

VILLAGE OF STOCKHOLM

FINANCIAL STATEMENTS

For the year ended December 31, 2021

VILLAGE OF STOCKHOLM
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STATEMENT OF RESPONSIBILITY

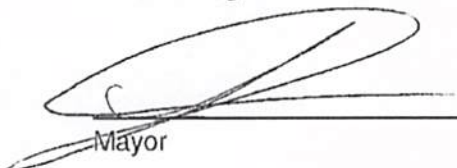
To the Ratepayers of the Village of Stockholm:


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

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

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

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



Mayor

Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:
Village of 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, 2021 and the statement of operations, statement of changes in net financial assets, and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Village of Stockholm as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The 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 qualified opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Village of 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
June 3, 2022



 Chartered Professional Accountants Ltd.

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

	2021	2020
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	\$ 690,687	\$ 643,836
Taxes receivable - Municipal (Note 3)	181,860	161,056
Amounts receivable (Note 4)	101,863	58,206
Patronage equity	4,270	4,270
TOTAL FINANCIAL ASSETS	978,680	867,368
LIABILITIES		
Accounts payable	27,838	41,825
Deferred revenue (Note 6)		53,132
Long-term debt (Note 7)	14,014	14,014
TOTAL LIABILITIES	41,852	108,971
NET FINANCIAL ASSETS	936,828	758,397
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	2,408,049	2,301,249
Land for resale (Note 5)	2	3
TOTAL NON-FINANCIAL ASSETS	2,408,051	2,301,252
ACCUMULATED SURPLUS (Schedule 8)	\$ 3,344,879	\$ 3,059,649

VILLAGE OF STOCKHOLM
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)	\$ 417,995	\$ 405,873	\$ 431,614
Fees and charges (Schedules 4 and 5)	122,560	192,569	172,936
Conditional grants (Schedules 4 and 5)	23,760	71,326	17,231
Land sales - gain (Schedules 4 and 5)		2,499	9,999
Investment income and commissions (Schedules 4 and 5)		1,141	1,085
Other revenues (Schedules 4 and 5)			42,649
	564,315	673,408	675,514
EXPENSES			
General government services (Schedule 3)	93,265	111,447	98,519
Protective services (Schedule 3)	64,850	51,159	42,871
Transportation services (Schedule 3)	112,350	96,160	65,183
Environmental and public health services (Schedule 3)	11,000	8,281	10,592
Recreation and cultural services (Schedule 3)	30,800	24,428	28,491
Utility services (Schedule 3)	270,550	190,186	236,832
	582,815	481,661	482,488
SURPLUS (DEFICIT) BEFORE OTHER CAPITAL CONTRIBUTIONS	(18,500)	191,747	193,026
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	54,000	93,483	31,152
ANNUAL SURPLUS	35,500	285,230	224,178
ACCUMULATED SURPLUS, BEGINNING OF YEAR	3,059,649	3,059,649	2,835,471
ACCUMULATED SURPLUS, END OF YEAR	\$ 3,095,149	\$ 3,344,879	\$ 3,059,649

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

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
ANNUAL SURPLUS	\$ 35,500	\$ 285,230	\$ 224,178
Acquisition of tangible capital assets	(12,500)	(209,160)	(10,013)
Amortization of tangible capital assets	70,900	102,360	97,054
Decrease in land for resale		1	
Decrease in prepaid expenses			2,320
	58,400	(106,799)	89,361
CHANGE IN NET FINANCIAL ASSETS	\$ 93,900	178,431	313,539
NET FINANCIAL ASSETS, BEGINNING OF YEAR		758,397	444,858
NET FINANCIAL ASSETS, END OF YEAR		\$ 936,828	\$ 758,397

