

**Village of Invermay**  
**FINANCIAL STATEMENTS**  
**Year Ended December 31, 2020**

# Village of Invermay

Invermay, Saskatchewan

December 31, 2020

---

## Table of Contents

	Page
Management's Responsibility	1
Independent Auditors' Report	2-3
Statement of Financial Position	4
Statement of Operations	5
Statement of Change in Net Financial Assets	6
Statement of Cash Flow	7
Notes to Financial Statements	8-15
Schedule of Taxes and Other Unconditional Revenue	16
Schedule of Operating and Capital Revenue by Function	17-18
Total Expenses by Function	19-20
Schedule of Segment Disclosure by Function	21-22
Schedule of Tangible Capital Assets by Object	23
Schedule of Tangible Capital Assets by Function	24
Schedule of Accumulated Surplus	25
Schedule of Mill Rates and Assessments	26
Schedule of Council Remuneration	27

## Management's Responsibility

The municipality'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 is required.

In discharging its responsibilities for the integrity and fair presentation 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 municipality. The council is responsible for overseeing management in the performance of its financial reporting responsibilities. The council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The council is also responsible for recommending the appointment of the municipality's external auditors.

Baker Tilly SK LLP, 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 management to discuss their audit findings.



**Mayor**



**Administrator**



## Independent Auditors' Report

To the Council  
Village of Invermay

### *Opinion*

We have audited the financial statements of Village of Invermay, (the municipality), which comprise the Statement of Financial Position as at December 31, 2020 and the Statements of Operations, Changes in Net Financial Assets and Cash Flow 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 municipality as at December 31, 2020, and results of its operations and its cash flow 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 Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the municipality 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Council is responsible for overseeing the municipality's financial reporting process.



### *Auditors' 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 auditors' 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 municipality'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 municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the municipality 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.

**Baker Tilly SK LLP**

*Baker Tilly SK LLP*

Yorkton, SK  
May 26, 2021

**Village of Invermay**  
 Invermay, Saskatchewan  
 Statement of Financial Position as at December 31, 2020

Statement 1

	<b>2020</b>	<b>2019</b> (Note 12)
<b>Assets</b>		
<b>Financial Assets</b>		
Cash and temporary investments - note 2	629,618	583,860
Taxes receivable - municipal - note 3	36,092	27,358
Other accounts receivable - note 4	37,150	33,418
Long-term investments - note 6	53,185	53,185
<b>Total Financial Assets</b>	<b>756,045</b>	<b>697,821</b>
<b>Liabilities</b>		
Accounts payable	155,503	150,606
Deposits	6,754	6,619
Deferred revenue - note 7	47,923	23,763
Accrued landfill costs - note 8	60,000	
<b>Total Liabilities</b>	<b>270,180</b>	<b>180,988</b>
<b>Net Financial Assets</b>	<b>485,865</b>	<b>516,833</b>
<b>Non-Financial Assets</b>		
Tangible capital assets - schedules 6 and 7	628,955	575,666
Prepayments and deferred charges	2,233	2,233
Stock and supplies	714	
<b>Total Non-Financial Assets</b>	<b>631,902</b>	<b>577,899</b>
<b>Accumulated Surplus - schedule 8</b>	<b>\$ 1,117,767</b>	<b>\$ 1,094,732</b>

Approved on behalf of the council:

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 Councillor

*The notes to financial statements are an integral  
 part of these financial statements.*

