

VILLAGE OF SHELL LAKE
Consolidated Financial Statements
Year Ended December 31, 2021

VILLAGE OF SHELL LAKE
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Year Ended December 31, 2021

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Management's Responsibility

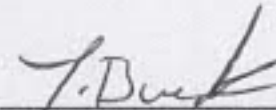
The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods,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

Grant Thornton 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.


Anita Weiers, Mayor


Tara Bueckert, Administrator

Shell Lake, SK

Date: Feb. 13, 2023

INDEPENDENT AUDITOR'S REPORT

To the Council of the Village of Shell Lake

Qualified Opinion

We have audited the consolidated financial statements of the Village of Shell Lake (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows 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 financial position of the Municipality as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Municipality has not assessed the scope of the government reporting entity by determining if it controls a number of small entities and organizations, which constitutes a departure from Canadian public sector accounting standards. If the Municipality had completed this assessment and determined that in fact, the Municipality controls these small entities and organizations in accordance to the definition in Canadian public sector accounting standards, these entities would be consolidated in the Municipality's financial statements. The impact from this departure from Canadian public sector accounting standards has not been determined and therefore, we were unable to determine if any adjustments might be necessary to the surplus of revenue over expenditures for the year ending December 31, 2021 and net assets, accumulated surplus and cash flows for the year then ended.

As outlined in Note 10 to the consolidated financial statements, a liability for contaminated sites of \$20,000 is recorded in the statement of financial position as at December 31 2021. Management was unable to provide the relevant financial information in order to enable us to assess the recorded liability. Consequently, we were unable to perform the procedures we considered necessary. Therefore, we were unable to determine whether any adjustments might be necessary to surplus of revenue over expenses for the year ending December 31 2021 and net financial assets, accumulated surplus and cash flows for the year then ended.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Other Matters - Supplemental Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1, 2, 3, 7, 9 and 10 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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 relating 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.

Those charged with governance are responsible for overseeing the Municipality's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 auditor's 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 auditor's 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.

Saskatoon, Canada
February 13, 2023



Chartered Professional Accountants

VILLAGE OF SHELL LAKE
Consolidated Statement of Financial Position
As at December 31, 2021
Statement 1

	2021	2020
FINANCIAL ASSETS		
Cash and Temporary Investments	\$ 375,166	\$ 304,285
Taxes Receivable - Municipal (Note 2)	19,996	33,281
Other Accounts Receivable (Note 3)	23,709	8,760
Land for Resale (Note 4)	-	-
Investments (Note 5)	258,127	254,656
Debt Charges Recoverable (Note 6)	-	-
Other	-	-
Total financial assets	676,998	600,982
LIABILITIES		
Bank indebtedness (Note 7)	-	-
Accounts Payable	18,225	17,770
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred income (Note 8)	10,000	40,640
Accrued Landfill Costs (Note 9)	-	-
Liability for Contaminated Sites (Note 10)	20,000	20,000
Other Liabilities	-	-
Long-Term Debt (Note 11)	-	-
Lease Obligations (Note 12)	-	-
Total liabilities	48,225	78,410
NET FINANCIAL ASSETS	628,773	522,572
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	732,736	662,528
Prepayments and Deferred Charges	17,817	10,590
Stock and Supplies	-	-
Other (Note 13)	-	-
Total Non-Financial Assets	750,553	673,118
ACCUMULATED SURPLUS (Schedule 8)	\$ 1,379,326	\$ 1,195,690

See notes to financial statements

VILLAGE OF SHELL LAKE**Consolidated Statement of Operations and Accumulated Surplus****As at December 31, 2021****Statement 2**

