



VILLAGE OF STOCKHOLM

FINANCIAL STATEMENTS

For the year ended December 31, 2020

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For the year ended December 31, 2020

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STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Village of Stockholm:

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 for 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 the 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 Stockholm
 Stockholm, Saskatchewan

Qualified Opinion

We have audited the financial statements of the Village of Stockholm, which comprise the statement of financial position as at December 31, 2020 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 accompanying financial statements present fairly, in all material respects, the financial position of the Village of Stockholm as at December 31, 2020, 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 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 organization to set up a liability and accrue for the future expense to restore the land after closure. The Village of Stockholm 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 Stockholm 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 Stockholm'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 Stockholm or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village of Stockholm'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 Stockholm'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 Stockholm'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 Stockholm 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
May 14, 2021



 Chartered Professional Accountants Ltd.

VILLAGE OF STOCKHOLM
STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	\$ 643,836	\$ 314,045
Taxes receivable - Municipal (Note 3)	161,056	147,366
Amounts receivable (Note 4)	58,206	59,963
Land for resale (Note 5)	3	3
Patronage equity	4,270	4,270
TOTAL FINANCIAL ASSETS	867,371	525,647
LIABILITIES		
Accounts payable	41,826	22,543
Deferred revenue (Note 6)	53,132	1,560
Long-term debt (Note 7)	14,014	56,686
TOTAL LIABILITIES	108,972	80,789
NET FINANCIAL ASSETS	758,399	444,858
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	2,301,249	2,388,290
Prepaid expenses		2,323
TOTAL NON-FINANCIAL ASSETS	2,301,249	2,390,613
ACCUMULATED SURPLUS (Schedule 8)	\$ 3,059,648	\$ 2,835,471

VILLAGE OF STOCKHOLM
STATEMENT OF OPERATIONS
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 404,839	\$ 431,614	\$ 397,504
Fees and charges (Schedules 4 and 5)	132,920	172,936	163,818
Conditional grants (Schedules 4 and 5)		17,231	37,923
Land sales - gain (Schedules 4 and 5)		9,999	
Investment income and commissions (Schedules 4 and 5)		1,085	722
Other revenues (Schedules 4 and 5)		42,649	20,829
	537,759	675,514	620,796
EXPENSES			
General government services (Schedule 3)	92,945	98,519	96,709
Protective services (Schedule 3)	61,300	42,803	64,029
Transportation services (Schedule 3)	107,850	65,252	128,128
Environmental and public health services (Schedule 3)	12,000	10,592	8,156
Planning and development services (Schedule 3)			10,450
Recreation and cultural services (Schedule 3)	33,900	28,492	33,284
Utility services (Schedule 3)	212,086	236,831	223,774
	520,081	482,489	564,530
SURPLUS BEFORE OTHER CAPITAL CONTRIBUTIONS	17,678	193,025	56,266
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	23,760	31,152	55,176
ANNUAL SURPLUS	41,438	224,177	111,442
ACCUMULATED SURPLUS, BEGINNING OF YEAR	2,835,471	2,835,471	2,724,029
ACCUMULATED SURPLUS, END OF YEAR	\$ 2,876,909	\$ 3,059,648	\$ 2,835,471

VILLAGE OF STOCKHOLM
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
ANNUAL SURPLUS	\$ 41,438	\$ 224,177	\$ 111,442
Acquisition of tangible capital assets	(10,750)	(10,013)	(217,465)
Amortization of tangible capital assets	70,900	97,054	83,734
Decrease (increase) in prepaid expenses		2,323	(2,323)
	60,150	89,364	(136,054)
CHANGE IN NET FINANCIAL ASSETS	\$ 101,588	313,541	(24,612)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		444,858	469,470
NET FINANCIAL ASSETS, END OF YEAR		\$ 758,399	\$ 444,858

VILLAGE OF STOCKHOLM
STATEMENT OF CASH FLOWS
For the year ended December 31, 2020

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ 224,177	\$ 111,442
Changes in non-cash items:		
Taxes receivable - municipal	(13,690)	(27,295)
Amounts receivable	1,757	73,384
Prepaid expenses	2,323	(2,323)
Accounts payable and accrued liabilities	19,283	107
Deferred revenue	51,572	370
Gain on sale of land for resale	(9,999)	
Amortization	97,054	83,734
Cash provided by operating transactions	372,477	239,419
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(10,013)	(217,465)
Cash applied to capital transactions	(10,013)	(217,465)
INVESTING TRANSACTIONS		
Proceeds on sale of land for resale	10,000	
Acquisition of real estate properties	(1)	
Cash applied to investing transactions	9,999	
FINANCING TRANSACTIONS		
Debt repayment	(42,672)	(41,041)
Cash applied to financing transactions	(42,672)	(41,041)
CHANGE IN CASH AND TEMPORARY INVESTMENTS	329,791	(19,087)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	314,045	333,132
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 643,836	\$ 314,045

VILLAGE OF STOCKHOLM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

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 revenues 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 consolidate 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 but not earned 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.