**Village of Invermay**  
Statement of Operations  
For the year ended December 31, 2020

Statement 2

	<b>2020 Budget</b> [Note 1(p)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Revenues</b>			
Taxes and other unconditional revenue - schedule 1	234,812	255,444	229,091
Fees and charges - schedules 4 and 5	122,184	121,869	143,252
Conditional grants - schedules 4 and 5	22,500	22,669	
Tangible capital asset sales - gain - schedules 4 and 5			1,454
Land sales - gain - schedules 4 and 5	5,000	450	
Investment income and commissions - schedules 4 and 5	2,000	4,005	4,670
<b>Total Revenue</b>	<u>386,496</u>	<u>404,437</u>	<u>378,467</u>
<b>Expenses - schedule 3</b>			
General government services	84,730	78,754	85,802
Protective services	19,716	40,466	31,411
Transportation services	90,202	48,830	54,141
Environmental and public health services	89,289	152,758	79,818
Planning and development services	10,000		2,374
Recreation and cultural services	12,094	13,462	9,414
Utilities services	428,968	97,011	78,149
<b>Total Expenses</b>	<u>734,999</u>	<u>431,281</u>	<u>341,109</u>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	( 348,503)	( 26,844)	37,358
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>379,640</u>	<u>49,879</u>	<u>7,731</u>
<b>Surplus of Revenue over Expenses</b>	31,137	23,035	45,089
<b>Accumulated Surplus, Beginning of Year</b>	<u>1,094,732</u>	<u>1,094,732</u>	<u>1,049,643</u>
<b>Accumulated Surplus, End of Year</b>	<u>\$ 1,125,869</u>	<u>\$ 1,117,767</u>	<u>\$ 1,094,732</u>

*The notes to financial statements are an integral part of these financial statements.*

**Village of Invermay**  
Statement of Change in Net Financial Assets  
For the year ended December 31, 2020

Statement 3

	<b>2020 Budget [Note 1(p)]</b>	<b>2020 Actual</b>	<b>2019 Actual (Note 12)</b>
<b>Surplus</b>	<u>31,137</u>	<u>23,035</u>	<u>45,089</u>
(Acquisition) of tangible capital assets		( 82,805)	( 25,435)
Amortization of tangible capital assets		29,516	26,075
Proceeds on disposal of tangible capital assets			1,456
Loss (gain) on the disposal of tangible capital assets	<u>                    </u>	<u>                    </u>	<u>( 1,454)</u>
<b>Surplus (Deficit) of Capital Expenses over Expenditures</b>	<u>0</u>	<u>( 53,289)</u>	<u>642</u>
(Acquisition) of supplies inventories		( 714)	
(Acquisition) of prepaid expense			( 2,233)
Use of prepaid expense	<u>                    </u>	<u>                    </u>	<u>4,906</u>
<b>Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures</b>	<u>0</u>	<u>( 714)</u>	<u>2,673</u>
<b>Increase (Decrease) in Net Financial Assets</b>	31,137	( 30,968)	48,404
Net Financial Assets, beginning of year	<u>516,833</u>	<u>516,833</u>	<u>468,429</u>
<b>Net Financial Assets, End of Year</b>	<u>\$ 547,970</u>	<u>\$ 485,865</u>	<u>\$ 516,833</u>

*The notes to financial statements are an integral part of these financial statements.*



**Village of Invermay**  
Statement of Cash Flow  
For the year ended December 31, 2020

Statement 4

	<b>2020</b>	<b>2019</b> (Note 12)
<b>Cash Provided by (used for) the Following Activities</b>		
<b>Operating:</b>		
<b>Surplus</b>	23,035	45,089
Amortization	29,516	26,075
Loss (gain) on disposal of tangible capital assets	<u>(          )</u>	<u>( 1,454)</u>
	52,551	69,710
<b>Change in Assets/Liabilities</b>		
Taxes receivable - municipal	( 8,735)	( 2,405)
Other receivables	( 3,733)	2,047
Accounts payable	4,898	( 42,593)
Utility deposits	135	247
Deferred revenue	24,161	23,763
Other liabilities	60,000	
Stock and supplies for use	( 714)	
Prepayments and deferred charges		<u>2,673</u>
<b>Cash Provided by Operating Transactions</b>	<u>128,563</u>	<u>53,442</u>
<b>Capital:</b>		
Acquisition of capital assets	( 82,805)	( 25,435)
Proceeds from the disposal of capital assets		<u>1,456</u>
<b>Cash Applied to Capital Transactions</b>	<u>( 82,805)</u>	<u>( 23,979)</u>
<b>Investing:</b>		
Additions to long-term investments	<u>0</u>	<u>( 1,658)</u>
<b>Change in Cash and Temporary Investments During the Year</b>	45,758	27,805
Cash and temporary investments, beginning of year	<u>583,860</u>	<u>556,055</u>
<b>Cash and Temporary Investments, End of Year</b>	<u>\$ 629,618</u>	<u>\$ 583,860</u>

*The notes to financial statements are an integral  
part of these financial statements.*

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

**1. Significant Accounting Policies**

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies 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) Collection of funds for other authorities

Collection of funds by the municipality 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.

