

Village of Spy Hill
CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021

Village of Spy Hill

Spy Hill, Saskatchewan

December 31, 2021

Table of Contents

	Page
Management's Responsibility	1
Independent Auditors' Report	2-3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flow	7
Notes to Consolidated Financial Statements	8-16
Consolidated Schedule of Taxes and Other Unconditional Revenue	17
Consolidated Schedule of Operating and Capital Revenue by Function	18-19
Total Expenses by Function	20-21
Consolidated Schedule of Segment Disclosure by Function	22-23
Consolidated Schedule of Tangible Capital Assets by Object	24
Consolidated Schedule of Tangible Capital Assets by Function	25
Consolidated Schedule of Accumulated Surplus	26
Schedule of Mill Rates and Assessments	27
Schedule of Council Remuneration	28

Management's Responsibility

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

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

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

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


Mayor
Administrator



Independent Auditors' Report

To the Council
Village of Spy Hill

Qualified Opinion

We have audited the consolidated financial statements of Village of Spy Hill, (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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 Qualified Opinion

The municipality is contingently liable for the landfill post-closure care requirements as defined in accordance with The Environmental Act. These costs include final covering and landscaping of the landfill, pumping the grounds, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The Municipality is unable to determine a reasonable estimate of the liability at this time and, as such, one has not been recorded.

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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
May 20, 2022

Village of Spy Hill
 Spy Hill, Saskatchewan
 Consolidated Statement of Financial Position as at December 31, 2021

Statement 1

	2021	2020
Assets		
Financial Assets		
Cash and temporary investments - note 2	219,079	271,116
Taxes receivable - municipal - note 3	21,994	22,426
Other accounts receivable - note 4	41,237	38,916
Land for resale - note 5	3,299	6,432
Investments - note 6	128,836	127,812
Other assets - note 7	42,951	31,044
Total Financial Assets	<u>457,396</u>	<u>497,746</u>
Liabilities		
Deferred revenue - note 8	24,146	39,064
Accounts payable - note 9	6,585	6,905
Utility deposits	5,610	5,610
Accrued landfill costs - note 10	750	750
Long-term debt - note 11	35,172	51,994
Total Liabilities	<u>72,263</u>	<u>104,323</u>
Net Financial Assets	<u>385,133</u>	<u>393,423</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	745,346	717,353
Prepayments and deferred charges	4,908	4,908
Stock and supplies	5,521	5,521
Total Non-Financial Assets	<u>755,775</u>	<u>727,782</u>
Accumulated Surplus - schedule 8	<u>\$ 1,140,908</u>	<u>\$ 1,121,205</u>

Approved on behalf of the council:

 Mayor

 Councillor

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

Village of Spy Hill
Consolidated Statement of Operations
For the year ended December 31, 2021

Statement 2

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
Revenues			
Taxes and other unconditional revenue			
- schedule 1	240,189	239,124	253,995
Fees and charges - schedules 4 and 5	82,932	92,204	260,223
Conditional grants - schedules 4 and 5	2,447		2,447
Land sales - gain (loss) - schedules 4 and 5	1,000	(6,279)	(5,999)
Investment income and commissions			
- schedules 4 and 5	2,500	2,329	3,829
Total Revenue	<u>329,068</u>	<u>327,378</u>	<u>514,495</u>
Expenses - schedule 3			
General government services	95,952	98,330	81,619
Protective services	20,725	24,214	24,519
Transportation services	44,846	110,938	50,523
Environmental and public health services	31,950	32,025	27,822
Recreation and cultural services	11,931	17,425	8,612
Utilities services	88,210	60,082	85,514
Total Expenses	<u>293,614</u>	<u>343,014</u>	<u>278,609</u>
Surplus (Deficit) of Revenues over Expenses Before Other Capital Contributions	35,454	(15,636)	235,886
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>9,900</u>	<u>35,339</u>	<u>0</u>
Surplus of Revenue over Expenses	45,354	19,703	235,886
Accumulated Surplus, Beginning of Year	<u>1,121,205</u>	<u>1,121,205</u>	<u>885,319</u>
Accumulated Surplus, End of Year	<u>\$ 1,166,559</u>	<u>\$ 1,140,908</u>	<u>\$ 1,121,205</u>

