

**RESORT VILLAGE OF
CANDLE LAKE**

FINANCIAL STATEMENTS

December 31, 2020

Management's Responsibility

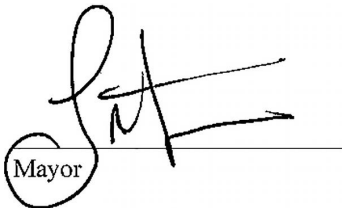
The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles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

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

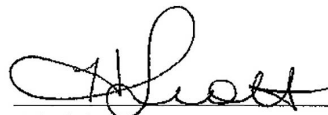
The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management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

Deloitte, LLP, 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.

May 14, 2021



Mayor



Administrator

Independent Auditor's Report

To Mayor and Council of
Resort Village of Candle Lake

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Resort Village of Candle Lake (the "Organization"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations and annual surplus, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have 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 PSAS, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 GAAS 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 GAAS, we exercise 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 Organization'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 Organization'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 Organization 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

The logo for Deloitte LLP, featuring the word "Deloitte" in a cursive script followed by "LLP" in a clean, sans-serif font.

Chartered Professional Accountants
May 14, 2021
Saskatoon, Saskatchewan

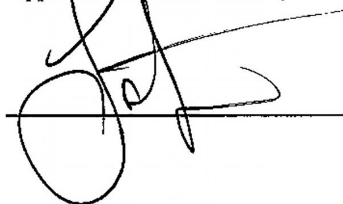
Resort Village of Candle Lake
Consolidated Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
ASSETS		
FINANCIAL ASSETS		
Cash (Note 2)	2,361,314	4,649,975
Taxes Receivable - Municipal (Note 3)	206,331	261,934
Other Accounts Receivable (Note 4)	155,064	116,651
Land for Resale (Note 5)	160,995	160,995
Investments (Note 2)	2,000,000	-
Total Financial Assets	4,883,704	5,189,555
LIABILITIES		
Accounts Payable and Accrued Liabilities	257,688	435,342
Accrued Landfill Liability (Note 7)	122,000	118,000
Deposits	20,355	19,455
Deferred Revenue (Note 6)	305,681	107,537
Long-Term Debt (Note 8)	913,726	1,119,664
Total Liabilities	1,619,450	1,799,998
NET FINANCIAL ASSETS	3,264,254	3,389,557
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6)	7,944,445	8,115,878
Prepayments and Deposits	11,839	9,854
Inventory (Note 9)	131,730	214,962
Total Non-Financial Assets	8,088,014	8,340,694
Accumulated Surplus & Reserves (Schedule 8)	11,352,268	11,730,251

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Mayor and Council


 _____ Mayor


 _____ Administrator

Resort Village of Candle Lake
Consolidated Statement of Operations and Annual Surplus
As at December 31, 2020

Statement 2

	2020 Budget	2020	2019
	(Note 1s)		
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	2,055,111	2,102,142	2,708,701
Fees and Charges (Schedule 4, 5)	315,625	349,342	342,437
Conditional Grants (Schedule 4, 5)	3,450	9,509	2,092
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	10,000	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	14,399
Investment Income and Commissions (Schedule 4, 5)	59,000	55,167	63,819
Other Revenues (Schedule 4, 5)	9,800	3,650	8,409
Total Revenues	2,452,986	2,519,810	3,139,857
Expenses			
General Government Services (Schedule 3, 4)	855,157	974,651	798,042
Protective Services (Schedule 3, 4)	426,020	348,178	317,207
Transportation Services (Schedule 3, 4)	1,825,871	1,293,668	1,240,973
Environmental and Public Health Services (Schedule 3, 4)	3,500	82,940	160,828
Planning and Development Services (Schedule 3, 4)	33,000	201,321	210,255
Recreation and Cultural Services (Schedule 3, 4)	78,150	48,388	138,386
Total Expenses	3,221,698	2,949,146	2,865,691
(Deficit) Surplus of Revenues over Expenses before Other Capital Contributions	(768,712)	(429,336)	274,166
Other Capital Contributions (Schedule 2, 4, 5)	61,550	51,353	60,074
(Deficit) Surplus of Revenues over Expenses	(707,162)	(377,983)	334,240
Accumulated Surplus, Beginning of Year	11,730,251	11,730,251	11,396,011
Accumulated Surplus, End of Year	11,023,089	11,352,268	11,730,251

