

VILLAGE OF FENWOOD

FINANCIAL STATEMENTS

For the year ended December 31, 2021

VILLAGE OF FENWOOD
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STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Village of Fenwood:

The Village'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 fairness of the financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

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

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

Mayor

Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:
Village of Fenwood
Fenwood, Saskatchewan

Qualified Opinion

We have audited the accompanying financial statements of the Village of Fenwood, which comprise the statement of financial position as at December 31, 2021 and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Village of Fenwood as at December 31, 2021 and the result 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 Province of Saskatchewan has stringent environmental approval processes for landfill sites that are set out by legislation and regulation. Prior to receiving environmental approval and accepting any waste, a landfill operator is obligated to include responsibility for closure and post-closure care of the approved sites, which requires the Village to set up a liability and accrue for the future expense to restore the land after closure. The Village of Fenwood has not recorded a landfill liability; therefore, we have qualified our audit opinion as a result of the unrecorded liability which is a departure from Canadian public sector accounting standards.

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 financial statements section of our report. We are independent of the Village of Fenwood in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we 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 qualified opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Village of Fenwood's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian auditing standards, we exercise our professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 Village of Fenwood'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 Village of Fenwood's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village of Fenwood to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Yorkton, Saskatchewan
December 13, 2022

Chartered Professional Accountants Ltd.

VILLAGE OF FENWOOD
STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash (Note 2)	\$ 59,785	\$ 48,316
Taxes receivable - municipal (Note 3)	4,220	11,044
Amounts receivable (Note 4)	6,133	13,418
Patronage equity	966	962
TOTAL FINANCIAL ASSETS	71,104	73,740
LIABILITIES		
Accounts payable and accrued liabilities	5,457	8,223
Deferred revenue (Notes 1 and 6)	300	
TOTAL LIABILITIES	5,757	8,223
NET FINANCIAL ASSETS	65,347	65,517
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	29,633	23,323
Land for resale (Note 5)	1	1
Prepaid expenses	3,112	2,483
TOTAL NON-FINANCIAL ASSETS	32,746	25,807
ACCUMULATED SURPLUS (Schedule 8)	\$ 98,093	\$ 91,324

VILLAGE OF FENWOOD
STATEMENT OF OPERATIONS
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 73,097	\$ 74,726	\$ 76,557
Fees and charges (Schedules 4 and 5)	14,000	18,927	11,031
Conditional grants (Schedules 4 and 5)	1,882	4,382	4,476
Land sales - gain (loss) (Schedules 4 and 5)		227	
Other revenues (Schedules 4 and 5)	1,000	6,085	2,815
	89,979	104,347	94,879
EXPENSES			
General government services (Schedule 3)	31,280	56,281	45,584
Protective services (Schedule 3)	2,600	3,375	2,518
Transportation services (Schedule 3)	13,554	8,834	8,092
Environmental and public health services (Schedule 3)	6,000	4,292	4,269
Recreation and cultural services (Schedule 3)	15,500	9,921	7,727
Utility services (Schedule 3)	25,409	18,531	14,763
	94,343	101,234	82,953
SURPLUS (DEFICIT) BEFORE OTHER CAPITAL CONTRIBUTIONS	(4,364)	3,113	11,926
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	2,655	3,656	6,967
ANNUAL SURPLUS (DEFICIT)	(1,709)	6,769	18,893
ACCUMULATED SURPLUS, BEGINNING OF YEAR	91,324	91,324	72,431
ACCUMULATED SURPLUS, END OF YEAR	\$ 89,615	\$ 98,093	\$ 91,324

VILLAGE OF FENWOOD
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
ANNUAL SURPLUS (DEFICIT)	\$ (1,709)	\$ 6,769	\$ 18,893
Acquisition of tangible capital assets		(8,019)	(5,169)
Amortization of tangible capital assets	1,709	1,709	776
Gain on sale of land for resale		(227)	
Proceeds on sale of land for resale		227	
Decrease (increase) in prepaid expenses		(629)	382
	1,709	(6,939)	(4,011)
CHANGE IN NET FINANCIAL ASSETS	\$	(170)	14,882
NET FINANCIAL ASSETS, BEGINNING OF YEAR		65,517	50,635
NET FINANCIAL ASSETS, END OF YEAR	\$	65,347	\$ 65,517

VILLAGE OF FENWOOD
STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	2021	2020
OPERATING TRANSACTIONS		
Annual surplus	\$ 6,769	\$ 18,893
Changes in non-cash items:		
Taxes receivable - municipal	6,824	6,348
Amounts receivable	7,285	(1,972)
Patronage equity	(4)	(6)
Prepaid expenses	(629)	382
Accounts payable and accrued liabilities	(2,766)	(2,838)
Deferred revenue	300	
Gain on sale of land for resale	(227)	
Amortization	1,709	776
Cash provided by operating transactions	19,261	21,583
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(8,019)	(5,169)
Cash applied to capital transactions	(8,019)	(5,169)
INVESTING TRANSACTIONS		
Proceeds on sale of land for resale	227	
Cash provided by investing transactions	227	
CHANGE IN CASH	11,469	16,414
CASH, BEGINNING OF YEAR	48,316	31,902
CASH, END OF YEAR	\$ 59,785	\$ 48,316

