

Management's Responsibility

To the Ratepayers of Rural Municipality of Manitou Lake No. 442

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated 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 judgements and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated 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 consolidated 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.

Vantage, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated 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.



Reeve



Administrator

June 6, 2019

INDEPENDENT AUDITORS' REPORT

To the Council of
Rural Municipality of Manitou Lake No. 442
Marsden, Saskatchewan

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of Manitou Lake No. 442, which comprise the consolidated statement of financial position as at December 31, 2018, the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Manitou Lake No. 442 as at December 31, 2018, and its financial performance 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Rural Municipality of Manitou Lake No. 442 in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Rural Municipality of Manitou Lake No. 442'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.

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

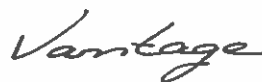
Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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.

The logo for Vantage Chartered Professional Accountants, featuring the word "Vantage" in a stylized, cursive script font.

Chartered Professional Accountants

North Battleford, Saskatchewan
June 6, 2019

Rural Municipality of Manitou Lake No. 442
 Consolidated Statement of Financial Position
 As at December 31, 2018

Statement 1

| | 2018 | 2017 |
|---|-------------------|-------------------|
| FINANCIAL ASSETS | | |
| Cash and Temporary Investments (Note 2) | 10,071,207 | 10,381,712 |
| Taxes Receivable - Municipal (Note 3) | 702,960 | 345,012 |
| Other Accounts Receivable (Note 4) | 327,535 | 199,898 |
| Land for Resale | | |
| Long-Term Investments (Note 6) | 75,132 | 70,891 |
| Debt Charges Recoverable | | |
| Other (Specify) | | |
| Total Financial Assets | 11,176,834 | 10,997,513 |
| LIABILITIES | | |
| Bank Indebtedness | | |
| Accounts Payable | 209,158 | 216,619 |
| Accrued Liabilities Payable | | |
| Deposits | | |
| Deferred Revenue | | |
| Accrued Landfill Costs | | |
| Liability for Contaminated Sites | | |
| Other Liabilities | | |
| Long-Term Debt | | |
| Lease Obligations | | |
| Total Liabilities | 209,158 | 216,619 |
| NET FINANCIAL ASSETS (DEBT) | 10,967,676 | 10,780,894 |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets (Schedule 6, 7) | 16,568,322 | 15,677,361 |
| Prepayments and Deferred Charges | 207 | 716 |
| Stock and Supplies | 67,765 | 60,821 |
| Other (Note 9) | 34,752 | 34,398 |
| Total Non-Financial Assets | 16,671,046 | 15,773,296 |
| ACCUMULATED SURPLUS (DEFICIT) (Schedule 8) | 27,638,722 | 26,554,190 |

Rural Municipality of Manitou Lake No. 442
 Consolidated Statement of Operations
 For the year ended December 31, 2018

Statement 2

| | 2018 Budget | 2018 | 2017 |
|---|-------------------|-------------------|-------------------|
| REVENUES | | | |
| Taxes and Other Unconditional Revenue (Schedule 1) | 4,109,400 | 4,124,344 | 4,360,253 |
| Fees and Charges (Schedule 4, 5) | 217,910 | 274,438 | 243,434 |
| Conditional Grants (Schedule 4, 5) | 7,400 | 33,007 | 29,530 |
| Tangible Capital Asset Sales - Loss (Schedule 4, 5) | | (170,783) | (7,300) |
| Land Sales - Gain (Schedule 4, 5) | | | |
| Investment Income and Commissions (Schedule 4, 5) | 98,000 | 209,326 | 136,616 |
| Other Revenues (Schedule 4, 5) | | | |
| Total Revenues | 4,432,710 | 4,470,332 | 4,762,533 |
| EXPENSES | | | |
| General Government Services (Schedule 3) | 529,620 | 582,020 | 482,381 |
| Protective Services (Schedule 3) | 27,000 | 27,068 | 25,616 |
| Transportation Services (Schedule 3) | 4,605,380 | 2,576,000 | 2,432,423 |
| Environmental and Public Health Services (Schedule 3) | 111,000 | 140,588 | 106,285 |
| Planning and Development Services (Schedule 3) | 15,000 | | |
| Recreation and Cultural Services (Schedule 3) | 100,000 | 93,546 | 88,241 |
| Utility Services (Schedule 3) | | | |
| Total Expenses | 5,388,000 | 3,419,222 | 3,134,946 |
| Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions | (955,290) | 1,051,110 | 1,627,587 |
| Provincial/Federal Capital Grants and Contributions (Schedule 4, 5) | 31,000 | 33,422 | 33,258 |
| Surplus (Deficit) of Revenues over Expenses | (924,290) | 1,084,532 | 1,660,845 |
| Accumulated Surplus (Deficit), Beginning of Year | 26,554,190 | 26,554,190 | 24,893,345 |
| Accumulated Surplus (Deficit), End of Year | 25,629,900 | 27,638,722 | 26,554,190 |