The accompanying notes are an integral part of these financial statements

Resort Village of Candle Lake
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2020

Statement 3

	2020 Budget	2020	2019
	(Note 1s)		
(Deficit) Surplus of Revenues over Expenses	(707,162)	(377,983)	334,240
Acquisition of tangible capital assets	894,010	(170,864)	(917,940)
Amortization of tangible capital assets	-	342,297	324,122
Difference of capital expenses over expenditures	894,010	171,433	(593,818)
Change in inventory	-	83,232	(160,282)
Use of prepayments and deposits	-	(1,985)	(1,716)
(Deficit) Surplus of expenses of other non-financial over expenditures	-	81,247	(161,998)
Change in Net Financial Assets	186,848	(125,303)	(421,576)
Net Financial Assets - Beginning of Year	-	3,389,557	3,811,133
Net Financial Assets - End of Year	186,848	3,264,254	3,389,557

The accompanying notes are an integral part of these financial statements

**Resort Village of Candle Lake
Consolidated Statement of Cash Flow
For the year ended December 31, 2020**

Statement 4

	2020	2019
Cash provided by (used for) the following activities		
Operating:		
(Deficit) Surplus of Revenues over Expenses	(377,983)	334,240
Amortization	342,297	324,122
	<u>(35,686)</u>	<u>658,362</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	55,603	(28,989)
Other Accounts Receivable	(38,413)	(79,915)
Accounts Payable and Accrued Liabilities	(251,654)	183,893
Landfill Liability	78,000	78,000
Deposits	900	12,350
Deferred Revenue	198,144	36,780
Inventory	83,232	(160,282)
Prepayments and Deposits	(1,985)	(1,716)
Net cash from operations	88,141	698,483
Capital:		
Acquisition of Tangible Capital Assets	(170,864)	(917,940)
Net cash used for capital	(170,864)	(917,940)
Investing		
Purchase of investments	(2,000,000)	-
Net cash used for investing	(2,000,000)	-
Financing:		
Debt Repaid	(205,938)	(199,497)
Net cash used for financing	(205,938)	(199,497)
Decrease in cash	(2,288,661)	(418,954)
Cash - Beginning of Year	<u>4,649,975</u>	<u>5,068,929</u>
Cash - End of Year	<u>2,361,314</u>	<u>4,649,975</u>

The accompanying notes are an integral part of these financial statements

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

1. Significant accounting policies

The consolidated financial statements of the Resort Village of Candle Lake (the "Village") are prepared by management in accordance with the 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:

- a) **Basis of Accounting:** The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.
- b) **Reporting Entity:** The financial statements consolidates the assets, liabilities and flow of resources of the Village. The entity is comprised of all of the organizations that are owned or controlled by the Village and are, therefore, accountable to Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Entity

Candle Lake Health Services Committee
Communities in Bloom
Parks & Recreation Committees
First Responders Committee

All inter-organization transactions and balances have been eliminated.

- c) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- d) **Government Transfers:** Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:
- a) the transfer is authorized
 - b) eligibility criteria have been met if the transfer has eligibility criteria; and
 - c) a reasonable estimate of the amount can be made.

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

- e) **Land for Resale -** Land for resale, comprising land held for future development and resale, is valued at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or services. Revenue from the land sales is recognized when the title is transferred to the buyer.
- f) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- g) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- h) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- i) **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.
- j) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus amounts for future operating and capital transactions. Amounts so designated are described on Schedule 8.