	Budget	2021	2020
REVENUES OTHER THAN PROVINCIAL/FEDERAL CAPITAL GRANTS AND CONTRIBUTIONS			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 247,042	\$ 240,015	\$ 247,396
Fees and Charges (Schedule 4, 5)	57,780	149,326	116,532
Conditional Grants (Schedule 4, 5)	-	2,659	66
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	1,500	(3,402)
Land Sales - Gain (Loss) (Schedule 4, 5)	-	(6,932)	(3,932)
Gain/loss on disposal of curling rink	-	86,692	-
Investment Income and Commissions (Schedule 4, 5)	-	6,446	5,124
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	-	4,677	-
Total Revenues other than Provincial/Federal Capital Grants and Contributions	304,822	484,383	361,784
EXPENSES			
General Government Services (Schedule 3)	104,706	104,223	76,673
Protective Services (Schedule 3)	15,950	21,630	15,359
Transportation Services (Schedule 3)	219,850	121,426	119,111
Environmental and Public Health Services (Schedule 3)	10,900	8,434	8,133
Planning and Development Services (Schedule 3)	2,800	3,850	-
Recreation and Cultural Services (Schedule 3)	10,580	36,996	14,247
Utility Services (Schedule 3)	56,300	47,299	34,095
Restructurings (Schedule 3)	-	-	-
Total Expenses	421,086	343,858	267,618
Surplus (Deficit) of Revenues over Expenses before Provincial/Federal Capital Grants and Contributions	(116,264)	140,525	94,166
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	-	43,111	19,587
Surplus (Deficit) of Revenues over Expenses	(116,264)	183,636	113,753
Accumulated Surplus (Deficit), Beginning of Year	1,195,690	1,195,690	1,081,937
ACCUMULATED SURPLUS - END OF YEAR	\$ 1,079,426	\$ 1,379,326	\$ 1,195,690

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

	Budget	2021	2020
Surplus (Deficit)	\$ 116,264	\$ 183,636	\$ 113,753
Disposal (Acquisition) of tangible capital assets	-	(130,245)	(53,991)
Amortization of tangible capital assets	-	24,140	19,278
Proceeds on disposal of tangible capital assets	-	117,157	15,500
Loss (gain) on the disposal of tangible capital assets	-	(81,260)	7,334
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	(70,208)	(11,879)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(7,227)	(10,590)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	-	-
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(7,227)	(10,590)
Increase/Decrease in Net Financial Assets	116,264	106,201	91,284
Net Financial Assets (Debt) - Beginning of Year	522,572	522,572	431,288
Net Financial Assets (Debt) - End of Year	\$ 638,836	\$ 628,773	\$ 522,572

VILLAGE OF SHELL LAKE
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2021
Statement 4

Cash provided by (used for) the following activities

	2021	2020
Operating:		
Surplus (Deficit)	\$ 183,636	\$ 113,753
Amortization	24,140	19,278
Loss (gain) on disposal of tangible capital assets	(81,260)	7,334
	<u>126,516</u>	<u>140,365</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	13,284	18,708
Other Receivables	(14,949)	(1,237)
Accounts Payable	456	9,411
Deferred income	(30,640)	21,053
Prepayments and Deferred Charges	(7,227)	(10,590)
	<u>(39,076)</u>	<u>37,345</u>
Cash provided by operating transactions	<u>87,440</u>	<u>177,710</u>
Capital:		
Acquisition of capital assets	(130,245)	(53,991)
Proceeds from the disposal of capital assets	117,157	15,500
	<u>(13,088)</u>	<u>(38,491)</u>
Cash applied to capital transactions	<u>(13,088)</u>	<u>(38,491)</u>
Investing:		
Investments	(3,471)	(54,300)
Other	-	(1)
	<u>(3,471)</u>	<u>(54,301)</u>
Cash provided by (applied to) investing transactions	<u>(3,471)</u>	<u>(54,301)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
	<u>-</u>	<u>-</u>
Cash provided by (applied to) financing transactions	<u>-</u>	<u>-</u>
Change in Cash and Temporary Investments during the year	<u>70,881</u>	<u>84,918</u>
Cash and Temporary Investments - Beginning of Year	<u>304,285</u>	<u>219,367</u>
Cash and Temporary Investments - End of Year	<u>375,166</u>	<u>304,285</u>
CASH CONSISTS OF:		
Cash and Temporary Investments	<u>\$ 375,166</u>	<u>\$ 304,285</u>

See notes to financial statements

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

1. Significant accounting policies

The 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:

Basis of accounting: The 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.