Rural Municipality of Manitou Lake No. 442
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2018

Statement 3

| | 2018 Budget | 2018 | 2017 |
|---|--------------------|-------------------|-------------------|
| Surplus (Deficit) | (924,290) | 1,084,532 | 1,660,845 |
| (Acquisition) of tangible capital assets | | (2,365,400) | (845,753) |
| Amortization of tangible capital assets | | 888,656 | 783,238 |
| Proceeds on disposal of tangible capital assets | | 415,000 | 14,750 |
| Loss on the disposal of tangible capital assets | | 170,783 | 7,300 |
| Surplus (Deficit) of capital expenses over expenditures | | (890,961) | (40,465) |
| (Acquisition) of supplies inventories | | (6,944) | (85) |
| (Acquisition) of prepaid expense | | | |
| Consumption of supplies inventory | | (354) | (572) |
| Use of prepaid expense | | 509 | (716) |
| Surplus (Deficit) of expenses of other non-financial over expenditures | | (6,789) | (1,373) |
| Increase/Decrease in Net Financial Assets | (924,290) | 186,782 | 1,619,007 |
| Net Financial Assets (Debt) - Beginning of Year | 10,780,894 | 10,780,894 | 9,161,887 |
| Net Financial Assets (Debt) - End of Year | 9,856,604 | 10,967,676 | 10,780,894 |

Rural Municipality of Manitou Lake No. 442
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2018

Statement 4

| | 2018 | 2017 |
|---|--------------------|-------------------|
| Cash provided by (used for) the following activities | | |
| Operating: | | |
| Surplus (Deficit) | 1,084,532 | 1,660,845 |
| Amortization | 888,656 | 783,238 |
| Loss (gain) on disposal of tangible capital assets | 170,783 | 7,300 |
| | <u>2,143,971</u> | <u>2,451,383</u> |
| Change in assets/liabilities | | |
| Taxes Receivable - Municipal | (357,948) | 117,549 |
| Other Receivables | (127,637) | (38,308) |
| Land for Resale | | |
| Other Financial Assets | | |
| Accounts and Accrued Liabilities Payable | (7,461) | 105,844 |
| Deposits | | |
| Deferred Revenue | | |
| Accrued Landfill Costs | | |
| Liability for Contaminated Sites | | |
| Other Liabilities | | |
| Stock and Supplies | (6,944) | (85) |
| Prepayments and Deferred Charges | 509 | (716) |
| Other (Specify) | (354) | (572) |
| Cash provided by operating transactions | <u>1,644,136</u> | <u>2,635,095</u> |
| Capital: | | |
| Acquisition of tangible capital assets | (2,365,400) | (845,753) |
| Proceeds from the disposal of tangible capital assets | 415,000 | 14,750 |
| Other capital | | |
| Cash applied to capital transactions | <u>(1,950,400)</u> | <u>(831,003)</u> |
| Investing: | | |
| Long-term investments | (4,241) | (1,657) |
| Other investments | | |
| Cash provided by (applied to) investing transactions | <u>(4,241)</u> | <u>(1,657)</u> |
| Financing: | | |
| Debt charges recovered | | |
| Long-term debt issued | | |
| Long-term debt repaid | | |
| Other financing | | |
| Cash provided by (applied to) financing transactions | | |
| Change in Cash and Temporary Investments during the year | <u>(310,505)</u> | <u>1,802,435</u> |
| Cash and Temporary Investments - Beginning of Year | <u>10,381,712</u> | <u>8,579,277</u> |
| Cash and Temporary Investments - End of Year | <u>10,071,207</u> | <u>10,381,712</u> |

1. Significant Accounting Policies

The consolidated 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:

Basis of Accounting: The consolidated 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.

