

VILLAGE OF STENEN

FINANCIAL STATEMENTS

For the year ended December 31, 2021

VILLAGE OF STENEN
TABLE OF CONTENTS
For the year ended December 31, 2021

	Page
STATEMENT OF RESPONSIBILITY	3
INDEPENDENT AUDITOR'S REPORT , dated June 2, 2022	4 - 5
FINANCIAL STATEMENTS	
Statement of Financial Position	6
Statement of Operations	7
Statement of Change in Net Financial Assets	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 18
Schedule 1 - Schedule of Taxes and Other Unconditional Revenue	19
Schedule 2 - Schedule of Operating and Capital Revenue by Function	20 - 23
Schedule 3 - Schedule of Expenses by Function	24 - 25
Schedule 4 - Schedule of Segment Disclosure by Function - 2021	26
Schedule 5 - Schedule of Segment Disclosure by Function - 2020	27
Schedule 6 - Schedule of Tangible Capital Assets by Object	28
Schedule 7 - Schedule of Tangible Capital Assets by Function	29
Schedule 8 - Schedule of Accumulated Surplus	30
Schedule 9 - Schedule of Mill Rates and Assessments	31
Schedule 10 - Schedule of Council Remuneration	32

STATEMENT OF RESPONSIBILITY


To the Ratepayers of the Village of Stenen:

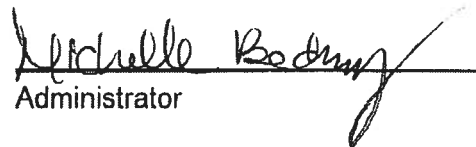
The Village's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurements 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 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 Stenen
Stenen, Saskatchewan

Opinion

We have audited the financial statements of the Village of Stenen, which comprise the statement of financial position as at December 31, 2021 and the statement of operations, statement of changes in net financial assets (net debt), 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Village of Stenen 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 Opinion

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 Stenen 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 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 Stenen'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 Stenen or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village of Stenen'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 Stenen'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 Stenen'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 Stenen 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 for audit.

Yorkton, Saskatchewan
June 2, 2022


Chartered Professional Accountants Ltd.

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

	2021	2020
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,092	\$ 31,532
Taxes receivable - municipal (Note 3)	13,581	9,387
Amounts receivable (Note 4)	9,912	14,458
TOTAL FINANCIAL ASSETS	25,585	55,377
LIABILITIES		
Accounts payable and accrued liabilities	4,303	6,446
Deferred revenue (Notes 1 and 6)	2,839	2,839
Long-term debt (Note 7)	26,619	50,000
TOTAL LIABILITIES	33,761	59,285
NET DEBT	(8,176)	(3,908)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	140,302	145,014
Land for resale (Note 5)	31,953	32,532
Prepaid expenses	6,415	6,233
TOTAL NON-FINANCIAL ASSETS	178,670	183,779
ACCUMULATED SURPLUS (Schedule 8)	\$ 170,494	\$ 179,871

VILLAGE OF STENEN
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)	\$ 99,980	\$ 99,904	\$ 105,509
Fees and charges (Schedules 4 and 5)	46,860	49,024	49,050
Conditional grants (Schedules 4 and 5)	5,360	2,855	1,480
Land sales - gain (loss) (Schedules 4 and 5)	1,500	(872)	(7,694)
Investment income and commissions (Schedules 4 and 5)	140	63	140
Other revenues (Schedules 4 and 5)	16,580	25,155	942
	170,420	176,129	149,427
EXPENSES			
General government services (Schedule 3)	71,354	60,879	72,444
Protective services (Schedule 3)	7,440	8,769	12,441
Transportation services (Schedule 3)	27,795	55,954	26,610
Environmental and public health services (Schedule 3)	7,360	7,110	6,641
Recreation and cultural services (Schedule 3)	12,730	12,451	4,907
Utility services (Schedule 3)	67,629	51,310	62,974
	194,308	196,473	186,017
DEFICIT BEFORE OTHER CAPITAL CONTRIBUTIONS	(23,888)	(20,344)	(36,590)
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	7,970	10,967	18,062
ANNUAL DEFICIT	(15,918)	(9,377)	(18,528)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	179,871	179,871	198,399
ACCUMULATED SURPLUS, END OF YEAR	\$ 163,953	\$ 170,494	\$ 179,871

