

Annual Financial Statements

And Supporting Schedules

For The

Village of Waseca

As at December 31, 2018

Management's Responsibility

To the Ratepayers of the Village of Waseca:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.


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

The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council 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 municipality's external auditors.

Holm Raiche Oberg, Chartered Professional Accountants P.C. Ltd., an independent firm of chartered professional accountants, is appointed by 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.

November 19, 2019
Date


Mayor


Administrator



Holm Raiche Oberg
Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Village of Waseca

Opinion

We have audited the financial statements of Village of Waseca (the Organization), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net financial assets, changes in accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Graham K. Holm, CPA, CA*
(Retired)

Loralie A. Raiche, CPA, CA, CFP*

Dallan D. Oberg, CPA, CA*

*Denotes a professional corporation



Independent Auditor's Report to the Members of Village of Waseca *(continued)*

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 generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Organization'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 Organization'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 Organization 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.

North Battleford, Saskatchewan
November 19, 2019

Holm Raiche Oberg
Chartered Professional Accountants

Village of Waseca
Statement of Financial Position
As at December 31, 2018

Statement 1

	2018	2017
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 132,827	\$ 252,380
Taxes Receivable - Municipal (Note 3)	82,175	46,023
Other Accounts Receivable (Note 4)	24,510	42,000
Land for Resale		
Long-term Investments (Note 5)	237	237
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	239,749	340,640

LIABILITIES		
Bank Indebtedness (Note 6)		
Accounts Payable	13,557	2,722
Accrued Liabilities Payable		
Deposits		
Deferred Revenue (Note 7)	180	930
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 8)	183,373	200,000
Lease Obligations		
Total Liabilities	197,110	203,652

NET FINANCIAL ASSETS	42,639	136,988
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	589,089	490,515
Prepayments and Deferred Charges	4,917	2,898
Stock and Supplies		
Other		
Total Non-Financial Assets	594,006	493,413

Accumulated Surplus (Schedule 8)	\$ 636,645	\$ 630,401
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Village of Waseca
Statement of Operations
As at December 31, 2018

Statement 2

	2018 Budget	2018	2017
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 145,097	\$ 150,241	\$ 150,091
Fees and Charges (Schedule 4, 5)	47,925	54,783	50,562
Conditional Grants (Schedule 4, 5)	10,722	12,066	15,154
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)			
Land Sales - Gain (Loss) (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)		1,788	880
Other Revenues (Schedule 4, 5)	125	528	485
Total Revenues	203,869	219,406	217,172
Expenses			
General Government Services (Schedule 3)	71,008	78,374	74,576
Protective Services (Schedule 3)	18,357	15,573	9,295
Transportation Services (Schedule 3)	61,103	46,722	26,228
Environmental and Public Health Services (Schedule 3)	22,320	27,843	28,660
Planning and Development Services (Schedule 3)			
Recreation and Cultural Services (Schedule 3)	6,020	15,045	29,804
Utility Services (Schedule 3)	42,050	75,704	50,408
Total Expenses	220,858	259,261	218,971
(Deficit) of Revenues over Expenses before Other Capital Contributions	(16,989)	(39,855)	(1,799)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	24,178	46,099	124,525
Surplus of Revenues over Expenses	\$ 7,189	6,244	122,726
Accumulated Surplus, Beginning of Year		630,401	507,675
Accumulated Surplus, End of Year		\$ 636,645	\$ 630,401

Village of Waseca

Statement of Change in Net Financial Assets

As at December 31, 2018

Statement 3

	2018 Budget	2018	2017
Surplus	\$ 7,189	\$ 6,244	\$ 122,726
(Acquisition) of tangible capital assets	(120,500)	(119,171)	(190,816)
Amortization of tangible capital assets		20,597	20,596
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets			
(Deficit) of capital revenue over expenditures	(120,500)	(98,574)	(170,220)
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(2,019)	(90)
Consumption of supplies inventories			
Use of prepaid expense			
(Deficit) of expenses of other non-financial over expenditures		(2,019)	(90)
(Decrease) in Net Financial Assets	\$ (113,311)	(94,349)	(47,584)
Net Financial Assets - Beginning of Year		136,988	184,572
Net Financial Assets - End of Year		\$ 42,639	\$ 136,988