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

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

Statement 3

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
Surplus	<u>45,354</u>	<u>19,703</u>	<u>235,886</u>
(Acquisition) of tangible capital assets		(54,622)	(21,757)
Amortization of tangible capital assets	<u> </u>	<u>26,629</u>	<u>25,178</u>
Surplus (Deficit) of Capital Expenses over Expenditures	0	(27,993)	3,421
Use of prepaid expense	<u>0</u>	<u>0</u>	<u>(2,213)</u>
Increase (Decrease) in Net Financial Assets	45,354	(8,290)	237,094
Net Financial Assets, beginning of year	<u>393,423</u>	<u>393,423</u>	<u>156,329</u>
Net Financial Assets, End of Year	<u>\$ 438,777</u>	<u>\$ 385,133</u>	<u>\$ 393,423</u>

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

Village of Spy Hill
Consolidated Statement of Cash Flow
For the year ended December 31, 2021

Statement 4

	2021	2020
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	19,703	235,886
Amortization	<u>26,629</u>	<u>25,178</u>
	46,332	261,064
Change in Assets/Liabilities		
Taxes receivable - municipal	432	(8,601)
Other receivables	(2,321)	(2,464)
Land for resale	3,134	68
Other financial assets	(11,907)	(6,954)
Accounts payable	(321)	(13,272)
Utility deposits		100
Deferred revenue	(14,918)	39,064
Other liabilities		(209,550)
Prepayments and deferred charges		<u>(2,214)</u>
Cash Provided by Operating Transactions	<u>20,431</u>	<u>57,241</u>
Capital:		
Acquisition of capital assets	<u>(54,622)</u>	<u>(21,757)</u>
Investing:		
Proceeds on disposal of long-term investments	127,812	125,285
Additions to long-term investments	<u>(128,836)</u>	<u>(127,812)</u>
Cash Provided by (Applied to) Investing Transactions	<u>(1,024)</u>	<u>(2,527)</u>
Financing:		
Long-term debt repaid	<u>(16,822)</u>	<u>(16,332)</u>
Change in Cash and Temporary Investments During the Year	(52,037)	16,625
Cash and temporary investments, beginning of year	<u>271,116</u>	<u>254,491</u>
Cash and Temporary Investments, End of Year	<u>\$ 219,079</u>	<u>\$ 271,116</u>

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

Village of Spy Hill
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.

The entity included in these consolidated financial statements is as follows:
Spy Hill Fire Department - proportionate consolidation

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hall 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.

(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.

Village of Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(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 Spy Hill
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	30 years
Buildings	30-40 years
Vehicles	10 years
Machinery and equipment	5-10 years
Infrastructure Assets	
Paving, sidewalks and roadways	30-40 years
Water and sewer	75 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) 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 Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(p) 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.

(q) 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 Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(r) 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.

(s) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 15, 2021.

(t) 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 Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

1. Significant Accounting Policies - continued

(u) 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 Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

	2021	2020
2. Cash and Temporary Investments		
Cash	<u>\$ 219,079</u>	<u>\$ 271,116</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		
Municipal - current	15,189	19,982
Municipal - arrears	<u>6,805</u>	<u>2,444</u>
	21,994	22,426
Less: Allowance for uncollectibles	<u>0</u>	<u>0</u>
Total municipal taxes receivable	<u>21,994</u>	<u>22,426</u>
School - current	3,007	5,773
School - arrears	<u>983</u>	<u>293</u>
Total school taxes receivable	<u>3,990</u>	<u>6,066</u>
Total taxes and grants in lieu receivable	25,984	28,492
Less: Taxes receivable to be collected on behalf of other organizations	<u>3,990</u>	<u>6,066</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 21,994</u>	<u>\$ 22,426</u>
4. Other Accounts Receivable		
Provincial government	1,413	1,530
Utility	19,415	18,216
Trade	<u>21,469</u>	<u>20,230</u>
Total other accounts receivable	42,297	39,976
Less: Allowance for uncollectibles	<u>1,060</u>	<u>1,060</u>
Net Other Accounts Receivable	<u>\$ 41,237</u>	<u>\$ 38,916</u>
5. Land for Resale		
Tax title property	28,460	34,979
Less: Allowance for market value adjustment	<u>25,161</u>	<u>28,547</u>
Total Land for Resale	<u>\$ 3,299</u>	<u>\$ 6,432</u>
6. Long-Term Investments		
Portfolio investments	<u>\$ 128,836</u>	<u>\$ 127,812</u>

Village of Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

7. Other Assets

In 2018, the municipality entered into an agreement with the R. M. of Spy Hill with respect to the use, maintenance, and acquisition of the equipment and buildings used by the fire department. The agreement meets the definition of a government partnership under PSAS and has, therefore, been proportionately consolidated within the municipality. Other assets represents the municipality's proportionate share of the assets under the agreement, which are held in trust by the R. M. of Spy Hill.

8. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Canada Community Building Fund	14,868	20,471	35,339	
Municipal Economic Enhancement	24,146			24,146
Other	50		50	
	<u>\$ 39,064</u>	<u>\$ 20,471</u>	<u>\$ 35,389</u>	<u>\$ 24,146</u>
		2021	2020	

9. Accounts Payable

Accounts payable are comprised of the following items:

Accounts payable	6,331	3,984
Due to School	<u>254</u>	<u>2,923</u>
	<u>\$ 6,585</u>	<u>\$ 6,907</u>

10. Accrued Landfill Costs

Accrued landfill costs	<u>\$ 750</u>	<u>\$ 750</u>
------------------------	---------------	---------------

In 2021, the municipality has accrued an overall liability for environmental matters in the amount of \$750 (2020 - \$750) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$750 (2020 - \$750) of the estimated total landfill post-closure care expenses. Estimated total expenditures represent the sum of the discounted future cash flows for post-closure care activities discounted at the municipality's average long-term borrowing rate of 6% (2020 - 6%).

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

In 2020, the landfill was closed and the remaining liability represents the estimated cost associated with the post closure requirements.

Village of Spy Hill
Notes to Consolidated Financial Statements
For the year ended December 31, 2021

11. Long-Term Debt

(a) The debt limit of the municipality for 2022 is \$273,707. 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).

(b) Debenture debt is repayable at a rate of 3.0% in annual installments of \$18,381.

Future principal and interest payments are as follows:

	Principal	Interest	2021 Total	2020 Total
2021				18,381
2022	17,326	1,055	18,381	18,381
2023	17,846	535	18,381	18,381
	<u>\$ 35,172</u>	<u>\$ 1,590</u>	<u>\$ 36,762</u>	<u>\$ 55,143</u>

12. 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	\$ 3,946	\$ 3,783
-----------------	----------	----------

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

13. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to Spy Hill Fire Department under the common control of the council.

Village of Spy Hill

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

Schedule 1

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
Taxes			
General municipal tax levy	152,004	152,004	159,317
Abatements and adjustments		(782)	(1,250)
Discount on current year taxes	(5,800)	(5,975)	(5,877)
Net municipal taxes	<u>146,204</u>	<u>145,247</u>	<u>152,190</u>
Potash tax share	33,927	33,927	31,328
Penalties on tax arrears	<u>2,987</u>	<u>2,323</u>	<u>3,201</u>
Total Taxes	<u>183,118</u>	<u>181,497</u>	<u>186,719</u>
Unconditional Grants			
Equalization (revenue sharing)	39,716	39,716	40,059
Safe Restart			<u>10,022</u>
Total Unconditional Grants	<u>39,716</u>	<u>39,716</u>	<u>50,081</u>
Grants In Lieu of Taxes			
Provincial			
SaskTel	855	855	855
S.P.C. surcharge	11,500	12,337	11,391
Sask Energy Surcharge	<u>5,000</u>	<u>4,719</u>	<u>4,949</u>
Total Grants In Lieu of Taxes	<u>17,355</u>	<u>17,911</u>	<u>17,195</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 240,189</u>	<u>\$ 239,124</u>	<u>\$ 253,995</u>