(a) **Reporting Entity:**

The 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:

Shell Lake Museum

(b) **Collection of funds for other authorities:**

Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **Government Transfers:**

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

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

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

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) **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. Resources restricted by agreement with an external party are recognized as revenue in the municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

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

(f) **Net Financial Assets:**

Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(g) **Non-financial assets:**

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

1. **Significant accounting policies** *(continued)*

(h) **Appropriated Reserves:**

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

(i) **Property Tax Revenue:**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms of 91 days to one year have been classified as other short-term investments and investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

(k) **Inventories:**

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

1. Significant accounting policies (continued)

(l) **Tangible Capital Assets:**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The 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 on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Years
Buildings	10 to 50 Years
Vehicles & Equipment	
Vehicles	5 to 10 Years
Machinery and Equipment	5 to 10 Years
Infrastructure Assets	
Infrastructure Assets	30 to 75 Years
Water & Sewer	30 to 75 Years
Road Network Assets	30 to 75 Years

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

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

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

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

(m) **Landfill liability:**

The municipality does not maintain a waste disposal site.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality.

(o) **Employee benefit plans:**

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

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

1. Significant accounting policies *(continued)*

(p) **Liability for Contaminated Sites:**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

Any revisions to an amount previously recognized are accounted for in the period in which the revisions are made.

(q) **Measurement Uncertainty:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

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

(r) **Basis of segmentation/Segment report:**

The municipality 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 April 19, 2021.

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

1. **Significant accounting policies** *(continued)*

(t) **New Accounting Standards and Amendments to Standards:**

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

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

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

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

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

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

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

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

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

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

2. Taxes Receivable - Municipal

	<u>2021</u>	<u>2020</u>
<u>Municipal</u>		
- Current	\$ 11,091	\$ 7,887
- Arrears	<u>10,733</u>	<u>27,222</u>
	<u>21,824</u>	35,109
Less - allowance for uncollectibles	<u>(1,828)</u>	<u>(1,828)</u>
Total municipal taxes receivable	<u>19,996</u>	33,281
<u>School</u>		
- Current	4,292	2,213
- Arrears	<u>1,020</u>	<u>4,347</u>
Total school taxes receivable	<u>5,312</u>	6,560
Other	-	-
Total taxes and grants in lieu receivable	<u>25,308</u>	39,841
Deduct taxes receivable to be collected on behalf of other organizations	<u>(5,312)</u>	<u>(6,560)</u>
Total Taxes Receivable - Municipal	<u>\$ 19,996</u>	<u>\$ 33,281</u>

3. Other Accounts Receivable

	<u>2021</u>	<u>2020</u>
Federal Government	\$ 23,606	\$ 5,062
Provincial Government	-	-
Local Government	-	-
Utility	367	95
Trade	-	3,867
Other	-	-
Total Other Accounts Receivable	<u>23,973</u>	9,024
Less: allowance for uncollectibles	<u>(264)</u>	<u>(264)</u>
Net Other Accounts Receivable	<u>\$ 23,709</u>	<u>\$ 8,760</u>

4. Land for Resale

	<u>2021</u>	<u>2020</u>
Other Land	\$ -	\$ -
Allowance for market value adjustment	-	-
Net Other Land	-	-
Total Land for Resale	<u>\$ -</u>	<u>\$ -</u>

This note does not pertain to this municipality.