- a) **Reporting Entity:** The consolidated financial statements consolidate 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.
- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- 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 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 estimates of the amounts 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) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **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.
- g) **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.
- h) **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.
- i) **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.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Funds are accounted for on the equity basis.

Rural Municipality of Manitou Lake No. 442
 Notes to the Consolidated Financial Statements
 For the year ended December 31, 2018

1. Significant Accounting Policies - continued

- k) **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.
- l) **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. 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> |
|-------------------------------|--------------------|
| <i>General Assets</i> | |
| Land | Indefinite |
| Land Improvements | 15 Yrs |
| Buildings | 40 Yrs |
| <i>Vehicles and Equipment</i> | |
| Vehicles | 10 Yrs |
| Machinery and Equipment | 5 to 20 Yrs |
| <i>Infrastructure Assets</i> | |
| Infrastructure Assets | 15 to 40 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.

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 consolidated 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 lease term. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- m) **Landfill Liability:**
 The municipality maintains a waste transfer site.
- n) **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.
- o) **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.

1. Significant Accounting Policies - continued

- p) **Measurement Uncertainty:** The preparation of consolidated 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 consolidated 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 is 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.

- q) **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.

- r) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 24, 2018.

- s) **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 consolidated 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 consolidated 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 consolidated financial statements.

Rural Municipality of Manitou Lake No. 442
Notes to the Consolidated Financial Statements
For the year ended December 31, 2018

2. Cash and Temporary Investments

| | 2018 | 2017 |
|---|-------------------|-------------------|
| Cash | 10,064,575 | 10,376,516 |
| Temporary Investments | | |
| Restricted Cash | 6,632 | 5,196 |
| Total Cash and Temporary Investments | 10,071,207 | 10,381,712 |

Cash and temporary investments include balances with banks, 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.]

3. Taxes Receivable - Municipal

| | 2018 | 2017 |
|--|----------------|----------------|
| Municipal - Current | 345,526 | 249,522 |
| - Arrears | 470,865 | 208,911 |
| | 816,391 | 458,433 |
| - Less Allowance for Uncollectible | (113,431) | (113,421) |
| Total municipal taxes receivable | 702,960 | 345,012 |
| School - Current | 67,550 | 51,807 |
| - Arrears | 84,312 | 39,387 |
| Total school taxes receivable | 151,862 | 91,194 |
| Other | 14,020 | 10,197 |
| Total taxes and grants in lieu receivable | 868,842 | 446,403 |
| Deduct taxes receivable to be collected on behalf of other organizations | (165,882) | (101,391) |
| Total Taxes Receivable - Municipal | 702,960 | 345,012 |

Rural Municipality of Manitou Lake No. 442
Notes to the Consolidated Financial Statements
For the year ended December 31, 2018

4. Other Accounts Receivable

| | 2018 | 2017 |
|--|----------------|----------------|
| Federal Government | 215,109 | 98,062 |
| Provincial Government | | |
| Local Government | | |
| Utility | | |
| Trade | 119,541 | 101,836 |
| Other (Specify) | | |
| Total Other Accounts Receivable | 334,650 | 199,898 |
| Less: Allowance for Uncollectible | (7,115) | |
| Net Other Accounts Receivable | 327,535 | 199,898 |

5. Land for Resale

| | 2018 | 2017 |
|---------------------------------------|------------|------------|
| Tax Title Property | 63 | 63 |
| Allowance for market value adjustment | (63) | (63) |
| Net Tax Title Property | Nil | Nil |
| Other Land | | |
| Allowance for market value adjustment | | |
| Net Other Land | | |
| Total Land for Resale | Nil | Nil |

6. Long-Term Investments

| | 2018 | 2017 |
|---|---------------|---------------|
| Saskatchewan Association of Rural Municipalities - Self Insurance Funds | 75,132 | 70,891 |
| Other (Specify) | | |
| Total Long-Term Investments | 75,132 | 70,891 |

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Funds are accounted for on the equity basis.

7. Bank Indebtedness

Credit Arrangements

At December 31, 2018, the Municipality had a line of credit totaling \$1,000,000, none of which was drawn. The following has been collateralized in connection with this line of credit:

- General security agreement.