VILLAGE OF STENEN**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
ANNUAL DEFICIT	\$ (15,918)	\$ (9,377)	\$ (18,528)
Acquisition of tangible capital assets		(12,886)	(46,083)
Amortization of tangible capital assets	17,598	17,598	12,227
Acquisition of real estate properties		(876)	(12,802)
Loss on sale of land for resale		872	7,694
Proceeds on sale of land for resale		583	1,386
Decrease (increase) in prepaid expenses		(182)	620
	17,598	5,109	(36,958)
CHANGE IN NET FINANCIAL ASSETS	\$ 1,680	(4,268)	(55,486)
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR		(3,908)	51,578
NET DEBT, END OF YEAR		\$ (8,176)	\$ (3,908)

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

	2021	2020
OPERATING TRANSACTIONS		
Annual deficit	\$ (9,377)	\$ (18,528)
Changes in non-cash items:		
Taxes receivable - municipal	(4,194)	10,542
Amounts receivable	4,546	6,453
Prepaid expenses	(182)	620
Accounts payable and accrued liabilities	(2,143)	414
Deferred revenue		2,839
Loss on sale of land for resale	872	7,694
Amortization	17,598	12,227
Cash provided by operating transactions	7,120	22,261
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(12,886)	(46,083)
Cash applied to capital transactions	(12,886)	(46,083)
INVESTING TRANSACTIONS		
Proceeds on sale of land for resale	583	1,386
Acquisition of real estate properties	(876)	(12,802)
Cash applied to investing transactions	(293)	(11,416)
FINANCING TRANSACTIONS		
Proceeds of long-term debt		40,000
Debt repayment	(13,381)	
Debt forgiveness	(10,000)	
Cash provided by (applied to) financing transactions	(23,381)	40,000
CHANGE IN CASH	(29,440)	4,762
CASH, BEGINNING OF YEAR	31,532	26,770
CASH, END OF YEAR	\$ 2,092	\$ 31,532

VILLAGE OF STENEN

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 hail, 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 transfer is authorized
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made.

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

Deferred Revenue

Certain grants, user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local Improvement Charges

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

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 valued 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 STENEN
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	25 to 60 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 STENEN
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 statement 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 Stenen does not maintain a waste disposal site and utilizes the waste disposal sites of the Parkland Regional Waste Management. No amount has been recorded as an asset or liability.

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.

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 Village.

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 STENEN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 20, 2021.

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

2. CASH

The Village of Stenen banks with Crossroads Credit Union Ltd. where they have an authorized overdraft limit of \$30,000 (2020 - \$30,000) at an interest rate of 3.00% (2020 - 3.00%) (unauthorized overdraft interest rate of 24.00%).

3. TAXES AND GRANTS-IN-LIEU RECEIVABLE

		2021	2020
Municipal	- Current	\$ 8,025	\$ 4,269
	- Arrears	5,556	5,118
Total municipal taxes receivable		13,581	9,387
School	- Current	529	373
	- Arrears	333	403
Total school taxes receivable		862	776
Total taxes and grants-in-lieu receivable		14,443	10,163
Deduct taxes receivable to be collected on behalf of other organizations		(862)	(776)
Municipal and grants-in-lieu taxes receivable		\$ 13,581	\$ 9,387

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2021	2020
Utility	\$ 5,227	\$ 5,214
Federal government	3,877	5,233
Organizations and individuals	808	4,011
	\$ 9,912	\$ 14,458

5. LAND FOR RESALE

	2021	2020
Tax title property	\$ 136,247	\$ 145,308
Allowance for market value adjustment	(104,294)	(112,776)
Net Tax Title Property	\$ 31,953	\$ 32,532

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

6. DEFERRED REVENUE

	2021	2020
Municipal Economic Enhancement Program	\$ 2,839	\$ 2,839

7. LONG-TERM DEBT

The debt limit of the Village is \$116,614. 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)).

