

NORTHERN VILLAGE OF SANDY BAY

Auditor's Report

Financial Statements

December 31, 2017

MANAGEMENT'S RESPONSIBILITY

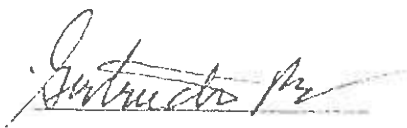
To the Ratepayers of
Northern Village of Sandy Bay :

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

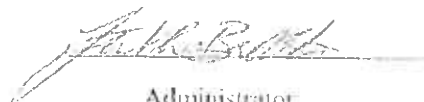
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records 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 Village. 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 administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.



Mayor



Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Northern Village of Sandy Bay

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Northern Village of Sandy Bay**, which comprise the consolidated statement of financial position as at **December 31, 2017** and the consolidated statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

The **Northern Village of Sandy Bay** was unable to provide budget figures for comparison to actual figures on the financial statements. The comparison of planned to actual financial results on the financial statements is a requirement of Canadian public sector accounting standards. In addition, we were unable to obtain sufficient appropriate audit evidence to support all payments made from **Northern Village of Sandy Bay** bank accounts. Consequently, we are unable to determine whether adjustments were necessary to expenses recorded on the consolidated statement of financial activities. In addition, we were unable to obtain sufficient appropriate audit evidence to support all receipts into **Northern Village of Sandy Bay** bank accounts. Consequently, we are unable to determine whether adjustments were necessary to revenues recorded on the consolidated statement of financial activities. In addition, we were unable to obtain sufficient appropriate audit evidence to support the balance stated for municipal tax receivables and utility receivables, and other receivables. Consequently, we are unable to determine whether adjustments were necessary to receivable balances presented on the consolidated statement of financial position.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion for the year ended December 31, 2017. Accordingly, we do not express an opinion on the financial statements.

Saskatoon, Saskatchewan
March 7, 2022


Chartered Professional Accountants

NORTHERN VILLAGE OF SANDY BAY

Statement 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2017
with comparative figures for 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ -	498,271
Taxes Receivable - Municipal (Note 3)	1,108,817	2,352,090
Other accounts receivable (Note 4)	631,040	325,158
Land for re-sale (Note 5)	3,225	3,225
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Investment in KDC (Note 6)	<u>22,216</u>	<u>116,808</u>
Total financial assets	1,765,298	3,295,552
<u>LIABILITIES</u>		
Bank indebtedness	46,696	-
Accounts payable	1,448,198	707,100
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue	1,000	1,000
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	2,810	-
Long-term debt (Note 7)	-	-
Lease obligations	<u>-</u>	<u>-</u>
Total liabilities	<u>1,498,704</u>	<u>708,100</u>
NET FINANCIAL ASSETS (DEBT)	266,594	2,587,452
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	8,090,112	8,442,274
Prepaid and deferred charges	45,972	45,771
Stock and supplies	<u>-</u>	<u>-</u>
Total non-financial assets	<u>8,136,084</u>	<u>8,488,045</u>
Accumulated surplus (Schedule 8)	<u>\$ 8,402,678</u>	<u>11,075,497</u>

APPROVED ON BEHALF OF COUNCIL:

_____ Mayor
_____ Councillor

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

Statement 2

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2017
with comparative figures for 2016

