

RESORT VILLAGE OF CHITEK LAKE

FINANCIAL STATEMENTS

For the year ended December 31, 2022

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, 2022 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, 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 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 15, 2023



Chartered Professional Accountants Ltd.

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF FINANCIAL POSITION
As at December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash (Note 2)	\$ 926,958	\$ 980,661
Taxes receivable - municipal (Note 3)	19,157	10,299
Amounts receivable (Note 4)	17,179	67,274
Patronage equity	100	100
TOTAL FINANCIAL ASSETS	963,394	1,058,334
LIABILITIES		
Accounts payable and accrued liabilities	54,071	115,177
Deferred revenue (Notes 1 and 6)	45,000	45,000
Long-term debt (Note 7)	1,088,282	1,140,839
TOTAL LIABILITIES	1,187,353	1,301,016
NET DEBT	(223,959)	(242,682)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	4,579,854	4,440,025
Assets held for sale (Note 5)	116,039	116,039
Inventories	14,721	15,141
Prepaid expenses	7,594	5,632
TOTAL NON-FINANCIAL ASSETS	4,718,208	4,576,837
ACCUMULATED SURPLUS (Schedule 8)	\$ 4,494,249	\$ 4,334,155

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF OPERATIONS
For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 617,656	\$ 617,852	\$ 568,166
Fees and charges (Schedules 4 and 5)	272,660	220,781	225,813
Conditional grants (Schedules 4 and 5)	46,550	35,715	28,894
Tangible capital asset sales - gain (loss) (Schedules 4 and 5)		643	18,900
Land sales - gain (loss) (Schedules 4 and 5)	400,000	4,086	58,967
Investment income and commissions (Schedules 4 and 5)	1,500	13,246	1,543
Other revenues (Schedules 4 and 5)	2,200	8,318	5,159
	1,340,566	900,641	907,442
EXPENSES			
General government services (Schedule 3)	231,257	211,263	254,914
Protective services (Schedule 3)	25,265	22,274	15,032
Transportation services (Schedule 3)	348,273	258,721	290,561
Environmental and public health services (Schedule 3)	86,550	86,687	87,297
Planning and development services (Schedule 3)	5,000	14,099	15,672
Recreation and cultural services (Schedule 3)	145,768	107,439	128,691
Utility services (Schedule 3)	98,316	107,713	92,145
	940,429	808,196	884,312
SURPLUS BEFORE OTHER CAPITAL CONTRIBUTIONS	400,137	92,445	23,130
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	30,750	67,649	428,317
ANNUAL SURPLUS	430,887	160,094	451,447
ACCUMULATED SURPLUS, BEGINNING OF YEAR	4,334,155	4,334,155	3,882,708
ACCUMULATED SURPLUS, END OF YEAR	\$ 4,765,042	\$ 4,494,249	\$ 4,334,155

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF CHANGE IN NET DEBT
For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
ANNUAL SURPLUS	\$ 430,887	\$ 160,094	\$ 451,447
Acquisition of tangible capital assets	(429,480)	(227,097)	(560,020)
Amortization of tangible capital assets	87,268	87,268	70,284
Gain on sale of tangible capital assets		(643)	(18,900)
Proceeds on sale of tangible capital assets		643	23,641
Acquisition of assets held for sale			(3,848)
Gain on sale of assets held for sale		(4,086)	(58,967)
Proceeds on sale of assets held for sale		4,086	86,685
Decrease (increase) in inventories		420	(3,462)
Decrease (increase) in prepaid expenses		(1,962)	16,958
	<u>(342,212)</u>	<u>(141,371)</u>	<u>(447,629)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ 88,675</u>	<u>18,723</u>	3,818
NET DEBT, BEGINNING OF YEAR		<u>(242,682)</u>	(246,500)
NET DEBT, END OF YEAR		<u>\$ (223,959)</u>	<u>\$ (242,682)</u>

RESORT VILLAGE OF CHITEK LAKE
STATEMENT OF CASH FLOWS
For the year ended December 31, 2022

