

Village of Quill Lake
CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

Village of Quill Lake

Quill Lake, Saskatchewan

December 31, 2021

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Management's Responsibility

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

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

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

Baker Tilly SK LLP, an independent firm of chartered professional accountants, is appointed by the council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the council and management to discuss their audit findings.



Mayor

Administrator

Independent Auditors' Report

To the Council
Village of Quill Lake

Opinion

We have audited the consolidated financial statements of Village of Quill Lake, (the municipality), which comprise the consolidated Statement of Financial Position as at December 31, 2021 and the consolidated Statements of Operations, Change in Net Financial Assets and Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2021, and results of its operations and its consolidated cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Other Matter

The consolidated financial statements of Village of Quill Lake for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on May 11, 2021.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated financial statements, management is responsible for assessing the municipality'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 municipality or to cease operations, or has no realistic alternative but to do so.

Council is responsible for overseeing the municipality's financial reporting process.



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
June 10, 2022

Village of Quill Lake
 Quill Lake, Saskatchewan
 Consolidated Statement of Financial Position as at December 31, 2021

Statement 1

	2021	2020 (Note 12)
Assets		
Financial Assets		
Cash and temporary investments - note 2	619,878	661,831
Taxes receivable - municipal - note 3	67,479	57,609
Other accounts receivable - note 4	92,721	79,875
Land for resale - note 5	20,691	55,128
Long-term investments - note 6	170,166	
Total Financial Assets	<u>970,935</u>	<u>854,443</u>
Liabilities		
Accounts payable and accrued liabilities	97,102	26,281
Deposits	1,480	1,480
Deferred revenue - note 8	130,810	127,792
Long-term debt - note 9		4,098
Total Liabilities	<u>229,392</u>	<u>159,651</u>
Net Financial Assets	<u>741,543</u>	<u>694,792</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	2,455,629	2,447,727
Prepayments and deferred charges	38,295	33,499
Stock and supplies	37,020	37,000
Total Non-Financial Assets	<u>2,530,944</u>	<u>2,518,226</u>
Accumulated Surplus - schedule 8	<u>\$ 3,272,487</u>	<u>\$ 3,213,018</u>

Approved on behalf of the council:

 Reeve

 Councillor

*The notes to consolidated financial statements are an integral
 part of these consolidated financial statements.*

Village of Quill Lake
Consolidated Statement of Operations
For the year ended December 31, 2021

Statement 2

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
Revenues			
Taxes and other unconditional revenue - schedule 1	571,800	476,310	450,109
Fees and charges - schedules 4 and 5	284,600	381,676	337,546
Conditional grants - schedules 4 and 5	7,400	68,256	28,226
Land sales - gain - schedules 4 and 5		(9,500)	
Total Revenue	<u>863,800</u>	<u>916,742</u>	<u>815,881</u>
Expenses - schedule 3			
General government services	108,000	223,768	143,991
Protective services	70,600	87,909	110,358
Transportation services	252,400	197,014	171,370
Environmental and public health services	24,500	33,925	31,975
Planning and development services		3,330	
Recreation and cultural services	74,000	138,145	172,867
Utilities services	131,600	173,182	217,027
Total Expenses	<u>661,100</u>	<u>857,273</u>	<u>847,588</u>
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	202,700	59,469	(31,707)
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>0</u>	<u>0</u>	<u>0</u>
Surplus (Deficit) of Revenue over Expenses	202,700	59,469	(31,707)
Accumulated Surplus, Beginning of Year	<u>3,213,018</u>	<u>3,213,018</u>	<u>3,244,725</u>
Accumulated Surplus, End of Year	<u>\$ 3,415,718</u>	<u>\$ 3,272,487</u>	<u>\$ 3,213,018</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2021