Village of Waseca
Statement of Cash Flow
As at December 31, 2018

Statement 4

	2018	2017
Cash provided by (used for) the following activities		
Operating:		
Surplus	\$ 6,244	\$ 122,726
Amortization	20,597	20,596
	26,841	143,322
Change in assets/liabilities		
Taxes Receivable - Municipal	(36,152)	(6,485)
Other Receivables	17,490	(16,279)
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	10,835	(1,093)
Deposits		
Deferred Revenue	(750)	240
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use		
Prepayments and Deferred Charges	(2,019)	(90)
Other (Specify)		
Cash provided by (applied to) operating transactions	16,245	119,615
Capital:		
Acquisition of Tangible Capital Assets	(119,171)	(190,816)
Proceeds From the Disposal of Tangible Capital Assets		
Other Capital		
Cash provided by (applied to) applied to capital transactions	(119,171)	(190,816)
Investing:		
Long-term Investments		
Other Investments		
Cash provided by (applied to) investing transactions		
Financing:		
Debt Charges Recovered		
Long-term Debt Issued		200,000
Long-term Debt Repaid	(16,627)	
Other Financing		
Cash provided by (applied to) financing transactions	(16,627)	200,000
Change in Cash and Temporary Investments during the year	(119,553)	128,799
Cash and Temporary Investments - Beginning of Year	252,380	123,581
Cash and Temporary Investments - End of Year	\$ 132,827	\$ 252,380

Village of Waseca

Notes to the Financial Statements

As at December 31, 2018

1. Significant Accounting Policies

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada).

Significant aspects of the accounting policies adopted by the municipality are as follows:

- a) **Basis of Accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.
- b) **Reporting Entity:** The financial statements consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity

Village of Waseca

- c) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board, municipal hall and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- d) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
 - a) the transfers are authorized;
 - b) any eligibility criteria have been met; and
 - c) reasonable 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 account receivable.

- e) **Deferred Revenue:** Fees and charges - certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **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.

1. Significant Accounting Policies - continued

- i) **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.
- j) **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.
- k) **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. Equity investments are recorded at cost.
- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

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

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

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

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. 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. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. Significant Accounting Policies - continued

- n) **Landfill Liability:** The municipality maintains a waste disposal site. The municipality is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or a liability.
- o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 10.
- p) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
 - a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Taxes receivable and accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

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

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

- s) **Basis of Segmentation/Segment Report:** The municipality has adopted the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for police and fire protection.

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

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighborhood development and sustainability.

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

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

- t) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- u) **Land for Resale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- v) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

Village of Waseca
Notes to the Financial Statements
As at December 31, 2018

1. Significant Accounting Policies - continued

- w) **New Accounting Standards:** Effective January 1, 2018, the municipality adopted the following Canadian public sector accounting standards. The description of these changes and their impact on the financial statements is summarized:

PS 2200 Related Party Disclosures defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

The adoption of this standard has not resulted in any disclosure change.

PS 3210 Assets provides additional guidance for applying the definition of assets and establishing disclosure requirements for assets. Disclosure about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate cannot be made, the reason(s) for this should be disclosed. The adoption of this standard has no impact on the financial statements.

PS 3320 Contingent Assets defines and establishes disclosure standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. Disclosure is required when the occurrence of the confirming future event is likely.

The municipality does not have any reportable contingent assets.

PS 3380 Contractual Rights defines and establishes disclosure standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

The municipality does not have any reportable contractual rights.

PS 3420 Inter-Entity Transactions establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standard has no impact on the financial statements.

Village of Waseca
Notes to the Financial Statements
As at December 31, 2018

1. Significant Accounting Policies - continued

- x) **Recent Accounting Pronouncements:** A number of new and amended standards have been issued and may impact the municipality as summarized below:

Standards Effective on or After April 1, 2018

PS 3430 Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operations responsibilities. Earlier adoption is permitted.

Standards Effective on or After April 1, 2021

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses 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. Earlier adoption is permitted when adopting sections PS 2601 and PS 3450.

PS 2601 Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in 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. Earlier adoption is permitted when adopting sections PS 1201 and PS 3450.

PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments will no longer apply. Earlier adoption is permitted when adopting sections PS 1201, PS 2601 and PS 3450.

PS 3450 Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The 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 remeasurement 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. Earlier adoption is permitted when adopting Sections PS 1201 and PS 2601.

The municipality continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

Village of Waseca

Notes to the Financial Statements

As at December 31, 2018

	2018	2017
2. Cash and Temporary Investments		
Cash	\$ 87,270	\$ 207,676
Temporary Investments	39,040	38,532
Restricted Cash	6,517	6,172
Total Cash and Temporary Investments	\$ 132,827	\$ 252,380

Cash and temporary investments include balances with banks, Credit Unions, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

The municipality has set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are underfunded by \$17,500 and \$17,500 as of December 31, 2018 and 2017, respectively. However, there are sufficient funds in the general account to fund the reserves.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 38,129	\$ 29,593
- Arrears	46,832	16,430
	84,961	46,023
- Less Allowance for Uncollectibles	(2,786)	
Total Municipal Taxes Receivable	82,175	46,023

School - Current	8,027	4,090
- Arrears	8,717	5,563
Total School Taxes Receivable	16,744	9,653

Other		
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Total Taxes and Grants in Lieu Receivable 98,919 55,676

Deduct Taxes Receivable to be Collected on Behalf of Other Organizations (16,744) (9,653)

Total Taxes Receivable - Municipal	\$ 82,175	\$ 46,023
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4. Other Accounts Receivable

Federal government	\$ 24,510	\$ 30,523
Provincial government		
Local government		
Utility		10,700
Trade		777
Other (Specify)		
Total Other Accounts Receivable	24,510	42,000

Less Allowance for Uncollectibles

Net Other Accounts Receivable	\$ 24,510	\$ 42,000
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Village of Waseca

Notes to the Financial Statements

As at December 31, 2018

5. Long-term Investments

	2018	2017
Lloydminster & District Co-op equity	\$ 237	\$ 237
Total Long-term Investments	\$ 237	\$ 237

6. Credit Facility Agreement

The municipality has a credit facility agreement with its financial institution that covers its long-term debt facilities referred to in Note 8 and a revolving operating line of credit in the amount of \$10,000.

Interest on the line of credit is 4.95%. Security for the line of credit is the assignment of the municipality's municipal taxes receivable. There was no balance owing at year end under this line of credit as of December 31, 2018 and 2017.

7. Deferred Revenue

Prepaid taxes/utilities	\$ 180	\$ 930
Total Deferred Revenue	\$ 180	\$ 930

8. Long-term Debt

The debt limit of the municipality is \$168,929. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

a) Synergy Credit Union loan - water treatment plant upgrades is secured by municipal taxes receivable and future water billing collections. Annual payments are \$17,675 including interest at 3.75%. The loan is due January, 2032.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2018				\$ 16,627
2019	\$ 10,799	\$ 6,876	\$ 17,675	16,627
2020	11,204	6,471	17,675	10,799
2021	11,624	6,051	17,675	11,204
2022	12,060	5,615	17,675	11,624
2023	12,511	5,164	17,675	12,060
Thereafter	125,175	24,148	149,323	121,059
Balance	183,373	54,325	237,698	200,000

Total Long-term Debt	\$ 183,373	\$ 54,325	\$ 237,698	\$ 200,000
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9. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

10. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

Hospital trust fund

	2018	2017
Balance - Beginning of Year	\$ 9,820	\$ 9,761
Revenue (Specify)		
Interest revenue	49	59
Expenditure (Specify)		
Balance - End of Year	\$ 9,869	\$ 9,820

Village of Waseca

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2018

Schedule 1

TAXES

	2018 Budget	2018	2017
General municipal tax levy	\$ 105,847	\$ 105,847	\$ 104,953
Abatements and adjustments			
Discount on current year taxes	(3,000)	(2,819)	(3,105)
Net Municipal Taxes	102,847	103,028	101,848
Potash tax share			
Trailer license fees			
Penalties on tax arrears		8,836	7,556
Special tax levy			
Other (Specify)			
Total Taxes	102,847	111,864	109,404

UNCONDITIONAL GRANTS

Revenue Sharing	36,250	31,565	33,722
Organized Hamlet			
Total Unconditional Grants	36,250	31,565	33,722