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village are 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 are as follows:

Basis of Accounting

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

Reporting Entity

The financial statements consolidates the assets, liabilities, and flow of resources of the Village. The entity is comprised of all of the organizations that are owned or controlled by the Village and are, therefore, accountable to Council for the administration of their financial affairs and resources. The assets, liabilities, and operations of the Recreation Boards are not included in these financial statements except for any assistance to the Recreation Boards, as Council's position is that it does not control the Recreation Boards.

Collection of Funds for Other Authorities

Collection of funds by the Village 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.

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 have been met; and
- c) reasonable estimates of the amounts 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.

Deferred Revenue

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.

Local Improvement Charges

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

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Financial Assets

Net financial assets at the end of the 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.

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.

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.

Property Tax Revenue

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

Portfolio Investments

Portfolio investments are valued at the lower of cost and market value, less any provisions for other than temporary impairment. The long-term investments in the Saskatchewan Rural Municipalities - Self-Insurance Fund are accounted for on the equity basis.

Inventories

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

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible Capital Assets

All tangible capital asset acquisitions or betterment made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Village's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Infrastructure Assets	
Infrastructure assets	30 to 75 years
Water & sewer	40 years
Road network assets	15 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 Village does not capitalize interest incurred while a tangible capital asset is under construction.

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

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

Landfill Liability

The Village of Fenwood maintains a waste disposal site, however, it is no longer in use. The Village is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or liability. Currently the Village uses Ottenbreit Sanitation Services Ltd. for waste collection.

Trust Funds

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

Employee Benefit Plans

Contributions to the Village's defined benefit plans are expensed when contributions are made. Under the defined benefit multi-employer plans, the Village's obligations are limited to their contributions. The Village did not make any contributions in 2021.

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 Village:
 - 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.

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported 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 collectibility 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.

Basis of Segmentation/Segment Report

The Village has adopted the new Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly attributable 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 administration of the Village.

Protective services: Is comprised of expenses for police and fire protection.

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

Environmental and public health: Environmental segment provides waste disposal and other environmental services and the public health segment provides for expenses related to public health services in the Village.

Planning and development: Provides for neighbourhood development and sustainability.

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

Utility: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

Budget Information

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

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

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. This standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of 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 a 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 the 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 FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

2. CASH AND TEMPORARY INVESTMENTS

The Village banks with Cornerstone Credit Union Ltd. where they have an authorized overdraft limit of \$10,000 (2020 - \$10,000) at an interest rate of 3.45% (2020 - 3.45%) (unauthorized overdraft interest rate of 21.00%).

3. TAXES AND GRANTS-IN-LIEU RECEIVABLE

		2021	2020
Municipal	- Current	\$ 25,083	\$ 14,027
	- Arrears	56,515	45,973
		81,598	60,000
	- Less allowance for uncollectibles	(77,378)	(48,956)
Total municipal taxes receivable		4,220	11,044
School	- Current	1,473	1,739
	- Arrears	6,902	5,534
Total school taxes receivable		8,375	7,273
Total taxes and grants-in-lieu receivable		12,595	18,317
Deduct taxes receivable to be collected on behalf of other organizations		(8,375)	(7,273)
Municipal and grants-in-lieu taxes receivable		\$ 4,220	\$ 11,044

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2021	2020
Utility	\$ 3,722	\$ 14,406
Federal government	2,411	1,732
Organizations and individuals	539	539
Provincial agencies		2,500
	6,672	19,177
Less allowance for doubtful amounts	(539)	(5,759)
	\$ 6,133	\$ 13,418

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

5. LAND FOR RESALE

	2021	2020
Tax title property	\$ 876	\$ 845
Allowance for market value adjustment	(875)	(844)
Net tax title property	\$ 1	\$ 1

6. DEFERRED REVENUE

	2021	2020
Fenwood Heritage Club	\$ 300	

7. LONG-TERM DEBT

The debt limit of the Village is \$73,121. The debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (the *Municipalities Act* Section 161(1)).

8. PENSION PLAN

The Village is not 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 Village's pension expense for the year is \$Nil (2020 - \$Nil). The benefits accrued to the Village's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS 3250.