8. Long-Term Debt

The debt limit of the municipality is \$4,475,149. 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)).

Rural Municipality of Manitou Lake No. 442
Notes to the Consolidated Financial Statements
For the year ended December 31, 2018

9. Other Non-financial Assets

| | <u>2018</u> | <u>2017</u> |
|---------------------------------|---------------|---------------|
| Credit union and Co-op equities | <u>34,752</u> | <u>34,398</u> |

10. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

The municipality has received a Statement of Claim from a former employee for an alleged wrongful termination. Indication is that any legal opinion as to liability is preliminary in nature.

11. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2018 was \$44,068. The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

12. Comparative Figures

Comparative figures may have been restated to conform to the current year's presentation.

Rural Municipality of Manitou Lake No. 442
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2018

Schedule 1

| | 2018 Budget | 2018 | 2017 |
|--|------------------|------------------|------------------|
| TAXES | | | |
| General municipal tax levy | 4,180,000 | 4,185,887 | 4,312,615 |
| Abatements and adjustments | (100,000) | (102,117) | (97,400) |
| Discount on current year taxes | (200,000) | (210,967) | (120,116) |
| Net Municipal Taxes | 3,880,000 | 3,872,803 | 4,095,099 |
| Potash tax share | | | |
| Trailer license fees | | | |
| Penalties on tax arrears | 35,000 | 55,534 | 63,290 |
| Special tax levy | | | |
| Other (<i>Specify</i>) | | | |
| Total Taxes | 3,915,000 | 3,928,337 | 4,158,389 |
| UNCONDITIONAL GRANTS | | | |
| Revenue Sharing (Organized Hamlet) | 173,000 | 173,542 | 179,398 |
| Total Unconditional Grants | 173,000 | 173,542 | 179,398 |
| GRANTS IN LIEU OF TAXES | | | |
| Federal | | | |
| Provincial | | | |
| S.P.C. Electrical | | | |
| SaskEnergy Gas | | | |
| TransGas | | | |
| Central Services | | | |
| SaskTel | 18,000 | 18,987 | 18,988 |
| Other (<i>Specify</i>) | | | |
| Local/Other | | | |
| Housing Authority | | | |
| C.P.R. Mainline | | | |
| Treaty Land Entitlement | 3,400 | 3,478 | 3,478 |
| Other (<i>Specify</i>) | | | |
| Other Government Transfers | | | |
| S.P.C. Surcharge | | | |
| Sask Energy Surcharge | | | |
| Other (<i>Specify</i>) | | | |
| Total Grants in Lieu of Taxes | 21,400 | 22,465 | 22,466 |
| TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE | 4,109,400 | 4,124,344 | 4,360,253 |

Rural Municipality of Manitou Lake No. 442
 Schedule of Operating and Capital Revenue by Function
 For the year ended 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 | 1,200 | 935 | 640 |
| - Other (General office, expense recoveries) | 43,610 | 54,670 | 74,261 |
| Total Fees and Charges | 44,810 | 55,605 | 74,901 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Land sales - gain | | | |
| - Investment income and commissions | 98,000 | 209,326 | 136,616 |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | 142,810 | 264,931 | 211,517 |
| Conditional Grants | | | |
| - Student Employment | 5,000 | 1,315 | 4,802 |
| - Other (Specify) | | | |
| Total Conditional Grants | 5,000 | 1,315 | 4,802 |
| Total Operating | 147,810 | 266,246 | 216,319 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - Provincial Disaster Assistance | | | |
| - Other (Specify) | | | |
| Total Capital | | | |
| Total General Government Services | 147,810 | 266,246 | 216,319 |

PROTECTIVE SERVICES

Operating

| | | | |
|--|--|--|--|
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Other (Specify) | | | |
| Total Fees and Charges | | | |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (Specify) | | | |
| Total Other Segmented Revenue | | | |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Local government | | | |
| - Other (Specify) | | | |
| Total Conditional Grants | | | |
| Total Operating | | | |