		<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ -	1,721,725	1,911,480
Fees and charges	(Schedule 4, 5)	-	209,376	265,556
Conditional grants	(Schedule 4, 5)	-	298,544	129,156
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	(14,816)
Land sales - gain	(Schedule 4, 5)	-	-	-
Property lease revenue	(Schedule 4, 5)	-	-	10,000
Other revenues	(Schedule 4, 5)	-	109,360	132,741
KDC Investment - Net (Note 6)	(Schedule 4, 5)	-	(98,111)	(44,788)
Total Revenues		<u>-</u>	<u>2,240,894</u>	<u>2,389,329</u>
Expenditures:				
General government services	(Schedule 3)	-	3,162,772	880,633
Protective services	(Schedule 3)	-	192,755	156,901
Transportation services	(Schedule 3)	-	290,096	276,748
Environmental and public health services	(Schedule 3)	-	252,031	98,727
Planning and development services	(Schedule 3)	-	-	-
Recreation and cultural services	(Schedule 3)	-	295,804	375,340
Utility services	(Schedule 3)	-	720,255	669,540
Total Expenditures		<u>-</u>	<u>4,913,713</u>	<u>2,457,889</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>-</u>	<u>(2,672,819)</u>	<u>(68,560)</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>-</u>	<u>-</u>	<u>210,864</u>
Surplus (deficit) of revenues over expenditures		-	(2,672,819)	142,304
Accumulated surplus (deficit), beginning of year		<u>11,075,497</u>	<u>11,075,497</u>	<u>10,933,193</u>
Accumulated surplus (deficit), end of year		<u>\$ 11,075,497</u>	<u>8,402,678</u>	<u>11,075,497</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Surplus (deficit)	\$ -	(2,672,819)	142,304
(Acquisition) of tangible capital assets	-	(9,610)	(324,435)
Amortization of tangible capital assets	-	361,772	402,598
Proceeds on disposal of tangible capital assets	-	-	125,000
Loss (gain) on disposal of tangible capital assets	-	-	14,816
Surplus (deficit) of capital expenses over expenditures	<u>-</u>	<u>352,162</u>	<u>217,979</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(45,972)	(45,771)
Consumption of supplies inventories	-	-	599
Use of prepaid expenses	-	45,771	44,969
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(201)</u>	<u>(203)</u>
Increase (decrease) in Net Financial Assets	-	(2,320,858)	360,080
Net Financial Assets (Debt) - Beginning of the year	<u>2,587,452</u>	<u>2,587,452</u>	<u>2,227,372</u>
Net Financial Assets (Debt)- End of year	<u>\$ 2,587,452</u>	<u>266,594</u>	<u>2,587,452</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

Statement 4

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2017
with comparative figures for 2016

Cash provided by (used in) the following activities:	<u>2017</u>	<u>2016</u>
Operating:		
Surplus (deficit)	\$ (2,672,819)	142,304
Amortization	361,772	402,598
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>14,816</u>
	(2,311,047)	559,718
Change in assets/liabilities		
Taxes receivable - Municipal	1,243,273	(392,576)
Other accounts receivable	(305,882)	292,443
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	741,098	(43,843)
Deposits	-	-
Deferred revenue	-	1,000
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	2,810	-
Stock and supplies	-	599
Prepayments and deferred charges	(201)	(803)
Other	<u>-</u>	<u>-</u>
Net cash from (used for) operations	<u>(629,949)</u>	<u>416,538</u>
Capital:		
Aquisition of capital assets	(9,610)	(324,435)
Proceeds from the disposal of capital assets	-	125,000
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(9,610)</u>	<u>(199,435)</u>
Investing:		
Long-term investments	94,592	44,788
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>94,592</u>	<u>44,788</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	(544,967)	261,891
Cash and temporary investments, beginning of year	<u>498,271</u>	<u>236,380</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ (46,696)</u>	<u>498,271</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

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. Significant aspects of the accounting policies are as follows:

(a) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues 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.

(b) Reporting entity

The financial statements consolidate the assets, liabilities and flow of resources of the Village. The entity is comprised of all organizations owned or controlled by the Village and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Entities included in these financial statements are as follows:

Entity
Kaministikochiwak Development Corporation
Sandy Bay Recreation Board

All inter-organizational transactions and balances have been eliminated.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

(d) Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as 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.

(e) 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.

(f) Local improvement charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) 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.

(h) 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.

(i) Appropriated reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts designated are described on Schedule 8.

(j) 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.

(k) 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.

(l) 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 of the inventory in the ordinary course of business.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) 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 the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Village's tangible capital asset useful lives are estimated as follows:

<i>General Assets</i>	<u>Asset</u>	<u>Useful Life</u>
	Land	Indefinite
	Land improvements	5 to 20 years
	Buildings	20 to 50 years
	Vehicles and equipment	
	Vehicles	5 to 10 years
	Machinery & Equipment	5 to 50 years
<i>Infrastructure Assets</i>		
	Water and sewer	50 to 60 years
	Road network assets	15 to 20 years

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

Works of art: 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 Village does not capitalize interest incurred while a tangible capital asset is under construction.

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

(n) Landfill liability

The Northern Village of Sandy Bay maintains a waste disposal site. The municipality is unable to estimate closure and post closure costs. No amount has been recorded as an asset or liability.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 its contributions.