	2022	2021
OPERATING TRANSACTIONS		
Annual surplus	\$ 160,094	\$ 451,447
Changes in non-cash items:		
Taxes receivable - municipal	(8,858)	31,155
Amounts receivable	50,095	(31,140)
Inventories	420	(3,462)
Prepaid expenses	(1,962)	16,958
Accounts payable and accrued liabilities	(61,106)	40,907
Deferred revenue		34,778
Gain on sale of tangible capital assets	(643)	(18,900)
Gain on sale of assets held for sale	(4,086)	(58,967)
Amortization	87,268	70,284
Cash provided by operating transactions	<u>221,222</u>	<u>533,060</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	643	23,641
Cash used to acquire tangible capital assets	(227,097)	(560,020)
Cash applied to capital transactions	<u>(226,454)</u>	<u>(536,379)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of assets held for sale	4,086	86,685
Acquisition of assets held for sale		(3,848)
Cash provided by investing transactions	<u>4,086</u>	<u>82,837</u>
FINANCING TRANSACTIONS		
Debt repayment	(52,557)	(50,549)
Cash applied to financing transactions	<u>(52,557)</u>	<u>(50,549)</u>
INCREASE (DECREASE) IN CASH	(53,703)	28,969
CASH, BEGINNING OF YEAR	980,661	951,692
CASH, END OF YEAR	\$ 926,958	\$ 980,661

RESORT VILLAGE OF CHITEK LAKE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

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. These financial statements do not contain any entities.

Partnerships

A partnership represents a contractual arrangement between the Resort Village 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 Resort Village for the school board, municipal hail, and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 Resort Village 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

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.

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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

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 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.

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
Leased capital assets	Lease term
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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

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

Leases

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

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, 2022

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 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 April 22, 2022.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets Held for Sale

The Resort Village 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.

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

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. CASH

The Resort Village banks with Innovation Credit Union Ltd. where they have an authorized overdraft limit of \$45,000 (2021 - \$45,000) at an interest rate of 6.45% (2021 - 2.95%) (unauthorized overdraft interest rate of 19.80% (2021 - 19.80%)).

3. TAXES AND GRANTS-IN-LIEU RECEIVABLE

	2022	2021
Municipal		
- Current	\$ 18,133	\$ 5,876
- Arrears	1,024	4,423
Total municipal taxes receivable	<u>19,157</u>	10,299
School		
- Current	11,894	2,316
- Arrears	262	1,952
Total school taxes receivable	<u>12,156</u>	4,268
Total taxes and grants-in-lieu receivable	<u>31,313</u>	14,567
Deduct taxes receivable to be collected on behalf of other organizations	<u>(12,156)</u>	(4,268)
Municipal and grants-in-lieu taxes receivable	<u>\$ 19,157</u>	\$ 10,299

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2022	2021
Federal government	\$ 12,185	\$ 54,394
Provincial government	2,779	10,686
Organizations and individuals	2,215	2,194
	\$ 17,179	\$ 67,274

5. ASSETS HELD FOR SALE

	2022	2021
Tax Title Property	\$ 116,039	\$ 116,039

6. DEFERRED REVENUE

Deferred revenue consists of funds from Saskatchewan Government Insurance (SGI) for the Provincial Traffic Safety Fund. This grant is to be used for the building of a pedestrian walking paths within the Resort Village as well as protecting current walking paths. As of December 31, 2022, the project has not been started, therefore the full amount of the grant received has been deferred until the project commences.

	2022	2021
Balance, beginning of year	\$ 45,000	\$
Contributions received during the year		45,000
Amounts amortized to revenue		
Balance, end of year	\$ 45,000	\$ 45,000

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

7. LONG-TERM DEBT

The debt limit of the Resort Village is \$689,080. 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)).

	2022	2021
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.	\$ 914,189	\$ 943,614
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.	174,093	197,225
	\$ 1,088,282	\$ 1,140,839

Future principal and interest payments are as follows:

	Principal	Interest	Total
2023	\$ 54,660	\$ 35,070	\$ 89,730
2024	56,849	32,881	89,730
2025	59,134	30,596	89,730
2026	61,521	28,209	89,730
2027	64,012	25,718	89,730
Thereafter	792,106	212,984	1,005,090
Balance	\$ 1,088,282	\$ 365,458	\$ 1,453,740

RESORT VILLAGE OF CHITEK LAKE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

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 2022 was \$14,361 (2021 - \$16,870). 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.

Total current service contributions by the Resort Village to the MEPP in 2022 were \$14,361 (2021 - \$16,870). Total current service contributions by the employees of the Resort Village to the MEPP in 2022 were \$14,361 (2021 - \$16,870).