Statement 3

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
Surplus (Deficit)	<u>202,700</u>	<u>59,469</u>	<u>(31,707)</u>
(Acquisition) of tangible capital assets		(156,021)	(5,459)
Amortization of tangible capital assets		<u>148,119</u>	<u>147,337</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>0</u>	<u>(7,902)</u>	<u>141,878</u>
(Acquisition) of supplies inventories		(20)	(23,000)
(Acquisition) of prepaid expense		<u>(4,796)</u>	<u>(33,476)</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>0</u>	<u>(4,816)</u>	<u>(56,476)</u>
Increase in Net Financial Assets	202,700	46,751	53,695
Net Financial Assets, beginning of year	<u>694,792</u>	<u>694,792</u>	<u>641,097</u>
Net Financial Assets, End of Year	<u>\$ 897,492</u>	<u>\$ 741,543</u>	<u>\$ 694,792</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake
Consolidated Statement of Cash Flow
For the year ended December 31, 2021

Statement 4

	2021	2020 (Note 12)
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus (Deficit)	59,469	(31,707)
Amortization	<u>148,119</u>	<u>147,337</u>
	207,588	115,630
Change in Assets/Liabilities		
Taxes receivable - municipal	(9,870)	(5,242)
Other receivables	(12,846)	17,322
Land for resale	34,437	(7,641)
Accounts payable and accrued liabilities	70,821	(12,966)
Deferred revenue	3,018	89,873
Stock and supplies for use	(20)	(23,000)
Prepayments and deferred charges	<u>(4,796)</u>	<u>(33,475)</u>
Cash Provided by Operating Transactions	<u>288,332</u>	<u>140,501</u>
Capital:		
Acquisition of capital assets	(156,021)	(5,459)
Investing:		
Additions to long-term investments	<u>(170,166)</u>	<u>0</u>
Financing:		
Long-term debt repaid	<u>(4,098)</u>	<u>(8,286)</u>
Change in Cash and Temporary Investments During the Year	(41,953)	126,756
Cash and temporary investments, beginning of year	<u>661,831</u>	<u>535,075</u>
Cash and Temporary Investments, End of Year	<u>\$ 619,878</u>	<u>\$ 661,831</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies

The consolidated financial statements of the municipality have been prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

(a) Basis of accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable, and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Reporting entity

The consolidated financial statements consolidate 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.

Entities included in these consolidated financial statements are as follows:

Entity	Basis of Recording
Quill Lake Recreation Board	Full Consolidation
Quill Lake Arena	Full Consolidation
Quill Lake Fire and Rescue	Full Consolidation

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, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 3.

(d) Government transfers

Government transfers are 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 are the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

Earned government transfer amounts not received will be recorded as an amount receivable.

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(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) 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) 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 Association of Urban Municipalities Self-Insurance Fund are accounted for on the equity basis.

(j) 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 first in first out method. Net realizable value is the estimated selling price in the ordinary course of business.

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(k) 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 deflation 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 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. Tangible capital assets that are recognized at a nominal value are disclosed in schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

General Assets	
Land	Indefinite
Land improvements	5-20 years
Buildings	10-50 years
Vehicles	5-10 years
Machinery and equipment	5-10 years
Infrastructure Assets	
Linear assets	40 years

(l) 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.

(m) Capitalization of interest

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

(n) Leases

All leases are recorded on the consolidated financial statement as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as capital leases and recorded as tangible capital assets. 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.

(o) Landfill liability

The municipality does not maintain a waste disposal site.

(p) Employee benefit plans

Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(q) 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. Penalties on overdue taxes are recorded in the period levied.

Utility revenue is recognized in the period in which the service has been provided.

All other revenue is recorded when received, or receivable, collection is likely, and the amount can be reasonably determined.

(r) Measurement uncertainty

The preparation of consolidated 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 consolidated 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.

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(s) Basis of segmentation/segment report

The municipality follows the 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.

(t) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 11, 2021.

(u) 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:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The municipality:
 - a) Is directly responsible; or
 - b) Accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(v) New standards and amendments to standards

Effective for fiscal years beginning on or after April 1, 2022:

PS 1201 Financial statement presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of remeasurement gains and losses separate from the statement of operations arising from the remeasurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign currency translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of remeasurement gains and losses.

PS 3041 Portfolio investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of 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 derecognition of financial liabilities.