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

Village of Spy Hill

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

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	1,500	3,210	2,965
Rentals	1,501	1,500	1,501
General office services	60	65	60
Expense recoveries	2,511	1,396	36,266
Total Fees and Charges	<u>5,572</u>	<u>6,171</u>	<u>40,792</u>
Land sales - gain (loss)	1,000	(6,279)	(5,999)
Investment income and commissions	2,500	2,329	3,829
Total Other Segmented Revenue	<u>9,072</u>	<u>2,221</u>	<u>38,622</u>
Total General Government Services	<u>\$ 9,072</u>	<u>\$ 2,221</u>	<u>\$ 38,622</u>
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees		9,010	5,062
Total Other Segmented Revenue	<u>0</u>	<u>9,010</u>	<u>5,062</u>
Total Protective Services	<u>\$ 0</u>	<u>\$ 9,010</u>	<u>\$ 5,062</u>
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Waste disposal fees	200	100	225
Expense recoveries			136,167
Total Fees and Charges	<u>200</u>	<u>100</u>	<u>136,392</u>
Total Other Segmented Revenue	<u>200</u>	<u>100</u>	<u>136,392</u>
Total Environmental and Public Health Services	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 136,392</u>

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

Village of Spy Hill

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

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Rentals		65	
Donations			550
Total Fees and Charges	0	65	550
Total Other Segmented Revenue	0	65	550
Conditional Grants			
Saskatchewan Lotteries	2,447		2,447
Total Conditional Grants	2,447	0	2,447
Total Recreation and Cultural Services	\$ 2,447	\$ 65	\$ 2,997
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Water	52,660	52,945	52,971
Sewer	24,500	23,913	24,456
Total Fees and Charges	77,160	76,858	77,427
Total Other Segmented Revenue	77,160	76,858	77,427
Total Operating	77,160	76,858	77,427
Capital			
Conditional Grants			
Canada Community Building Fund	9,900	35,339	
Total Capital	9,900	35,339	0
Total Utility Services	\$ 87,060	\$ 112,197	\$ 77,427
Total Operating and Capital Revenue by Function	\$ 98,779	\$ 123,593	\$ 260,500
Summary			
Total Other Segmented Revenue	86,432	88,254	258,053
Total Conditional Grants	2,447		2,447
Total Capital Grants and Contributions	9,900	35,339	
Total Operating and Capital Revenue by Function	\$ 98,779	\$ 123,593	\$ 260,500

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

Village of Spy Hill
Total Expenses by Function
For the year ended December 31, 2021

Schedule 3-1

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
General Government Services			
Council remuneration and travel	8,150	7,919	9,008
Wages and benefits	55,772	55,020	51,630
Contractual services - assessment	3,686	3,686	3,357
Contractual services - other	14,675	20,612	13,610
Utilities	3,400	3,263	3,227
Maintenance, materials and supplies	1,500	2,643	1,503
Grants and contributions - operating	1,300	1,238	3,747
Amortization	189		
Insurance	5,600	6,028	5,572
Interest - long-term loans	1,680	1,307	1,804
Allowance for uncollectibles		(3,386)	(11,839)
Total General Government Services	\$ 95,952	\$ 98,330	\$ 81,619
Protective Services			
Police protection			
Contractual services	8,200	8,309	8,092
Fire protection			
Contractual services	650	1,171	1,223
Utilities		2,523	2,803
Maintenance, materials and supplies		5,662	6,923
Grants and contributions	11,875		
Amortization		6,549	5,478
Total Protective Services	\$ 20,725	\$ 24,214	\$ 24,519
Transportation Services			
Wages and benefits	5,500	5,309	5,295
Contractual services - maintenance	10,000	72,576	12,966
Utilities	10,100	10,535	10,263
Gravel		1,075	2,301
Machinery costs/fuel/blades	1,500	1,841	1,216
Amortization	12,746	12,746	12,746
Other materials and supplies	5,000	6,856	5,736
Total Transportation Services	\$ 44,846	\$ 110,938	\$ 50,523

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

Village of Spy Hill
Total Expenses by Function
For the year ended December 31, 2021