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>

RESORT VILLAGE OF CHITEK LAKE
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
TAXES			
General municipal tax levy	\$ 531,808	\$ 487,391	\$ 468,998
Abatements and adjustments		776	244
Discount on current year taxes	(18,000)	(18,795)	(17,677)
Net Municipal Taxes	513,808	469,372	451,565
Penalties on tax arrears	1,750	1,746	6,144
Special tax levy		44,400	44,040
Total Taxes	515,558	515,518	501,749
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	65,840	65,835	32,985
Total Unconditional Grants	65,840	65,835	32,985
GRANTS-IN-LIEU OF TAXES			
Provincial			
Sasktel	2,258	2,300	2,258
Other Government Transfers			
S.P.C. Surcharge	22,000	21,706	20,970
Sask Energy Surcharge	12,000	12,493	10,204
Total Grants-in-Lieu of Taxes	36,258	36,499	33,432
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 617,656	\$ 617,852	\$ 568,166

RESORT VILLAGE OF CHITEK LAKE
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
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 500	\$ 463	\$ 750
- Sale of supplies	500	316	372
- Other (land leases, licenses, tax certificates)	44,360	3,365	3,447
Total Fees and Charges	45,360	4,144	4,569
- Land sales - gain (loss)	400,000	4,086	58,967
- Investment income and commissions	1,500	13,246	1,543
- Other office services	200	103	50
Total Other Segmented Revenue	447,060	21,579	65,129
Total Operating	447,060	21,579	65,129
Total General Government Services	447,060	21,579	65,129
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire fees			1,658
- Bylaw fines	200	157	233
Total Fees and Charges	200	157	1,891
Total Other Segmented Revenue	200	157	1,891
Total Operating	200	157	1,891
Total Protective Services	200	157	1,891

RESORT VILLAGE OF CHITEK LAKE
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
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
- Tangible capital asset sales - gain (loss)	\$	\$	\$ 20,230
Total Other Segmented Revenue			20,230
Total Operating			20,230
Capital			
Conditional Grants			
- Municipal Economic Enhancement Program (MEEP)			10,222
Total Capital			10,222
Total Transportation Services			30,452
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	5,000	2,647	3,049
- Cemetery fees	1,200	1,600	1,400
Total Fees and Charges	6,200	4,247	4,449
- DNR compound fees	1,500	3,562	1,294
Total Other Segmented Revenue	7,700	7,809	5,743
Total Operating	7,700	7,809	5,743
Total Environmental and Public Health Services	7,700	7,809	5,743

RESORT VILLAGE OF CHITEK LAKE
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
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (permits, inspection fees, building caveats)	\$ 16,000	\$ 23,436	\$ 17,671
Total Fees and Charges	16,000	23,436	17,671
Total Other Segmented Revenue	16,000	23,436	17,671
Total Operating	16,000	23,436	17,671
Total Planning and Development Services	16,000	23,436	17,671
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Recreation fees	203,200	188,707	195,643
Total Fees and Charges	203,200	188,707	195,643
- Tangible capital asset sales - gain (loss)		643	(1,330)
- Fundraising and donations	500	4,653	3,815
Total Other Segmented Revenue	203,700	194,003	198,128
Conditional Grants			
- Student Employment	27,254	28,786	15,848
- Saskatchewan Lotteries and SaskCultures	19,296	6,929	13,046
Total Conditional Grants	46,550	35,715	28,894
Total Operating	250,250	229,718	227,022
Total Recreation and Cultural Services	250,250	229,718	227,022

RESORT VILLAGE OF CHITEK LAKE
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
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sewer	\$ 1,700	\$ 90	\$ 1,590
Total Fees and Charges	1,700	90	1,590
Total Other Segmented Revenue	1,700	90	1,590
Total Operating	1,700	90	1,590
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	12,750	12,793	8,287
- New Building Canada Fund (NBCF)	18,000	54,856	409,808
Total Capital	30,750	67,649	418,095
Total Utility Services	32,450	67,739	419,685
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 753,660	\$ 350,438	\$ 767,593
SUMMARY			
Total Other Segmented Revenue	\$ 676,360	\$ 247,074	\$ 310,382
Total Conditional Grants	46,550	35,715	28,894
Total Capital Grants and Contributions	30,750	67,649	428,317
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 753,660	\$ 350,438	\$ 767,593