VILLAGE OF STOCKHOLM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Local Improvement Charges

Local improvement projects financed by frontage taxes recognize any pre-payment 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, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long-term investments in the Saskatchewan Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

VILLAGE OF STOCKHOLM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

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 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	10 to 40 years
Buildings	25 to 40 years
Vehicles and equipment	
Vehicles	5 - 10 years
Machinery and equipment	5 - 20 years
Infrastructure Assets	
Water & Sewer	40 to 75 years
Road Network Assets	20 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.

VILLAGE OF STOCKHOLM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capitalization of Interest

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

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 Stockholm maintains a waste disposal site. The Village is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or liability.

Trust Funds

Funds held in trust for others are neither included in the Village's assets or equity.

Employee Benefit Plans

Contributions to the Village's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multi-employer plans, the Village's obligations are limited to their contributions.

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 STOCKHOLM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles 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 8, 2020.

VILLAGE OF STOCKHOLM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

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 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 STOCKHOLM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2020

2. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2020	2019
Cash	\$ 639,336	\$ 309,545
Temporary investments	4,500	4,500
	<u>\$ 643,836</u>	<u>\$ 314,045</u>

Cash include balances with banks. Temporary investments represent investments in term deposits and earn interest at 0.90% - 1.80% (2019 - 1.35% - 1.81%) and have maturity dates ranging from March 2021 - August 2022.

3. TAXES AND GRANTS-IN-LIEU RECEIVABLE

	2020	2019
Municipal	\$ 25,321	\$ 38,931
- Current	155,735	128,435
- Arrears		
	<u>181,056</u>	<u>167,366</u>
- Less Allowance for Uncollectibles	(20,000)	(20,000)
Total municipal taxes receivable	<u>161,056</u>	<u>147,366</u>
School	6,836	10,922
- Current	30,711	25,219
- Arrears		
Total school taxes receivable	<u>37,547</u>	<u>36,141</u>
Total taxes and grants-in-lieu receivable	<u>198,603</u>	<u>183,507</u>
Deduct taxes receivable to be collected on behalf of other organizations	<u>(37,547)</u>	<u>(36,141)</u>
Municipal and grants-in-lieu taxes receivable	<u>\$ 161,056</u>	<u>\$ 147,366</u>

VILLAGE OF STOCKHOLM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2020

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2020	2019
Organizations and individuals	\$ 32,251	\$ 22,203
Federal government	13,033	26,576
Utility	12,887	11,144
Accrued interest	35	40
	<u>\$ 58,206</u>	<u>\$ 59,963</u>

5. LAND FOR RESALE

	2020	2019
Other Land	\$ 3	\$ 3
	<u>\$ 3</u>	<u>\$ 3</u>

6. DEFERRED REVENUE

	2020	2019
Municipal Economic Enhancement Program grant (Note 9)	\$ 50,592	\$
Office rental	1,040	1,060
Fire fees	1,000	
Hall rentals	500	500
	<u>\$ 53,132</u>	<u>\$ 1,560</u>

VILLAGE OF STOCKHOLM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

7. LONG-TERM DEBT

The debt limit of the Village is \$437,907. The debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (Municipalities Act Section 161).

	2020	2019
North Valley Credit Union Ltd. loan payable in semi-annual payments of \$22,248 including interest at 3.95%. Matures 2021. Secured by taxes.	\$ 14,014	\$ 56,686

Future principal and interest payments are as follows:

	Principal	Interest	Total
2021	\$ 14,014	270	\$ 14,284
Balance	\$ 14,014	270	\$ 14,284

8. PENSION PLAN

The Village 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 Village's pension expense in 2020 was \$5,931 (2019 - \$5,872). 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 PS3250.

9. GOVERNMENT ASSISTANCE

In response to the pandemic, the Provincial and Federal governments have 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 \$50,592 and these funds were approved to be spent on repairs for a collapsing sewer line on Ohlen Street. As of December 31, 2020, the grant was deferred for \$50,592 as the project is expected to begin in the subsequent year. In addition, the Safe Restart Program provided \$20,998 of unconditional funds to the Village.