GRANTS IN LIEU OF TAXES

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel			
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	6,000	6,812	6,965
SaskEnergy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	6,000	6,812	6,965

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 145,097	\$ 150,241	\$ 150,091
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Village of Waseca
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 1

	2018 Budget	2018	2017
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies	\$ 40	\$ 5	\$ 31
- Other (Tax enforcement, permits, tax certificates)	250	80	220
Total Fees and Charges	290	85	251
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions		1,788	880
- Other (Building permits, recoveries)		528	485
Total Other Segmented Revenue	290	2,401	1,616
Conditional Grants			
- Student Employment			
- Other (Cemetery project)		295	637
Total Conditional Grants		295	637
Total Operating	290	2,696	2,253
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total General Government Services	290	2,696	2,253

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Pet and business licenses and returns)		(507)	370
Total Fees and Charges		(507)	370
- Tangible capital asset sales - gain (loss)			
- Other (donation)			
Total Other Segmented Revenue		(507)	370
Conditional Grants			
- Student Employment			
- Local government			
- Other (Donation to Fire Department)	5,000	5,000	
Total Conditional Grants	5,000	5,000	
Total Operating	5,000	4,493	370
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Total Protective Services	5,000	4,493	370

Village of Waseca
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 2

	2018 Budget	2018	2017
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work		1,760	100
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges		1,760	100
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		1,760	100
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating		1,760	100
Capital			
Conditional Grants			
- Federal Gas Tax			
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Transportation Services		1,760	100

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	2,000	7,799	3,417
- Other (Specify)			
Total Fees and Charges	2,000	7,799	3,417
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	2,000	7,799	3,417
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (Municipal Recycling Program)			
Total Conditional Grants			
Total Operating	2,000	7,799	3,417
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Environmental and Public Health Services	2,000	7,799	3,417

Village of Waseca
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 3

	2018 Budget	2018	2017
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Insurance)	1,555		
Total Fees and Charges	1,555		
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	1,555		
Conditional Grants			
- Student Employment			
- Local government	2,500	2,500	2,500
- Donations			
- Other (SPRA Rink Grant & Sask Lotteries Grant)	3,222	4,271	12,017
Total Conditional Grants	5,722	6,771	14,517
Total Operating	7,277	6,771	14,517
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Recreation and Cultural Services	7,277	6,771	14,517

Village of Waseca
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 4

UTILITY SERVICES

Operating

	2018 Budget	2018	2017
Other Segmented Revenue			
Fees and Charges			
- Water	21,000	22,807	22,323
- Sewer	14,000	14,507	14,508
- Other (Water connections & infrastructure)	9,080	8,332	9,593
Total Fees and Charges	44,080	45,646	46,424
- Tangible capital asset sales - gain (loss)			
- Other (Bulk water)	125		
Total Other Segmented Revenue	44,205	45,646	46,424
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	44,205	45,646	46,424

Capital

Conditional Grants			
- Federal Gas Tax	9,178	9,409	9,363
- New Building Canada Fund (SCF, NRP)	15,000	36,690	115,162
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	24,178	46,099	124,525
Total Utility Services	68,383	91,745	170,949

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 82,950	\$ 115,264	\$ 191,606
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SUMMARY

Total Other Segmented Revenue	\$ 48,050	\$ 57,099	\$ 51,927
Total Conditional Grants	10,722	12,066	15,154
Total Capital Grants and Contributions	24,178	46,099	124,525
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 82,950	\$ 115,264	\$ 191,606

Village of Waseca

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 1

	2018 Budget	2018	2017
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 5,000	\$ 4,072	\$ 4,238
Wages and benefits	36,000	43,107	39,500
Professional/Contractual services	17,621	20,395	16,666
Utilities	3,756	2,985	3,165
Maintenance, materials and supplies	8,631	7,078	8,441
Grants and contributions - operating			
- capital			
Amortization		250	249
Interest		487	2,317
Allowance for uncollectibles			
Other (Specify)			
Total Government Services	71,008	78,374	74,576

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	6,300	6,800	6,610
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Data safe)		500	500

Fire protections

Wages and benefits			
Professional/Contractual services	5,200	6,857	1,725
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	1,857		
- capital	5,000		
Amortization		267	267
Interest			
Other (EMS Dispatch, Foot Patrol)		1,149	193