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 17,000	\$ 17,635	\$ 17,252
Wages and benefits	118,656	125,699	153,393
Professional/Contractual services	59,400	49,722	56,697
Utilities	7,300	7,650	7,649
Maintenance, materials, and supplies	23,600	4,806	11,337
Amortization	4,151	4,151	4,151
Interest	1,150	1,600	4,435
Total General Government Services	231,257	211,263	254,914
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	16,515	14,102	6,825
Donations		143	258
Fire protection			
Wages and benefits	3,000	2,910	3,383
Professional/Contractual services	850	1,056	849
Utilities	2,300	2,632	2,294
Maintenance, materials, and supplies	2,600	1,431	1,423
Total Protective Services	25,265	22,274	15,032
TRANSPORTATION SERVICES			
Wages and benefits	124,000	149,056	170,212
Professional/Contractual services	86,500	19,600	16,595
Utilities	22,050	17,858	20,783
Maintenance, materials, and supplies	62,400	21,884	44,631
Gravel	3,000		3,990
Amortization	50,323	50,323	34,350
Total Transportation Services	348,273	258,721	290,561
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	85,750	86,597	86,507
Maintenance, materials, and supplies	800	90	790
Total Environmental and Public Health Services	86,550	86,687	87,297

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2022

	2022 Budget Unaudited (Note 1)	2022 Actual	2021 Actual
PLANNING AND DEVELOPMENT SERVICES			
Professional/Contractual services	\$ 5,000	\$ 14,099	\$ 15,672
Total Planning and Development Services	5,000	14,099	15,672
RECREATION AND CULTURAL SERVICES			
Wages and benefits	47,800	22,487	34,869
Professional/Contractual services	1,450	2,210	14,568
Utilities	19,390	22,497	17,839
Maintenance, materials, and supplies	34,000	18,351	19,135
Grants and contributions			
- Operating	2,450	2,467	2,419
Amortization	29,678	29,678	28,930
Interest on long-term debt	11,000	9,749	10,931
Total Recreation and Cultural Services	145,768	107,439	128,691
UTILITY SERVICES			
Professional/Contractual services		28,222	9,200
Utilities	4,600	4,564	4,577
Maintenance, materials, and supplies	90,600	44,802	47,666
Amortization	3,116	3,116	2,853
Interest on long-term debt		27,009	27,849
Total Utility Services	98,316	107,713	92,145
TOTAL EXPENSES BY FUNCTION	\$ 940,429	\$ 808,196	\$ 884,312

RESORT VILLAGE OF CHITEK LAKE
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
Revenues (Schedule 2)								
Fees and Charges	\$ 4,144	\$ 157	\$	\$ 4,247	\$ 23,436	\$ 188,707	\$ 90	\$ 220,781
Tangible Capital Asset Sale - Gain (Loss)						643		643
Land Sales - Gain (Loss)	4,086							4,086
Investment Income & Commissions	13,246							13,246
Other Revenues	103			3,562		4,653		8,318
Grants - Conditional						35,715		35,715
- Capital							67,649	67,649
Total revenues	21,579	157		7,809	23,436	229,718	67,739	350,438
Expenses (Schedule 3)								
Wages & Benefits	143,334	2,910	149,056			22,487		317,787
Professional/Contractual Services	49,722	15,158	19,600	86,597	14,099	2,210	28,222	215,608
Utilities	7,650	2,632	17,858			22,497	4,564	55,201
Maintenance, Materials, Supplies	4,806	1,431	21,884	90		18,351	44,802	91,364
Grants and Contributions						2,467		2,467
Amortization	4,151		50,323			29,678	3,116	87,268
Interest	1,600					9,749	27,009	38,358
Allowance for Uncollectibles								
Other		143						143
Total expenses	211,263	22,274	258,721	86,687	14,099	107,439	107,713	808,196
Surplus (Deficit) by Function	(189,684)	(22,117)	(258,721)	(78,878)	9,337	122,279	(39,974)	(457,758)
Taxation and other unconditional revenue (Schedule 1)								617,852
Net Surplus								\$ 160,094