(c) 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 are 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:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

(d) 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.

(e) 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.

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

1. **Significant Accounting Policies** - continued

(f) 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.

(g) 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.

(h) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with maturity dates longer than one year from the date of the Statement of Financial Position have been classified as other long-term investments concurrent with the nature of the investment.

(i) 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 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 in schedule 6. 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 municipality's tangible capital asset useful lives are estimated as follows:

<b>Assets</b>	<b>Useful Life</b>
General Assets	
Land	Indefinite
Land improvements	15 to 25 years
Buildings	50 years
Vehicles	10 to 25 years
Machinery and equipment	5 to 20 years
Infrastructure Assets	
Linear assets	20 to 40 years
Water and sewer	40 to 45 years

(j) 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.

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

1. **Significant Accounting Policies** - continued

(k) Capitalization of interest

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

(l) 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.

(m) 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. Penalties on overdue taxes are recorded in the period levied.

Utility revenue is recognized in the period in which the service has been provided.

All other revenue is recorded when received, or receivable, collection is likely, and the amount can be reasonably determined.

(n) Measurement uncertainty

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their 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.

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

1. **Significant Accounting Policies** - continued

(o) Basis of segmentation/segment report

The municipality follows 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 neighbourhood development and sustainability.

Recreation and culture: 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.

(p) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 8, 2020.

(q) 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 remeasurement gains and losses separate from the statement of operations arising from the remeasurement 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 remeasurement gains and losses.

PS 3041 Portfolio investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, 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.

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

1. **Significant Accounting Policies** - continued

(q) New standards and amendments to standards - continued

PS 3450 Financial instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument 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 derecognition 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 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 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.

	<b>2020</b>	<b>2019</b>
2. <b>Cash and Temporary Investments</b>		
Cash	445,841	411,828
Temporary investments	183,777	172,032
<b>Total Cash and Temporary Investments</b>	<b>\$ 629,618</b>	<b>\$ 583,860</b>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

	<b>2020</b>	<b>2019</b>
<b>3. Taxes and Grants In Lieu Receivable</b>		
Municipal - current	24,761	21,975
Municipal - arrears	33,137	27,189
	57,898	49,164
Less: Allowance for uncollectibles	21,806	21,806
Total municipal taxes receivable	36,092	27,358
School - current	1,351	2,220
School - arrears	1,676	1,309
Total school taxes receivable	3,027	3,529
Total taxes and grants in lieu receivable	39,119	30,887
Less: Taxes receivable to be collected on behalf of other organizations	3,027	3,529
<b>Municipal and Grants In Lieu Taxes Receivable</b>	<b>\$ 36,092</b>	<b>\$ 27,358</b>
<b>4. Other Accounts Receivable</b>		
Federal government	7,066	3,563
Provincial government	1,791	1,748
Utility	14,771	15,710
Trade	17,313	16,188
Total other accounts receivable	40,941	37,209
Less: Allowance for uncollectibles	3,791	3,791
<b>Net Other Accounts Receivable</b>	<b>\$ 37,150</b>	<b>\$ 33,418</b>
<b>5. Land for Resale</b>		
Tax title property	3,626	3,626
Less: Allowance for market value adjustment	3,626	3,626
<b>Total Land for Resale</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>6. Long-Term Investments</b>		
Other	<b>\$ 53,185</b>	<b>\$ 53,185</b>
The long-term investments in the Saskatchewan Association of Rural Municipalities - Self-Insurance Fund are accounted for on the equity basis.		
	<b>2020</b>	<b>2019</b>
<b>7. Deferred Revenue</b>		
Gas tax funding	<b>\$ 47,923</b>	<b>\$ 23,763</b>

**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

	2020	2019
<b>8. Accrued Landfill Costs</b>		
Accrued landfill costs	<u>\$ 60,000</u>	<u>\$ 0</u>

In 2020, the municipality has accrued an overall liability for environmental matters in the amount of \$60,000 (2019 - \$0) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$60,000 (2019 - \$0) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2020 based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 5% (2019 - 5%).

