

Town of Naicam

December 31, 2019

Ingram & Yeadon Accountants

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INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Town of Naicam

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Town of Naicam, which comprise the consolidated statement of financial position as at December 31, 2019 and the consolidated statements of operations, changes in net financial assets and cash flow for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Town of Naicam as at December 31, 2019, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We have conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town of Naicam in accordance with 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Town of Naicam'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 generally accepted auditing standards, 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Naicam'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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town of Naicam'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 audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town of Naicam 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.

Melfort, Saskatchewan

Date of Approval: April 14, 2020



Ingram and Yeadon Accountants

Management's Responsibility

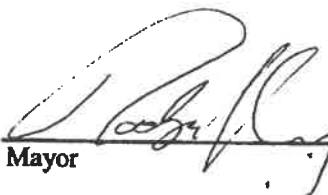
To the Ratepayers of the Town of Naicam

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 judgment and estimates by management is 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 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 the management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Ingram & Yeadon Accountants, an independent firm registered with the Chartered Professional Accountants of Saskatchewan, is appointed by Council to audit the consolidated 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

Town of Naicam

Consolidated Statement of Financial Position

As at December 31, 2019

Statement 1

	2019	2018
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	1,486,810	1,364,875
Taxes Receivable - Municipal (Note 3)	86,811	68,871
Other Accounts Receivable (Note 4)	123,718	102,303
Land for Resale (Note 5)	97,748	58,590
Long-Term Investments		
Debt Charges Recoverable		
Other		
Total Financial Assets	1,795,087	1,594,639
LIABILITIES		
Bank Indebtedness		
Accounts Payable	99,737	22,145
Accrued Liabilities Payable		
Deposits	26,072	26,146
Deferred Revenue (Note 6)	50,079	5,091
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 7)		
Lease Obligations		
Total Liabilities	175,888	53,382
NET FINANCIAL ASSETS (DEBT)	1,619,199	1,541,257
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	3,479,251	3,541,991
Prepayments and Deferred Charges	5,238	147
Stock and Supplies	14,708	17,749
Other		
Total Non-Financial Assets	3,499,197	3,559,887
Accumulated Surplus (Deficit) (Schedule 8)	5,118,396	5,101,144

Town of Naicam
Consolidated Statement of Operations
As at December 31, 2019

Statement 2

	2019 Budget	2019	2018
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	827,910	828,473	748,667
Fees and Charges (Schedule 4, 5)	711,020	815,986	786,950
Conditional Grants (Schedule 4, 5)	42,500	59,153	37,487
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	2,500	-	-
Land Sales - Gain (Schedule 4, 5)	-	(14,372)	-
Investment Income and Commissions (Schedule 4, 5)	31,000	36,570	27,826
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	82,500	114,280	120,618
Total Revenues	1,697,430	1,840,090	1,721,548
EXPENSES			
General Government Services (Schedule 3)	311,140	279,749	354,533
Protective Services (Schedule 3)	355,280	340,403	340,087
Transportation Services (Schedule 3)	367,820	275,107	282,249
Environmental and Public Health Services (Schedule 3)	56,820	50,425	61,808
Planning and Development Services (Schedule 3)	19,200	15,666	-
Recreation and Cultural Services (Schedule 3)	398,470	532,671	440,606
Utility Services (Schedule 3)	382,580	413,418	279,351
Restructurings (Schedule 3)	-	-	-
Total Expenses	1,891,310	1,907,439	1,758,634
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(193,880)	(67,349)	(37,086)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	60,000	84,601	41,915
Surplus (Deficit) of Revenues over Expenses	(133,880)	17,252	4,829
Accumulated Surplus (Deficit), Beginning of Year	5,101,144	5,101,144	5,096,315
Accumulated Surplus (Deficit), End of Year	4,967,264	5,118,396	5,101,144