Capital

| | | | |
|----------------------------------|--|--|--|
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - Provincial Disaster Assistance | | | |
| - Local government | | | |
| - Other (Specify) | | | |
| Total Capital | | | |
| Total Protective Services | | | |

| | 2018 Budget | 2018 | 2017 |
|---|----------------|---------------|----------------|
| TRANSPORTATION SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Custom work | 15,000 | 28,546 | 1,037 |
| - Sales of supplies | | | 750 |
| - Road Maintenance and Restoration Agreements | 100,000 | 82,723 | 96,840 |
| - Approach Approvals | 500 | 705 | 400 |
| - Permits | 50,000 | 66,518 | 47,950 |
| Total Fees and Charges | 165,500 | 178,492 | 146,977 |
| - Tangible capital asset sales - gain (loss) | | (170,783) | (7,300) |
| - Other (<i>Specify</i>) | | | |
| Total Other Segmented Revenue | 165,500 | 7,709 | 139,677 |
| Conditional Grants | | | |
| - MREP (CTP) | | | |
| - Student Employment | | | |
| - Other (<i>Specify</i>) | | | |
| Total Conditional Grants | | | |
| Total Operating | 165,500 | 7,709 | 139,677 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | 31,000 | 33,422 | 33,258 |
| - MREP (Heavy Haul, CTP, Municipal Bridges) | | | |
| - Provincial Disaster Assistance | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | 31,000 | 33,422 | 33,258 |
| Total Transportation Services | 196,500 | 41,131 | 172,935 |
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Pest Control Products | 7,500 | 37,596 | 19,861 |
| - Donations | | 2,095 | 1,695 |
| - Cemetary Fees | 100 | 650 | |
| Total Fees and Charges | 7,600 | 40,341 | 21,556 |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (<i>Specify</i>) | | | |
| Total Other Segmented Revenue | 7,600 | 40,341 | 21,556 |
| Conditional Grants | | | |
| - Student Employment | | | |
| - TAPD | | | |
| - Invasive Plant Control Program | | 25,279 | 22,546 |
| - Beaver Control Program | 1,200 | 2,321 | 885 |
| - Prov Rat Eradication Program | 1,200 | 4,092 | 1,297 |
| Total Conditional Grants | 2,400 | 31,692 | 24,728 |
| Total Operating | 10,000 | 72,033 | 46,284 |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - TAPD | | | |
| - Provincial Disaster Assistance | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | | | |
| Total Environmental and Public Health Services | 10,000 | 72,033 | 46,284 |

Rural Municipality of Manitou Lake No. 442
 Schedule of Operating and Capital Revenue by Function
 For the year ended 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 (<i>Specify</i>) | | | |
| Total Fees and Charges | | | |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (<i>Specify</i>) | | | |
| Total Other Segmented Revenue | | | |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Other (<i>Specify</i>) | | | |
| Total Conditional Grants | | | |
| Total Operating | | | |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - Provincial Disaster Assistance | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | | | |
| Total Planning and Development Services | | | |

RECREATION AND CULTURAL SERVICES

Operating

| | | | |
|---|--|--|--|
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Other (<i>Specify</i>) | | | |
| Total Fees and Charges | | | |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (<i>Specify</i>) | | | |
| Total Other Segmented Revenue | | | |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Local government | | | |
| - Other (<i>Specify</i>) | | | |
| Total Conditional Grants | | | |
| Total Operating | | | |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - Local government | | | |
| - Provincial Disaster Assistance | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | | | |
| Total Recreation and Cultural Services | | | |

Rural Municipality of Manitou Lake No. 442
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2018

Schedule 2 - 4

| | 2018 Budget | 2018 | 2017 |
|--|----------------|----------------|----------------|
| UTILITY SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Water | | | |
| - Sewer | | | |
| - Other (<i>Specify</i>) | | | |
| Total Fees and Charges | | | |
| - Tangible capital asset sales - gain (loss) | | | |
| - Other (<i>Specify</i>) | | | |
| Total Other Segmented Revenue | | | |
| Conditional Grants | | | |
| - Student Employment | | | |
| - Other (<i>Specify</i>) | | | |
| Total Conditional Grants | | | |
| Total Operating | | | |
| Capital | | | |
| Conditional Grants | | | |
| - Federal Gas Tax | | | |
| - New Building Canada Fund (SCF, NRP) | | | |
| - Clean Water and Wastewater Fund | | | |
| - Provincial Disaster Assistance | | | |
| - Other (<i>Specify</i>) | | | |
| Total Capital | | | |
| Total Utility Services | | | |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | 354,310 | 379,410 | 435,538 |