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a future period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The unfunded liability for the landfill will be paid for through future revenues.

**9. Long-Term Debt**

The debt limit of the municipality for 2021 is \$265,807. 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*).



**Village of Invermay**  
Notes to Financial Statements  
For the year ended December 31, 2020

---

**10. Employee Benefit Plans**

The municipality participates in a contributory defined benefit pension plan for all its employees. For defined benefit plans considered to be multi-employer plans, contributions are expensed when they are due and payable. The municipality currently participates in the Municipal Employees Pension Plan.

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the municipality cannot be easily determined.

Accordingly, the multi-employer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these financial statements. The benefit expense reflected in the financial statements is equal to the municipality's contributions for the year.

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	<b>2020</b>	<b>2019</b>
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 6,083	\$ 6,893
-----------------	----------	----------

As per the most recently audited financial statements dated December 31, 2019, the plan surplus is \$658,468,000.

**11. Contingent Liabilities**

The Municipality is contingently liable for the landfill closure and post-closure care requirements as defined in accordance with the Environmental Act. These costs include final covering and landscaping of the landfill, pumping the grounds, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The Municipality is unable to determine a reasonable estimate of the liability at this time, and as such, one has not been recorded.

**12. Comparative Figures**

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

**13. Impact of COVID-19**

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the municipality's environment and in the global markets, possible disruption in supply chains and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the municipality's operations. The extent of this outbreak and related containment measures on the municipality's operations cannot be reliably estimated at this time.

**Village of Invermay**  
 Schedule of Taxes and Other Unconditional Revenue  
 For the year ended December 31, 2020

Schedule 1

	<b>2020 Budget</b> [Note 1(p)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Taxes</b>			
General municipal tax levy	142,933	149,593	149,593
Abatements and adjustments		( 4,527)	( 6,767)
Discount on current year taxes	( 5,267)	( 5,133)	( 4,908)
Net municipal taxes	<u>137,666</u>	<u>139,933</u>	<u>137,918</u>
Penalties on tax arrears	<u>5,927</u>	<u>8,470</u>	<u>6,616</u>
<b>Total Taxes</b>	<u>143,593</u>	<u>148,403</u>	<u>144,534</u>
<b>Unconditional Grants</b>			
Equalization (revenue sharing)	63,831	63,831	57,728
Safe Restart Grant		<u>16,286</u>	
<b>Total Unconditional Grants</b>	<u>63,831</u>	<u>80,117</u>	<u>57,728</u>
<b>Grants In Lieu of Taxes</b>			
Provincial			
SaskTel	3,338	2,979	3,171
Local/Other			
Housing authority	3,850	3,850	3,658
Other Government Transfers			
S.P.C. surcharge	<u>20,200</u>	<u>20,095</u>	<u>20,000</u>
<b>Total Grants In Lieu of Taxes</b>	<u>27,388</u>	<u>26,924</u>	<u>26,829</u>
<b>Total Taxes and Other Unconditional Revenue</b>	<u>\$ 234,812</u>	<u>\$ 255,444</u>	<u>\$ 229,091</u>

*The notes to financial statements are an integral  
 part of these financial statements.*