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

Effective for fiscal years beginning on or after April 1, 2023:

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

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

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
2. Cash and Temporary Investments		
Cash	605,628	518,708
Temporary investments	<u>14,250</u>	<u>143,123</u>
Total Cash and Temporary Investments	<u>\$ 619,878</u>	<u>\$ 661,831</u>

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

	2021	2020
3. Taxes and Grants In Lieu Receivable		
Municipal - current	33,903	39,400
Municipal - arrears	<u>38,139</u>	<u>22,772</u>
	72,042	62,172
Less: Allowance for uncollectibles	<u>4,563</u>	<u>4,563</u>
Total municipal taxes receivable	<u>67,479</u>	<u>57,609</u>
School - current	6,798	8,000
School - arrears	<u>3,847</u>	<u>2,815</u>
Total school taxes receivable	<u>10,645</u>	<u>10,815</u>
Total taxes and grants in lieu receivable	78,124	68,424
Less: Taxes receivable to be collected on behalf of other organizations	<u>10,645</u>	<u>10,815</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 67,479</u>	<u>\$ 57,609</u>

4. Other Accounts Receivable		
Utility	20,431	23,115
Trade	<u>74,515</u>	<u>57,602</u>
Total other accounts receivable	94,946	80,717
Less: Allowance for uncollectibles	<u>2,225</u>	<u>842</u>
Net Other Accounts Receivable	<u>\$ 92,721</u>	<u>\$ 79,875</u>

5. Land for Resale		
Tax title property	26,875	26,875
Less: Allowance for market value adjustment	<u>11,184</u>	<u>6,565</u>
Net tax title property	<u>15,691</u>	<u>20,310</u>
Other land	20,318	34,818
Less: Allowance for market value adjustment	<u>15,318</u>	<u></u>
Net other land	<u>5,000</u>	<u>34,818</u>
Total Land for Resale	<u>\$ 20,691</u>	<u>\$ 55,128</u>

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
6. Long-Term Investments		
Term Deposits	\$ 170,166	\$ 0

7. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to \$60,000 (2020 - \$60,000) and bearing interest at 4.45%.

8. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Municipal Economic Enhancement	55,623		55,623	
Canada Community Building Fund	72,169	47,156		119,325
SGI		4,613		4,613
Other		6,872		6,872
	<u>\$ 127,792</u>	<u>\$ 58,641</u>	<u>\$ 55,623</u>	<u>\$ 130,810</u>

9. Long-Term Debt

(a) The debt limit of the municipality for 2022 is \$731,417. 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).

10. Employee Benefit Plans

The municipality participates in a contributory defined benefit pension plan for all its employees. For defined benefit plans considered to be multi-employer plans, contributions are expensed when they are due and payable. The municipality currently participates in the Municipal Employees Pension Plan.

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the municipality cannot be easily determined.

Accordingly, the multi-employer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these consolidated financial statements. The benefit expense reflected in the consolidated financial statements is equal to the municipality's contributions for the year.

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2021	2020
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 11,838	\$ 12,779
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As per the most recently audited consolidated financial statements dated December 31, 2020, the plan surplus is \$838,900,000.

Village of Quill Lake
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

11. Budget

The figures shown under the "Budget" column in the statement of operations and attached schedules have not been audited and are provided for information purposes only.

12. Comparative Figures

The financial statements for 2020, which are presented for comparative purposes, were audited by accountants other than Baker Tilly SK LLP.

The comparative financial statements have been restated to account for unrecorded deferred revenue and unrecorded accounts receivable. As a result, the comparative statement of operations for the year ending December 31, 2020 has been restated as follows:

Balance of accumulated surplus, beginning of year, as previously stated			3,282,644
Adjustment to beginning balance			(37,920)
Balance of accumulated surplus, beginning of year, as restated			<u>\$ 3,244,724</u>
Revenues			
Fees and charges	381,676	377,536	4,140
Provincial/Federal Capital Grants		89,873	(89,873)
Expenses			<u>0</u>
Adjustment to surplus (deficit) of revenue over expenses			(85,733)
Balance of accumulated surplus, end of year as previously stated			3,336,671
Effect of adjustment to beginning balance			<u>(37,920)</u>
Balance of accumulated surplus, end of year, as restated			<u>\$ 3,213,018</u>

The comparative statement of financial position as at December 31, 2020 has been restated as follows:

Line Item	As Restated	As Previously Stated	Difference
Deferred revenue	\$ 127,792	\$ 0	\$ 127,792

13. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the municipality's environment and in the global markets, possible disruption in supply chains and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the municipality's operations. The extent of this outbreak and related containment measures on the municipality's operations cannot be reliably estimated at this time.