Town of Naicam

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2019

Statement 3

	2019 Budget	2019	2018
Surplus (Deficit)	(133,880)	17,252	4,829
(Acquisition) of tangible capital assets	(122,330)	(139,717)	(353,090)
Amortization of tangible capital assets	-	202,456	174,969
Proceeds on disposal of tangible capital assets		1	-
Loss (gain) on the disposal of tangible capital assets		-	-
Surplus (Deficit) of capital expenses over expenditures	(122,330)	62,740	(178,121)
(Acquisition) of supplies inventories			(5,062)
(Acquisition) of prepaid expense		(5,091)	
Consumption of supplies inventory		3,041	
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(2,050)	(5,062)
Increase/Decrease in Net Financial Assets	(256,210)	77,942	(178,354)
Net Financial Assets - Beginning of Year	1,541,257	1,541,257	1,719,611
Net Financial Assets - End of Year	1,285,047	1,619,199	1,541,257

Town of Naicam
Consolidated Statement of Cash Flow
As at December 31, 2019

Statement 4

	2019	2018
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	17,252	4,829
Amortization	202,456	174,969
Loss (gain) on disposal of tangible capital assets	-	-
	219,708	179,798
Change in assets/liabilities		
Taxes Receivable - Municipal	(17,940)	21,004
Other Receivables	(21,415)	(14,802)
Land for Resale	(39,158)	(40,366)
Other Financial Assets		
Accounts and accrued liabilities payable	77,592	(9,210)
Deposits	(74)	1,175
Deferred Revenue	44,988	1,295
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		-
Stock and supplies for use	3,041	(5,062)
Prepayments and Deferred Charges	(5,091)	-
Other		
Cash provided by operating transactions	261,651	133,832
Capital:		
Acquisition of capital assets	(139,717)	(353,090)
Proceeds from the disposal of capital assets	1	-
Other capital		
Cash applied to capital transactions	(139,716)	(353,090)
Investing:		
Long-term investments		
Other investments		
Cash provided by (applied to) investing transactions	-	-
Financing:		
Debt charges recoverable		
Long-term debt issued		
Long-term debt repaid		
Other financing		
Cash provided by (applied to) financing transactions	-	-
Change in Cash and Temporary Investments during the year	121,935	(219,258)
Cash and Temporary Investments - Beginning of Year	1,364,875	1,584,133
Cash and Temporary Investments - End of Year	1,486,810	1,364,875

1. Significant accounting policies

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Accounting Standards Oversight Council. Significant aspects of the accounting policies are as follows:

Basis of Accounting: The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognized revenue as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

- a) **Reporting Entity:** The consolidated financial statements consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. All inter-organizational transactions and balances have been eliminated.
- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **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 by the recipient; 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 amount receivable.

- d) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be preformed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **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.
- g) **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.
- h) **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.
- i) **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.
- j) **Investments:** Portfolio investments are valued at the lower of cost, 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.

1. Significant accounting policies - continued

- k) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies 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.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. 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 municipality'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 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	20 to 75 Yrs
Road Network Assets	10 to 40 Yrs

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

Works of Art: 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 municipality does capitalize interest incurred while a tangible capital asset is under construction.

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

- m) **Landfill Liability:** The Town of Naicam does not maintain a waste disposal site.
- n) **Employee Benefit Plans:** Contributions to the Town of Naicam's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Town of Naicam's obligations are limited to their contributions.
- o) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity.
- 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:
- an environmental standard exists;
 - contamination exceeds the environmental standard;
 - The municipality:
 - is directly responsible; or
 - accepts responsibility.
 - it is expected that future economic benefits will be given up; and
 - a reasonable estimate of the amount can be made.

- 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 are stated after evaluation as to their collectability 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.

- r) **Basis of Segmentation/Segment report:** The Municipality 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 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 segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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 municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: 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 May 28, 2019 and amended on December 10, 2019.
- t) **New Accounting Standards:** Effective January 1, 2019, the municipality adopted the following Canadian public sector accounting standards (PSAS). This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

PS 3430 Restructuring Transactions provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis.

The adoption of this standard has not resulted in any disclosure change.

Future Accounting Standards:

Effective On or After April 1, 2021:

PS 1201 Financial Statement Presentation, replaces PS1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Effective in the period PS3450 and PS2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency.

PS 3041 Portfolio Investments, replaces PS3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Effective in the period PS3450, PS2601 and PS1201 are adopted.

PS 3450 Financial Instrument, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. 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 PS3270 will be withdrawn.