## Village of Invermay

Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2020

Schedule 2-1

	2020 Budget [Note 1(p)]	2020 Actual	2019 Actual (Note 12)
<b>General Government Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	260	319	253
Rentals	600	785	480
Licenses and permits	180	60	170
Other	<u>57,244</u>	<u>38,124</u>	<u>33,068</u>
Total Fees and Charges	<u>58,284</u>	<u>39,288</u>	<u>33,971</u>
Land sales - gain	5,000	450	
Investment income and commissions	<u>2,000</u>	<u>4,005</u>	<u>4,670</u>
Total Other Segmented Revenue	<u>65,284</u>	<u>43,743</u>	<u>38,641</u>
<b>Total General Government Services</b>	<b><u>\$ 65,284</u></b>	<b><u>\$ 43,743</u></b>	<b><u>\$ 38,641</u></b>
<b>Protective Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees		176	
Fire department surplus		13,871	
Donations			37,700
Total Fees and Charges	<u>0</u>	<u>14,047</u>	<u>37,700</u>
Total Other Segmented Revenue	<u>0</u>	<u>14,047</u>	<u>37,700</u>
<b>Total Protective Services</b>	<b><u>\$ 0</u></b>	<b><u>\$ 14,047</u></b>	<b><u>\$ 37,700</u></b>
<b>Transportation Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Custom work	700	1,158	3,036
Tangible capital asset proceeds			1,454
Total Other Segmented Revenue	<u>700</u>	<u>1,158</u>	<u>4,490</u>
<b>Total Transportation Services</b>	<b><u>\$ 700</u></b>	<b><u>\$ 1,158</u></b>	<b><u>\$ 4,490</u></b>
<b>Environmental and Public Health Services</b>			
<b>Operating</b>			
Conditional Grants			
Donations		1,130	
Landfill Environmental Site Assessment Program	22,500	21,539	
Total Conditional Grants	<u>22,500</u>	<u>22,669</u>	<u>0</u>
<b>Total Environmental and Public Health Services</b>	<b><u>\$ 22,500</u></b>	<b><u>\$ 22,669</u></b>	<b><u>\$ 0</u></b>

*The notes to financial statements are an integral part of these financial statements.*

**Village of Invermay**  
Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2020

Schedule 2-2

	<b>2020 Budget</b> [Note 1(p)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Recreation and Cultural Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges		100	
Expense recoveries			
Total Other Segmented Revenue	<u>0</u>	<u>100</u>	<u>0</u>
<b>Total Operating</b>	<u>0</u>	<u>100</u>	<u>0</u>
<b>Capital</b>			
Conditional Grants			
Other	353,215		
<b>Total Capital</b>	<u>353,215</u>	<u>0</u>	<u>0</u>
<b>Total Recreation and Cultural Services</b>	<u>\$ 353,215</u>	<u>\$ 100</u>	<u>\$ 0</u>
<b>Utility Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Water	35,100	36,438	36,965
Sewer	20,500	22,017	22,744
Other utilities	7,500	8,821	8,836
Sale of supplies	100		
Total Fees and Charges	<u>63,200</u>	<u>67,276</u>	<u>68,545</u>
Total Other Segmented Revenue	<u>63,200</u>	<u>67,276</u>	<u>68,545</u>
<b>Total Operating</b>	<u>63,200</u>	<u>67,276</u>	<u>68,545</u>
<b>Capital</b>			
Conditional Grants			
Municipal Economic Enhancement program		39,238	
Gas Tax	26,425	10,641	7,731
<b>Total Capital</b>	<u>26,425</u>	<u>49,879</u>	<u>7,731</u>
<b>Total Utility Services</b>	<u>\$ 89,625</u>	<u>\$ 117,155</u>	<u>\$ 76,276</u>
<b>Total Operating and Capital Revenue by Function</b>	<u>\$ 531,324</u>	<u>\$ 198,872</u>	<u>\$ 157,107</u>
<b>Summary</b>			
Total Other Segmented Revenue	129,184	126,324	149,376
Total Conditional Grants	22,500	22,669	0
Total Capital Grants and Contributions	<u>379,640</u>	<u>49,879</u>	<u>7,731</u>
<b>Total Operating and Capital Revenue by Function</b>	<u>\$ 531,324</u>	<u>\$ 198,872</u>	<u>\$ 157,107</u>

*The notes to financial statements are an integral  
part of these financial statements.*