9. GOVERNMENT ASSISTANCE

In response to the pandemic in the prior year, the Provincial and Federal governments provided funds to municipalities in order to stimulate economic recovery and enhance infection protection and control measures in their operations. Through the Municipal Economic Enhancement Program (MEEP), the Village received funds of \$Nil (2020 - \$4,312). The project approved for this grant was the installation of a reverse osmosis water dispenser which was completed in 2020. In addition, the Safe Restart Program provided \$Nil (2020 - \$1,790) in unconditional funding to the Village.

VILLAGE OF FENWOOD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

10. OTHER MATTERS

During the year, COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. As of the audit report date, the Village has not suffered any significant disruptions, and we are therefore unable to estimate the effect of the pandemic on the Village's operations. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of this disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

VILLAGE OF FENWOOD**SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES**

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
TAXES			
General municipal tax levy	\$ 61,566	\$ 61,631	\$ 61,264
Abatements and adjustments		(268)	(164)
Discount on current year taxes	(2,500)	(2,261)	(1,825)
Net Municipal Taxes	59,066	59,102	59,275
Penalties on tax arrears	1,000	2,932	2,436
Total Taxes	60,066	62,034	61,711
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	8,756	8,756	8,817
Safe restart			1,790
Total Unconditional Grants	8,756	8,756	10,607
GRANTS-IN-LIEU OF TAXES			
Provincial			
S.P.C. Surcharge	2,700	2,590	2,701
SaskEnergy Surcharge	1,500	1,241	1,374
Sasktel	75	105	164
Total Grants-in-Lieu of Taxes	4,275	3,936	4,239
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 73,097	\$ 74,726	\$ 76,557

VILLAGE OF FENWOOD**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Tax enforcement fees	\$	\$ 869	\$ 666
Total Fees and Charges		869	666
- Land sales - gain (loss)		227	
Total Other Segmented Revenue		1,096	666
Total Operating		1,096	666
Total General Government Services		1,096	666
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Rink rentals.	2,200	2,495	495
Total Fees and Charges	2,200	2,495	495
- Fenwood Community Centre concession and fundraisers	1,000	6,085	2,815
Total Other Segmented Revenue	3,200	8,580	3,310
Conditional Grants			
- Community Rink Affordability Grant (CRAG)		2,500	2,500
- Saskatchewan Lotteries	1,882	1,882	1,976
Total Conditional Grants	1,882	4,382	4,476
Total Operating	5,082	12,962	7,786
Total Recreation and Cultural Services	5,082	12,962	7,786

VILLAGE OF FENWOOD

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 10,000	\$ 10,015	\$ 9,870
- Reverse osmosis system fees		2,341	
- Connection fees	1,800	3,207	
Total Fees and Charges	11,800	15,563	9,870
Total Other Segmented Revenue	11,800	15,563	9,870
Total Operating	11,800	15,563	9,870
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	2,655	3,656	2,655
- Municipal Economic Enhancement Program (MEEP)			4,312
Total Capital	2,655	3,656	6,967
Total Utility Services	14,455	19,219	16,837
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 19,537	\$ 33,277	\$ 25,289
SUMMARY			
Total Other Segmented Revenue	\$ 15,000	\$ 25,239	\$ 13,846
Total Conditional Grants	1,882	4,382	4,476
Total Capital Grants and Contributions	2,655	3,656	6,967
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 19,537	\$ 33,277	\$ 25,289

VILLAGE OF FENWOOD
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 7,000	\$ 6,025	\$ 6,200
Wages and benefits	8,650	9,572	8,346
Professional/Contractual services	7,980	9,636	8,919
Utilities	4,000	3,866	3,314
Maintenance, materials, and supplies	3,150	3,845	1,973
Interest	500	396	438
Allowance for uncollectibles		22,941	16,394
Total General Government Services	31,280	56,281	45,584
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	1,500	1,784	1,445
Fire protection			
Professional/Contractual services	1,100	1,591	1,073
Total Protective Services	2,600	3,375	2,518
TRANSPORTATION SERVICES			
Professional/Contractual services	10,054	5,778	4,761
Utilities	3,500	3,056	3,331
Total Transportation Services	13,554	8,834	8,092
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	6,000	4,292	4,269
Total Environmental and Public Health Services	6,000	4,292	4,269
RECREATION AND CULTURAL SERVICES			
Utilities	5,500	5,058	5,026
Maintenance, materials, and supplies	8,500	3,259	847
Grants and contributions			
- Operating		404	404
- Capital	1,500	1,200	1,450
Total Recreation and Cultural Services	15,500	9,921	7,727

VILLAGE OF FENWOOD
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
UTILITY SERVICES			
Professional/Contractual services	\$ 8,600	\$ 6,151	\$ 6,684
Utilities	2,500	3,210	2,372
Maintenance, materials, and supplies	12,600	7,461	4,931
Amortization	1,709	1,709	776
Total Utility Services	25,409	18,531	14,763
TOTAL EXPENSES BY FUNCTION	\$ 94,343	\$ 101,234	\$ 82,953