Effective On or After April 1, 2022:

PS 3400 Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

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

Town of Naicam
Notes to the Consolidated Financial Statements
As at December 31, 2019

2. Cash and Temporary Investments

	2019	2018
Cash	1,486,810	1,364,875
Temporary Investments		
Restricted Cash		
Total Cash and Temporary Investments	1,486,810	1,364,875

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. [Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.]

3. Taxes Receivable - Municipal

	2019	2018
Municipal - Current	59,086	38,311
- Arrears	28,030	30,865
	87,116	69,176
- Less Allowance for Uncollectibles	(305)	(305)
Total municipal taxes receivable	86,811	68,871

School - Current	9,058	6,662
- Arrears	5,454	4,183
Total school taxes receivable	14,512	10,845

Other	-	-
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Total taxes and grants in lieu receivable	101,323	79,716
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Deduct taxes receivable to be collected on behalf of other organizations	(14,512)	(10,845)
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Total Taxes Receivable - Municipal	86,811	68,871
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4. Other Accounts Receivable

	2019	2018
Federal government	35,016	46,457
Provincial government		
Local government		
Utility	27,394	29,878
Trade	62,974	26,262
Other (Specify)	503	1,875
Total Other Accounts Receivable	125,887	104,472

Less Allowance for Uncollectibles	(2,169)	(2,169)
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Net Other Accounts Receivable	123,718	102,303
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5. Land for Resale

	2019	2018
Tax Title Property	97,747	58,589
Allowance for market value adjustment		
Net Tax Title Property	97,747	58,589
Other Land	1	1
Allowance for market value adjustment		
Net Other Land	1	1
Total Land for Resale	97,748	58,590

6. Deferred Revenue

	2019	2018
Prepaid taxes	13,384	5,091
Prepaid utility	2,695	
Deferred grant	34,000	
Total Deferred Revenue	50,079	5,091

7. Long-term debt

- a) The debt limit of the municipality is \$1,353,056. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161(1)).

8. Pension Plan

The Town of Naicam is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer 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 of benefits.

The employees of the Town of Naicam participate in MEPP and contributions are a percentage of salary. The employees contribute 9% effective July 1 (2018 - 9%) to the plan. The Municipality matches all employees contributions. Pension expense for the year was \$34,010 (2018 - \$27,168). The benefits accrued to the Town of Naicam employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary and the plan accrual rate.

Based on the latest information available MEPP had a surplus in net assets available for benefits of \$463,236,000 (2017 had a surplus of \$454,177,000). The Town of Naicam's portion of this is not readily determinable.

9. Contractual Obligations and Commitments

The municipality has committed to contributing \$18,476 per year from 2017 - 2021 to the REACT Waste Management District for the Leroy landfill.

10. Prior Year Comparative Figures

The Town of Naicam prior year comparative figures were restated to include full consolidation of the Naicam and District Community Council. The operations are reported on Schedule 11.

STATEMENT 1 - CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Restated 2018	Original 2018
Cash and Temporary Investments (Note 2)	1,364,875	1,311,667

SCHEDULE 8 - CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS

	Restated 2018	Original 2018
Total Appropriated	1,291,687	1,238,479

SCHEDULE 2 - RECREATION AND CULTURAL SERVICES

	Restated 2018	Original 2018
Other Segmented Revenue		
Other (Specify) - NDCC Schedule 11	42,825	-
Other (Specify) - NDCC Contributed Capital	35,248	

SCHEDULE 3 - RECREATION AND CULTURE

	Restated 2018	Original 2018
Other (Specify) - NDCC Schedule 11	24,865	-

The results of the consolidation increased surplus by \$53,208 which was fully transferred to reserves on Schedule 8.