Village of Quill Lake
Consolidated Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2021

Schedule 1

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
Taxes			
General municipal tax levy	381,700	373,564	315,628
Abatements and adjustments		(9,827)	
Discount on current year taxes	(11,500)	(13,996)	(11,466)
Net municipal taxes	<u>370,200</u>	<u>349,741</u>	<u>304,162</u>
Penalties on tax arrears	<u>4,200</u>	<u>4,732</u>	<u>4,177</u>
Total Taxes	<u>374,400</u>	<u>354,473</u>	<u>308,339</u>
Unconditional Grants			
Equalization (revenue sharing)	<u>168,300</u>	<u>88,849</u>	<u>112,726</u>
Total Unconditional Grants	<u>168,300</u>	<u>88,849</u>	<u>112,726</u>
Grants In Lieu of Taxes			
Federal	1,600	1,753	1,630
Provincial			
SaskTel	7,700	6,272	5,767
S.P.C. surcharge	<u>19,800</u>	<u>24,963</u>	<u>21,647</u>
Total Grants In Lieu of Taxes	<u>29,100</u>	<u>32,988</u>	<u>29,044</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 571,800</u>	<u>\$ 476,310</u>	<u>\$ 450,109</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-1
For the year ended December 31, 2021

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	2,800	681	2,800
Sale of gravel supplies	1,900	1,387	1,961
Rentals	12,000	12,000	8,075
Interest	4,900	1,861	6,048
Licenses and permits		40	50
Other	1,100	2,786	966
Total Fees and Charges	22,700	18,755	19,900
Land sales - gain		(9,500)	
Total Other Segmented Revenue	22,700	9,255	19,900
Conditional Grants			
Federal	1,500		1,500
Total Conditional Grants	1,500	0	1,500
Total General Government Services	\$ 24,200	\$ 9,255	\$ 21,400
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees	41,100	66,764	48,898
Total Other Segmented Revenue	41,100	66,764	48,898
Total Protective Services	\$ 41,100	\$ 66,764	\$ 48,898
Transportation Services			
Operating			
Conditional Grants			
Saskatchewan Government Insurance		7,583	
Total Conditional Grants	0	7,583	0
Total Transportation Services	\$ 0	\$ 7,583	\$ 0
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Waste and disposal fees	4,700	4,805	4,650
Cemetery fees	400	350	350
Total Other Segmented Revenue	5,100	5,155	5,000
Total Environmental and Public Health Services	\$ 5,100	\$ 5,155	\$ 5,000

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-2
For the year ended December 31, 2021

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
Planning and Development Services			
Operating			
Conditional Grants			
Other	800		4,617
Total Conditional Grants	<u>800</u>	<u>0</u>	<u>4,617</u>
Total Planning and Development Services	<u>\$ 800</u>	<u>\$ 0</u>	<u>\$ 4,617</u>
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Recreation fees	6,900	78,138	55,344
Other	400		
Total Other Segmented Revenue	<u>7,300</u>	<u>78,138</u>	<u>55,344</u>
Conditional Grants			
Sask Parks		5,000	
Donations	5,100	50	22,109
Total Conditional Grants	<u>5,100</u>	<u>5,050</u>	<u>22,109</u>
Total Recreation and Cultural Services	<u>\$ 12,400</u>	<u>\$ 83,188</u>	<u>\$ 77,453</u>
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Water	208,400	212,864	208,404
Total Other Segmented Revenue	<u>208,400</u>	<u>212,864</u>	<u>208,404</u>
Conditional Grants			
Municipal Economic Enhancement		55,623	
Total Conditional Grants	<u>0</u>	<u>55,623</u>	<u>0</u>
Total Utility Services	<u>\$ 208,400</u>	<u>\$ 268,487</u>	<u>\$ 208,404</u>
Total Operating and Capital Revenue by Function	<u>\$ 292,000</u>	<u>\$ 440,432</u>	<u>\$ 365,772</u>
Summary			
Total Other Segmented Revenue	284,600	372,176	337,546
Total Conditional Grants	<u>7,400</u>	<u>68,256</u>	<u>28,226</u>
Total Operating and Capital Revenue by Function	<u>\$ 292,000</u>	<u>\$ 440,432</u>	<u>\$ 365,772</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake
Total Expenses by Function
For the year ended December 31, 2021