	2021	2020
Crossroads Credit Union Ltd. loan bearing interest at a fixed rate of 3.00% per annum. Payable in blended monthly installments of \$1,200, matures November 2023.	\$ 26,619	\$ 40,000
Loan from Stenen Recreation Board. There was no interest payable and no set terms of repayment; this has been forgiven in 2021.		10,000
	\$ 26,619	\$ 50,000

Future principal and interest payments are as follows:

	Principal	Interest	Total
2022	\$ 13,790	\$ 610	\$ 14,400
2023	12,829	385	13,214
Balance	\$ 26,619	\$ 995	\$ 27,614

8. COMMITMENTS

The Village has committed to the removal of sludge from the lagoon with total anticipated project costs of \$8,000. This project was approved with the Municipal Economic Enhancement Program (MEEP) contributing \$7,214 from the Provincial Government and the remainder to be covered by the Village. As of the financial statement date, \$4,375 has been spent on this project and the remainder of the MEEP funding for this project has been deferred with expected completion March 2022.

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

9. 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.

10. 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 - \$12,936). In the prior year, \$5,722 of these funds were approved to be spent on the replacement of a lift station controller which was completed in 2020 and \$7,214 was approved to be spent on removal of sludge from the lagoon. \$4,375 has been spent on this as of December 31, 2021 and the remaining \$2,839 has been deferred to 2022 where work will have to be completed prior to March 31, 2022. In addition, the Safe Restart Program provided \$5,369 in unconditional funding to the Village.

11. OTHER MATTERS

During the year, the 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 the disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

VILLAGE OF STENEN**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	\$ 70,490	\$ 70,487	\$ 69,169
Abatements and adjustments	(1,030)	(1,033)	(1,039)
Discount on current year taxes	(1,660)	(2,164)	(1,648)
Net Municipal Taxes	67,800	67,290	66,482
Penalties on tax arrears	1,410	1,410	2,997
Total Taxes	69,210	68,700	69,479
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	22,400	22,217	22,401
Safe restart			5,369
Total Unconditional Grants	22,400	22,217	27,770
GRANTS-IN-LIEU OF TAXES			
Provincial			
Sasktel	820	792	748
Other Government Transfers			
S.P.C. Surcharge	4,790	5,486	4,783
Sask Energy Surcharge	2,760	2,709	2,729
Total Grants-in-Lieu of Taxes	8,370	8,987	8,260
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 99,980	\$ 99,904	\$ 105,509

VILLAGE OF STENEN

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			
- Other (certificates, licenses, office fees)	\$ 820	\$ 725	\$ 410
Total Fees and Charges	820	1,075	410
- Land sales - gain (loss)	1,500	(872)	(7,694)
- Investment income and commissions	140	63	140
- Loan forgiveness		10,000	
Total Other Segmented Revenue	2,460	10,266	(7,144)
Total Operating	2,460	10,266	(7,144)
Total General Government Services	2,460	10,266	(7,144)
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire fees	2,000	222	3,274
Total Fees and Charges	2,000	222	3,274
- Volunteer firefighters fundraiser		764	
Total Other Segmented Revenue	2,000	986	3,274
Total Operating	2,000	986	3,274
Total Protective Services	2,000	986	3,274

VILLAGE OF STENEN**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
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,340	\$ 1,124	\$ 1,135
Total Fees and Charges	1,340	1,124	1,135
Total Other Segmented Revenue	1,340	1,124	1,135
Conditional Grants			
- Student Employment	1,380	1,375	
Total Conditional Grants	1,380	1,375	
Total Operating	2,720	2,499	1,135
Total Transportation Services	2,720	2,499	1,135
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	8,190	8,300	8,195
Total Fees and Charges	8,190	8,300	8,195
- Cemetery donations	1,500	425	930
Total Other Segmented Revenue	9,690	8,725	9,125
Total Operating	9,690	8,725	9,125
Total Environmental and Public Health Services	9,690	8,725	9,125

VILLAGE OF STENEN

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
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Hall rental	\$ 200	\$ 699	\$ 200
Total Fees and Charges	200	699	200
- Other (donations, insurance proceeds)	15,080	13,966	12
Total Other Segmented Revenue	15,280	14,665	212
Conditional Grants			
- Saskatchewan Lotteries	3,980	1,480	1,480
Total Conditional Grants	3,980	1,480	1,480
Total Operating	19,260	16,145	1,692
Total Recreation and Cultural Services	19,260	16,145	1,692
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	19,160	19,337	18,698
- Sewer	14,410	14,526	16,408
- Penalties	740	3,741	730
Total Fees and Charges	34,310	37,604	35,836
Total Other Segmented Revenue	34,310	37,604	35,836
Total Operating	34,310	37,604	35,836
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	7,970	10,967	7,965
- Municipal Economic Enhancement Program (MEEP)			10,097
Total Capital	7,970	10,967	18,062
Total Utility Services	42,280	48,571	53,898
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 78,410	\$ 87,192	\$ 61,980