(p) Measurement uncertainty

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts 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 period in which they become known.

(q) Basis of segmentation/segment report

The Village follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Village 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 borrowing.

These 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 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 Village.

Planning and Development: The planning and development segment provides for neighbourhood 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 the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) 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.

The Municipality does not have any contaminated sites.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2017</u>	<u>2016</u>
Cash	\$ (46,696)	498,271
Temporary investments	-	-
	<u>\$ (46,696)</u>	<u>498,271</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2017</u>	<u>2016</u>
Municipal: - Current	\$ 295,003	426,363
- Arrears	3,823,617	3,057,185
	4,118,620	3,483,548
Less: allowance for uncollectibles	(3,009,803)	(1,131,458)
Total municipal taxes receivable	<u>1,108,817</u>	<u>2,352,090</u>
School: - Current	27,467	48,657
- Arrears	1,116,635	962,732
Total school taxes receivable	<u>1,144,102</u>	<u>1,011,389</u>
Other: - Current	-	-
- Arrears	-	-
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	2,252,919	3,363,479
Deduct taxes receivable to be collected on behalf of other organizations	(1,144,102)	(1,011,389)
Total taxes receivable - Municipal	<u>\$ 1,108,817</u>	<u>2,352,090</u>

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

4. OTHER ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Federal government	\$ 154,171	94,537
Provincial government	140,438	120,618
Local government	-	-
Utility	407,013	359,809
Trade	127,218	56,399
KDC receivable (Note 6)	<u>130,000</u>	<u>-</u>
Total other accounts receivable	958,840	631,363
Less: allowance for uncollectibles	<u>(327,800)</u>	<u>(306,205)</u>
Net other accounts receivable	<u>\$ 631,040</u>	<u>325,158</u>

5. LAND FOR RESALE

	<u>2017</u>	<u>2016</u>
Tax title property	\$ -	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net tax title property	<u>-</u>	<u>-</u>
Other land	3,225	3,225
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>3,225</u>	<u>3,225</u>
Total land for resale	<u>\$ 3,225</u>	<u>3,225</u>

6. INVESTMENT IN KAMINISTIKOCHIAK DEVELOPMENT CORPORATION (KDC)

	<u>2017</u>	<u>2016</u>
Total assets	\$ 152,627	154,122
Total liabilities	<u>130,411</u>	<u>37,314</u>
Net assets	<u>\$ 22,216</u>	<u>116,808</u>
Revenues	\$ 425,761	547,746
Expenses	<u>520,353</u>	<u>592,534</u>
KDC net earnings	(94,592)	(44,788)
KDC investment - net	(44,788)	185,981
Investment in KDC, beginning of year	<u>161,596</u>	<u>(24,385)</u>
Investment in KDC, end of year	<u>\$ 67,004</u>	<u>(69,173)</u>

Kaministikochiwak Development Corporation (KDC) was incorporated by the Northern Village of Sandy Bay under Saskatchewan Statute on January 11, 1993. KDC is operated as a break-even venture for the purpose of job creation in the local community. KDC is, and has always been, owned 100% by the Northern Village of Sandy Bay.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

7. LONG-TERM DEBT

a) The authorized debt limit for the Village is \$581,719. The authorized debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the Municipalities Act is approved by the Saskatchewan Municipal Board.

8. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2017 was \$12,537 (2016 - \$20,630). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

9. RELATED PARTY

The Sandy Bay Aboriginal Committee Inc. (SBAC), is a related party by virtue of the fact of two Village councillors appointed as directors of the SBAC Board of Directors. The Village entered an Agreement and provided financial services as the agent of a related party.

10. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Village:

Standards effective for annual periods beginning on or after April 1, 2017:

Assets

PS 3210, Assets, provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements.

Contingent Assets

PS 3380, Contingent Assets defines and establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty.

Contractual Rights

PS 3380, Contractual Rights defines and establishes standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

Inter-Entity Transactions

PS 3420, Inter-Entity Transactions specifically addresses the reporting of transactions between entities controlled by a government that comprise the government's reporting entity from both a provider and recipient perspective.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

10. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

Related Party Transactions

PS 2200, Related Party Transactions defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a different value from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

Standards effective for annual periods beginning on or After April 1, 2018

Restructuring Transactions

PS 3430, Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operations responsibilities.