SUMMARY

| | | | |
|--|----------------|----------------|----------------|
| Total Other Segmented Revenue | 315,910 | 312,981 | 372,750 |
| Total Conditional Grants | 7,400 | 33,007 | 29,530 |
| Total Capital Grants and Contributions | 31,000 | 33,422 | 33,258 |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | 354,310 | 379,410 | 435,538 |

Total Expenses by Function

For the year ended December 31, 2018

Schedule 3 - 1

| | 2018 Budget | 2018 | 2017 |
|--|----------------|----------------|----------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Council remuneration and travel | 36,000 | 63,777 | 49,515 |
| Wages and benefits | 250,420 | 247,712 | 231,426 |
| Professional/Contractual services | 128,400 | 192,143 | 114,295 |
| Utilities | 14,000 | 14,110 | 13,371 |
| Maintenance, materials and supplies | 56,100 | 43,805 | 55,651 |
| Grants and contributions - operating | 10,000 | 3,350 | 1,000 |
| - capital | 15,000 | | |
| Amortization | 19,700 | 17,123 | 17,123 |
| Interest | | | |
| Allowance for uncollectible | | | |
| Other (<i>Specify</i>) | | | |
| Total General Government Services | 529,620 | 582,020 | 482,381 |

PROTECTIVE SERVICES**Police protection**

| | | | |
|--------------------------------------|--------|--------|--------|
| Wages and benefits | | | |
| Professional/Contractual services | 26,200 | 26,352 | 24,932 |
| Utilities | | | |
| Maintenance, materials and supplies | | | |
| Grants and contributions - operating | | | |
| - capital | | | |
| Other (<i>Specify</i>) | | | |

Fire protection

| | | | |
|--------------------------------------|-----|-----|-----|
| Wages and benefits | | | |
| Professional/Contractual services | 800 | 716 | 684 |
| Utilities | | | |
| Maintenance, materials and supplies | | | |
| Grants and contributions - operating | | | |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Other (<i>Specify</i>) | | | |

Total Protective Services

| | | |
|---------------|---------------|---------------|
| 27,000 | 27,068 | 25,616 |
|---------------|---------------|---------------|

TRANSPORTATION SERVICES

| | | | |
|--------------------------------------|-----------|---------|---------|
| Wages and benefits | 636,500 | 548,798 | 446,161 |
| Professional/Contractual services | 362,500 | 235,310 | 286,699 |
| Utilities | 20,780 | 9,466 | 6,183 |
| Maintenance, materials and supplies | 365,000 | 286,992 | 273,384 |
| Gravel | 800,000 | 616,786 | 653,881 |
| Grants and contributions - operating | | | |
| - capital | 1,530,000 | | |
| Amortization | 890,600 | 871,533 | 766,115 |
| Interest | | | |
| Other (Bad debts) | | 7,115 | |

Total Transportation Services

| | | |
|------------------|------------------|------------------|
| 4,605,380 | 2,576,000 | 2,432,423 |
|------------------|------------------|------------------|

| | 2018 Budget | 2018 | 2017 |
|---|----------------|----------------|----------------|
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Wages and benefits | | | |
| Professional/Contractual services | 63,000 | 75,644 | 60,612 |
| Utilities | | | |
| Maintenance, materials and supplies | 42,000 | 50,428 | 38,995 |
| Grants and contributions - operating | | | |
| o Waste disposal | 6,000 | 12,841 | 4,983 |
| o Public Health | | | |
| - capital | | | |
| o Waste disposal | | | |
| o Public Health | | | |
| Amortization | | | |
| Interest | | | |
| Other (Donations) | | 1,675 | 1,695 |
| Total Environmental and Public Health Services | 111,000 | 140,588 | 106,285 |

| | | | |
|--|---------------|--|--|
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Wages and benefits | | | |
| Professional/Contractual services | 15,000 | | |
| Grants and contributions - operating | | | |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Other (<i>Specify</i>) | | | |
| Total Planning and Development Services | 15,000 | | |

| | | | |
|---|----------------|---------------|---------------|
| RECREATION AND CULTURAL SERVICES | | | |
| Wages and benefits | | | |
| Professional/Contractual services | | | |
| Utilities | | | |
| Maintenance, materials and supplies | | | |
| Grants and contributions - operating | 100,000 | 93,546 | 88,241 |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Allowance for uncollectible | | | |
| Other (<i>Specify</i>) | | | |
| Total Recreation and Cultural Services | 100,000 | 93,546 | 88,241 |