Schedule 3-2

	2021 Budget [Note 1(s)]	2021 Actual	2020 Actual
Environmental and Public Health Services			
Contractual services - waste	26,790	30,240	24,990
Grants and contributions - housing	<u>5,160</u>	<u>1,785</u>	<u>2,832</u>
Total Environmental and Public Health Services	<u>\$ 31,950</u>	<u>\$ 32,025</u>	<u>\$ 27,822</u>
Recreation and Cultural Services			
Utilities	2,925	3,029	2,872
Maintenance, materials and supplies	900	900	200
Grants and contributions - operating	7,151	12,556	4,613
Amortization	605	605	605
Libraries	<u>350</u>	<u>335</u>	<u>322</u>
Total Recreation and Cultural Services	<u>\$ 11,931</u>	<u>\$ 17,425</u>	<u>\$ 8,612</u>
Utility Services			
Contractual services	43,600	33,534	58,222
Utilities	31,500	11,885	11,642
Maintenance, materials and supplies	10,300	7,934	9,301
Amortization	<u>2,810</u>	<u>6,729</u>	<u>6,349</u>
Total Utility Services	<u>\$ 88,210</u>	<u>\$ 60,082</u>	<u>\$ 85,514</u>
Total Expenses by Function	<u>\$ 293,614</u>	<u>\$ 343,014</u>	<u>\$ 278,609</u>

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

Village of Spy Hill

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	6,171	9,010		100		65	76,858	92,204
Land sales - gain (loss)	(6,279)							(6,279)
Investment income and commissions	2,329							2,329
Grants - capital							35,339	35,339
Total Revenues	<u>2,221</u>	<u>9,010</u>	<u>0</u>	<u>100</u>	<u>0</u>	<u>65</u>	<u>112,197</u>	<u>123,593</u>
Expenses - schedule 3								
Wages and benefits	55,020		5,309					60,329
Professional/contractual services	32,217	9,480	72,576	30,240			33,534	178,047
Utilities	3,263	2,523	10,535			3,029	11,885	31,235
Maintenance materials and supplies	2,643	5,662	1,075			900	7,934	18,214
Machinery costs/fuel/blades			1,841					1,841
Grants and contributions	1,238			1,785		12,556		15,579
Amortization		6,549	12,746			605	6,729	26,629
Insurance	6,028							6,028
Libraries						335		335
Interest	1,307							1,307
Allowance for uncollectibles	(3,386)							(3,386)
Other			6,856					6,856
Total Expenses	<u>98,330</u>	<u>24,214</u>	<u>110,938</u>	<u>32,025</u>	<u>0</u>	<u>17,425</u>	<u>60,082</u>	<u>343,014</u>
Surplus (Deficit) by Function	<u>\$(96,109)</u>	<u>\$(15,204)</u>	<u>\$(110,938)</u>	<u>\$(31,925)</u>	<u>\$ 0</u>	<u>\$(17,360)</u>	<u>\$ 52,115</u>	<u>(219,421)</u>
Taxation and other unconditional revenue - schedule 1								<u>239,124</u>
Net Surplus								<u>\$ 19,703</u>

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

Village of Spy Hill

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	40,792	5,062		136,392		550	77,427	260,223
Land sales - gain (loss)	(5,999)							(5,999)
Investment income and commissions	3,829							3,829
Grants - conditional						2,447		2,447
Total Revenues	<u>38,622</u>	<u>5,062</u>	<u>0</u>	<u>136,392</u>	<u>0</u>	<u>2,997</u>	<u>77,427</u>	<u>260,500</u>
Expenses - schedule 3								
Wages and benefits	51,630		5,295					56,925
Professional/contractual services	25,975	9,315	12,966	24,990			58,222	131,468
Utilities	3,227	2,803	10,263			2,872	11,642	30,807
Maintenance materials and supplies	1,503	6,923	2,301			200	9,301	20,228
Machinery costs/fuel/blades			1,216					1,216
Grants and contributions	3,747			2,832		4,613		11,192
Amortization		5,478	12,746			605	6,349	25,178
Insurance	5,572							5,572
Libraries						322		322
Interest	1,804							1,804
Allowance for uncollectibles	(11,839)							(11,839)
Other			5,736					5,736
Total Expenses	<u>81,619</u>	<u>24,519</u>	<u>50,523</u>	<u>27,822</u>	<u>0</u>	<u>8,612</u>	<u>85,514</u>	<u>278,609</u>
Surplus (Deficit) by Function	<u>\$(42,997)</u>	<u>\$(19,457)</u>	<u>\$(50,523)</u>	<u>\$ 108,570</u>	<u>\$ 0</u>	<u>\$(5,615)</u>	<u>\$(8,087)</u>	<u>(18,109)</u>
Taxation and other unconditional revenue - schedule 1								<u>253,995</u>
Net Surplus								<u>\$ 235,886</u>