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

	2021	2020
OPERATING TRANSACTIONS		
Annual surplus	\$ 285,230	\$ 224,178
Changes in non-cash items:		
Taxes receivable - municipal	(20,804)	(13,687)
Amounts receivable	(43,657)	1,756
Prepaid expenses		2,320
Accounts payable and accrued liabilities	(13,987)	19,283
Deferred revenue	(53,132)	51,572
Gain on sale of land for resale	(2,499)	(9,999)
Amortization	102,360	97,054
Cash provided by operating transactions	253,511	372,477
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(209,160)	(10,013)
Cash applied to capital transactions	(209,160)	(10,013)
INVESTING TRANSACTIONS		
Proceeds on sale of land for resale	2,500	10,000
Acquisition of real estate properties		(1)
Cash applied to investing transactions	2,500	9,999
FINANCING TRANSACTIONS		
Debt repayment		(42,672)
Cash applied to financing transactions		(42,672)
CHANGE IN CASH AND TEMPORARY INVESTMENTS	46,851	329,791
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	643,836	314,045
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 690,687	\$ 643,836

VILLAGE OF STOCKHOLM
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 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, 2021

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 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.

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

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, 2021

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, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the Village.

Employee Benefit Plans

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

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, 2021

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 June 11, 2021.

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

2. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2021	2020
Cash	\$ 686,187	\$ 639,336
Temporary investments	4,500	4,500
	<u>\$ 690,687</u>	<u>\$ 643,836</u>

Cash include balances with banks. Temporary investments represent an investment in a term deposit earning interest at 0.60% (2020 - 0.90% - 1.80%) and have a maturity date of March 2023.

3. TAXES AND GRANTS-IN-LIEU RECEIVABLE

	2021	2020
Municipal	\$ 26,851	\$ 25,321
- Current	185,009	155,735
- Arrears		
	<u>211,860</u>	<u>181,056</u>
- Less Allowance for Uncollectibles	(30,000)	(20,000)
	<u>181,860</u>	<u>161,056</u>
Total municipal taxes receivable		
School	8,122	6,836
- Current	36,398	30,711
- Arrears		
	<u>44,520</u>	<u>37,547</u>
Total school taxes receivable		
Total taxes and grants-in-lieu receivable	<u>226,380</u>	<u>198,603</u>
Deduct taxes receivable to be collected on behalf of other organizations	(44,520)	(37,547)
Municipal and grants-in-lieu taxes receivable	<u>\$ 181,860</u>	<u>\$ 161,056</u>

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2021	2020
Organizations and individuals	\$ 64,826	\$ 32,251
Federal government	20,088	13,033
Utility	16,930	12,887
Accrued interest	19	35
	<u>\$ 101,863</u>	<u>\$ 58,206</u>

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

5. LAND FOR RESALE

	2021	2020
Other Land	\$ 2	\$ 3

6. DEFERRED REVENUE

	2021	2020
Municipal Economic Enhancement Program grant (Note 9)	\$	\$ 50,592
Office rental		1,040
Fire fees		1,000
Hall rentals		500
	\$	\$ 53,132

7. LONG-TERM DEBT

The debt limit of the Village is \$446,735. 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).

	2021	2020
North Valley Credit Union Ltd. loan payable in semi-annual payments of \$22,248 including interest at 3.95%. Matures 2022. Secured by taxes.	\$ 14,014	\$ 14,014

Future principal and interest payments are as follows:

	Principal	Interest	Total
2022	\$ 14,014	554	\$ 14,568
Balance	\$ 14,014	554	\$ 14,568

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

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 2021 was \$5,986 (2020 - \$5,931). The benefits accrued to the Village's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS 3250.

9. GOVERNMENT ASSISTANCE

In response to the pandemic in the prior year, the Provincial and Federal governments provided funds to municipalities 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 - \$50,592). These funds were approved to be spent on repairs for a collapsing sewer line on Ohlen Street. As of December 31, 2021, \$86,051 was spent on the project. In addition, during 2020 the Safe Restart Program provided \$20,998 of unconditional funds to the Village.