Total Expenses by Function

For the year ended December 31, 2018

| | 2018 Budget | 2018 | 2017 |
|--------------------------------------|--------------------|------------------|------------------|
| UTILITY SERVICES | | | |
| Wages and benefits | | | |
| Professional/Contractual services | | | |
| Utilities | | | |
| Maintenance, materials and supplies | | | |
| Grants and contributions - operating | | | |
| - capital | | | |
| Amortization | | | |
| Interest | | | |
| Allowance for Uncollectible | | | |
| Other (<i>Specify</i>) | | | |
| Total Utility Services | | | |
| | | | |
| TOTAL EXPENSES BY FUNCTION | 5,388,000 | 3,419,222 | 3,134,946 |

Rural Municipality of Manitou Lake No. 442
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2018

Schedule 4

| | General Government | Protective Services | Transportation Services | Environmental and Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|--|--------------------|---------------------|-------------------------|---------------------------------|--------------------------|------------------------|------------------|--------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | 55,605 | | 178,492 | 40,341 | | | | 274,438 |
| Tangible Capital Asset Sales - Loss | | | (170,783) | | | | | (170,783) |
| Land Sales - Gain | | | | | | | | |
| Investment Income and Commissions | 209,326 | | | | | | | 209,326 |
| Other Revenues | 1,315 | | | 31,692 | | | | 33,007 |
| Grants - Conditional | | | 33,422 | | | | | 33,422 |
| - Capital | | | | | | | | |
| Total Revenues | 266,246 | | 41,131 | 72,033 | | | | 379,410 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages and Benefits | 311,489 | | 548,798 | | | | | 860,287 |
| Professional/Contractual Services | 192,143 | 27,068 | 235,310 | 75,644 | | | | 530,165 |
| Utilities | 14,110 | | 9,466 | | | | | 23,576 |
| Maintenance Materials and Supplies | 43,805 | | 903,778 | 50,428 | | | | 998,011 |
| Grants and Contributions | 3,350 | | | 12,841 | | 93,546 | | 109,737 |
| Amortization | 17,123 | | 871,533 | | | | | 888,656 |
| Interest | | | | | | | | |
| Allowance for Uncollectible | | | | | | | | |
| Other | | | 7,115 | 1,675 | | | | 8,790 |
| Total Expenses | 582,020 | 27,068 | 2,576,000 | 140,588 | | 93,546 | | 3,419,222 |
| Surplus (Deficit) by Function | (315,774) | (27,068) | (2,534,869) | (68,555) | | (93,546) | | (3,039,812) |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | 4,124,344 |
| Net Surplus (Deficit) | | | | | | | | 1,084,532 |

Rural Municipality of Manitou Lake No. 442
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2017

Schedule 5

| | General Government | Protective Services | Transportation Services | Environmental and Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|--|--------------------|---------------------|-------------------------|---------------------------------|--------------------------|------------------------|------------------|--------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | 74,901 | | 146,977 | 21,556 | | | | 243,434 |
| Tangible Capital Asset Sales - Loss | | | (7,300) | | | | | (7,300) |
| Land Sales - Gain | 136,616 | | | | | | | 136,616 |
| Investment Income and Commissions | | | | | | | | |
| Other Revenues | 4,802 | | | 24,728 | | | | 29,530 |
| Grants - Conditional | | | 33,258 | | | | | 33,258 |
| - Capital | | | | | | | | |
| Total Revenues | 216,319 | | 172,935 | 46,284 | | | | 435,538 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages and Benefits | 280,941 | | 446,161 | | | | | 727,102 |
| Professional/Contractual Services | 114,295 | 25,616 | 286,699 | 60,612 | | | | 487,222 |
| Utilities | 13,371 | | 6,183 | | | | | 19,554 |
| Maintenance Materials and Supplies | 55,651 | | 927,265 | 38,995 | | | | 1,021,911 |
| Grants and Contributions | 1,000 | | | 4,983 | | 88,241 | | 94,224 |
| Amortization | 17,123 | | 766,115 | | | | | 783,238 |
| Interest | | | | | | | | |
| Allowance for Uncollectible | | | | | | | | |
| Other | | | | 1,695 | | | | 1,695 |
| Total Expenses | 482,381 | 25,616 | 2,432,423 | 106,285 | | 88,241 | | 3,134,946 |
| Surplus (Deficit) by Function | (266,062) | (25,616) | (2,259,488) | (60,001) | | (88,241) | | (2,699,408) |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | 4,360,253 |
| Net Surplus (Deficit) | | | | | | | | 1,660,845 |