Schedule 3-1

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
General Government Services			
Council remuneration and travel	2,000	6,150	8,375
Wages and benefits	50,000	79,898	49,875
Contractual services - other	25,500	58,665	48,706
Utilities	21,000	25,225	25,082
Maintenance, materials and supplies	6,500	16,889	7,854
Grants and contributions - operating		90	
Amortization	300	1,762	329
Allowance for uncollectibles		27,527	
Other	<u>2,700</u>	<u>7,562</u>	<u>3,770</u>
Total General Government Services	<u>\$ 108,000</u>	<u>\$ 223,768</u>	<u>\$ 143,991</u>
Protective Services			
Police protection			
Professional/Contractual services	21,400	19,140	21,604
Fire protection			
Wages and benefits		13,508	9,701
Professional/Contractual services	41,100	13,189	21,942
Utilities	600	870	697
Maintenance, materials and supplies	5,000	26,571	49,884
Amortization	<u>2,500</u>	<u>14,631</u>	<u>6,530</u>
Total Protective Services	<u>\$ 70,600</u>	<u>\$ 87,909</u>	<u>\$ 110,358</u>
Transportation Services			
Wages and benefits	120,200	48,024	61,811
Professional/Contractual services	21,400	68,628	27,980
Utilities	12,000	18,140	15,150
Gravel	39,500		7,008
Machinery costs/fuel/blades	10,600	15,397	10,726
Amortization	48,600	34,142	48,563
Other materials and supplies	<u>100</u>	<u>12,683</u>	<u>132</u>
Total Transportation Services	<u>\$ 252,400</u>	<u>\$ 197,014</u>	<u>\$ 171,370</u>

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part of these consolidated financial statements.*

Village of Quill Lake
Total Expenses by Function
For the year ended December 31, 2021

Schedule 3-2

	2021 Budget (Note 1(t))	2021 Actual	2020 Actual (Note 12)
Environmental and Public Health Services			
Professional/Contractual services	24,200	28,945	31,725
Maintenance, materials and supplies	<u>300</u>	<u>4,980</u>	<u>250</u>
Total Environmental and Public Health Services	<u>\$ 24,500</u>	<u>\$ 33,925</u>	<u>\$ 31,975</u>
Planning and Development Services			
Wages and benefits	<u>\$ 0</u>	<u>\$ 3,330</u>	<u>\$ 0</u>
Recreation and Cultural Services			
Wages and benefits		73,951	20,100
Professional/Contractual services	9,300	5,972	36,058
Utilities	2,100	2,440	22,926
Maintenance, materials and supplies	(800)	3,891	24,327
Grants and contributions - operating	15,000	680	21,029
Amortization	<u>48,400</u>	<u>51,211</u>	<u>48,427</u>
Total Recreation and Cultural Services	<u>\$ 74,000</u>	<u>\$ 138,145</u>	<u>\$ 172,867</u>
Utility Services			
Wages and benefits		63,130	69,048
Professional/Contractual services	37,700	24,830	39,168
Maintenance, materials and supplies	50,400	38,849	65,323
Amortization	<u>43,500</u>	<u>46,373</u>	<u>43,488</u>
Total Utility Services	<u>\$ 131,600</u>	<u>\$ 173,182</u>	<u>\$ 217,027</u>
Total Expenses by Function	<u>\$ 661,100</u>	<u>\$ 857,273</u>	<u>\$ 847,588</u>

