REVENUE

	2021	2020
Provincial Traffic Safety Fund	\$ 45,000	\$
Municipal Economic Enhancement Program		10,222
	<u>\$ 45,000</u>	<u>\$ 10,222</u>

7. LONG-TERM DEBT

The debt limit of the Resort Village is \$694,628. The debt limit for a Resort Village is the total amount of the Resort Village's own source revenues for the preceding year (the *Municipalities Act* Section 161(1)).

	2021	2020
Municipal Financing Corporation of Saskatchewan debenture bearing interest at a fixed rate of 2.90% per annum. Payable in blended annual installments of \$56,790, matures August 2044.	\$ 943,614	\$ 972,210
Innovation Credit Union Ltd. mortgage bearing interest at a fixed rate of 5.25% per annum. Payable in blended monthly installments of \$2,745, matures March 2029. Secured by a general security agreement.	197,225	219,178
	<u>\$ 1,140,839</u>	<u>\$ 1,191,388</u>

Future principal and interest payments are as follows:

	Principal	Interest	Total
2022	\$ 52,562	\$ 37,168	\$ 89,730
2023	54,661	35,069	89,730
2024	56,848	32,882	89,730
2025	59,135	30,595	89,730
2026	61,521	28,209	89,730
Thereafter	856,112	238,702	1,094,814
Balance	<u>\$ 1,140,839</u>	<u>\$ 402,625</u>	<u>\$ 1,543,464</u>

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

8. PENSION PLAN

The Resort Village 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 Resort Village's pension expense in 2021 was \$16,870 (2020 - \$13,567). The benefits accrued to the Resort Village'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.

9. GOVERNMENT ASSISTANCE

In response to the pandemic in the prior year, the Provincial and Federal governments 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 Resort Village received funds of \$Nil (2020 - \$19,835). In the prior year, the following projects were approved: \$7,445 for applying gravel to roadways, \$7,500 for applying calcium to roadways and \$4,890 for upgrading hall features. Of those projects, \$9,613 was spent in 2020 and the remaining \$10,222 was deferred and spent in 2021. In addition, the Safe Restart Program provided \$Nil (2020 - \$8,232) in unconditional funding to the Resort Village.

10. OTHER MATTERS

During the year, the COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. As of the audit report date, the Resort Village has not suffered any significant disruptions, and we are therefore unable to estimate the effect of the pandemic on the Resort Village's operations. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of the disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
TAXES			
General municipal tax levy	\$ 516,430	\$ 468,998	\$ 483,038
Abatements and adjustments		244	1,205
Discount on current year taxes	(18,000)	(17,677)	(17,692)
Net Municipal Taxes	498,430	451,565	466,551
Penalties on tax arrears	4,000	6,144	7,511
Special tax levy		44,040	44,280
Total Taxes	502,430	501,749	518,342
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	33,000	32,985	33,268
Safe restart			8,232
Total Unconditional Grants	33,000	32,985	41,500
GRANTS-IN-LIEU OF TAXES			
Provincial Sasktel	2,320	2,258	2,316
Other Government Transfers S.P.C. Surcharge	25,000	20,970	17,406
Sask Energy Surcharge		10,204	10,017
Total Grants-in-Lieu of Taxes	27,320	33,432	29,739
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 562,750	\$ 568,166	\$ 589,581

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$	\$ 750	\$ 531
- Sale of supplies		372	250
- Other (rentals, licenses, tax certificates)	2,910	3,447	2,988
Total Fees and Charges	2,910	4,569	3,769
- Land sales - gain		58,967	
- Investment income and commissions	5,000	1,543	5,719
- Other office services	150	50	528
Total Other Segmented Revenue	8,060	65,129	10,016
Total Operating	8,060	65,129	10,016
Total General Government Services	8,060	65,129	10,016
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire fees		1,658	
- Bylaw fines		233	
Total Fees and Charges		1,891	
Total Other Segmented Revenue		1,891	
Total Operating		1,891	
Total Protective Services		1,891	