VILLAGE OF FENWOOD
SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 869	\$	\$	\$	\$	\$ 2,495	\$ 15,563	\$ 18,927
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)	227							227
Investment Income & Commissions								
Other Revenues						6,085		6,085
Grants - Conditional						4,382		4,382
- Capital							3,656	3,656
Total revenues	1,096					12,962	19,219	33,277
Expenses (Schedule 3)								
Wages & Benefits	15,597							15,597
Professional/Contractual Services	9,636	3,375	5,778	4,292			6,151	29,232
Utilities	3,866		3,056			5,058	3,210	15,190
Maintenance, Materials, Supplies	3,845					3,259	7,461	14,565
Grants and Contributions						1,604		1,604
Amortization							1,709	1,709
Interest	396							396
Allowance for Uncollectibles	22,941							22,941
Other								
Total expenses	56,281	3,375	8,834	4,292		9,921	18,531	101,234
Surplus (Deficit) by Function	(55,185)	(3,375)	(8,834)	(4,292)		3,041	688	(67,957)
Taxation and other unconditional revenue (Schedule 1)								74,726
Net Surplus								\$ 6,769

VILLAGE OF FENWOOD
SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 666	\$	\$	\$	\$	\$ 495	\$ 9,870	\$ 11,031
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income & Commissions								
Other Revenues						2,815		2,815
Grants - Conditional						4,476		4,476
- Capital							6,967	6,967
Total revenues	666					7,786	16,837	25,289
Expenses (Schedule 3)								
Wages & Benefits	14,546							14,546
Professional/Contractual Services	8,919	2,518	4,761	4,269			6,684	27,151
Utilities	3,314		3,331			5,026	2,372	14,043
Maintenance, Materials, Supplies	1,973					847	4,931	7,751
Grants and Contributions						1,854		1,854
Amortization							776	776
Interest	438							438
Allowance for Uncollectibles	16,394							16,394
Other								
Total expenses	45,584	2,518	8,092	4,269		7,727	14,763	82,953
Surplus (Deficit) by Function	(44,918)	(2,518)	(8,092)	(4,269)		59	2,074	(57,664)
Taxation and other unconditional revenue (Schedule 1)								76,557
Net Surplus								\$ 18,893

VILLAGE OF FENWOOD
SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT
For the year ended December 31, 2021

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	2021	2020
Cost									
Opening costs	\$		254,105		9,332	31,048	1,108	\$ 295,593	\$ 290,424
Additions during the year							8,019	8,019	5,169
Closing costs			254,105		9,332	31,048	9,127	303,612	295,593
Accumulated Amortization									
Opening accumulated amortization			254,105			18,165		272,270	271,494
Amortization					933	776		1,709	776
Closing accumulated amortization			254,105		933	18,941		273,979	272,270
Net Book Value	\$				8,399	12,107	9,127	\$ 29,633	\$ 23,323

VILLAGE OF FENWOOD

SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

For the year ended December 31, 2021

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2021	2020
Opening costs	\$		1,108			228,386	66,099	\$ 295,593	\$ 290,424
Additions during the year			8,019					8,019	5,169
Closing costs			9,127			228,386	66,099	303,612	295,593
Accumulated Amortization									
Opening accumulated amortization						228,386	43,884	272,270	271,494
Amortization							1,709	1,709	776
Closing accumulated amortization						228,386	45,593	273,979	272,270
Net Book Value	\$		9,127				20,506	\$ 29,633	\$ 23,323

VILLAGE OF FENWOOD
SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS
For the year ended December 31, 2021

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 68,001	\$ 459	\$ 68,460
APPROPRIATED RESERVES			
Total appropriated			
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	23,323	6,310	29,633
Net investment in tangible capital assets	23,323	6,310	29,633
TOTAL ACCUMULATED SURPLUS	\$ 91,324	\$ 6,769	\$ 98,093

VILLAGE OF FENWOOD

SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS

For the year ended December 31, 2021

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	214,445	817,120			883,830		1,915,395
Regional Park Assessment							
Total Assessment							1,915,395
Mill Rate Factor(s)	0.30	1.00			2.00		
Total Base/Minimum Tax		6,000					6,000
Total Municipal Tax Levy	1,351	23,160			37,120		61,631

MILL RATES:

MILLS

Average Municipal	32.1769
Average School	5.1696
Potash Mill Rate	
Uniform Municipal Mill Rate	21.0000

VILLAGE OF FENWOOD
SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2021

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Bryon Dohms	\$ 2,100	\$	2,100
Councilor - Steven Curylo	1,900	100	2,000
Councilor - Darryl Struble	1,925		1,925
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	\$ 5,925	\$ 100	\$ 6,025
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