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

5. Investments

	2021	2020
Short-term Investments		
ST investments are Innovation Credit Union one year Term deposits:		
Non-redeemable @ 0.45% - May 2022	\$ 103,548	\$ 102,854
Non-redeemable @ 0.45% - June 2022	50,623	50,272
Non-redeemable @ 2.5% - June 2022	55,886	-
	-	-
	-	-
	-	-
Subtotal	210,057	153,126
Long-term Investments		
TMS @ 2.50% - June 2022	-	54,541
TMS @ 3.15% - February 2024	9,800	9,501
TMS @ 2.40% - February 2025	9,597	9,372
TMS @ 1.00% - February 2026	9,479	-
TML @ 2.40% - February 2021	-	9,372
TML @ 2.40% - February 2022	9,597	9,372
TML @ 2.40% - February 2023	9,597	9,372
Total Investments	\$ 258,127	\$ 254,656

Long-term investments are term deposit accounts, either strategy (TMS) or laddering (TML) with terms at investment of 36 to 60 months.

6. Debt Charges Recoverable

This note does not pertain to this municipality.

7. Bank Indebtedness

Credit Arrangements

At December 31, 2021, the Municipality had lines of credit totaling \$38,000, none of which were drawn. The lines of credit had an interest rate of 1.95%.

8. Deferred Revenue

	2021	2020
<u>Municipal Economic Enhancement Program (MEEP)</u>		
Balance - Beginning of Year	\$ 25,152	\$ -
Additions during the year	-	25,152
Reductions during the year	(25,152)	-
Balance - End of Year	-	25,152
 <u>Federal Gas Tax Funding</u>		
Balance - Beginning of Year	15,488	19,587
Additions during the year	-	15,488
Reductions during the year	(15,488)	(19,587)
Balance - End of Year	-	15,488
 <u>Donations</u>		
Balance - Beginning of Year	-	-
Additions during the year	10,000	-
Reductions during the year	-	-
Balance - End of Year	10,000	-

(continues)

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

8. Deferred Revenue (continued)

	<u>2021</u>	<u>2020</u>
<u>Donations</u>		
Grand total	<u>\$ 10,000</u>	<u>\$ 40,640</u>

9. Accrued Landfill Costs

The Municipality has decommissioned its landfill by putting a clean burn site in place. There are no additional closure or post closure costs anticipated.

10. Liability for Contaminated Sites

The Municipality maintains a clean burn site and has accrued a liability for possible contamination in the amount of \$20,000 (2020 - \$20,000), which represents management's best estimate. The municipality has not performed an assessment of how the obligation arises or is required to be recorded under Canadian public sector accounting standards.

11. Long-term Debt

The debt limit of the municipality is \$460,034. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (The Municipalities Act Section 161(1)).

12. Lease Obligations

This note does not pertain to this municipality.

13. Other Non-financial Assets

This note does not pertain to this municipality.

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

14. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2021 was \$13,572. The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these consolidated financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	<u>2021</u>	<u>2020</u>
<u>Details of MEPP</u>		
Number of active members	2	2
Member contribution rates (percentage of salary):		
Employee contribution - general members	9%	9.00%
Employer contribution - general members	9%	9.00%
Employee contribution - designated members (police officers and firefighters)	12.5%	12.50%
Employer contribution - designated members (police officers and fire fighters)	12.5%	12.50%
Member contributions for the year	6,786	6,368
Employer contributions for the year	6,786	6,368
Financial position of the plan:		
Plan assets	2,925,938,000	3,221,426,000
Plan liabilities	2,377,078,000	2,382,526,000
Accounting pension surplus	<u>\$ 548,860,000</u>	<u>\$ 838,900,000</u>

2021 year's maximum pensionable amount (YMPE) \$61,600.

15. Contingent Liabilities

This note does not pertain to this municipality.

16. Comparative Figures

Certain of the prior year comparative figures may have been restated to conform to the current year's presentation.

17. Trusts Administered by the Municipality

This note does not pertain to this municipality.

18. Related Parties

The financial statements include transactions with related parties. The municipality is related to the Shell Lake Museum under the common control of the Council.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

19. Contingent Assets

This note does not pertain to this municipality.

20. Restructuring Transactions

This note does not pertain to this municipality.