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part of these consolidated financial statements.*

Village of Quill Lake

Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	18,755	66,764		5,155		78,138	212,864	381,676
Land sales - gain (loss)	(9,500)							(9,500)
Grants - conditional			7,583			5,050	55,623	68,256
Total Revenues	<u>9,255</u>	<u>66,764</u>	<u>7,583</u>	<u>5,155</u>	<u>0</u>	<u>83,188</u>	<u>268,487</u>	<u>440,432</u>
Expenses - schedule 3								
Wages and benefits	79,898	13,508	48,024		3,330	73,951	63,130	281,841
Professional/contractual services	64,815	32,329	68,628	28,945		5,972	24,830	225,519
Utilities	25,225	870	18,140			2,440		46,675
Maintenance materials and supplies	16,889	26,571		4,980		3,891	38,849	91,180
Machinery costs/fuel/blades			15,397					15,397
Grants and contributions	90					680		770
Amortization	1,762	14,631	34,142			51,211	46,373	148,119
Allowance for uncollectibles	27,527							27,527
Other	7,562		12,683					20,245
Total Expenses	<u>223,768</u>	<u>87,909</u>	<u>197,014</u>	<u>33,925</u>	<u>3,330</u>	<u>138,145</u>	<u>173,182</u>	<u>857,273</u>
Surplus (Deficit) by Function	<u>\$(214,513)</u>	<u>\$(21,145)</u>	<u>\$(189,431)</u>	<u>\$(28,770)</u>	<u>\$(3,330)</u>	<u>\$(54,957)</u>	<u>\$ 95,305</u>	<u>(416,841)</u>
Taxation and other unconditional revenue - schedule 1								<u>476,310</u>
Net Surplus								<u>\$ 59,469</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

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

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues - schedule 2								
Fees and charges	19,900	48,898		5,000		55,344	208,404	337,546
Grants - conditional	1,500				4,617	22,109		28,226
Total Revenues	<u>21,400</u>	<u>48,898</u>	<u>0</u>	<u>5,000</u>	<u>4,617</u>	<u>77,453</u>	<u>208,404</u>	<u>365,772</u>
Expenses - schedule 3								
Wages and benefits	49,875	9,701	61,811			20,100	69,048	210,535
Professional/contractual services	57,081	43,546	27,980	31,725		36,058	39,168	235,558
Utilities	25,082	697	15,150			22,926		63,855
Maintenance materials and supplies	7,854	49,884	7,008	250		24,327	65,323	154,646
Machinery costs/fuel/blades			10,726					10,726
Grants and contributions						21,029		21,029
Amortization	329	6,530	48,563			48,427	43,488	147,337
Other	3,770		132					3,902
Total Expenses	<u>143,991</u>	<u>110,358</u>	<u>171,370</u>	<u>31,975</u>	<u>0</u>	<u>172,867</u>	<u>217,027</u>	<u>847,588</u>
Surplus (Deficit) by Function	<u>\$(122,591)</u>	<u>\$(61,460)</u>	<u>\$(171,370)</u>	<u>\$(26,975)</u>	<u>\$ 4,617</u>	<u>\$(95,414)</u>	<u>\$(8,623)</u>	<u>(481,816)</u>
Taxation and other unconditional revenue - schedule 1								<u>450,109</u>
Net Surplus (Deficit)								<u>\$(31,707)</u>

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Village of Quill Lake
Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