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
TRANSPORTATION SERVICES			
Operating			
- Tangible capital asset sales - gain (loss)	\$	\$ 20,230	\$ (9,494)
Total Other Segmented Revenue		20,230	(9,494)
Total Operating		20,230	(9,494)
Capital			
Conditional Grants			
- Municipal Economic Enhancement Program (MEEP)		10,222	4,723
Total Capital		10,222	4,723
Total Transportation Services		30,452	(4,771)
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	2,250	3,049	1,865
- Cemetery fees	1,380	1,400	450
Total Fees and Charges	3,630	4,449	2,315
- DNR compound fees		1,294	2,902
Total Other Segmented Revenue	3,630	5,743	5,217
Total Operating	3,630	5,743	5,217
Total Environmental and Public Health Services	3,630	5,743	5,217
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (permits, inspection fees, building caveats)	21,600	17,671	23,193
Total Fees and Charges	21,600	17,671	23,193
Total Other Segmented Revenue	21,600	17,671	23,193
Total Operating	21,600	17,671	23,193
Total Planning and Development Services	21,600	17,671	23,193

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Recreation fees	\$ 196,180	\$ 200,643	\$ 183,497
Total Fees and Charges	<u>196,180</u>	<u>200,643</u>	<u>183,497</u>
- Tangible capital asset sales - loss		(1,330)	
- Fundraising and donations	500	3,815	1,015
Total Other Segmented Revenue	<u>196,680</u>	<u>203,128</u>	<u>184,512</u>
Conditional Grants			
- Student Employment	28,900	15,848	15,156
- Saskatchewan Lotteries and SaskCultures	1,300	8,046	1,296
Total Conditional Grants	<u>30,200</u>	<u>23,894</u>	<u>16,452</u>
Total Operating	<u>226,880</u>	<u>227,022</u>	<u>200,964</u>
Capital			
Conditional Grants			
- Municipal Economic Enhancement Program (MEEP)			4,890
Total Capital			<u>4,890</u>
Total Recreation and Cultural Services	<u>226,880</u>	<u>227,022</u>	<u>205,854</u>

RESORT VILLAGE OF CHITEK LAKE

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sewer	\$ 77,410	\$ 1,590	\$ 5,140
Total Fees and Charges	<u>77,410</u>	<u>1,590</u>	<u>5,140</u>
Total Other Segmented Revenue	<u>77,410</u>	<u>1,590</u>	<u>5,140</u>
Total Operating	<u>77,410</u>	<u>1,590</u>	<u>5,140</u>
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	8,500	8,287	12,213
- New Building Canada Fund (SCF, NRP)	<u>100,000</u>	<u>409,808</u>	<u>692,964</u>
Total Capital	<u>108,500</u>	<u>418,095</u>	<u>705,177</u>
Total Utility Services	<u>185,910</u>	<u>419,685</u>	<u>710,317</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 446,080</u>	<u>\$ 767,593</u>	<u>\$ 949,826</u>
SUMMARY			
Total Other Segmented Revenue	\$ 307,380	\$ 315,382	\$ 218,584
Total Conditional Grants	30,200	23,894	16,452
Total Capital Grants and Contributions	<u>108,500</u>	<u>428,317</u>	<u>714,790</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 446,080</u>	<u>\$ 767,593</u>	<u>\$ 949,826</u>

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 16,320	\$ 17,252	\$ 6,450
Wages and benefits	137,760	150,271	118,886
Professional/Contractual services	64,650	56,697	68,851
Utilities	9,350	7,649	7,970
Maintenance, materials, and supplies	12,660	14,457	11,322
Amortization	250	4,151	1,332
Interest	11,500	4,435	3,728
Allowance for uncollectibles			(102)
Total General Government Services	252,490	254,912	218,437
PROTECTIVE SERVICES			
Police protection			
Wages and benefits			678
Professional/Contractual services	6,400	6,825	6,647
Other		258	
Fire protection			
Wages and benefits	3,000	3,383	2,893
Professional/Contractual services	990	849	1,161
Utilities	2,830	2,294	4,568
Maintenance, materials, and supplies	1,800	1,423	1,521
Total Protective Services	15,020	15,032	17,468
TRANSPORTATION SERVICES			
Wages and benefits	116,880	120,149	131,070
Professional/Contractual services	94,700	16,595	12,567
Utilities	24,150	22,751	21,923
Maintenance, materials, and supplies	62,500	72,245	69,341
Gravel	8,000	3,990	4,723
Amortization	5,000	34,350	37,884
Total Transportation Services	311,230	270,080	277,508
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	74,140	86,507	67,340
Maintenance, materials, and supplies	750	790	580
Total Environmental and Public Health Services	74,890	87,297	67,920