**Village of Invermay**  
 Total Expenses by Function  
 For the year ended December 31, 2020

Schedule 3-1

	<b>2020 Budget</b> [Note 1(p)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>General Government Services</b>			
Council remuneration and travel	6,918	11,012	6,838
Wages and benefits	30,990	33,072	31,178
Professional/Contractual services	19,420	19,091	20,544
Contractual services - other	5,000		
Utilities	2,299	2,388	2,190
Maintenance, materials and supplies	3,267	3,636	3,625
Grants and contributions - operating	550	1,498	350
Insurance	6,286	8,057	7,292
Allowance for uncollectibles	10,000		13,785
	<u>84,730</u>	<u>78,754</u>	<u>85,802</u>
<b>Total General Government Services</b>	<b>\$ 84,730</b>	<b>\$ 78,754</b>	<b>\$ 85,802</b>
<b>Protective Services</b>			
Police protection			
Professional/Contractual services	13,327	13,149	12,692
Fire protection			
Wages and benefits	4,000	4,000	4,000
Professional/Contractual services	2,389	13,307	135
Fire department deficit (surplus)			7,037
Amortization		10,010	7,547
	<u>19,716</u>	<u>40,466</u>	<u>31,411</u>
<b>Total Protective Services</b>	<b>\$ 19,716</b>	<b>\$ 40,466</b>	<b>\$ 31,411</b>
<b>Transportation Services</b>			
Wages and benefits	25,152	17,017	16,701
Professional/Contractual services	7,805	7,474	4,069
Utilities	13,551	12,774	12,905
Maintenance, materials and supplies	43,694	2,764	8,034
Gravel			4,607
Amortization		8,801	7,825
	<u>90,202</u>	<u>48,830</u>	<u>54,141</u>
<b>Total Transportation Services</b>	<b>\$ 90,202</b>	<b>\$ 48,830</b>	<b>\$ 54,141</b>

*The notes to financial statements are an integral  
 part of these financial statements.*

**Village of Invermay**  
 Total Expenses by Function  
 For the year ended December 31, 2020

Schedule 3-2

	<b>2020 Budget</b> [Note 1(p)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Environmental and Public Health Services</b>			
Wages and benefits	230	18,171	13,662
Professional/Contractual services	41,337	73,410	47,124
Maintenance, materials and supplies	46,845	60,314	18,197
Other	877	863	835
<b>Total Environmental and Public Health Services</b>	<b>\$ 89,289</b>	<b>\$ 152,758</b>	<b>\$ 79,818</b>
<b>Planning and Development Services</b>			
Professional/Contractual services	\$ 10,000	\$ 0	\$ 2,374
<b>Recreation and Cultural Services</b>			
Professional/Contractual services	400	5,578	400
Utilities	2,353	998	956
Maintenance, materials and supplies	170	315	1,555
Amortization		2,849	2,849
Insurance	5,499		
Libraries	3,672	3,722	3,654
<b>Total Recreation and Cultural Services</b>	<b>\$ 12,094</b>	<b>\$ 13,462</b>	<b>\$ 9,414</b>
<b>Utility Services</b>			
Wages and benefits	39,654	31,589	30,008
Professional/Contractual services	149,166	15,840	10,495
Utilities	11,566	11,197	11,015
Maintenance, materials and supplies	228,582	30,529	18,777
Amortization		7,856	7,854
<b>Total Utility Services</b>	<b>\$ 428,968</b>	<b>\$ 97,011</b>	<b>\$ 78,149</b>
<b>Total Expenses by Function</b>	<b>\$ 734,999</b>	<b>\$ 431,281</b>	<b>\$ 341,109</b>

*The notes to financial statements are an integral  
 part of these financial statements.*