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

1. Significant accounting policies - continued

- k) **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 (Schedule 9) 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 tax revenue.
- l) **Inventory:** Inventory of materials and supplies expected to be used by the Village are valued at the lower of cost or net realizable value. Inventory held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Tangible capital assets are written down when conditions indicate that they no longer contribute to the Village's ability to provide goods and services, or when the value of the future economic benefits associated with the tangible capital assets are less than their net book value. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Village's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life (years)</u>
General Assets	
Land	Indefinite
Land Improvements	40
Buildings	40
Vehicles & Equipment	
Vehicles	10
Machinery and Equipment	5 to 20
Infrastructure Assets	
Linear Assets	
Engineered structures	40
Roads	40

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

Capitalization of Interest: The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

- n) **Landfill Liability:** The Village maintains a waste disposal site. The annual provision is reported as an expense and the accumulated provision is reported on the Consolidated Statement of Financial Position. Recommended disclosure is provided in Note 7.
- o) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

1. Significant accounting policies - continued

- q) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

Accounts receivable and taxes receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

Landfill liability is based on current value of future estimated closure and post closure costs.

Contaminated sites are based on current value of future remediation costs.

Accrued liabilities are estimated accrued costs.

Certain amounts of grant funding recognized in the year are based on management's best estimate as to the extent of the eligibility of various expenditures under the various funding programs for which the Village has been approved.

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

- r) **Basis of Segmentation/Segment Report:** Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

The segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Village.

Protective Services: Protective services is comprised of expenses for police and fire protection.

Transportation Services: The transportation services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems, street lighting and airport.

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

Planning and Development: The planning and development segment provides for neighborhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 12, 2020.

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

1. Significant accounting policies - continued

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

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

Effective for Fiscal Years Beginning On or After April 1, 2023:

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

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

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

2. Cash and Investments	2020	2019
Cash	2,361,314	4,649,975
Total Cash	2,361,314	4,649,975

	2020	2019
Investments	2,000,000	-
Total Investments	2,000,000	-

Cash and temporary investments include balances with banks, term deposits and short-term investments. Investments include GICs with a maturity date of February 21, 2022 that carry an interest rate of 2.45% per annum.

3. Taxes Receivable - Municipal

	2020	2019
Municipal - Current	113,710	114,891
- Arrears	55,938	109,456
Total municipal taxes receivable	169,648	224,347

School - Current	32,490	27,030
- Arrears	28,086	59,914
Total school taxes receivable	60,576	86,944

Other	36,683	37,587
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Total taxes and grants in lieu receivable	266,907	348,878
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Deduct taxes receivable to be collected on behalf of other organization	(60,576)	(86,944)
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Taxes Receivable - Municipal	206,331	261,934
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4. Other Accounts Receivable

	2020	2019
Government	49,119	90,201
Interest	40,833	-
Trade	65,112	26,450

Other Accounts Receivable	155,064	116,651
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5. Land for Resale

	2020	2019
Other Land	160,995	160,995
Total Land for Resale	160,995	160,995

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

6. Deferred Revenue

	2020	2019
Gas Tax Revenue - Opening Balance	43,809	6,504
Eligible Expenditures	(1,246)	(60,074)
Current Year Funding	74,340	97,379
Gas Tax Revenue - Closing Balance	116,903	43,809
Municipal Economic Enhancement Program Grant	120,732	-
Prepaid Property Taxes	68,046	63,728
Total Deferred Revenue	305,681	107,537

Amounts deferred for Gas Tax and the Municipal Economic Enhancement Program Grant are deferred until they are spent on eligible expenditures in accordance with the funding agreements. Prepaid property taxes are recognized in revenue in the year the taxes were assessed for.

7. Accrued Landfill costs

	2020	2019
Environmental Liabilities	122,000	118,000

In 2020 the Village has accrued an overall liability for environmental matters in the amount of \$122,000 (2019 - \$118,000) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$122,000 (2019 - \$118,000) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2020 based on the cumulative capacity used at that date, compared with the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Villages' average long-term borrowing rate of 3.23% (2019 - 3.23%).