Standards effective for annual periods beginning on or After April 1, 2021

Financial Statement Presentation

PS 1201, Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses 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..

Foreign Currency Translation

PS 2601, Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in 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.

Portfolio Investments

PS 3041, Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments will no longer apply.

Financial Instruments

PS 3450, Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of remeasurement 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.

The Village continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

NORTHERN VILLAGE OF SANDY BAY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

11. CONTRACTUAL ARRANGEMENT

The Village has an ongoing contractual arrangement with the Peter Ballantyne Cree Nation to receive \$26,121 per quarter for municipal services provided including waste management, water and sewer utilities, street lights and road maintenance.

12. COMPARATIVE FIGURES

The prior year's comparative figures have been reclassified to conform to the current year's method of presentation.

NORTHERN VILLAGE OF SANDY BAY

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ -	295,003	426,363
Abatements and adjustments	-	-	-
Discount on current year taxes	-	-	-
Net municipal taxes	<u>-</u>	<u>295,003</u>	<u>426,363</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	-	340,070	309,097
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>-</u>	<u>635,073</u>	<u>735,460</u>
UNCONDITIONAL GRANTS			
Revenue Sharing	-	1,002,802	1,083,146
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>-</u>	<u>1,002,802</u>	<u>1,083,146</u>
GRANTS IN LIEU OF TAXES			
Federal	-	24,502	29,747
Provincial	-	-	-
S.P.C. Electrical	-	-	-
Sask. Energy Gas	-	-	-
TransGas	-	-	-
SPMC - Municipal Share	-	-	-
Sasktel	-	19,820	21,758
Other	-	-	-
Local/Other	-	-	-
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Local/Other	-	-	-
Other Government Transfers	-	-	-
S.P.C. Surcharge	-	39,528	41,369
Other	-	-	-
Total Grants in Lieu of Taxes	<u>-</u>	<u>83,850</u>	<u>92,874</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ -</u>	<u>1,721,725</u>	<u>1,911,480</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	700
Sales of supplies	-	-	-
Other	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>700</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	-	-	-
Property lease revenue	-	-	10,000
KDC Investment - net income (loss)	-	(98,111)	(44,788)
Other segmented revenue - SBAC, Post Office, Donations	-	109,360	132,741
Total other segmented revenue	<u>-</u>	<u>11,249</u>	<u>98,653</u>
Conditional Grants			
Federal - Student Employment	-	-	8,867
Other	-	5,400	-
Total Conditional Grants	<u>-</u>	<u>5,400</u>	<u>8,867</u>
Total Operating	<u>-</u>	<u>16,649</u>	<u>107,520</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	209,857
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>209,857</u>
Total General Government Services	<u>-</u>	<u>16,649</u>	<u>317,377</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other segmented revenue	-	-	-
Total other segmented revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Local government	-	-	-
Other - Provincial - fire suppression & training	-	93,184	66,757
Total Conditional Grants	<u>-</u>	<u>93,184</u>	<u>66,757</u>
Total Operating	<u>-</u>	<u>93,184</u>	<u>66,757</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>-</u>	<u>93,184</u>	<u>66,757</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sale of gravel and supplies	-	-	1,500
Road maintenance and restoration agreements	-	-	-
Frontage	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	1,500
Tangible capital asset sales - gain (loss)	-	-	(19,816)
Other segmented revenue	-	-	-
Total other segmented revenue	-	-	(18,316)
Conditional Grants			
Primary Weight Corridor	-	-	-
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	(18,316)
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Transportation Services	-	-	(18,316)
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Charges	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other segmented revenue	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Federal - Student Employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (Northeast Youth Violence Reduction Partnership)	-	183,690	-
Total Conditional Grants	-	183,690	-
Total Operating	-	183,690	-
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services Services	-	183,690	-

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other segmented revenue	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other - Hall rental, program fees	-	12,350	23,446
Total Fees and Charges	-	12,350	23,446
Tangible capital asset sales - gain (loss)	-	-	-
Other segmented revenue	-	-	-
Total other segmented revenue	-	12,350	23,446
Conditional Grants			
Federal - Student Employment	-	-	132
Local government	-	11,270	-
Donations	-	-	-
Other - NCSRCP grants	-	5,000	53,400
Total Conditional Grants	-	16,270	53,532
Total Operating	-	28,620	76,978
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	-	28,620	76,978