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
PLANNING AND DEVELOPMENT SERVICES			
Professional/Contractual services	\$ 1,300	\$ 15,672	\$ 24,232
Total Planning and Development Services	1,300	15,672	24,232
RECREATION AND CULTURAL SERVICES			
Wages and benefits	47,400	84,932	96,533
Professional/Contractual services	3,200	14,568	4,235
Utilities	27,270	15,872	20,721
Maintenance, materials, and supplies	47,790	37,151	21,375
Grants and contributions			
- Operating	2,380	2,419	2,349
Amortization	2,500	28,930	26,740
Interest on long-term debt		10,931	9,199
Total Recreation and Cultural Services	130,540	194,803	181,152
UTILITY SERVICES			
Professional/Contractual services	610	9,773	7,096
Utilities		4,577	2,801
Maintenance, materials, and supplies	4,750	1,463	1,508
Amortization	1,000	2,853	630
Interest on long-term debt		27,849	28,585
Total Utility Services	6,360	46,515	40,620
TOTAL EXPENSES BY FUNCTION	\$ 791,830	\$ 884,311	\$ 827,337

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 4 - 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
Revenues (Schedule 2)								
Fees and Charges	\$ 4,569	\$ 1,891	\$ 20,230	\$ 4,449	\$ 17,671	\$ 200,643	\$ 1,590	\$ 230,813
Tangible Capital Asset Sale - Gain (Loss)						(1,330)		18,900
Land Sales - Gain (Loss)	58,967							58,967
Investment Income & Commissions	1,543							1,543
Other Revenues	50			1,294		3,815		5,159
Grants - Conditional			10,222			23,894		23,894
- Capital							418,095	428,317
Total revenues	65,129	1,891	30,452	5,743	17,671	227,022	419,685	767,593
Expenses (Schedule 3)								
Wages & Benefits	167,523	3,383	120,149			84,932		375,987
Professional/Contractual Services	56,697	7,674	16,595	86,507	15,672	14,568	9,773	207,486
Utilities	7,649	2,294	22,751			15,872	4,577	53,143
Maintenance, Materials, Supplies	14,457	1,423	76,235	790		37,151	1,463	131,519
Grants and Contributions						2,419		2,419
Amortization	4,151		34,350			28,930	2,853	70,284
Interest	4,435					10,931	27,849	43,215
Allowance for Uncollectibles								
Other		258						258
Total expenses	254,912	15,032	270,080	87,297	15,672	194,803	46,515	884,311
Surplus (Deficit) by Function	(189,783)	(13,141)	(239,628)	(81,554)	1,999	32,219	373,170	(116,718)
Taxation and other unconditional revenue (Schedule 1)								
								568,166
Net Surplus								\$ 451,448

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 5 - 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
Revenues (Schedule 2)								
Fees and Charges	\$ 3,769	\$	\$	2,315	23,193	183,497	5,140	\$ 217,914
Tangible Capital Asset Sale - Gain (Loss)			(9,494)					(9,494)
Land Sales - Gain (Loss)								
Investment Income & Commissions	5,719			2,902		1,015		5,719
Other Revenues	528					16,452		4,445
Grants - Conditional			4,723			4,890	705,177	16,452
- Capital			(4,771)					714,790
Total revenues	10,016		(4,771)	5,217	23,193	205,854	710,317	949,826
Expenses (Schedule 3)								
Wages & Benefits	125,336	3,571	131,070			96,533		356,510
Professional/Contractual Services	68,851	7,808	12,567	67,340	24,232	4,235	7,096	192,129
Utilities	7,970	4,568	21,923			20,721	2,801	57,983
Maintenance, Materials, Supplies	11,322	1,521	74,064	580		21,375	1,508	110,370
Grants and Contributions						2,349		2,349
Amortization	1,332		37,884			26,740	630	66,586
Interest	3,728					9,199		41,512
Allowance for Uncollectibles	(102)							(102)
Other								
Total expenses	218,437	17,468	277,508	67,920	24,232	181,152	40,620	827,337
Surplus (Deficit) by Function	(208,421)	(17,468)	(282,279)	(62,703)	(1,039)	24,702	669,697	122,489
Taxation and other unconditional revenue (Schedule 1)								589,581
Net Surplus								\$ 712,070