VILLAGE OF STOCKHOLM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2020

10. OTHER MATTERS

On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a worldwide pandemic. Subsequently, on March 18, 2020, the Province of Saskatchewan declared a province-wide state of emergency to help reduce the spread of COVID-19. The Village has not suffered any significant disruptions throughout the year as a result from the outbreak.

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 STOCKHOLM

SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
TAXES			
General municipal tax levy	\$ 283,323	\$ 283,323	\$ 282,283
Discount on current year taxes	(10,000)	(10,609)	(10,268)
Net Municipal Taxes	273,323	272,714	272,015
Potash tax share	16,410	16,410	13,935
Penalties on tax arrears	12,000	19,697	16,412
Total Taxes	301,733	308,821	302,362
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	81,716	81,716	73,847
Safe Restart Program		20,998	
Total Unconditional Grants	81,716	102,714	73,847
GRANTS-IN-LIEU OF TAXES			
Provincial			
Sasktel	2,940	2,941	2,941
Local/Other			
Housing Authority		21	12
Other Government Transfers			
S.P.C. Surcharge	18,450	17,117	18,342
Total Grants-in-Lieu of Taxes	21,390	20,079	21,295
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 404,839	\$ 431,614	\$ 397,504

VILLAGE OF STOCKHOLM

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Licenses, rentals, tax certificates	\$ 60	\$ 1,110	\$ 528
Total Fees and Charges	60	1,110	528
- Land sales - gain		9,999	
- Investment income and commissions		1,085	722
- Recovery of accounts		11,949	176
Total Other Segmented Revenue	60	24,143	1,426
Total Operating	60	24,143	1,426
Total General Government Services	60	24,143	1,426
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire fees	500	38,929	41,307
Total Fees and Charges	500	38,929	41,307
- Donations		15,000	1,180
Total Other Segmented Revenue	500	53,929	42,487
Conditional Grants			
- Local government		15,731	19,703
Total Conditional Grants		15,731	19,703
Total Operating	500	69,660	62,190
Total Protective Services	500	69,660	62,190

VILLAGE OF STOCKHOLM

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
TRANSPORTATION SERVICES			
Operating			
Fees and Charges			
- Custom work	200	160	20
- Equipment rental		10	
Total Fees and Charges	200	170	20
Total Other Segmented Revenue	200	170	20
Total Operating	200	170	20
Total Transportation Services	200	170	20
 ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	3,000	2,548	2,761
- Sale of pest control products and scavenging fees		20	27
Total Fees and Charges	3,000	2,568	2,788
Total Other Segmented Revenue	3,000	2,568	2,788
Total Operating	3,000	2,568	2,788
Total Environmental and Public Health Services	3,000	2,568	2,788

VILLAGE OF STOCKHOLM

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Business licenses	\$ 60	\$ 20	\$ 207
Total Fees and Charges	60	20	207
Total Other Segmented Revenue	60	20	207
Conditional Grants			
- Federation of Canadian Municipalities			16,720
Total Conditional Grants			16,720
Total Operating	60	20	16,927
Total Planning and Development Services	60	20	16,927
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Recreation centre fees	16,900	7,810	16,712
Total Fees and Charges	16,900	7,810	16,712
- Donations		15,700	
Total Other Segmented Revenue	16,900	23,510	16,712
Conditional Grants			
- Local government		1,500	1,500
Total Conditional Grants		1,500	1,500
Total Operating	16,900	25,010	18,212
Capital			
Conditional Grants			
- Federal Gas Tax	23,760	31,152	
Total Capital	23,760	31,152	
Total Recreation and Cultural Services	40,660	56,162	18,212

VILLAGE OF STOCKHOLM

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 108,000	\$ 117,924	\$ 97,926
- Pump house sales	3,600	3,850	3,495
- Sewer	600	340	600
- Connection shutoff fees		215	235
Total Fees and Charges	112,200	122,329	102,256
- Insurance proceeds			19,473
Total Other Segmented Revenue	112,200	122,329	121,729
Total Operating	112,200	122,329	121,729
Capital			
Conditional Grants			
- Federal Gas Tax			42,745
- Clean Water and Wastewater Fund			12,431
Total Capital			55,176
Total Utility Services	112,200	122,329	176,905
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 156,680	\$ 275,052	\$ 278,468
SUMMARY			
Total Other Segmented Revenue	\$ 132,920	\$ 226,669	\$ 185,369
Total Conditional Grants		17,231	37,923
Total Capital Grants and Contributions	23,760	31,152	55,176
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 156,680	\$ 275,052	\$ 278,468