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 7% (prior year - 10%) of its total estimated capacity and its estimated remaining life is 2 years (prior year - 3 years).

The unfunded liability for the landfill will be paid for from unappropriated surplus.

8. Long-Term Debt

a) The debt limit of the Village is \$2,921,452. The debt limit for the Village is the total amount of the Village's own source revenues the preceding year (Municipalities Act section 161).

	2020	2019
b) Bank loan is related to paving projects and is repayable in monthly instalments of \$19,930, including interest at 3.23% and matures on January 1, 2025.	913,726	1,119,664
	913,726	1,119,664

Future principal repayments are estimated as follows:

Year	Principal	Interest	Total
2021	212,788	26,372	239,160
2022	219,763	19,397	239,160
2023	226,968	12,192	239,160
2024	234,389	4,771	239,160
2025	19,818	112	19,930

Resort Village of Candle Lake
Notes to the Consolidated Financial Statements
For the year ended December 31, 2020

9. Inventory

	2020	2019
Gravel	96,050	179,282
Culverts	9,126	9,126
Other	26,554	26,554
Inventory	131,730	214,962

10. Pension plan contributions

The Village is an employer member of the Municipal Employees' Pension Plan (MEPP), which is a multiemployer defined contribution plan under which both the municipality and employees make contributions of 9.0% (2019 - 9.0%) of an employee's gross salary. The Village's contributions and corresponding expense in the current year totaled \$71,925 (2019 - \$63,713).

11. COVID-19

The global pandemic declared by the World Health Organization on March 11, 2020 due to the outbreak of COVID-19 has cast uncertainty on the estimates, assumptions and critical judgments exercised by management. Although the development of successful vaccine candidates towards the end of 2020 signals a turning point in pandemic, ongoing delays in the deployment of these vaccine and continuing public health restrictions indicate that the pandemic will continue to negatively impact the Canadian economy for the foreseeable future.

COVID-19 resulted in a shutdown of the town office and reduction of community events throughout 2020. These measures had an impact on expenditures.

12. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

The municipality is also contingently liable for legal claims in which the municipality has been named as a defendant in which damages have been sought. The outcome of these actions is not determinable as at the date of reporting and accordingly, no provision has been made in these financial statements for any liability that may result.

13. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the Village are as follows:

Contractual Rights Type	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024
Gas tax funding	49,560	51,912	51,912	52,928

Resort Village of Candle Lake
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2020

Schedule 1

	2020 Budget	2020	2019
TAXES			
General municipal tax levy	2,249,693	2,251,092	2,376,006
Abatements and adjustments	(5,000)	(325)	(2,125)
Discount on current year taxes	(420,000)	(410,446)	(320,669)
Net Municipal Taxes	1,824,693	1,840,321	2,053,212
Potash tax share		-	-
Trailer license fees	41,000	36,461	40,040
Penalties on tax arrears	35,000	18,634	33,746
Special tax levy	(25,000)	(10,328)	(27,340)
Other	-	-	393,235
Total Taxes	1,875,693	1,885,088	2,492,893
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	173,418	208,914	173,418
Total Unconditional Grants	173,418	208,914	173,418
GRANTS IN LIEU OF TAXES			
Provincial			
SaskWater	-	-	35,700
SPMC - Municipal Share	6,000	8,140	6,690
Total Grants in Lieu of Taxes	6,000	8,140	42,390
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	2,055,111	2,102,142	2,708,701

Resort Village of Candle Lake
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2020

Schedule 2 -1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Tax Enforcement)	10,000	7,927	12,956
Total Fees and Charges	10,000	7,927	12,956
- Land sales - gain	-	-	14,399
- Investment income and commissions	59,000	55,167	63,819
- Other (Rental)	9,800	3,650	8,409
Total Other Segmented Revenue	78,800	66,744	99,583
Total Operating	78,800	66,744	99,583
Capital			
Conditional Grants			
- Other (Local Improvement Charges)	49,000	50,109	-
Total Capital	49,000	50,109	-
Total General Government Services	127,800	116,853	99,583
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (First Responder, Policing and Fire)	131,000	140,360	139,296
Total Fees and Charges	131,000	140,360	139,296
Total Other Segmented Revenue	131,000	140,360	139,296
Total Operating	131,000	140,360	139,296
Total Protective Services	131,000	140,360	139,296