VILLAGE OF STENEN

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
SUMMARY			
Total Other Segmented Revenue	\$ 65,080	\$ 73,370	\$ 42,438
Total Conditional Grants	5,360	2,855	1,480
Total Capital Grants and Contributions	7,970	10,967	18,062
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 78,410	\$ 87,192	\$ 61,980

VILLAGE OF STENEN
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	\$ 1,920	\$ 2,350	\$ 2,080
Wages and benefits	32,650	32,652	32,538
Professional/Contractual services	24,160	16,438	18,402
Utilities	2,850	3,129	2,708
Maintenance, materials, and supplies	6,040	2,838	2,228
Grants and contributions			
- Operating	500	200	100
Amortization	3,134	3,134	2,551
Interest	100	138	216
Allowance for uncollectibles			11,621
Total General Government Services	71,354	60,879	72,444
PROTECTIVE SERVICES			
Police Protection			
Professional/Contractual services	4,350	4,451	6,519
Fire protection			
Professional/Contractual services	2,090	2,258	2,047
Maintenance, materials, and supplies	1,000	2,060	3,875
Total Protective Services	7,440	8,769	12,441
TRANSPORTATION SERVICES			
Wages and benefits	13,250	31,823	9,674
Professional/Contractual services	1,650	1,692	1,651
Utilities	5,030	5,169	4,991
Maintenance, materials, and supplies	7,730	17,135	10,294
Amortization	135	135	
Total Transportation Services	27,795	55,954	26,610
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	7,110	7,110	6,480
Maintenance, materials, and supplies	250		161
Total Environmental and Public Health Services	7,360	7,110	6,641

VILLAGE OF STENEN**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
RECREATION AND CULTURAL SERVICES			
Professional/Contractual services	\$ 2,260	\$	
Utilities	2,560	2,391	2,059
Maintenance, materials, and supplies	6,700	7,359	157
Grants and contributions			
- Operating	1,210	2,701	2,691
Total Recreation and Cultural Services	12,730	12,451	4,907
UTILITY SERVICES			
Wages and benefits	14,780	14,866	14,324
Professional/Contractual services	2,410	2,975	2,382
Utilities	10,100	7,535	9,075
Maintenance, materials, and supplies	24,760	10,586	27,517
Amortization	14,329	14,329	9,676
Interest	1,250	1,019	
Total Utility Services	67,629	51,310	62,974
TOTAL EXPENSES BY FUNCTION	\$ 194,308	\$ 196,473	\$ 186,017

VILLAGE OF STENEN
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	\$ 1,075	\$ 222	\$ 1,124	\$ 8,300	\$	\$ 699	\$ 37,604	\$ 49,024
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)	(872)							(872)
Investment Income & Commissions	63							63
Other Revenues	10,000	764		425		13,966		25,155
Grants - Conditional			1,375			1,480		2,855
- Capital							10,967	10,967
Total revenues	10,266	986	2,499	8,725		16,145	48,571	87,192
Expenses (Schedule 3)								
Wages & Benefits	35,002		31,823				14,866	81,691
Professional/Contractual Services	16,438	6,709	1,692	7,110			2,975	34,924
Utilities	3,129		5,169			2,391	7,535	18,224
Maintenance, Materials, Supplies	2,838	2,060	17,135			7,359	10,586	39,978
Grants and Contributions	200					2,701		2,901
Amortization	3,134		135				14,329	17,598
Interest	138						1,019	1,157
Allowance for Uncollectibles								
Other								
Total expenses	60,879	8,769	55,954	7,110		12,451	51,310	196,473
Surplus (Deficit) by Function	\$ (50,613)	\$ (7,783)	\$ (53,455)	\$ 1,615	\$	\$ 3,694	\$ (2,739)	\$ (109,281)
Taxation and other unconditional revenue (Schedule 1)								99,904
Net Deficit								\$ (9,377)