Town of Naicam

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2019

Schedule 1

	2019 Budget	2019	2018
TAXES			
General municipal tax levy	647,030	649,945	586,904
Abatements and adjustments		(4,566)	(1,872)
Discount on current year taxes	(35,380)	(31,665)	(28,304)
Net Municipal Taxes	611,650	613,714	556,728
Potash tax share			
Trailer license fees			
Penalties on tax arrears	8,500	6,812	8,454
Special tax levy			
Other			
Total Taxes	620,150	620,526	565,182
UNCONDITIONAL GRANTS			
Revenue Sharing	142,600	136,895	133,073
Organized Hamlet			
Other			
Total Unconditional Grants	142,600	136,895	133,073
GRANTS IN LIEU OF TAXES			
Federal	2,400	6,073	4,582
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
Transgas			
Central Services			
Sasktel	4,760	5,560	4,760
Other			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other			
Other Government Transfers			
S.P.C. Surcharge	36,000	35,383	41,070
Sask Energy Surcharge	22,000	24,036	
Other			
Total Grants in Lieu of Taxes	65,160	71,052	50,412
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	827,910	828,473	748,667

Town of Naicam
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 1

	2019 Budget	2019	2018
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies	4,150	4,481	3,835
- Other (Specify)	1,000	241	17,693
Total Fees and Charges	5,150	4,722	21,528
- Tangible capital asset sales - gain (loss)		(14,372)	
- Land sales - gain			
- Investment income and commissions	31,000	36,570	27,826
- Other (Specify)			
Total Other Segmented Revenue	36,150	26,920	49,354
Conditional Grants			
- Student Employment			
- Other (Specify) <i>FCM Grant - Asset Management</i>		50,000	
Total Conditional Grants	-	50,000	-
Total Operating	36,150	76,920	49,354
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Restructuring (Specify)			
Total General Government Services	36,150	76,920	49,354

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify) <i>Ambulance & Policing Fees</i>	230,420	273,313	231,553
Total Fees and Charges	230,420	273,313	231,553
- Tangible capital asset sales - gain (loss)			
- Other (Specify) <i>Local Donations</i>	10,000	9,875	23,350
Total Other Segmented Revenue	240,420	283,188	254,903
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	240,420	283,188	254,903
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital	-	-	-
Restructuring (Specify)			
Total Protective Services	240,420	283,188	254,903

Town of Naicam
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 2

	2019 Budget	2019	2018
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,000	614	755
- Sales of supplies	300	2,900	214
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges	1,300	3,514	969
- Tangible capital asset sales - gain (loss)	2,500		
- Other (Specify)			
Total Other Segmented Revenue	3,800	3,514	969
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (Specify) <i>EI Job Credit</i>			
Total Conditional Grants	-	-	-
Total Operating	3,800	3,514	969
Capital			
Conditional Grants			
- Federal Gas Tax	60,000	84,601	41,915
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	60,000	84,601	41,915
Restructuring (Specify)			
Total Transportation Services	63,800	88,115	42,884

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	6,000	5,734	6,726
- Other (Specify)	1,000		600
Total Fees and Charges	7,000	5,734	7,326
- Tangible capital asset sales - gain (loss)			
- Other (Specify) <i>Housing Authority Surplus</i>			1,157
Total Other Segmented Revenue	7,000	5,734	8,483
Conditional Grants			
- Student Employment			
- TAPD			
- Local Government			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	7,000	5,734	8,483
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Restructuring (Specify)			
Total Environmental and Public Health Services	7,000	5,734	8,483

Town of Naicam
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 3

	2019 Budget	2019	2018
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Restructuring (Specify)			
Total Planning and Development Services	-	-	-

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)	84,750	86,698	87,824
Total Fees and Charges	84,750	86,698	87,824
- Tangible capital asset sales - gain (loss)			
- Other (Specify) <i>NDCC - Contributed Capital</i>			35,248
- Other (Specify) <i>NDCC - Schedule 11</i>	72,500	90,365	42,825
- Other (Specify) <i>Local Donations</i>		14,040	18,038
Total Other Segmented Revenue	157,250	191,103	183,935
Conditional Grants			
- Student Employment	3,000		2,631
- Local government	39,500	9,153	34,856
- Other (Specify)			
Total Conditional Grants	42,500	9,153	37,487
Total Operating	199,750	200,256	221,422
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Restructuring (Specify)			
Total Recreation and Cultural Services	199,750	200,256	221,422

Town of Naicam
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 4

	2019 Budget	2019	2018
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	182,500	229,452	226,442
- Sewer	90,000	112,878	110,260
- Other (Specify) <i>Infrastructure, Penalty and Supplies</i>	109,900	99,675	101,048
Total Fees and Charges	382,400	442,005	437,750
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	382,400	442,005	437,750
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	382,400	442,005	437,750
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Restructuring (Specify)			
Total Utility Services	382,400	442,005	437,750
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	929,520	1,096,218	1,014,796