Resort Village of Candle Lake
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2020

Schedule 2 - 2

	2020 Budget	2020	2019
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	650	200	-
- Sales of supplies	2,000	-	-
- Other (Sign Corridor)	1,500	1,200	1,450
Total Fees and Charges	4,150	1,400	1,450
- Tangible capital asset sales - gain (loss)	10,000	-	-
Total Other Segmented Revenue	14,150	1,400	1,450
Conditional Grants			
- Student Employment	3,450	9,509	2,092
Total Conditional Grants	3,450	9,509	2,092
Total Operating	17,600	10,909	3,542
Total Transportation Services	17,600	10,909	3,542
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	36,700	54,449	31,190
- Other (Cemetery Fees)	1,000	3,150	2,140
Total Fees and Charges	37,700	57,599	33,330
Total Other Segmented Revenue	37,700	57,599	33,330
Total Operating	37,700	57,599	33,330
Capital			
Conditional Grants			
- Gas Tax	12,550	1,244	60,074
Total Capital	12,550	1,244	60,074
Total Environmental and Public Health Services	50,250	58,843	93,404

Resort Village of Candle Lake
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2020

Schedule 2 - 3

	2020 Budget	2020	2019
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	130,775	140,710	156,199
Total Fees and Charges	130,775	140,710	156,199
Total Other Segmented Revenue	130,775	140,710	156,199
Total Operating	130,775	140,710	156,199
Total Planning and Development Services	130,775	140,710	156,199

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Recreational Fees)	2,000	1,346	(794)
Total Fees and Charges	2,000	1,346	(794)
Total Other Segmented Revenue	2,000	1,346	(794)
Total Operating	2,000	1,346	(794)
Total Recreation and Cultural Services	2,000	1,346	(794)

Resort Village of Candle Lake
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2020

Schedule 2 - 4

	2020 Budget	2020	2019
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	459,425	469,021	491,230
SUMMARY			
Total Other Segmented Revenue	394,425	408,159	429,064
Total Conditional Grants	3,450	9,509	2,092
Total Capital Grants and Contributions	61,550	51,353	60,074
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	459,425	469,021	491,230

Resort Village of Candle Lake
 Total Expenses by Function
 For the year ended December 31, 2020

Schedule 3 - 1

	2020 Budget	2020	2019
GENERAL GOVERNMENT SERVICES			
Council remuneration, benefits and travel	104,100	66,617	68,603
Wages and benefits	389,926	416,932	381,343
Professional/Contractual services	268,200	325,170	236,584
Utilities	29,400	22,946	21,156
Maintenance, materials and supplies	52,200	106,701	47,531
Amortization	-	3,063	3,161
Interest	11,331	33,222	39,664
Total Government Services	855,157	974,651	798,042
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	141,000	132,689	139,774
Grants and contributions - Operating	7,000	11,000	5,000
Fire protections			
Wages and benefits	155,270	130,274	82,561
Professional/Contractual services	37,600	18,761	28,863
Utilities	24,500	7,645	8,183
Maintenance, material and supplies	60,650	32,455	33,611
Grants and contributions - Capital	-	-	3,601
Amortization	-	15,354	15,614
Total Protective Services	426,020	348,178	317,207
TRANSPORTATION SERVICES			
Wages and benefits	550,871	460,903	505,947
Professional/Contractual Services	418,000	162,627	313,232
Utilities	75,000	70,357	68,975
Maintenance, materials and supplies	752,000	502,439	241,582
Gravel	25,000	9,606	55,426
Amortization	-	80,432	54,111
Other (Culverts/Drainage)	5,000	7,304	1,700
Total Transportation Services	1,825,871	1,293,668	1,240,973