VILLAGE OF SHELL LAKE

Notes to Consolidated Financial Statements

As at December 31, 2021

21. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	<u>2021</u>
Budget surplus per Statement of Operations	<u>(116,264)</u>
Add: Amortization not budgeted	<u>24,141</u>
Per approved municipal budget	<u>\$ (92,123)</u>

22. Impacts of COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Municipality took steps to ensure that mandated health protocols were followed to protect both the public and its staff during the ongoing pandemic. In 2021, due to the relief of government regulations, revenues from recreational and cultural activities remained stable and increased slightly. Operations would not be adversely affected by COVID-19 in the future with the alleviation of COVID-19.

VILLAGE OF SHELL LAKE

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2021

Schedule 1

	Budget 2021	2021	2020
TAXES			
General municipal tax levy	\$ 190,112	\$ 186,000	\$ 178,247
Abatements and adjustments	-	(1,997)	(1,029)
Discount on current year taxes	(5,800)	(6,225)	(5,408)
Net Municipal Taxes	184,312	177,778	171,810
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	8,700	5,609	7,809
Special tax levy	-	-	-
Total Taxes	193,012	183,387	179,619
UNCONDITIONAL GRANTS			
Revenue Sharing	39,253	41,286	41,644
Organized Hamlet	-	-	-
Other - Safe Restart Grant	-	-	10,439
Total Unconditional Grants	39,253	41,286	52,083
GRANTS IN LIEU OF TAXES			
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	677	1,198	677
CPR Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other - Safe Restart	-	-	-
Other Government Transfers			
S.P.C. Surcharge	14,100	14,144	15,017
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	14,777	15,342	15,694
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 247,042	\$ 240,015	\$ 247,396

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 1

	Budget 2021	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ -	\$ 2,221	\$ 336
- Custom work	2,000	200	-
- Sales of supplies	-	-	74
- Tax Enforcement	-	75	-
- Other	500	540	3,035
Total Fees and Charges	2,500	3,036	3,445
- Tangible capital asset sales - gain (loss)	-	1,500	(3,402)
- Land sales - gain (loss)	-	(6,932)	(3,932)
- Gain/Loss on disposal of curling rink	-	86,692	-
- Investment income and commissions	-	6,446	5,124
- Other	-	4,677	-
Total Other Segmented Revenue	2,500	95,419	1,235
Conditional Grants			
- Student Employment	-	2,659	-
- Other	-	-	-
Total Conditional Grants	-	2,659	-
Total Operating	2,500	98,078	1,235
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total General Government Services	2,500	98,078	1,235
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	-	7,792	6,490
Total Fees and Charges	-	7,792	6,490
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	7,792	6,490
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	7,792	6,490
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	\$ -	\$ 7,792	\$ 6,490

See notes to financial statements

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 2

	Budget 2021	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	-	-	200
- Sales of supplies	-	-	-
- Road Maintenance and Restoration	-	-	-
Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	200
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	200
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	200
Capital			
Conditional Grants			
- Federal Gas Tax	-	36,811	19,587
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	6,300	-
Total Capital	-	43,111	19,587
Total Transportation Services	-	43,111	19,787
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	650
- Waste and Disposal Fees	14,780	15,523	32,115
- Other	-	-	-
Total Fees and Charges	14,780	15,523	32,765
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	14,780	15,523	32,765
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	14,780	15,523	32,765
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	\$ 14,780	\$ 15,523	\$ 32,765

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021
Schedule 2 - 3

	Budget 2021	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	-	-	-
- Other (Licenses)	-	775	3,077
Total Fees and Charges	-	775	3,077
- Tangible capital asset sales - gain (loss)	-	-	-
- Loss on sale of grocery store	-	-	-
Total Other Segmented Revenue	-	775	3,077
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	775	3,077
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	-	775	3,077
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	-	66,920	37,398
- Other	-	-	-
Total Fees and Charges	-	66,920	37,398
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Parks & Rec	-	-	-
Total Other Segmented Revenue	-	66,920	37,398
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other	-	-	66
Total Conditional Grants	-	-	66
Total Operating	-	66,920	37,464
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - MEEP	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	\$ -	\$ 66,920	\$ 37,464