Total Protective Services	18,357	15,573	9,295
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TRANSPORTATION SERVICES

Wages and benefits			
Professional/Contractual Services	42,103	24,521	10,527
Utilities	16,000	14,755	5,838
Maintenance, materials and supplies			143
Gravel	3,000	6,046	8,320
Grants and contributions - operating			
- capital			
Amortization		1,400	1,400
Interest			
Other (Specify)			

Total Transportation Services	61,103	46,722	26,228
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Village of Waseca

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 2

	2018 Budget	2018	2017
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	16,320	26,707	27,504
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (Animal control, cemetery project)	6,000	1,136	1,156
Total Environmental and Public Health Services	22,320	27,843	28,660

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	3,254	2,254	2,330
Utilities			
Maintenance, materials and supplies		170	4,653
Grants and contributions - operating	2,766	3,972	14,172
- capital			
Amortization		8,649	8,649
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Recreation and Cultural Services	6,020	15,045	29,804

As at December 31, 2018

	2018 Budget	2018	2017
UTILITY SERVICES			
Wages and benefits	16,800	16,800	16,800
Professional/Contractual services	1,250	24,222	2,267
Utilities	5,000	8,378	10,177
Maintenance, materials and supplies	19,000	8,537	11,133
Grants and contributions - operating			
- capital			
Amortization		10,031	10,031
Interest		7,736	
Allowance for uncollectibles			
Other (Specify)			
Total Utility Services	42,050	75,704	50,408

TOTAL EXPENSES BY FUNCTION	\$	220,858	\$	259,261	\$	218,971
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Village of Waseca
Schedule of Segment Disclosure by Function
As at December 31, 2018

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 85	\$ (507)	\$ 1,760	\$ 7,799		\$	\$ 45,646	\$ 54,783
Tangible Capital Asset Sales - Gain								
Land Sales - Gain								
Investment Income and Commissions	1,788							1,788
Other Revenues	528							528
Grants - Conditional	295	5,000				6,771		12,066
- Capital							46,099	46,099
Total Revenues	2,696	4,493	1,760	7,799		6,771	91,745	115,264
Expenses (Schedule 3)								
Wages & Benefits	47,179						16,800	63,979
Professional/ Contractual Services	20,395	13,657	24,521	26,707		2,254	24,222	111,756
Utilities	2,985		14,755				8,378	26,118
Maintenance, Materials and Supplies	7,078		6,046			170	8,537	21,831
Grants and Contributions								
Amortization	250	267	1,400				10,031	20,597
Interest	487						7,736	8,223
Allowance for Uncollectibles								
Other		1,649		1,136				2,785
Total Expenses	78,374	15,573	46,722	27,843		15,045	75,704	259,261
Surplus (Deficit) by Function	\$ (75,678)	\$ (11,080)	\$ (44,962)	\$ (20,044)		\$ (8,274)	\$ 16,041	(143,997)

Taxation and Other Unconditional Revenue (Schedule 1)

150,241

Net Surplus (Deficit)	\$ 6,244
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Village of Waseca
Schedule of Segment Disclosure by Function
For the year ended December 31, 2017

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 251	\$ 370	\$ 100	\$ 3,417		\$	\$ 46,424	\$ 50,562
Tangible Capital Asset Sales - Gain								
Land Sales - Gain								
Investment Income and Commissions	880							880
Other Revenues	485							485
Grants - Conditional	637					14,517	124,525	15,154
- Capital								124,525
Total Revenues	2,253	370	100	3,417		14,517	170,949	191,606
Expenses (Schedule 3)								
Wages & Benefits	43,738						16,800	60,538
Professional/ Contractual Services	16,666	8,335	10,527	27,504		2,330	2,267	67,629
Utilities	3,165		5,838				10,177	19,180
Maintenance, Materials and Supplies	8,441		8,463			4,653	11,133	32,690
Grants and Contributions						14,172		14,172
Amortization	249	267	1,400			8,649	10,031	20,596
Interest	2,317							2,317
Allowance for Uncollectibles								
Other		693		1,156				1,849
Total Expenses	74,576	9,295	26,228	28,660		29,804	50,408	218,971
Surplus (Deficit) by Function	\$ (72,323)	\$ (8,925)	\$ (26,128)	\$ (25,243)		\$ (15,287)	\$ 120,541	(27,365)
Taxation and Other Unconditional Revenue (Schedule 1)								150,091
Net Surplus (Deficit)								\$ 122,726