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	197,026	193,910
Sewer	-	-	46,000
Other	-	-	-
Total Fees and Charges	<u>-</u>	<u>197,026</u>	<u>239,910</u>
Tangible capital asset sales - gain (loss)	-	-	5,000
Other segmented revenue	-	-	-
Total other segmented revenue	<u>-</u>	<u>197,026</u>	<u>244,910</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>197,026</u>	<u>244,910</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Water and sewer program	-	-	1,007
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>1,007</u>
Total Utility Services	<u>-</u>	<u>197,026</u>	<u>245,917</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ -</u>	<u>519,169</u>	<u>688,713</u>
SUMMARY			
Total Other Segmented Revenue	\$ -	220,625	348,693
Total Conditional Grants	-	298,544	129,156
Total Capital Grants and Contributions	-	-	210,864
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ -</u>	<u>519,169</u>	<u>688,713</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ -	175,256	178,238
Wages and benefits	-	215,420	236,731
Professional/Contractual services	-	161,712	167,139
Utilities	-	40,648	35,070
Maintenance, materials, and supplies	-	86,247	97,004
Grants and contributions	-	80,186	104,836
	-operating		
	-capital		
Amortization	-	3,887	3,065
Interest	-	-	-
Allowance for uncollectibles	-	1,899,941	7,003
Other	-	6,507	51,547
Other (Gas Tax - unspent funds)	-	492,968	-
Total Government Services	<u>-</u>	<u>3,162,772</u>	<u>880,633</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	-	29,506	35,003
Utilities	-	-	-
Maintenance, materials, and supplies	-	300	322
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	99,805	55,689
Professional/Contractual services	-	11,470	8,951
Utilities	-	10,899	6,905
Maintenance, materials, and supplies	-	34,602	46,911
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	-	-	-
Interest	-	6,173	3,120
Other	-	-	-
Total Protective Services	<u>-</u>	<u>192,755</u>	<u>156,901</u>
TRANSPORTATION SERVICES			
Wages and benefits	-	128,490	68,280
Professional/Contractual services	-	6,281	15,922
Utilities	-	29,356	22,588
Maintenance, materials, and supplies	-	85,246	140,132
Gravel	-	-	-
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	-	-	-
Interest	-	40,723	29,826
Other	-	-	-
Total Transportation Services	<u>-</u>	<u>290,096</u>	<u>276,748</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2017

with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	160,612	44,460
Contractual services	-	84,602	51,267
Utilities	-	-	-
Maintenance, materials, and supplies	-	6,817	3,000
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Environmental and Public Health Services	<u>-</u>	<u>252,031</u>	<u>98,727</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Contractual services	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Planning and Development Services	<u>-</u>	<u>-</u>	<u>-</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	107,746	93,267
Contractual services	-	24,975	55,099
Utilities	-	17,389	48,694
Maintenance, materials, and supplies	-	43,518	61,471
Grants and contributions	-	32,195	61,801
-operating	-	-	-
-capital	-	-	-
Amortization	-	56,431	52,027
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	13,550	2,981
Total Recreation and Cultural Services	<u>-</u>	<u>295,804</u>	<u>375,340</u>
UTILITIES SERVICES			
Wages and benefits	-	199,235	200,667
Contractual services	-	78,061	70,397
Utilities	-	138,838	80,467
Maintenance, materials, and supplies	-	48,103	70,445
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	254,558	314,560
Interest	-	-	-
Allowance for uncollectibles	-	-	(66,996)
Other	-	1,460	-
Total Utility Services	<u>-</u>	<u>720,255</u>	<u>669,540</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ -</u>	<u>4,913,713</u>	<u>2,457,889</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