VILLAGE OF SHELL LAKE

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 4

	Budget 2021	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	-	-	-
- Sewer	40,500	55,280	33,157
- Other	-	-	-
Total Fees and Charges	40,500	55,280	33,157
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	40,500	55,280	33,157
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	40,500	55,280	33,157
Capital			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Utility Services	40,500	55,280	33,157
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 57,780	\$ 287,479	\$ 133,975

SUMMARY

Total Other Segmented Revenue	\$ 57,780	\$ 241,709	\$ 114,322
Total Conditional Grants	-	2,659	66
Total Capital Grants and Contributions	-	43,111	19,587
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 57,780	\$ 287,479	\$ 133,975

VILLAGE OF SHELL LAKE

Total Expenses by Function

As at December 31, 2021
Schedule 3 - 1

	Budget 2021	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 5,000	\$ 4,248	\$ 4,125
Wages and benefits	49,500	48,235	35,910
Professional/Contractual services	31,701	28,749	22,990
Utilities	7,200	5,839	6,187
Maintenance, materials and supplies	11,250	17,097	7,406
Grants and contributions			
- operating	-	55	55
- capital	55	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
General Government Services	104,706	104,223	76,673
	-	-	-
Total General Government Services	104,706	104,223	76,673
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	9,000	8,655	8,429
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	6,250	7,915	6,598
Utilities	-	-	-
Maintenance, Materials and Supplies	700	5,060	332
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	15,950	21,630	15,359
	-	-	-
Total Protective Services	15,950	21,630	15,359
TRANSPORTATION SERVICES			
Wages and Benefits	62,400	56,998	62,495
Professional/Contractual Services	3,000	10,877	5,889
Utilities	18,500	16,918	15,367
Maintenance, Materials and Supplies	127,950	26,231	30,955
Gravel	8,000	5,491	-
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	-	4,911	4,405
Interest	-	-	-
Other	-	-	-
Transportation Services	219,850	121,426	119,111
	-	-	-
Total Transportation Services	\$ 219,850	\$ 121,426	\$ 119,111

VILLAGE OF SHELL LAKE

Total Expenses by Function

As at December 31, 2021
Schedule 3 - 2

	Budget 2021	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	10,300	8,434	7,717
Utilities	-	-	-
Maintenance, Materials and Supplies	600	-	416
Grants and contributions			
- Operating	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
- capital	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	10,900	8,434	8,133
Total Environmental and Public Health Services	10,900	8,434	8,133
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	2,800	1,000	-
Professional/Contractual Services	-	2,850	-
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	2,800	3,850	-
Total Planning and Development Services	2,800	3,850	-
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	-	-	409
Professional/Contractual Services	-	-	3,047
Utilities	3,000	8,517	5,925
Maintenance, Materials, and Supplies	3,580	19,990	560
Grants and contributions			
- operating	-	-	-
- capital	4,000	3,065	-
Amortization	-	5,424	4,306
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Recreation and Cultural Services	10,580	36,996	14,247
Total Recreation and Cultural Services	\$ 10,580	\$ 36,996	\$ 14,247

VILLAGE OF SHELL LAKE

Total Expenses by Function

As at December 31, 2021

Schedule 3 - 3

	Budget 2021	2021	2020
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	4,700	3,010	4,549
Utilities	11,100	8,545	10,234
Maintenance, Materials and Supplies	40,500	21,939	8,745
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	-	13,805	10,567
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	11,100	47,299	34,095
	-	-	-
Total Utility Services	56,300	47,299	34,095
TOTAL EXPENSES BY FUNCTION	\$ 421,086	\$ 343,858	\$ 267,618