Village of Waseca
Schedule of Tangible Capital Assets by Object
As at December 31, 2018

Schedule 6

		2018						2017	
Assets		General Assets						Infrastructure Assets Under Construction	
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Total	Total
Asset Cost									
Opening Asset costs		\$ 5	\$ 32,767	\$ 292,917		\$ 31,475	\$ 400,008	\$ 1,009,104	\$ 818,288
Additions during the year								119,171	190,816
Disposals and write-downs during the year									
Transfers (from) assets under construction									
Closing Asset Costs		5	32,767	292,917		31,475	400,008	1,128,275	1,009,104
Amortization									
Opening Accumulated Amortization Costs			14,887	237,634		14,962	251,106	518,589	497,993
Add: Amortization taken			2,184	7,290		2,565	8,558	20,597	20,596
Less: Accumulated amortization on disposals									
Closing Accumulated Amortization Costs			17,071	244,924		17,527	259,664	539,186	518,589
Net Book Value		\$ 5	\$ 15,696	\$ 47,993		\$ 13,948	\$ 140,344	\$ 589,089	\$ 490,515

Village of Waseca
Schedule of Tangible Capital Assets by Function
As at December 31, 2018

Schedule 7

	2018							2017	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total	Total
Asset Cost									
Opening Asset costs	\$ 11,319	\$ 4,000	\$ 14,055			\$ 268,885	\$ 710,845	\$ 1,009,104	\$ 818,288
Additions during the year							119,171	119,171	190,816
Disposals and write-downs during the year									
Closing Asset Costs	11,319	4,000	14,055			268,885	830,016	1,128,275	1,009,104
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	3,568	1,068	11,250			197,111	305,592	518,589	497,993
Add: Amortization taken	250	267	1,400			8,649	10,031	20,597	20,596
Less: Accumulated amortization on disposals									
Closing Accumulated Amortization Costs	3,818	1,335	12,650			205,760	315,623	539,186	518,589
Net Book Value	\$ 7,501	\$ 2,665	\$ 1,405			\$ 63,125	\$ 514,393	\$ 589,089	\$ 490,515

Village of Waseca
Schedule of Accumulated Surplus
As at December 31, 2018

Schedule 8

	2017	Changes	2018
UNAPPROPRIATED SURPLUS	\$ 316,214	\$ (109,302)	\$ 206,912

APPROPRIATED RESERVES

Machinery and Equipment	17,500		17,500
Public Reserve			
Capital Trust			
Utility			
Other (Cemetery project)	6,172	345	6,517
Total Appropriated	23,672	345	24,017

ORGANIZED HAMLETS

Total Hamlets			

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6)	490,515	98,574	589,089
Less: Related debt	(200,000)	16,627	(183,373)
Net Investment in Tangible Capital Assets	290,515	115,201	405,716

Total Accumulated Surplus	\$ 630,401	\$ 6,244	\$ 636,645
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Village of Waseca
Schedule of Mill Rates and Assessments
As at December 31, 2018

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 52,525	\$ 7,424,480			\$ 329,200		\$ 7,806,205
Regional Park Assessment							
Total Assessment							7,806,205
Mill Rate Factor(s)							
Total Base/Minimum Tax (generated for each property class)	1,600	33,606			3,739		38,945
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,739	\$ 99,492			\$ 4,616		\$ 105,847

MILL RATES:		MILLS
Average Municipal*		13.5593
Average School*		4.1926
Potash Mill Rate		
Uniform Municipal Mill Rate		11.5000

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority.)

Village of Waseca

Schedule of Council Remuneration

As at December 31, 2018

(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Rodney Weisner	\$ 813	\$ 13	\$ 826
Councillor	Curtis Sutherland	889	26	915
Councillor	Paul Madej	735		735
Councillor	Jeanine Boyle	835		835
Councillor	Shannon Whitney	748	13	761
Total		\$ 4,020	\$ 52	\$ 4,072