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

Village of Spy Hill
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	24,949	43,912	500,879	10,000	254,135	1,978,675	0	2,812,550	2,790,793
Additions during the year					54,622			54,622	21,757
Closing Asset Costs	<u>24,949</u>	<u>43,912</u>	<u>500,879</u>	<u>10,000</u>	<u>308,757</u>	<u>1,978,675</u>	<u>0</u>	<u>2,867,172</u>	<u>2,812,550</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	9,740	355,401	10,000	146,256	1,573,800	0	2,095,197	2,070,019
Add: Amortization taken		<u>1,220</u>	<u>3,917</u>		<u>8,807</u>	<u>12,685</u>		<u>26,629</u>	<u>25,178</u>
Closing Accumulated Amortization Costs	<u>0</u>	<u>10,960</u>	<u>359,318</u>	<u>10,000</u>	<u>155,063</u>	<u>1,586,485</u>	<u>0</u>	<u>2,121,826</u>	<u>2,095,197</u>
Net Book Value	<u>\$ 24,949</u>	<u>\$ 32,952</u>	<u>\$ 141,561</u>	<u>\$ 0</u>	<u>\$ 153,694</u>	<u>\$ 392,190</u>	<u>\$ 0</u>	<u>\$ 745,346</u>	<u>\$ 717,353</u>

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

Village of Spy Hill
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
Asset Cost								
Opening Asset Cost	62,240	418,839	1,852,085	0	0	161,851	317,535	2,812,550
Additions during the year		17,755					36,867	54,622
Closing Asset Costs	<u>62,240</u>	<u>436,594</u>	<u>1,852,085</u>	<u>0</u>	<u>0</u>	<u>161,851</u>	<u>354,402</u>	<u>2,867,172</u>
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	52,131	222,010	1,439,011	0	0	134,875	247,170	2,095,197
Add: Amortization taken		6,549	12,746			605	6,729	26,629
Closing Accumulated Amortization Costs	<u>52,131</u>	<u>228,559</u>	<u>1,451,757</u>	<u>0</u>	<u>0</u>	<u>135,480</u>	<u>253,899</u>	<u>2,121,826</u>
Net Book Value	<u>\$ 10,109</u>	<u>\$ 208,035</u>	<u>\$ 400,328</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 26,371</u>	<u>\$ 100,503</u>	<u>\$ 745,346</u>

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

Village of Spy Hill
Consolidated Schedule of Accumulated Surplus
For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
Unappropriated Surplus	<u>262,736</u>	<u>(25,112)</u>	<u>237,624</u>
Appropriated Surplus			
Other			
Paving reserve	72,100		72,100
Municipal reserve	100		100
Spy Hill Fire Department reserve	2,500		2,500
Landfill reserve	<u>118,410</u>		<u>118,410</u>
	<u>193,110</u>	<u>0</u>	<u>193,110</u>
Total Appropriated	<u>193,110</u>	<u>0</u>	<u>193,110</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets - schedule 6	717,353	27,993	745,346
Less: Related debt	<u>51,994</u>	<u>(16,822)</u>	<u>35,172</u>
Net Investment in Tangible Capital Assets	<u>665,359</u>	<u>44,815</u>	<u>710,174</u>
Total Accumulated Surplus	<u>\$ 1,121,205</u>	<u>\$ 19,703</u>	<u>\$ 1,140,908</u>

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

Village of Spy Hill
Schedule of Mill Rates and Assessments
For the year ended December 31, 2021

Schedule 9

	Property Class					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	62,645	7,946,240			1,626,390	9,635,275
Regional Park Assessment						
Total Assessment						9,635,275
Mill Rate Factor(s)	1.0000	1.0000			0.7500	
Total Base/Minimum Tax (generated for each property class)		79,850			11,250	91,100
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	689	132,445			18,870	152,004
Mill Rates:	Mills					
Average Municipal*	15.7758					
Average School*	4.8200					
Potash Mill Rate						
Uniform Municipal Mill Rate	11.0000					

*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 Spy Hill
Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Allan Perrin	3,308		3,308
Ralph Jack	1,400		1,400
Rosanne Atkinson	2,200		2,200
Bill Perrin	1,400		1,400
	<u> </u>	<u> </u>	<u> </u>
	<u>\$ 8,308</u>	<u>\$ 0</u>	<u>\$ 8,308</u>