VILLAGE OF SHELL LAKE

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 3,036	\$ 7,792	\$ -	\$ 15,523	\$ 775	\$ 66,920	\$ 55,280	\$ 149,326
Tangible Capital Asset Sales - Gain (Loss)	1,500	-	-	-	-	-	-	1,500
Land Sales - Gain (Loss)	(6,932)	-	-	-	-	-	-	(6,932)
Investment Income and Commissions	6,446	-	-	-	-	-	-	6,446
Other Revenues	4,677	-	-	-	-	-	-	4,677
Gain/loss on disposal of curling rink	86,692	-	-	-	-	-	-	86,692
Grants - Conditional	2,659	-	-	-	-	-	-	2,659
- Capital	-	-	43,111	-	-	-	-	43,111
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	98,078	7,792	43,111	15,523	775	66,920	55,280	287,479
Expenses (Schedule 3)								
Wages and Benefits	52,483	-	56,998	-	1,000	-	-	110,481
Professional/Contractual Services	28,749	16,570	10,877	8,434	2,850	-	3,010	70,490
Utilities	5,839	-	16,918	-	-	8,517	8,545	39,819
Maintenance Material and Supplies	17,097	5,060	31,722	-	-	19,990	21,939	95,808
Grants and Contributions	55	-	-	-	-	3,065	-	3,120
Amortization	-	-	4,911	-	-	5,424	13,805	24,140
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	104,223	21,630	121,426	8,434	3,850	36,996	47,299	343,858
Surplus (Deficit) by Function	(6,145)	(13,838)	(78,315)	7,089	(3,075)	29,924	7,981	(56,379)
Taxes and other unconditional revenue (Schedule 1)								<u>240,015</u>
Net Surplus (Deficit)								<u>\$ 183,636</u>

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 3,445	\$ 6,490	\$ 200	\$ 32,765	\$ 3,077	\$ 37,398	\$ 33,157	\$ 116,532
Tangible Capital Asset Sales - Gain (Loss)	(3,402)	-	-	-	-	-	-	(3,402)
Land Sales - Gain (Loss)	(3,932)	-	-	-	-	-	-	(3,932)
Investment Income and Commissions	5,124	-	-	-	-	-	-	5,124
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	66	-	66
- Capital	-	-	19,587	-	-	-	-	19,587
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	1,235	6,490	19,787	32,765	3,077	37,464	33,157	133,975
Expenses (Schedule 3)								
Wages and Benefits	40,035	-	62,495	-	-	409	-	102,939
Professional/ Contractual Services	22,990	15,027	5,889	7,717	-	3,047	4,549	59,219
Utilities	6,187	-	15,367	-	-	5,925	10,234	37,713
Maintenance Material and Supplies	7,406	332	30,955	416	-	560	8,745	48,414
Grants and Contributions	55	-	-	-	-	-	-	55
Amortization	-	-	4,405	-	-	4,306	10,567	19,278
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	76,673	15,359	119,111	8,133	-	14,247	34,095	267,618
Surplus (Deficit) by Function	(75,438)	(8,869)	(99,324)	24,632	3,077	23,217	(938)	(133,643)
Taxes and other unconditional revenue (Schedule 1)								<u>247,396</u>
Net Surplus (Deficit)								<u>\$ 113,753</u>

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Tangible Capital Assets by Object

As at December 31, 2021

Schedule 6

	2021								2020
	General Assets					Infrastructure Assets	General/Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset cost									
Opening Asset costs	\$ 96,803	\$ 54,620	\$ 271,584	\$ 6,100	\$ 125,571	\$ 1,193,777	\$ -	\$ 1,748,455	\$ 1,717,577
Additions during the year	-	-	-	8,325	2,828	119,092	-	130,245	53,991
Disposals and write-downs during the year	(18,932)	-	-	-	(300)	(71,420)	-	(90,652)	(23,113)
Impairment during the year	-	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	77,871	54,620	271,584	14,425	128,099	1,241,449	-	1,788,048	1,748,455
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	27,310	191,229	2,800	58,327	806,261	-	1,085,927	1,066,928
Add: Amortization taken	-	2,730	1,026	1,668	4,911	13,805	-	24,140	19,278
Less: Accumulated amortization on disposals	-	-	-	-	-	(54,755)	-	(54,755)	(279)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	30,040	192,255	4,468	63,238	765,311	-	1,055,312	1,085,927
Net Book Value	\$ 77,871	\$ 24,580	\$ 79,329	\$ 9,957	\$ 64,861	\$ 476,138	\$ -	\$ 732,736	\$ 662,528