Schedule 4

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2017

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	-	-	-	-	-	12,350	197,026	209,376
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Property lease revenue	-	-	-	-	-	-	-	-
Other revenues	109,360	-	-	-	-	-	-	109,360
KDC Investment - net income (loss)	(98,111)	-	-	-	-	-	-	(98,111)
Grants - Conditional	5,400	93,184	-	183,690	-	16,270	-	298,544
Grants - Capital	-	-	-	-	-	-	-	-
Total revenues	<u>16,649</u>	<u>93,184</u>	<u>-</u>	<u>183,690</u>	<u>-</u>	<u>28,620</u>	<u>197,026</u>	<u>519,169</u>
Expenses (Schedule 3)								
Wages & benefits	390,676	99,805	128,490	160,612	-	107,746	199,235	1,086,564
Professional/Contractual Services	161,712	40,976	6,281	84,602	-	24,975	78,061	396,607
Utilities	40,648	10,899	29,356	-	-	17,389	138,838	237,130
Maintenance, materials and supplies	86,247	34,902	85,246	6,817	-	57,068	48,103	318,383
Grants and contributions	80,186	-	-	-	-	32,195	-	112,381
Amortization	3,887	6,173	40,723	-	-	56,431	254,558	361,772
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	1,899,941	-	-	-	-	-	-	1,899,941
Other	499,475	-	-	-	-	-	1,460	500,935
Total expenses	<u>3,162,772</u>	<u>192,755</u>	<u>290,096</u>	<u>252,031</u>	<u>-</u>	<u>295,804</u>	<u>720,255</u>	<u>4,913,713</u>
Surplus (deficit) by function	(3,146,123)	(99,571)	(290,096)	(68,341)	-	(267,184)	(523,229)	(4,394,544)
Taxation and other unconditional revenue (Schedule 1)								
Net Surplus (Deficit)								<u>\$ (2,672,819)</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

Schedule 5

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2016

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 700	-	1,500	-	-	23,446	239,910	265,556
Tangible capital asset sales - Gain (loss)	-	-	(19,816)	-	-	-	5,000	(14,816)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Property lease revenue	10,000	-	-	-	-	-	-	10,000
Other revenues	132,741	-	-	-	-	-	-	132,741
KDC Investment - net income (loss)	(44,788)	-	-	-	-	-	-	(44,788)
Grants - Conditional	8,867	66,757	-	-	-	53,532	-	129,156
Grants - Capital	209,857	-	-	-	-	-	1,007	210,864
Total revenues	<u>317,377</u>	<u>66,757</u>	<u>(18,316)</u>	<u>-</u>	<u>-</u>	<u>76,978</u>	<u>245,917</u>	<u>688,713</u>
Expenses (Schedule 3)								
Wages & benefits	414,969	55,689	68,280	44,460	-	93,267	200,667	877,332
Professional/Contractual Services	167,139	43,954	15,922	51,267	-	55,099	70,397	403,778
Utilities	35,070	6,905	22,588	-	-	48,694	80,467	193,724
Maintenance, materials and supplies	97,004	47,233	140,132	3,000	-	64,452	70,445	422,266
Grants and contributions	104,836	-	-	-	-	61,801	-	166,637
Amortization	3,065	3,120	29,826	-	-	52,027	314,560	402,598
Interest	-	-	-	-	-	-	-	-
Allowance for uncollectibles	7,003	-	-	-	-	-	(66,996)	(59,993)
Other	51,547	-	-	-	-	-	-	51,547
Total expenses	<u>880,633</u>	<u>156,901</u>	<u>276,748</u>	<u>98,727</u>	<u>-</u>	<u>375,340</u>	<u>669,540</u>	<u>2,457,889</u>
Surplus (deficit) by function	(563,256)	(90,144)	(295,064)	(98,727)	-	(298,362)	(423,623)	(1,769,176)
Taxation and other unconditional revenue (Schedule 1)								1,911,480
Net Surplus (Deficit)								<u>\$ 142,304</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2017
with comparative figures for 2016

	2017						2016	
	General Assets			Machinery & Equipment	Infrastructure Assets		General / Infrastructure Assets Under Construction	Total
	Land Improvements	Buildings	Vehicles		Linear Assets	Total		
Asset cost								
Opening asset costs	\$ 179,452	25,015	3,797,810	6,579,303	2,919,142	-	13,806,281	13,662,915
Additions during the year	-	-	-	9,610	-	-	9,610	143,366
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Closing asset costs	<u>179,452</u>	<u>25,015</u>	<u>3,797,810</u>	<u>6,588,913</u>	<u>2,919,142</u>	<u>-</u>	<u>13,815,891</u>	<u>13,806,281</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	25,015	1,629,486	1,391,640	2,216,087	-	5,364,007	5,002,662
Add: Amortization taken	-	-	108,782	226,769	4,735	-	361,772	402,598
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(41,253)
Closing accumulated amortization costs	<u>-</u>	<u>25,015</u>	<u>1,738,268</u>	<u>1,618,409</u>	<u>2,220,822</u>	<u>-</u>	<u>5,725,779</u>	<u>5,364,007</u>
Net book value	<u>\$ 179,452</u>	<u>-</u>	<u>2,059,542</u>	<u>4,970,504</u>	<u>698,320</u>	<u>-</u>	<u>8,090,112</u>	<u>8,442,274</u>