VILLAGE OF STENEN
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	\$ 410	\$ 3,274	\$ 1,135	\$ 8,195	\$	\$ 200	\$ 35,836	\$ 49,050
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)	(7,694)							(7,694)
Investment Income & Commissions	140							140
Other Revenues				930		12		942
Grants - Conditional						1,480		1,480
- Capital								
Total revenues	(7,144)	3,274	1,135	9,125		1,692	53,898	61,980
Expenses (Schedule 3)								
Wages & Benefits	34,618		9,674				14,324	58,616
Professional/Contractual Services	18,402	8,566	1,651	6,480			2,382	37,481
Utilities	2,708		4,991			2,059	9,075	18,833
Maintenance, Materials, Supplies	2,228	3,875	10,294	161		157	27,517	44,232
Grants and Contributions	100					2,691		2,791
Amortization	2,551						9,676	12,227
Interest	216							216
Allowance for Uncollectibles	11,621							11,621
Other								
Total expenses	72,444	12,441	26,610	6,641		4,907	62,974	186,017
Surplus (Deficit) by Function	\$ (79,588)	\$ (9,167)	\$ (25,475)	\$ 2,484	\$	\$ (3,215)	\$ (9,076)	\$ (124,037)
Taxation and other unconditional revenue (Schedule 1)								105,509
Net Deficit								\$ (18,528)

VILLAGE OF STENEN

SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

For the year ended December 31, 2021

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
Cost	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	2021	2020
Opening costs	\$ 5,820	\$	\$ 438,974	\$	\$ 100,496	\$ 75	\$	\$ 545,365	\$ 499,282
Additions during the year					8,432	4,454		12,886	46,083
Closing costs	5,820		438,974		108,928	4,529		558,251	545,365
Accumulated Amortization									
Opening accumulated amortization			376,433		23,918			400,351	388,124
Amortization			6,938		10,641	19		17,598	12,227
Closing accumulated amortization			383,371		34,559	19		417,949	400,351
Net Book Value	\$ 5,820	\$	\$ 55,603	\$	\$ 74,369	\$ 4,510	\$	\$ 140,302	\$ 145,014

VILLAGE OF STENEN
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	\$ 94,805	\$ 1	\$ 2,825	\$ 1,375	\$	\$ 99,595	\$ 346,764	\$ 545,365	\$ 499,282
Additions during the year	<u>2,543</u>		<u>2,690</u>				<u>7,653</u>	<u>12,886</u>	<u>46,083</u>
Closing costs	<u>97,348</u>	<u>1</u>	<u>5,515</u>	<u>1,375</u>		<u>99,595</u>	<u>354,417</u>	<u>558,251</u>	<u>545,365</u>
Accumulated Amortization									
Opening accumulated amortization	90,475		2,784	1,375		95,295	210,422	400,351	388,124
Amortization	<u>3,134</u>		<u>135</u>				<u>14,329</u>	<u>17,598</u>	<u>12,227</u>
Closing accumulated amortization	<u>93,609</u>		<u>2,919</u>	<u>1,375</u>		<u>95,295</u>	<u>224,751</u>	<u>417,949</u>	<u>400,351</u>
Net Book Value	<u>\$ 3,739</u>	<u>\$ 1</u>	<u>\$ 2,596</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,300</u>	<u>\$ 129,666</u>	<u>\$ 140,302</u>	<u>\$ 145,014</u>

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

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 74,857	\$ (18,046)	\$ 56,811
APPROPRIATED RESERVES			
Total appropriated			
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	145,014	(4,712)	140,302
Less: Related debt	(40,000)	13,381	(26,619)
Net investment in tangible capital assets	105,014	8,669	113,683
TOTAL ACCUMULATED SURPLUS	\$ 179,871	\$ (9,377)	\$ 170,494

VILLAGE OF STENEN**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	5,705	1,504,320			443,530		1,953,555
Regional Park Assessment							
Total Assessment							1,953,555
Mill Rate Factor(s)	1.00	1.00			1.50		
Total Base/Minimum Tax	1,140	51,840			2,280		55,260
Total Municipal Tax Levy	1,180	62,370			6,937		70,487

MILL RATES:**MILLS**

Average Municipal	36.0815
Average School	4.9708
Potash Mill Rate	
Uniform Municipal Mill Rate	7.0000

VILLAGE OF STENEN
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 - Jason Anaka	\$ 900	\$	900
Councilor - Rhonda Houghton	750		750
Councilor - Brielle Chernyk	600		600
Councilor - Inge Trowbridge	100		100
	<hr/>		
	\$ 2,350	\$	2,350
	<hr/>		