VILLAGE OF STOCKHOLM
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 6,000	\$ 4,179	\$ 5,736
Professional/Contractual services	72,145	75,007	73,144
Utilities	1,400	4,289	3,709
Maintenance, materials, and supplies	2,800	4,264	4,627
Amortization	10,200	8,590	8,590
Other	400	2,190	903
Total General Government Services	92,945	98,519	96,709
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	16,400	16,954	16,365
Fire protection			
Professional/Contractual services	3,550	6,448	4,027
Utilities	2,600	2,827	2,594
Maintenance, materials, and supplies	20,750	5,715	24,072
Amortization	18,000	10,449	16,109
Other		410	862
Total Protective Services	61,300	42,803	64,029
TRANSPORTATION SERVICES			
Wages and benefits	4,200	5,150	4,630
Professional/Contractual services	5,650	2,611	5,650
Utilities	11,000	9,521	10,069
Maintenance, materials, and supplies	63,000	11,681	90,875
Amortization	24,000	36,062	16,904
Other		227	
Total Transportation Services	107,850	65,252	128,128
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	12,000	10,592	8,156
Total Environmental and Public Health Services	12,000	10,592	8,156

VILLAGE OF STOCKHOLM
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
PLANNING AND DEVELOPMENT SERVICES			
Professional/Contractual services	\$	\$	\$ 10,450
Total Planning and Development Services			10,450
RECREATION AND CULTURAL SERVICES			
Professional/Contractual services	8,000	2,110	5,827
Utilities	700	11,310	11,588
Maintenance, materials, and supplies	16,300	5,649	5,412
Grants and contributions			
- Operating	4,700	4,734	4,646
Amortization	4,200	3,989	4,731
Other		700	1,080
Total Recreation and Cultural Services	33,900	28,492	33,284
UTILITY SERVICES			
Wages and benefits	85,450	87,656	84,468
Professional/Contractual services	20,636	5,683	5,027
Utilities	10,500	12,429	11,605
Maintenance, materials, and supplies	77,500	91,275	81,819
Amortization	14,500	37,964	37,400
Interest	3,500	1,824	3,455
Total Utility Services	212,086	236,831	223,774
TOTAL EXPENSES BY FUNCTION	\$ 520,081	\$ 482,489	\$ 564,530

VILLAGE OF STOCKHOLM
SCHEDULE 4 - 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	\$ 1,110	\$ 38,929	\$ 170	\$ 2,568	\$ 20	\$ 7,810	\$ 122,329	\$ 172,936
Tangible Capital Asset Sale - Gain (Loss)								9,999
Land Sales - Gain (Loss)	9,999							1,085
Investment Income & Commissions	1,085							42,649
Other Revenues	11,949	15,000				15,700		17,231
Grants - Conditional		15,731				1,500		31,152
- Capital						31,152		
Total revenues	24,143	69,660	170	2,568	20	56,162	122,329	275,052
Expenses (Schedule 3)								
Wages & Benefits	4,179		5,150				87,656	96,985
Professional/Contractual Services	75,007	23,402	2,611	10,592		2,110	5,683	119,405
Utilities	4,289	2,827	9,521			11,310	12,429	40,376
Maintenance, Materials, Supplies	4,264	5,715	11,681			5,649	91,275	118,584
Grants and Contributions						4,734		4,734
Amortization	8,590	10,449	36,062			3,989	37,964	97,054
Interest							1,824	1,824
Allowance for Uncollectibles								
Other	2,190	410	227			700		3,527
Total expenses	98,519	42,803	65,252	10,592		28,492	236,831	482,489
Surplus (Deficit) by Function	(74,376)	26,857	(65,082)	(8,024)	20	27,670	(114,502)	(207,437)
Taxation and other unconditional revenue (Schedule 1)								431,614
Net Surplus								\$ 224,177