- Total contributed/donated assets received in 2017: \$ -
- List of assets recognized at nominal value in 2017 are:
 - Infrastructure Assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
- Amount of interest capitalized in 2017: \$ -

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	2017						2016	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset cost								
Opening asset costs	\$ 247,808	165,385	2,244,174	-	24,683	1,436,726	9,687,505	13,806,281
Additions during the year	9,610	-	-	-	-	-	-	9,610
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Closing asset costs	<u>257,418</u>	<u>165,385</u>	<u>2,244,174</u>	<u>-</u>	<u>24,683</u>	<u>1,436,726</u>	<u>9,687,505</u>	<u>13,815,891</u>
Accumulated amortization cost								
Opening accumulated amortization costs	39,735	92,176	1,756,096	-	24,683	678,426	2,772,891	5,002,662
Add: Amortization taken	3,887	6,173	40,723	-	-	56,431	251,558	361,772
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	(41,253)
Closing accumulated amortization costs	<u>43,622</u>	<u>98,349</u>	<u>1,796,819</u>	<u>-</u>	<u>24,683</u>	<u>734,857</u>	<u>3,027,449</u>	<u>5,725,779</u>
Net book value	<u>\$ 213,796</u>	<u>67,036</u>	<u>447,355</u>	<u>-</u>	<u>-</u>	<u>6,660,056</u>	<u>6,660,056</u>	<u>8,090,112</u>

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2017

	<u>2016</u>	<u>Changes</u>	<u>2017</u>
UNAPPROPRIATED SURPLUS	\$ <u>2,430,844</u>	<u>(2,320,657)</u>	<u>110,187</u>
APPROPRIATED RESERVES			
Reserve for machinery and equipment	-	-	-
Public reserve	-	-	-
Capital trust fund	-	-	-
Utility reserve	-	-	-
Other reserves	<u>202,379</u>	<u>-</u>	<u>202,379</u>
Total Appropriated	<u>202,379</u>	<u>-</u>	<u>202,379</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	8,442,274	(352,162)	8,090,112
Less: Related debt	<u>-</u>	<u>-</u>	<u>-</u>
Net Investment in Tangible Capital Assets	<u>8,442,274</u>	<u>(352,162)</u>	<u>8,090,112</u>
Total Accumulated Surplus	<u>\$ 11,075,497</u>	<u>(2,672,819)</u>	<u>8,402,678</u>

See accompanying notes to the financial statements.

**NORTHERN VILLAGE OF SANDY BAY
SCHEDULE OF MILL RATES AND ASSESSMENTS**

Year ended December 31, 2017
with comparative figures for 2016

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	\$ -	6,114,480	122,880	-	282,200	\$ 6,519,560
Regional Park Assessment						
Total Assessment	1.0000	1.0000	1.0000	1.0000	1.0000	\$ 6,519,560
Mill Rate Factor(s)						
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-	-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ -	277,004	5,591	-	12,408	295,003

MILL RATES:

Average Municipal*	45.249
Average School*	5.192
Potash Mill Rate	-
Uniform Municipal Mill Rate	45.500

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

See accompanying notes to the financial statements.

NORTHERN VILLAGE OF SANDY BAY

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2017
with comparative figures for 2016

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor	Paul Morin	\$ 39,600	20,425	60,025
Councillor	Jamie Fourstar	19,250	26,587	45,837
Councillor	Laura McCallum	9,600	14,039	23,639
Councillor	Norma Natewayes	8,400	10,859	19,259
Councillor	Phillip Jr. Ray	16,450	15,075	31,525
Total		<u>\$ 93,300</u>	<u>86,985</u>	<u>180,285</u>

See accompanying notes to the financial statements.