## Village of Invermay

Schedule of Segment Disclosure by Function  
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
<b>Revenues - schedule 2</b>								
Fees and charges	39,288	14,047	1,158			100	67,276	121,869
Land sales - gain	450							450
Investment income and commissions	4,005							4,005
Grants - conditional				22,669				22,669
Grants - capital							49,879	49,879
<b>Total Revenues</b>	<b>43,743</b>	<b>14,047</b>	<b>1,158</b>	<b>22,669</b>	<b>0</b>	<b>100</b>	<b>117,155</b>	<b>198,872</b>
<b>Expenses - schedule 3</b>								
Wages and benefits	33,072	4,000	17,017	18,171			31,589	103,849
Professional/contractual services	30,103	13,149	7,474	73,410		5,578	15,840	145,554
Utilities	2,388		12,774			998	11,197	27,357
Maintenance materials and supplies	3,636		2,764	60,314		315	30,529	97,558
Grants and contributions	1,498	13,307						14,805
Amortization		10,010	8,801			2,849	7,856	29,516
Insurance	8,057							8,057
Libraries						3,722		3,722
Other				863				863
<b>Total Expenses</b>	<b>78,754</b>	<b>40,466</b>	<b>48,830</b>	<b>152,758</b>	<b>0</b>	<b>13,462</b>	<b>97,011</b>	<b>431,281</b>
<b>Surplus (Deficit) by Function</b>	<b>\$( 35,011)</b>	<b>\$( 26,419)</b>	<b>\$( 47,672)</b>	<b>\$( 130,089)</b>	<b>0</b>	<b>\$( 13,362)</b>	<b>\$ 20,144</b>	<b>( 232,409)</b>
Taxation and other unconditional revenue - schedule 1								<u>255,444</u>
<b>Net Surplus</b>								<u><b>\$ 23,035</b></u>

*The notes to financial statements are an integral  
part of these financial statements.*

## Village of Invermay

Schedule of Segment Disclosure by Function  
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
<b>Revenues - schedule 2</b>								
Fees and charges	33,971	37,700	3,036				68,545	143,252
Tangible capital asset sales - gain			1,454					1,454
Investment income and commissions	4,670							4,670
Grants - capital							7,731	7,731
<b>Total Revenues</b>	<b>38,641</b>	<b>37,700</b>	<b>4,490</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>76,276</b>	<b>157,107</b>
<b>Expenses - schedule 3</b>								
Wages and benefits	31,178	4,000	16,701	13,662			30,008	95,549
Professional/contractual services	27,382	19,729	4,069	47,124	2,374	400	10,495	111,573
Utilities	2,190		12,905			956	11,015	27,066
Maintenance materials and supplies	3,625		12,641	18,197		1,555	18,777	54,795
Grants and contributions	350	135						485
Amortization		7,547	7,825			2,849	7,854	26,075
Insurance	7,292							7,292
Libraries						3,654		3,654
Allowance for uncollectibles	13,785							13,785
Other				835				835
<b>Total Expenses</b>	<b>85,802</b>	<b>31,411</b>	<b>54,141</b>	<b>79,818</b>	<b>2,374</b>	<b>9,414</b>	<b>78,149</b>	<b>341,109</b>
<b>Surplus (Deficit) by Function</b>	<b>\$( 47,161)</b>	<b>\$ 6,289</b>	<b>\$( 49,651)</b>	<b>\$( 79,818)</b>	<b>\$( 2,374)</b>	<b>\$( 9,414)</b>	<b>\$( 1,873)</b>	<b>( 184,002)</b>
Taxation and other unconditional revenue - schedule 1								<u>229,091</u>
<b>Net Surplus</b>								<u><b>\$ 45,089</b></u>

*The notes to financial statements are an integral  
part of these financial statements.*



**Village of Invermay**  
 Schedule of Tangible Capital Assets by Object  
 For the year ended December 31, 2020

Schedule 6

	2020							2019	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	22,446	0	292,011	0	219,577	288,626	199,271	1,021,931	1,005,946
Additions during the year			8,846		22,155		51,804	82,805	25,435
Disposals and write-downs during the year									( 9,450)
Transfer (from) assets under construction			123,164				( 123,164)		
Closing Asset Costs	<u>22,446</u>	<u>0</u>	<u>424,021</u>	<u>0</u>	<u>241,732</u>	<u>288,626</u>	<u>127,911</u>	<u>1,104,736</u>	<u>1,021,931</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	0	0	202,080	0	125,687	118,498	0	446,265	429,638
Add: Amortization taken			9,782		11,681	8,053		29,516	26,075
Less: Accumulated amortization on disposals									9,448
Closing Accumulated Amortization Costs	<u>0</u>	<u>0</u>	<u>211,862</u>	<u>0</u>	<u>137,368</u>	<u>126,551</u>	<u>0</u>	<u>475,781</u>	<u>446,265</u>
Net Book Value	<u>\$ 22,446</u>	<u>\$ 0</u>	<u>\$ 212,159</u>	<u>\$ 0</u>	<u>\$ 104,364</u>	<u>\$ 162,075</u>	<u>\$ 127,911</u>	<u>\$ 628,955</u>	<u>\$ 575,666</u>