VILLAGE OF STOCKHOLM
SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 528	\$ 41,307	\$ 20	\$ 2,788	\$ 207	\$ 16,712	\$ 102,256	\$ 163,818
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								722
Investment Income & Commissions	722							20,829
Other Revenues	176	1,180					19,473	37,923
Grants - Conditional		19,703			16,720	1,500		55,176
- Capital							55,176	55,176
Total revenues	1,426	62,190	20	2,788	16,927	18,212	176,905	278,468
Expenses (Schedule 3)								
Wages & Benefits	5,736		4,630				84,468	94,834
Professional/Contractual Services	73,144	20,392	5,650	8,156	10,450	5,827	5,027	128,646
Utilities	3,709	2,594	10,069			11,588	11,605	39,565
Maintenance, Materials, Supplies	4,627	24,072	90,875			5,412	81,819	206,805
Grants and Contributions						4,646		4,646
Amortization	8,590	16,109	16,904			4,731	37,400	83,734
Interest							3,455	3,455
Allowance for Uncollectibles								
Other	903	862				1,080		2,845
Total expenses	96,709	64,029	128,128	8,156	10,450	33,284	223,774	564,530
Surplus (Deficit) by Function	(95,283)	(1,839)	(128,108)	(5,368)	6,477	(15,072)	(46,869)	(286,062)
Taxation and other unconditional revenue (Schedule 1)								397,504
Net Surplus								\$ 111,442

VILLAGE OF STOCKHOLM
SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT
For the year ended December 31, 2020

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
Cost	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	2020	2019
Opening costs	\$ 29,490	19,078	892,439	256,730	383,377	2,751,038		\$4,332,152	\$4,114,687
Additions during the year					10,013			10,013	217,465
Closing costs	29,490	19,078	892,439	256,730	393,390	2,751,038		4,342,165	4,332,152
Accumulated Amortization									
Opening accumulated amortization		19,078	689,480	208,061	125,024	902,219		1,943,862	1,860,128
Amortization			13,747	13,441	28,596	41,270		97,054	83,734
Closing accumulated amortization		19,078	703,227	221,502	153,620	943,489		2,040,916	1,943,862
Net Book Value	\$ 29,490		189,212	35,228	239,770	1,807,549		\$2,301,249	\$2,388,290

VILLAGE OF STOCKHOLM
SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION
For the year ended December 31, 2020

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2020	2019
Opening costs	\$ 371,661	236,607	1,268,023	7,400		421,662	2,026,799	\$4,332,152	\$4,114,687
Additions during the year						10,013		10,013	217,465
Closing costs	<u>371,661</u>	<u>236,607</u>	<u>1,268,023</u>	<u>7,400</u>		<u>431,675</u>	<u>2,026,799</u>	<u>4,342,165</u>	<u>4,332,152</u>
Accumulated Amortization									
Opening accumulated amortization	313,682	186,608	720,414	7,400		289,326	426,432	1,943,862	1,860,128
Amortization	<u>8,590</u>	<u>11,295</u>	<u>36,062</u>			<u>3,989</u>	<u>37,118</u>	<u>97,054</u>	<u>83,734</u>
Closing accumulated amortization	<u>322,272</u>	<u>197,903</u>	<u>756,476</u>	<u>7,400</u>		<u>293,315</u>	<u>463,550</u>	<u>2,040,916</u>	<u>1,943,862</u>
Net Book Value	<u>\$ 49,389</u>	<u>38,704</u>	<u>511,547</u>			<u>138,360</u>	<u>1,563,249</u>	<u>\$2,301,249</u>	<u>\$2,388,290</u>

VILLAGE OF STOCKHOLM
SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS
For the year ended December 31, 2020

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 446,552	268,546 \$	715,098
APPROPRIATED RESERVES			
Fire department	22,434		22,434
Capital trust	28,000		28,000
Other	6,781		6,781
Community planning	100		100
Total appropriated	57,315		57,315
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,388,290	(87,041)	2,301,249
Less: Related debt	(56,686)	42,672	(14,014)
Net Investment in Tangible capital assets	2,331,604	(44,369)	2,287,235
Total Accumulated Surplus	\$ 2,835,471	224,177 \$	3,059,648

VILLAGE OF STOCKHOLM
SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS
For the year ended December 31, 2020

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	51,040	25,070,560			942,300		26,063,900
Regional Park Assessment							
Total Assessment							26,063,900
Mill Rate Factor(s)	1.00	1.00			1.00		
Total Base/Minimum Tax	300	110,440			16,200		126,940
Total Municipal Tax Levy	606	260,863			21,854		283,323

MILL RATES:	MILLS
Average Municipal	10.8703
Average School	4.1925
Potash Mill Rate	
Uniform Municipal Mill Rate	6.0000

VILLAGE OF STOCKHOLM
SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2020

	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Jason Nicholas	\$ 995	\$	995
Councilor - Mike Wolfe	875		875
Councilor - Ilona Zambal	855		855
Councilor - Lindsay Korolek	650		650
Councilor - Jamie Smart-Sondergaard	450		450
Councilor - Kurt Prodgers	200		200
Councilor - Tyler Tranberg	100		100
	<u>\$ 4,125</u>	<u>\$</u>	<u>4,125</u>