Resort Village of Candle Lake

Total Expenses by Function

For the year ended December 31, 2020

Schedule 3 - 2

	2020 Budget	2020	2019
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	1,250	-
Utilities	2,000	1,492	1,722
Maintenance, materials and supplies	1,500	(35,442)	41,046
Amortization	-	75,640	78,060
Other (Provision for Landfill Liability)	-	40,000	40,000
Total Environmental and Public Health Services	3,500	82,940	160,828
PLANNING AND DEVELOPMENT SERVICES			
Professional/Contractual Services	31,000	38,644	42,402
Grants and contributions - Operating	2,000	1,925	1,958
Amortization	-	160,752	165,895
Total Planning and Development Services	33,000	201,321	210,255
RECREATION AND CULTURAL SERVICES			
Professional/Contractual services	2,050	1,231	1,718
Utilities	10,150	7,481	8,752
Maintenance, materials and supplies	29,750	4,083	83,111
Grants and contributions - Operating	3,500	3,500	4,322
Amortization	-	7,056	7,281
Other (Library, Parks and Recreation, Communities in Bloom)	32,700	25,037	33,202
Total Recreation and Cultural Services	78,150	48,388	138,386

Resort Village of Candle Lake

Schedule of Segment Disclosure by Function (Current Year Budget)

For the year ended December 31, 2020

Schedule 4-1

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Total
Revenues (Schedule 2)							
Fees and Charges	10,000	131,000	4,150	37,700	130,775	2,000	315,625
Tangible Capital Asset Sales - Gain	-	-	10,000	-	-	-	10,000
Investment Income and Commissions	59,000	-	-	-	-	-	59,000
Other Revenues	9,800	-	-	-	-	-	9,800
Grants - Conditional	-	-	3,450	-	-	-	3,450
- Capital	49,000	-	-	12,550	-	-	61,550
Total revenues	127,800	131,000	17,600	50,250	130,775	2,000	459,425
Expenses (Schedule 3)							
Council Remuneration, Benefits and Travel	104,100	-	-	-	-	-	104,100
Wages & Benefits	389,926	155,270	550,871	-	-	-	1,096,067
Professional/ Contractual Services	268,200	178,600	418,000	-	31,000	2,050	897,850
Utilities	29,400	24,500	75,000	2,000	-	10,150	141,050
Maintenance Materials and Supplies	52,200	60,650	777,000	1,500	-	29,750	921,100
Grants and Contributions	-	7,000	-	-	2,000	3,500	12,500
Interest	11,331	-	-	-	-	-	11,331
Other	-	-	5,000	-	-	32,700	37,700
Total expenses	855,157	426,020	1,825,871	3,500	33,000	78,150	3,221,698
Surplus (Deficit) by Function	(727,357)	(295,020)	(1,808,271)	46,750	97,775	(76,150)	(2,762,273)
Taxation and other unconditional revenue (Schedule 1)							2,055,111
Net Surplus (Deficit)							(707,162)

Resort Village of Candle Lake

Schedule of Segment Disclosure by Function (Current Year Actual)