10. OTHER MATTERS

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

VILLAGE OF STOCKHOLM**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	\$ 276,199	\$ 276,195	\$ 283,323
Discount on current year taxes	11,000	(10,685)	(10,609)
Net Municipal Taxes	287,199	265,510	272,714
Potash tax share	16,410	17,771	16,410
Penalties on tax arrears	12,000	21,589	19,697
Total Taxes	315,609	304,870	308,821
UNCONDITIONAL GRANTS			
Revenue Sharing	80,996	80,996	81,716
Safe Restart			20,998
Total Unconditional Grants	80,996	80,996	102,714
GRANTS-IN-LIEU OF TAXES			
Provincial			
Sasktel	2,940	2,935	2,941
Local/Other			
Housing Authority			21
Other Government Transfers			
S.P.C. Surcharge	18,450	17,072	17,117
Total Grants-in-Lieu of Taxes	21,390	20,007	20,079
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 417,995	\$ 405,873	\$ 431,614

VILLAGE OF STOCKHOLM**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			
- Licenses, rentals, tax certificates	\$ 3,100	\$ 261	\$ 1,110
Total Fees and Charges	3,100	261	1,110
- Land sales - gain		2,499	9,999
- Investment income and commissions		1,141	1,085
- Recovery of accounts			11,949
Total Other Segmented Revenue	3,100	3,901	24,143
Total Operating	3,100	3,901	24,143
Total General Government Services	3,100	3,901	24,143
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire fees	1,000	52,800	38,929
Total Fees and Charges	1,000	52,800	38,929
- Donations			15,000
Total Other Segmented Revenue	1,000	52,800	53,929
Conditional Grants			
- Local government	23,760	18,521	15,731
Total Conditional Grants	23,760	18,521	15,731
Total Operating	24,760	71,321	69,660
Total Protective Services	24,760	71,321	69,660

VILLAGE OF STOCKHOLM**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			
Fees and Charges			
- Custom work	\$ 200	\$	160
- Equipment rental			10
Total Fees and Charges	200		170
Total Other Segmented Revenue	200		170
Total Operating	200		170
Total Transportation Services	200		170
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees		2,727	2,548
- Sale of pest control products and scavenging fees		250	20
Total Fees and Charges		2,977	2,568
Total Other Segmented Revenue		2,977	2,568
Total Operating		2,977	2,568
Total Environmental and Public Health Services		2,977	2,568

VILLAGE OF STOCKHOLM

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
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Business licenses	\$ 60	\$ 110	\$ 20
Total Fees and Charges	60	110	20
Total Other Segmented Revenue	60	110	20
Total Operating	60	110	20
Total Planning and Development Services	60	110	20
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Recreation centre fees	6,000	8,500	7,810
Total Fees and Charges	6,000	8,500	7,810
- Donations			15,700
Total Other Segmented Revenue	6,000	8,500	23,510
Conditional Grants			
- Local government		6,500	1,500
Total Conditional Grants		6,500	1,500
Total Operating	6,000	15,000	25,010
Capital			
Conditional Grants			
- Canada Community Building Fund (CCBF)	54,000	42,891	31,152
Total Capital	54,000	42,891	31,152
Total Recreation and Cultural Services	60,000	57,891	56,162

VILLAGE OF STOCKHOLM

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 108,000	\$ 117,791	\$ 117,924
- Pump house sales	3,600	9,790	3,850
- Sewer	600	340	340
- Connection shutoff fees			215
Total Fees and Charges	112,200	127,921	122,329
Total Other Segmented Revenue	112,200	127,921	122,329
Conditional Grants			
- Federation of Canadian Municipalities - MAMP		46,305	
Total Conditional Grants		46,305	
Total Operating	112,200	174,226	122,329
Capital			
Conditional Grants			
- Municipal Economic Enhancement Program		50,592	
Total Capital		50,592	
Total Utility Services	112,200	224,818	122,329
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 200,320	\$ 361,018	\$ 275,052
SUMMARY			
Total Other Segmented Revenue	\$ 122,560	\$ 196,209	\$ 226,669
Total Conditional Grants	23,760	71,326	17,231
Total Capital Grants and Contributions	54,000	93,483	31,152
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 200,320	\$ 361,018	\$ 275,052