SUMMARY

Total Other Segmented Revenue	827,020	952,464	935,394
Total Conditional Grants	42,500	59,153	37,487
Total Capital Grants and Contributions	60,000	84,601	41,915
Total Restructuring	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	929,520	1,096,218	1,014,796

	2019 Budget	2019	2018
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	23,800	22,697	19,585
Wages and benefits	121,860	109,937	123,035
Professional/Contractual services	125,680	113,372	188,806
Utilities	8,900	9,679	7,935
Maintenance, materials and supplies	28,600	22,499	13,872
Grants and contributions - operating	2,300	1,565	1,300
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (specify)			
Government Services	311,140	279,749	354,533
Restructuring (Specify)			
Total Government Services	311,140	279,749	354,533

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	48,770	49,676	48,767
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other (specify)			

Fire protections

Wages and benefits	188,400	188,966	190,115
Professional/Contractual services	34,480	19,457	22,460
Utilities	10,150	12,318	12,210
Maintenance, material and supplies	73,480	36,311	33,374
Grants and contributions - operating			
- capital			
Amortization		33,675	33,161
Interest			
Other (specify)			

Protective Services	355,280	340,403	340,087
Restructuring (Specify)			
Total Protective Services	355,280	340,403	340,087

TRANSPORTATION SERVICES

Wages and benefits	81,450	94,373	84,208
Professional/Contractual Services	91,100	38,845	61,651
Utilities	16,600	18,371	18,148
Maintenance, materials, and supplies	167,170	66,310	71,753
Gravel	11,500	11,778	3,996
Grants and contributions - operating			
- capital			
Amortization		45,430	42,493
Interest			
Other (specify):			

Transportation Services	367,820	275,107	282,249
Restructuring (Specify)			
Total Transportation Services	367,820	275,107	282,249

Town of Naicam

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 2

	2019 Budget	2019	2018
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	42,500	42,943	48,213
Utilities			
Maintenance, materials and supplies	11,000	2,490	9,278
Grants and contributions - operating			
○ Waste disposal			
○ Public Health	3,320	3,992	3,317
- capital			
○ Waste disposal			
○ Public Health			
Amortization		1,000	1,000
Interest			
Other (specify)			
Environmental and Public Health Services	56,820	50,425	61,808
Restructuring (Specify)			
Total Environmental and Public Health Services	56,820	50,425	61,808

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	19,200	14,637	
Grants and contributions - operating			
- capital			
Amortization		1,029	
Interest			
Other (specify)			
Planning and Development Services	19,200	15,666	-
Restructuring (Specify)			
Total Planning and Development Services	19,200	15,666	-

RECREATION AND CULTURAL SERVICES

Wages and benefits	112,890	131,833	136,555
Professional/Contractual services	66,700	72,969	30,283
Utilities	69,480	64,881	64,159
Maintenance, materials and supplies	127,900	118,826	109,085
Grants and contributions - operating	5,500	8,958	20,498
- capital			
Amortization		54,825	55,161
Interest			
Allowance for uncollectibles			
Other (specify): <i>NDCC - Schedule 11</i>	16,000	80,379	24,865
Recreation and Cultural Services	398,470	532,671	440,606
Restructuring (Specify)			
Total Recreation and Cultural Services	398,470	532,671	440,606

Town of Naicam

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 3

	2019 Budget	2019	2018
UTILITY SERVICES			
Wages and benefits	84,020	97,220	91,801
Professional/Contractual services	195,010	141,543	38,628
Utilities	29,650	31,647	31,809
Maintenance, materials and supplies	73,900	76,511	73,959
Grants and contributions - operating - capital			
Amortization		66,497	43,154
Interest			
Allowance for uncollectibles			
Other (specify)			
Utility Services	382,580	413,418	279,351
Restructuring (Specify)			
Total Utility Services	382,580	413,418	279,351
TOTAL EXPENSES BY FUNCTION			
	1,891,310	1,907,439	1,758,634