For the year ended December 31, 2020

Schedule 4-2

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Total
Revenues (Schedule 2)							
Fees and Charges	7,927	140,360	1,400	57,599	140,710	1,346	349,342
Land Sales - Gain	-	-	-	-	-	-	-
Investment Income and Commissions	55,167	-	-	-	-	-	55,167
Other Revenues	3,650	-	-	-	-	-	3,650
Grants - Conditional	-	-	9,509	-	-	-	9,509
- Capital	50,109	-	-	1,244	-	-	51,353
Total revenues	116,853	140,360	10,909	58,843	140,710	1,346	469,021
Expenses (Schedule 3)							
Council Remuneration, Benefits and Travel	66,617	-	-	-	-	-	66,617
Wages & Benefits	416,932	130,274	460,903	1,250	-	-	1,009,359
Professional/ Contractual Services	325,170	151,450	162,627	-	38,644	1,231	679,122
Utilities	22,946	7,645	70,357	1,492	-	7,481	109,921
Maintenance Materials and Supplies	106,701	32,455	512,045	(35,442)	-	4,083	619,842
Grants and Contributions	-	11,000	-	-	1,925	3,500	16,425
Amortization	3,063	15,354	80,432	75,640	160,752	7,056	342,297
Interest	33,222	-	-	-	-	-	33,222
Other	-	-	7,304	40,000	-	25,037	72,341
Total expenses	974,651	348,178	1,293,668	82,940	201,321	48,388	2,949,146
Deficit by Function	(857,798)	(207,818)	(1,282,759)	(24,097)	(60,611)	(47,042)	(2,480,125)
Taxation and other unconditional revenue (Schedule 1)							2,102,142
Net Surplus							(377,983)

Resort Village of Candle Lake

Schedule of Segment Disclosure by Function (Prior Year Actual)

For the year ended December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Total
Revenues (Schedule 2)							
Fees and Charges	12,956	139,296	1,450	33,330	156,199	(794)	342,437
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-
Land Sales - Gain	14,399	-	-	-	-	-	14,399
Investment Income and Commissions	63,819	-	-	-	-	-	63,819
Other Revenues	8,409	-	-	-	-	-	8,409
Grants - Conditional	-	-	2,092	-	-	-	2,092
- Capital	-	-	-	60,074	-	-	60,074
Total revenues	99,583	139,296	3,542	93,404	156,199	(794)	491,230
Expenses (Schedule 3)							
Council Remuneration, Benefits and Travel	68,603	-	-	-	-	-	68,603
Wages and Benefits	381,343	82,561	505,947	-	-	-	969,851
Professional/Contractual Services	236,584	168,637	313,232	-	42,402	1,718	762,573
Utilities	21,156	8,183	68,975	1,722	-	8,752	108,788
Maintenance Materials and Supplies	47,531	33,611	297,008	41,046	-	83,111	502,307
Grants and Contributions	-	8,601	-	-	1,958	4,322	14,881
Amortization	3,161	15,614	54,111	78,060	165,895	7,281	324,122
Interest	39,664	-	-	-	-	-	39,664
Other	-	-	1,700	40,000	-	33,202	74,902
Total expenses	798,042	317,207	1,240,973	160,828	210,255	138,386	2,865,691
Deficit by Function	(698,459)	(177,911)	(1,237,431)	(67,424)	(54,056)	(139,180)	(2,374,461)
Taxation and other unconditional revenue (Schedule 1)							2,708,701
Net Surplus							334,240

Resort Village of Candle Lake
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2020

	2020							2019
	General Assets				Infrastructure Assets	General / Infrastructure		
	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear Assets	Assets Under Construction	Total	Total
Asset Cost								
Opening Asset Cost	1,897,835	1,021,556	560,450	1,586,160	5,295,560	771,220	11,132,781	10,214,841
Additions During the Year	-	18,639	-	13,800	62,893	75,532	170,864	917,940
Transfers from Assets Under Construction	-	-	-	-	286,875	(286,875)	-	-
Closing Asset Cost	1,897,835	1,040,195	560,450	1,599,960	5,645,328	559,877	11,303,645	11,132,781
Accumulated Amortization Cost								
Open Accumulated Amortization Cost	841,648	163,437	360,093	727,076	924,649	-	3,016,903	2,692,781
Add: Amortization Taken	47,446	25,772	56,045	77,060	135,974	-	342,297	324,122
Closing Accumulated Amortization Cost	889,094	189,209	416,138	804,136	1,060,623	-	3,359,200	3,016,903
Net Book Value	1,008,741	850,986	144,312	795,824	4,584,705	559,877	7,944,445	8,115,878

Resort Village of Candle Lake
Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 7