	2021							2020	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	38,419	248,856	1,447,753	0	1,045,190	1,870,247	0	4,650,465	4,645,006
Additions during the year			9,290		5,940	94,796	45,995	156,021	5,459
Closing Asset Costs	<u>38,419</u>	<u>248,856</u>	<u>1,457,043</u>	<u>0</u>	<u>1,051,130</u>	<u>1,965,043</u>	<u>45,995</u>	<u>4,806,486</u>	<u>4,650,465</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	138,000	771,163	0	723,305	570,270	0	2,202,738	2,055,401
Add: Amortization taken		16,590	26,422		61,589	43,518		148,119	147,337
Closing Accumulated Amortization Costs	<u>0</u>	<u>154,590</u>	<u>797,585</u>	<u>0</u>	<u>784,894</u>	<u>613,788</u>	<u>0</u>	<u>2,350,857</u>	<u>2,202,738</u>
Net Book Value	<u>\$ 38,419</u>	<u>\$ 94,266</u>	<u>\$ 659,458</u>	<u>\$ 0</u>	<u>\$ 266,236</u>	<u>\$ 1,351,255</u>	<u>\$ 45,995</u>	<u>\$ 2,455,629</u>	<u>\$ 2,447,727</u>

1. Total contributed/donated assets received in 2009
2. List of assets recognized at nominal value in 2009 are:
 - Infrastructure assets
 - Vehicles
 - Machinery and equipment
3. Amount of interest capitalized in 2009

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake
Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2021

Schedule 7

	2021							2020	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	25,494	445,105	904,628	3,510	500	1,423,312	1,847,916	4,650,465	4,645,006
Additions during the year	10,330		4,900				140,791	156,021	5,459
Closing Asset Costs	35,824	445,105	909,528	3,510	500	1,423,312	1,988,707	4,806,486	4,650,465
Accumulated Amortization Cost									
Opening Accumulated Amortization costs	23,421	338,357	358,857	0	0	757,129	724,974	2,202,738	2,055,401
Add: Amortization taken	1,762	14,631	34,142			51,211	46,373	148,119	147,337
Closing Accumulated Amortization Costs	25,183	352,988	392,999	0	0	808,340	771,347	2,350,857	2,202,738
Net Book Value	\$ 10,641	\$ 92,117	\$ 516,529	\$ 3,510	\$ 500	\$ 614,972	\$ 1,217,360	\$ 2,455,629	\$ 2,447,727

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Village of Quill Lake
Consolidated Schedule of Accumulated Surplus
For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
Unappropriated Surplus	<u>77,631</u>	<u>47,469</u>	<u>125,100</u>
Appropriated Surplus			
Utility			
Water and sewer	<u>356,994</u>	<u>0</u>	<u>356,994</u>
Other			
CTF	40,250		40,250
Transportation	14,000		14,000
Protective services	82,000		82,000
Hospital	16,000		16,000
Playground	10,696		10,696
Heritage Albums	4,180		4,180
Future expenditures	30,000		30,000
Fire and rescue	82,015		82,015
Future expenditures	<u>55,623</u>		<u>55,623</u>
	<u>334,764</u>	<u>0</u>	<u>334,764</u>
Total Appropriated	<u>691,758</u>	<u>0</u>	<u>691,758</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	2,447,727	7,902	2,455,629
Less: Related debt	<u>4,098</u>	<u>(4,098)</u>	
Net Investment in Tangible Capital Assets	<u>2,443,629</u>	<u>12,000</u>	<u>2,455,629</u>
Total Accumulated Surplus	<u>\$ 3,213,018</u>	<u>\$ 59,469</u>	<u>\$ 3,272,487</u>

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part of these consolidated financial statements.*

Village of Quill Lake
Schedule of Mill Rates and Assessments
For the year ended December 31, 2021

Schedule 9

	Property Class					Total
	Agriculture	Residential	Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	91,635	7,037,920			1,845,010	8,974,565
Regional Park Assessment						
Total Assessment						8,974,565
Mill Rate Factor(s)	1	1			1.5000	
Total Base/Minimum Tax (generated for each property class)	1,260	200,325			32,700	234,285
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,901	319,590			52,073	373,564
Mill Rates:	Mills					
Average Municipal*	19.6876					
Average School*	4.6700					
Potash Mill Rate						
Uniform Municipal Mill Rate	7.0000					

*Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

Village of Quill Lake
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Neil Marshall	1,200		1,200
Victoria Kearns	1,550		1,550
Jim Nicholls	1,200		1,200
Collin Holderness	<u>1,200</u>	<u></u>	<u>1,200</u>
	<u>\$ 5,150</u>	<u>\$ 0</u>	<u>\$ 5,150</u>