VILLAGE OF STOCKHOLM
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	\$ 6,000	\$ 5,700	\$ 4,179
Professional/Contractual services	70,665	77,596	75,007
Utilities	1,400	4,009	4,289
Maintenance, materials, and supplies	4,600	4,827	4,264
Amortization	10,200	8,590	8,590
Allowance for uncollectibles		10,000	
Other	400	725	2,190
Total General Government Services	93,265	111,447	98,519
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	16,500	17,409	16,954
Other	1,000		
Fire protection			
Professional/Contractual services	6,500	10,164	6,928
Utilities	2,600	2,699	2,827
Maintenance, materials, and supplies	20,250	5,494	5,715
Amortization	18,000	15,393	10,447
Total Protective Services	64,850	51,159	42,871
TRANSPORTATION SERVICES			
Wages and benefits	5,700	3,902	5,150
Professional/Contractual services	11,650	32,463	2,542
Utilities	11,000	9,037	9,521
Maintenance, materials, and supplies	60,000	14,388	11,681
Amortization	24,000	36,370	36,062
Other			227
Total Transportation Services	112,350	96,160	65,183
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	11,000	8,281	10,592
Total Environmental and Public Health Services	11,000	8,281	10,592

VILLAGE OF STOCKHOLM
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	\$ 5,000	\$ 1,630	\$ 2,110
Utilities	700	9,924	11,309
Maintenance, materials, and supplies	16,200	3,307	5,649
Grants and contributions			
- Operating	4,700	4,734	4,734
Amortization	4,200	4,833	3,989
Other			700
Total Recreation and Cultural Services	30,800	24,428	28,491
UTILITY SERVICES			
Wages and benefits	87,450	87,982	87,656
Professional/Contractual services	60,600	8,939	5,683
Utilities	12,000	11,533	12,429
Maintenance, materials, and supplies	92,500	44,557	91,265
Amortization	14,500	37,175	37,965
Interest	3,500		1,824
Other			10
Total Utility Services	270,550	190,186	236,832
TOTAL EXPENSES BY FUNCTION	\$ 582,815	\$ 481,661	\$ 482,488

VILLAGE OF STOCKHOLM
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	\$ 261	\$ 52,800	\$	\$ 2,977	\$ 110	\$ 8,500	\$ 127,921	\$ 192,569
Tangible Capital Asset Sale - Gain (Loss)								2,499
Land Sales - Gain (Loss)	2,499							2,499
Investment Income & Commissions	1,141							1,141
Other Revenues								
Grants - Conditional		18,521				6,500	46,305	71,326
- Capital						42,891	50,592	93,483
Total revenues	3,901	71,321		2,977	110	57,891	224,818	361,018
Expenses (Schedule 3)								
Wages & Benefits	5,700		3,902				87,982	97,584
Professional/Contractual Services	77,596	27,573	32,463	8,281		1,630	8,939	156,482
Utilities	4,009	2,699	9,037			9,924	11,533	37,202
Maintenance, Materials, Supplies	4,827	5,494	14,388			3,307	44,557	72,573
Grants and Contributions						4,734		4,734
Amortization	8,590	15,393	36,370			4,833	37,175	102,361
Interest								
Allowance for Uncollectibles	10,000							10,000
Other	725							725
Total expenses	111,447	51,159	96,160	8,281		24,428	190,186	481,661
Surplus (Deficit) by Function	(107,546)	20,162	(96,160)	(5,304)	110	33,463	34,632	(120,643)
Taxation and other unconditional revenue (Schedule 1)								405,873
Net Surplus								\$ 285,230