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT
For the year ended December 31, 2021

Cost	General Assets				Infrastructure Assets	General/ Infrastructure	Totals		
	Land	Land Improvements	Buildings	Vehicles			Machinery & Equipment	Linear Assets	Assets Under Construction
Opening costs	\$ 82,700	8,375	974,164	443,434	535,925	67,865	3,146,214	\$5,175,977	\$4,580,561
Additions during the year			50,445		76,627		350,248	560,020	595,416
Disposals and write downs				(2,600)		(3,041)		(5,641)	
Closing costs	<u>82,700</u>	<u>8,375</u>	<u>1,024,609</u>	<u>440,834</u>	<u>612,552</u>	<u>64,824</u>	<u>3,496,462</u>	<u>5,730,356</u>	<u>5,175,977</u>
Accumulated Amortization									
Opening accumulated amortization		5,862	550,788	419,572	231,972	12,753		1,220,947	1,154,361
Amortization		837	25,015	2,524	40,288	1,620		70,284	66,586
Disposals and write downs				(520)		(380)		(900)	
Closing accumulated amortization		<u>6,699</u>	<u>575,803</u>	<u>421,576</u>	<u>272,260</u>	<u>13,993</u>		<u>1,290,331</u>	<u>1,220,947</u>
Net Book Value	\$ <u>82,700</u>	<u>1,676</u>	<u>448,806</u>	<u>19,258</u>	<u>340,292</u>	<u>50,831</u>	<u>3,496,462</u>	<u>\$4,440,025</u>	<u>\$3,955,030</u>

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION
For the year ended December 31, 2021

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2021	2020
Opening costs	\$ 125,736	95,575	987,920			772,828	3,193,918	\$5,175,977	\$4,580,561
Additions during the year			87,599			6,633	465,788	560,020	595,416
Disposals and write downs			(3,041)			(2,600)		(5,641)	
Closing costs	125,736	95,575	1,072,478			776,861	3,659,706	5,730,356	5,175,977
Accumulated Amortization									
Opening accumulated amortization	22,414	95,575	712,700			385,868	4,390	1,220,947	1,154,361
Amortization	4,151		34,350			28,930	2,853	70,284	66,586
Disposals and write downs			(380)			(520)		(900)	
Closing accumulated amortization	26,565	95,575	746,670			414,278	7,243	1,290,331	1,220,947
Net Book Value	\$ 99,171		325,808			362,583	3,652,463	\$4,440,025	\$3,955,030

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS
For the year ended December 31, 2021

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 899,887	\$ (62,143)	\$ 837,744
APPROPRIATED RESERVES			
Total appropriated			
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	3,955,030	484,995	4,440,025
Less: Related debt	(972,210)	28,596	(943,614)
Net Investment in tangible capital assets	2,982,820	513,591	3,496,411
TOTAL ACCUMULATED SURPLUS	\$ 3,882,707	\$ 451,448	\$ 4,334,155

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS
 For the year ended December 31, 2021

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	53,790	65,373,040			2,812,225		68,239,055
Regional Park Assessment							
Total Assessment							68,239,055
Mill Rate Factor(s)	1.00	1.00			1.00		
Total Base/Minimum Tax	800	281,600			16,000		298,400
Total Municipal Tax Levy	934	445,033			23,031		468,998

MILL RATES:

	MILLS
Average Municipal	6.8729
Average School	4.5519
Potash Mill Rate	
Uniform Municipal Mill Rate	2.5000

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2021

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Sandra Svoboda	\$ 3,350	\$	\$ 3,350
Councilor - Leona Paulton	3,350		3,350
Councilor - Jack Mochoruk	3,250		3,250
Councilor - John Vandale	3,250		3,250
Councilor - Robert Fraser	3,250		3,250
	<u>\$ 16,450</u>	<u>\$</u>	<u>\$ 16,450</u>