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	4,722	273,313	3,514	5,734	-	86,698	442,005	815,986
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	(14,372)	-	-	-	-	-	-	(14,372)
Investment Income and Commissions	36,570	-	-	-	-	-	-	36,570
Other Revenues	-	9,875	-	-	-	104,405	-	114,280
Grants - Conditional	50,000	-	-	-	-	9,153	-	59,153
- Capital	-	-	84,601	-	-	-	-	84,601
Restructuring								
Total revenues	76,920	283,188	88,115	5,734	-	200,256	442,005	1,096,218
Expenses (Schedule 3)								
Wages & Benefits	132,634	188,966	94,373	-	-	131,833	97,220	645,026
Professional/ Contractual Services	113,372	69,133	38,845	42,943	14,637	72,969	141,543	493,442
Utilities	9,679	12,318	18,371	-	-	64,881	31,647	136,896
Maintenance Materials and Supplies	22,499	36,311	78,088	2,490	-	118,826	76,511	334,725
Grants and Contributions	1,565	-	-	3,992	-	8,958	-	14,515
Amortization	-	33,675	45,430	1,000	1,029	54,825	66,497	202,456
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	80,379	-	80,379
Restructuring								
Total expenses	279,749	340,403	275,107	50,425	15,666	532,671	413,418	1,907,439
Surplus (Deficit) by Function	(202,829)	(57,215)	(186,992)	(44,691)	(15,666)	(332,415)	28,587	(811,221)

Taxation and other unconditional revenue (Schedule 1) 828,473

Net Surplus (Deficit) **17,252**

Town of Naicam
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2018

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	21,528	231,553	969	7,326	-	87,824	437,750	786,950
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	27,826	-	-	-	-	-	-	27,826
Other Revenues	-	23,350	-	1,157	-	96,111	-	120,618
Grants - Conditional	-	-	-	-	-	37,487	-	37,487
- Capital	-	-	41,915	-	-	-	-	41,915
Restructuring								
Total revenues	49,354	254,903	42,884	8,483	-	221,422	437,750	1,014,796
Expenses (Schedule 3)								
Wages & Benefits	142,620	190,115	84,208	-	-	136,555	91,801	645,299
Professional/ Contractual Services	188,806	71,227	61,651	48,213	-	30,283	38,628	438,808
Utilities	7,935	12,210	18,148	-	-	64,159	31,809	134,261
Maintenance Materials and Supplies	13,872	33,374	75,749	9,278	-	109,085	73,959	315,317
Grants and Contributions	1,300	-	-	3,317	-	20,498	-	25,115
Amortization	-	33,161	42,493	1,000	-	55,161	43,154	174,969
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	24,865	-	24,865
Restructuring								
Total expenses	354,533	340,087	282,249	61,808	-	440,606	279,351	1,758,634
Surplus (Deficit) by Function	(305,179)	(85,184)	(239,365)	(53,325)	-	(219,184)	158,399	(743,838)

Taxation and other unconditional revenue (Schedule 1)

748,667

Net Surplus (Deficit)

4,829

21

1. Total contributed/donated assets received in 2019;
2. List of assets recognized at nominal value in 2019 are:
 - Infrastructure Assets
 - Vehicles
 - Machinery and Equipment
3. Amount of interest capitalized in Schedule 6:

Town of Naicam
Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2019

Schedule 7

	2019							2018	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets									
Asset cost									
Opening Asset costs	3	742,424	693,156	50,002	20,574	1,867,570	3,085,681	6,459,410	6,106,320
Additions during the year			99,506			7,102	33,109	139,717	353,090
Disposals and write-downs during the year			(7)					(7)	-
Transfer of Capital Assets related to restructuring									
Closing Asset Costs	3	742,424	792,655	50,002	20,574	1,874,672	3,118,790	6,599,120	6,459,410
Amortization									
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	1	430,252	368,599	22,000	-	696,239	1,400,328	2,917,419	2,742,450
Add: Amortization taken		33,675	45,430	1,000	1,029	54,825	66,497	202,456	174,969
Less: Accumulated amortization on disposals			(6)				-	(6)	-
Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs	1	463,927	414,023	23,000	1,029	751,064	1,466,825	3,119,869	2,917,419
Net Book Value	2	278,497	378,632	27,002	19,545	1,123,608	1,651,965	3,479,251	3,541,991