VILLAGE OF STOCKHOLM
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	\$ 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		275,052
Total revenues	24,143	69,660	170	2,568	20	56,162	122,329	
Expenses (Schedule 3)								
Wages & Benefits	4,179		5,150				87,656	96,985
Professional/Contractual Services	75,007	23,882	2,542	10,592		2,110	5,683	119,816
Utilities	4,289	2,827	9,521			11,309	12,429	40,375
Maintenance, Materials, Supplies	4,263	5,715	11,681			5,649	91,265	118,573
Grants and Contributions						4,734		4,734
Amortization	8,591	10,447	36,062			3,989	37,965	97,054
Interest							1,824	1,824
Allowance for Uncollectibles								
Other	2,190		227			700	10	3,127
Total expenses	98,519	42,871	65,183	10,592		28,491	236,832	482,488
Surplus (Deficit) by Function	(74,376)	26,789	(65,013)	(8,024)	20	27,671	(114,503)	(207,436)
Taxation and other unconditional revenue (Schedule 1)								431,614
Net Surplus								\$ 224,178

VILLAGE OF STOCKHOLM
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	\$ 29,490	19,078	892,439	256,730	393,390	2,751,038		\$4,342,165	\$4,332,152
Additions during the year				28,644	82,837	11,628	86,051	209,160	10,013
Closing costs	29,490	19,078	892,439	285,374	476,227	2,762,666	86,051	4,551,325	4,342,165
Accumulated Amortization									
Opening accumulated amortization		19,078	703,227	221,502	153,620	943,489		2,040,916	1,943,862
Amortization			13,747	15,589	31,696	41,328		102,360	97,054
Closing accumulated amortization		19,078	716,974	237,091	185,316	984,817		2,143,276	2,040,916
Net Book Value	\$ 29,490		175,465	48,283	290,911	1,777,849	86,051	\$2,408,049	\$2,301,249

VILLAGE OF STOCKHOLM
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	\$ 371,661	236,607	1,268,023	7,400		431,675	2,026,799	\$4,342,165	\$4,332,152
Additions during the year		103,306				8,175	97,679	209,160	10,013
Closing costs	371,661	339,913	1,268,023	7,400		439,850	2,124,478	4,551,325	4,342,165
Accumulated Amortization									
Opening accumulated amortization	322,272	197,903	756,476	7,400		293,315	463,550	2,040,916	1,943,862
Amortization	8,589	15,390	36,371			4,834	37,176	102,360	97,054
Closing accumulated amortization	330,861	213,293	792,847	7,400		298,149	500,726	2,143,276	2,040,916
Net Book Value	<u>\$ 40,800</u>	<u>126,620</u>	<u>475,176</u>			<u>141,701</u>	<u>1,623,752</u>	<u>\$2,408,049</u>	<u>\$2,301,249</u>

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

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 715,099	172,209 \$	887,308
APPROPRIATED RESERVES			
Fire department	22,434	6,221	28,655
Capital trust	28,000		28,000
Other	6,781		6,781
Community planning	100		100
Total appropriated	57,315	6,221	63,536
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,301,249	106,800	2,408,049
Less: Related debt	(14,014)		(14,014)
Net Investment in Tangible capital assets	2,287,235	106,800	2,394,035
Total Accumulated Surplus	\$ 3,059,649	285,230 \$	3,344,879

VILLAGE OF STOCKHOLM

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	63,690	24,011,840			751,995		24,827,525
Regional Park Assessment							
Total Assessment							24,827,525
Mill Rate Factor(s)	1.00	1.00			1.00		
Total Base/Minimum Tax	300	110,730			16,200		127,230
Total Municipal Tax Levy	682	254,801			20,712		276,195

MILL RATES:

MILLS

Average Municipal	11.1246
Average School	4.5214
Potash Mill Rate	
Uniform Municipal Mill Rate	6.0000

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

	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Jason Nicholas	\$ 1,350	\$	1,350
Councilor - Mike Wolfe	1,350		1,350
Councilor - Kurt Producers	1,200		1,200
Councilor - Tyler Tranberg	1,000		1,000
Councilor - Lindsay Korolek	800		800
	<hr/>		<hr/>
	\$ 5,700	\$	5,700
	<hr/>		<hr/>