1. Total contributed donated assets received in 2021: \$ -
2. List of assets recognized at nominal value in 2021 are:
 - a) Infrastructure Assets \$ -
 - b) Vehicles \$ -

(continues)

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Tangible Capital Assets by Object (continued)

As at December 31, 2021

	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>	<i>Vehicles</i>	<i>Machinery & Equipment</i>	<i>Infrastructure Assets Linear Assets</i>	<i>General/ Infrastructure Assets Under Construction</i>	<i>Total</i>	<i>2020 Total</i>
	Land	s	Buildings	Vehicles	Equipment	Assets	Construction	Total	Total
c) Machinery and Equipment			\$ -						
3. Amount of interest capitalized in 2021:			\$ -						

VILLAGE OF SHELL LAKE

Consolidated Schedule of Tangible Capital Assets by Function

As at December 31, 2021

Schedule 7

	2021								2020
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening Asset costs	\$ 136,615	\$ 600	\$ 714,952	\$ 188	\$ -	\$ 146,620	\$ 749,480	\$ 1,748,455	\$ 1,717,577
Additions during the year	-	-	130,245	-	-	-	-	130,245	53,991
Disposals and write-downs during the year	-	-	(90,652)	-	-	-	-	(90,652)	(23,113)
Impairment during the year	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	136,615	600	754,545	188	-	146,620	749,480	1,788,048	1,748,455
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	90,000	600	456,597	-	-	122,815	415,915	1,085,927	1,066,928
Add: Amortization taken	-	-	4,910	-	-	5,425	13,805	24,140	19,278
Less: Accumulated amortization on disposals	-	-	(54,755)	-	-	-	-	(54,755)	(279)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	90,000	600	406,752	-	-	128,240	429,720	1,055,312	1,085,927
Net Book Value	\$ 46,615	\$ -	\$ 347,793	\$ 188	\$ -	\$ 18,380	\$ 319,760	\$ 732,736	\$ 662,528

See notes to financial statements

VILLAGE OF SHELL LAKE

Consolidated Schedule of Accumulated Surplus

As at December 31, 2021
Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 512,501	\$ 113,429	\$ 625,930
APPROPRIATED RESERVES			
Machinery and Equipment	8,000	-	8,000
Public Reserve	-	-	-
Capital Trust	-	-	-
Utility	-	-	-
Other (reserves, cemetery)	12,661	-	12,661
Total Appropriated	20,661	-	20,661
ORGANIZED HAMLETS			
Organized Hamlet of	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	662,528	70,208	732,736
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	662,528	70,208	732,736
Total Accumulated Surplus	\$ 1,195,690	\$ 183,637	\$ 1,379,327

VILLAGE OF SHELL LAKE
Schedule of Mill Rates and Assessments
As at December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ -	\$ 15,344,400	\$ -	\$ -	\$ 1,736,890	\$ -	\$ 17,081,290
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	-	15,344,400	-	-	1,736,890	-	17,081,290
Mill Rate Factor(s)	-	0.9000	-	-	1.4500	-	-
Total Base/Minimum Tax (generated for each property class)	-	109,500	-	-	19,350	-	128,850
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ -	\$ 157,835	\$ -	\$ -	\$ 28,165	\$ -	\$ 186,000

MILL RATES:

Average Municipal *
Average School *
Potash Mill Rate
Uniform Municipal Mill Rate

MILLS
10.8891
4.6929
-
3.5000

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

VILLAGE OF SHELL LAKE

Schedule of Council Remuneration

As at December 31, 2021

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Mayor	Anita Weiers	\$ 950	\$ -	\$ 950
Councillor	Al Sulymka	950	-	950
Councillor	Greg Ardagh	950	-	950
Councillor	Joe Delisle	950	-	950
Councillor	Dillan Simonar	450	-	450
Total		<u>\$ 4,250</u>	<u>\$ -</u>	<u>\$ 4,250</u>