	2020							2019
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Total	Total
Asset Cost								
Opening Asset Cost	99,615	499,382	2,615,956	2,460,103	5,228,247	229,478	11,132,781	10,214,841
Additions During the Year	18,639	13,800	138,425	-	-	-	170,864	917,940
Closing Asset Cost	118,254	513,182	2,754,381	2,460,103	5,228,247	229,478	11,303,645	11,132,781
Accumulated Amortization Cost								
Open Accumulated Amortization Cost	29,901	164,396	566,092	1,137,977	1,047,834	70,703	3,016,903	2,692,781
Add: Amortization Taken	3,063	15,354	80,432	75,640	160,752	7,056	342,297	324,122
Closing Accumulated Amortization Cost	32,964	179,750	646,524	1,213,617	1,208,586	77,759	3,359,200	3,016,903
Net Book Value	85,290	333,432	2,107,857	1,246,486	4,019,661	151,719	7,944,445	8,115,878

Resort Village of Candle Lake
Consolidated Schedule of Accumulated Surplus
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	3,927,041	(1,397,249)	2,529,792
APPROPRIATED RESERVES			
Capital - Buildings Reserve	(70,000)	270,000	200,000
Capital - Equipment Reserve	(171,500)	330,000	158,500
Lagoon Sustainability Reserve	151,535	336,600	488,135
Municipal Reserve Land	139,900	-	139,900
Roads/Streets Reserve	190,350	210,370	400,720
Resale Land Reserve	59,700	-	59,700
Fire Department Equipment Reserve	(29,705)	105,305	75,600
Hall Maintenance	262,145	(203,291)	58,854
Communities in Bloom Reserve	31,502	(1,189)	30,313
Gravel Reserve	112,862	(70,000)	42,862
Beautification Reserve	16,138	25,000	41,138
Protection Service	(20,000)	50,000	30,000
Trails Reserve	-	30,000	30,000
Parks and Recreation	8,199	1,950	10,149
Trails Project Reserve Fund	115,050	(115,050)	-
First Responders Project	5,915	5,740	11,655
Fire Project Reserve	4,905	(2,547)	2,358
Community Gardens Project Reserve	-	1,873	1,873
Landfill Reserve	-	10,000	10,000
Total Appropriated	806,996	984,761	1,791,757
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	8,115,878	(171,433)	7,944,445
Less: Related debt	(1,119,664)	205,938	(913,726)
Net Investment in Tangible Capital Assets	6,996,214	34,505	7,030,719
Total Accumulated Surplus	11,730,251	(377,983)	11,352,268

Resort Village of Candle Lake
Schedule of Mill Rates and Assessments
For the year ended December 31, 2020

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	105,345	146,758,880	10,996,560	267,396,080	23,347,300	-	448,604,165
Regional Park Assessment							
Total Assessment							448,604,165
Mill Rate Factor(s)	1.1200	1.1200	1.1200	1.1200	1.4400		
Total Base/Minimum Tax (generated for each property class)	1,300	672,681	-	-	47,388		721,369
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,654	1,165,791	36,948	898,451	148,248		2,251,092

MILL RATES:

MILLS

Average Municipal*	5.0180
Average School*	5.1709
Potash Mill Rate	
Uniform Municipal Mill Rate	3.0000

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

Resort Village of Candle Lake
Schedule of Council Remuneration
For the year ended December 31, 2020

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Mayor Borden Wasyluk	8,180	4,300	12,480
Councilor Ron Cherkewich	4,800	-	4,800
Councilor Valerie Manton	6,462	3,032	9,494
Councilor Patricia Matkowski	5,768	-	5,768
Councilor Brian Wojciechowski	4,700	-	4,700
Mayor Terry Kostyna	4,786	176	4,962
Councilor Joe Barczai	5,563	-	5,563
Councilor Debbie Hunter	3,425	-	3,425
Councilor Shayne Morley	3,374	495	3,869
Councilor Jon Attig	3,175	-	3,175
Total	50,233	8,003	58,236