RESORT VILLAGE OF CHITEK LAKE
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
Revenues (Schedule 2)								
Fees and Charges	\$ 4,569	\$ 1,891	\$ 20,230	\$ 4,449	\$ 17,671	\$ 195,643	\$ 1,590	\$ 225,813
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			28,894		28,894
- Capital							418,095	428,317
Total revenues	65,129	1,891	30,452	5,743	17,671	227,022	419,685	767,583
Expenses (Schedule 3)								
Wages & Benefits	170,645	3,383	170,212		15,672	34,869		379,109
Professional/Contractual Services	56,697	7,674	16,595	86,507		14,568	9,200	206,913
Utilities	7,649	2,294	20,783			17,839	4,577	53,142
Maintenance, Materials, Supplies	11,337	1,423	48,621	790		19,135	47,666	128,972
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	254,914	15,032	290,561	87,297	15,672	128,691	92,145	884,312
Surplus (Deficit) by Function	(189,785)	(13,141)	(260,109)	(81,554)	1,999	98,331	327,540	(116,719)
Taxation and other unconditional revenue (Schedule 1)								568,166
Net Surplus								\$ 451,447

RESORT VILLAGE OF CHITEK LAKE
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	Construction
Opening costs	\$ 82,700	8,375	1,024,609	440,834	612,552	64,824	3,496,462	\$5,730,356	\$5,175,977
Additions during the year					207,235		19,862	227,097	560,020
Disposals and write downs									(5,641)
Closing costs	82,700	8,375	1,024,609	440,834	819,787	64,824	3,516,324	5,957,453	5,730,356
Accumulated Amortization									
Opening accumulated amortization		6,699	575,803	421,576	272,260	13,993		1,290,331	1,220,947
Amortization		837	25,418	2,522	56,871	1,620		87,268	70,284
Disposals and write downs									(900)
Closing accumulated amortization		7,536	601,221	424,098	329,131	15,613		1,377,599	1,290,331
Net Book Value	\$ 82,700	839	423,388	16,736	490,656	49,211	3,516,324	\$4,579,854	\$4,440,025

RESORT VILLAGE OF CHITEK LAKE
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	\$ 125,736	95,575	1,072,478			776,861	3,659,706	\$5,730,356	\$5,175,977
Additions during the year			187,265			19,970	19,862	227,097	560,020
Disposals and write downs									(5,641)
Closing costs	<u>125,736</u>	<u>95,575</u>	<u>1,259,743</u>			<u>796,831</u>	<u>3,679,568</u>	<u>5,957,453</u>	<u>5,730,356</u>
Accumulated Amortization									
Opening accumulated amortization	26,565	95,575	746,670			414,278	7,243	1,290,331	1,220,947
Amortization	4,151		50,323			29,678	3,116	87,268	70,284
Disposals and write downs									(900)
Closing accumulated amortization	<u>30,716</u>	<u>95,575</u>	<u>796,993</u>			<u>443,956</u>	<u>10,359</u>	<u>1,377,599</u>	<u>1,290,331</u>
Net Book Value	<u>\$ 95,020</u>		<u>462,750</u>			<u>352,875</u>	<u>3,669,209</u>	<u>\$4,579,854</u>	<u>\$4,440,025</u>

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS
For the year ended December 31, 2022

	2021	Changes	2022
UNAPPROPRIATED SURPLUS	\$ 1,034,969	\$ (32,292)	\$ 1,002,677
APPROPRIATED RESERVES			
Total appropriated			
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	4,440,025	139,829	4,579,854
Less: Related debt	(1,140,839)	52,557	(1,088,282)
Net investment in tangible capital assets	3,299,186	192,386	3,491,572
TOTAL ACCUMULATED SURPLUS	\$ 4,334,155	\$ 160,094	\$ 4,494,249

RESORT VILLAGE OF CHITEK LAKE
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	53,790	65,905,680			2,764,710		68,724,180
Regional Park Assessment							
Total Assessment							68,724,180
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	948	462,841			23,602		487,391

MILL RATES:

	MILLS
Average Municipal	7.0920
Average School	4.6309
Potash Mill Rate	
Uniform Municipal Mill Rate	2.7500

RESORT VILLAGE OF CHITEK LAKE
SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2022

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Sandra Svoboda	\$ 3,500	\$	3,500
Councilor - Jack Mochoruk	3,500		3,500
Councilor - John Vandale	3,500		3,500
Councilor - Leona Paulton	3,500		3,500
Councilor - Robert Fraser	3,500		3,500
	<hr/>		
	\$ 17,500	\$	17,500
	<hr/>		<hr/>