*The notes to financial statements are an integral part of these financial statements.*

**Village of Invermay**  
 Schedule of Tangible Capital Assets by Function  
 For the year ended December 31, 2020

Schedule 7

	2020							2019	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	13,960	272,659	210,156	2,133	0	137,636	385,387	1,021,931	1,005,946
Additions during the year			11,290				71,515	82,805	25,435
Disposals and write-down during the year									( 9,450)
Closing Asset Costs	<u>13,960</u>	<u>272,659</u>	<u>221,446</u>	<u>2,133</u>	<u>0</u>	<u>137,636</u>	<u>456,902</u>	<u>1,104,736</u>	<u>1,021,931</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	13,167	56,747	103,985	0	0	103,422	168,944	446,265	429,638
Add: Amortization taken		10,010	8,801			2,849	7,856	29,516	26,075
Less: Accumulated amortization on disposals									9,448
Closing Accumulated Amortization Costs	<u>13,167</u>	<u>66,757</u>	<u>112,786</u>	<u>0</u>	<u>0</u>	<u>106,271</u>	<u>176,800</u>	<u>475,781</u>	<u>446,265</u>
Net Book Value	<u>\$ 793</u>	<u>\$ 205,902</u>	<u>\$ 108,660</u>	<u>\$ 2,133</u>	<u>\$ 0</u>	<u>\$ 31,365</u>	<u>\$ 280,102</u>	<u>\$ 628,955</u>	<u>\$ 575,666</u>

*The notes to financial statements are an integral  
 part of these financial statements.*

**Village of Invermay**  
 Schedule of Accumulated Surplus  
 For the year ended December 31, 2020

Schedule 8

	<b>2019</b>	<b>Changes</b>	<b>2020</b>
<b>Unappropriated Surplus</b>	<u>220,657</u>	<u>( 40,614)</u>	<u>180,043</u>
<b>Appropriated Surplus</b>			
Machinery and equipment			
Fire fighting equipment	109,362	7,188	116,550
Capital trust reserve	44,945	0	44,945
Utility			
Utility reserve	<u>144,102</u>	<u>3,172</u>	<u>147,274</u>
<b>Total Appropriated</b>	<u>298,409</u>	<u>10,360</u>	<u>308,769</u>
<b>Net Investments in Tangible Capital Assets</b>			
Tangible capital assets - schedule 6	<u>575,666</u>	<u>53,289</u>	<u>628,955</u>
<b>Total Accumulated Surplus</b>	<u>\$ 1,094,732</u>	<u>\$ 23,035</u>	<u>\$ 1,117,767</u>

*The notes to financial statements are an integral  
 part of these financial statements.*

**Village of Invermay**  
 Schedule of Mill Rates and Assessments  
 For the year ended December 31, 2020

Schedule 9

	<u>Property Class</u>					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	106,590	3,502,480			973,800	4,582,870
Regional Park Assessment						
Total Assessment						4,582,870
Mill Rate Factor(s)	1.0000	1.0000			0.8500	
Total Base/Minimum Tax (generated for each property class)	1,670	101,340			7,730	110,740
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,807	127,350			19,436	149,593
<b>Mill Rates:</b>	<b>Mills</b>					
Average Municipal*						32.6418
Average School*						4.5140
Potash Mill Rate						
Uniform Municipal Mill Rate						19.0000

\*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 Invermay**  
Schedule of Council Remuneration  
For the year ended December 31, 2020

Schedule 10

---

Name	Remuneration	Reimbursed Costs	Total
David Wood	240		240
Mike Kaminski	2,620		2,620
Tracey Fey	1,910		1,910
Tracey Peshko	1,980		1,980
Donna Folster	1,650		1,650
	<u>8,400</u>	<u>0</u>	<u>8,400</u>
	\$ 8,400	\$ 0	\$ 8,400

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.