Town of Naicam
Consolidated Schedule of Accumulated Surplus
As at December 31, 2019

Schedule 8

	2018	Changes	2019
UNAPPROPRIATED SURPLUS	267,466	104,304	371,770

APPROPRIATED RESERVES

Ambulance - Donations	31,242	(31,242)	-
Ambulance Department	47,623	31,238	78,861
Churchview Kitchen	1,328	(1,328)	-
Fire Department	151,820	56,548	208,368
Fire Department - Donations	56,457	(56,457)	-
Golf Course	100		100
Naicam and District Community Council	53,208	9,986	63,194
Naicam Co-operative Business	1,125		1,125
New Deals Grant	181,996	(97,395)	84,601
Parks and Recreation	10,000	12,679	22,679
Planning and Development		15,077	15,077
Protective Services - EMO	10,000	5,310	15,310
Transportation		10,054	10,054
Utility	733,296	28,587	761,883
Viking Sportsplex	7,369	(7,369)	-
Wellness Group	6,123		6,123

Total Appropriated	1,291,687	(24,312)	1,267,375
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ORGANIZED HAMLETS

Hamlet of (Name)			
Hamlet of (Name)			
Hamlet of (Name)			

Total Hamlets	-	-	-
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NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	3,541,991	(62,740)	3,479,251
Less: Related debt			

Net Investment in Tangible Capital Assets	3,541,991	(62,740)	3,479,251
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Other

Total Accumulated Surplus	5,101,144	17,252	5,118,396
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Schedule 9

	PROPERTY CLASS						
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	Total
Taxable Assessment	163,240	26,050,080			5,188,300		31,401,620
Regional Park Assessment							
Total Assessment							31,401,620
Mill Rate Factor(s)	2.80	0.78			2.85		
Total Base/Minimum Tax (generated for each property class)	600	225,400			25,200		251,200
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	5,358	460,478			184,109		649,945

MILL RATES:

Average Municipal*	20.6978
Average School*	4.4612
Potash Mill Rate	
Uniform Municipal Mill Rate	11.6200

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

Town of Naicam
Schedule of Council Remuneration
As at December 31, 2019

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Rodger Hayward	5,656		5,656
Councillor	Bev Hardy	3,656		3,656
Councillor	Doug Hacking	3,269	171	3,440
Councillor	Jack Ramler	3,256	222	3,478
Councillor	Jim Anholt	288		288
Councillor	Troy Leicht	2,375		2,375
Councillor	Amy Missler	2,950	29	2,979
Councillor	Carter Crozon	825		825
Total		22,275	422	22,697

**NAICAM & DISTRICT COMMUNITY COUNCIL
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDING DECEMBER 31, 2019**

Schedule 11

	2019	2018
ASSETS		
Financial Assets		
Cash and Temporary Investments	63,193	53,208
Accounts Receivable	-	-
	<u>63,193</u>	<u>53,208</u>
Liabilities		
Accounts Payable	-	-
Accumulated Surplus	<u>63,194</u>	<u>53,208</u>

**STATEMENT OF FINANCIAL ACTIVITIES AND ACCUMULATED SURPLUS
FOR THE YEAR ENDING DECEMBER 31, 2019**

	2019	2018
Income		
Donations	10,375	2,010
Fundraising	68,033	29,322
Grants	11,789	11,356
Interest Earned	168	137
	<u>90,365</u>	<u>42,825</u>
Expenses		
Advertising	1,352	978
Communities in Bloom	588	3,760
Community Grants	20,816	7,568
Conferences	305	205
Fundraising	51,778	7,073
Interest and bank charges	14	17
Office Supplies	740	653
Summer Program	4,786	4,611
	<u>80,379</u>	<u>24,865</u>
Income from general operations	<u>9,986</u>	<u>17,960</u>
Accumulated surplus, beginning of year	<u>53,208</u>	<u>35,248</u>
Accumulated surplus, end of year	<u>63,194</u>	<u>53,208</u>

**This statement is reflected in the Audited Financial Statements for the Town of Naicam
for the year ending December 31, 2019.**