Rural Municipality of Manitow Lake No. 442
 Consolidated Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2018

2018

2017

| Asset cost | General Assets | | | | | Infrastructure Assets | | General/ Infrastructure Assets Under Construction | Total |
|---|----------------|----------------------|------------------|----------------|-------------------------------|-----------------------|---------------|--|-------------------|
| | Land | Land Improvements | Buildings | Vehicles | Machinery and Equipment | Linear assets | Total | | |
| Opening Asset costs | 26,685 | 30,093 | 922,269 | 140,763 | 2,441,098 | 20,572,490 | 807,786 | 24,941,184 | 24,139,531 |
| Additions during the year | 62,571 | | 625,033 | 58,197 | 948,756 | 670,843 | | 2,365,400 | 845,753 |
| Disposals and write-downs during the year | | | | (37,012) | (694,470) | | | (731,482) | (44,100) |
| Transfers (from) assets under construction | | | | | | 749,207 | (749,207) | Nil | |
| Closing Asset Costs | 89,256 | 30,093 | 1,547,302 | 161,948 | 2,695,384 | 21,992,540 | 58,579 | 26,575,102 | 24,941,184 |
| Accumulated Amortization Cost | | | | | | | | | |
| Opening Accumulated Amortization Costs | | 3,635 | 102,040 | 41,892 | 377,746 | 8,738,510 | | 9,263,823 | 8,502,635 |
| Add: Amortization taken | | 1,455 | 18,980 | 20,761 | 113,732 | 733,728 | | 888,656 | 783,238 |
| Less: Accumulated amortization on disposals | | | | (14,805) | (130,894) | | | (145,699) | (22,050) |
| Closing Accumulated Amortization Costs | | 5,090 | 121,020 | 47,848 | 360,584 | 9,472,238 | | 10,006,780 | 9,263,823 |
| Net Book Value | 89,256 | 25,003 | 1,426,282 | 114,100 | 2,334,800 | 12,520,302 | 58,579 | 16,568,322 | 15,677,361 |

1. Total contributed/donated assets received in 2018 Nil

2. List of assets recognized at nominal value in 2018 are:

- Infrastructure Assets Nil
- Vehicles Nil
- Machinery and Equipment Nil

3. Amount of interest capitalized in Schedule 6 Nil

Rural Municipality of Manitou Lake No. 442
 Consolidated Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2018

Schedule 7

| | 2018 | | | | | | 2017 |
|---|--------------------|---------------------|-------------------------|---------------------------------|--------------------------|------------------------|-------------------|
| | General Government | Protective Services | Transportation Services | Environmental and Public Health | Planning and Development | Recreation and Culture | |
| Assets | | | | | | | |
| Asset cost | | | | | | | Total |
| Opening Asset costs | 781,739 | | 24,159,445 | | | | 24,941,184 |
| Additions during the year | | | 2,365,400 | | | | 2,365,400 |
| Disposals and write-downs during the year | | | (731,482) | | | | (731,482) |
| Closing Asset Costs | 781,739 | | 25,793,363 | | | | 26,575,102 |
| Amortization | | | | | | | |
| Accumulated | | | | | | | |
| Opening Accumulated Amortization Costs | 53,546 | | 9,210,277 | | | | 9,263,823 |
| Add: Amortization taken | 17,123 | | 871,533 | | | | 888,656 |
| Less: Accumulated amortization on disposals | | | (145,699) | | | | (145,699) |
| Closing Accumulated Amortization Costs | 70,669 | | 9,936,111 | | | | 10,006,780 |
| Net Book Value | 711,070 | | 15,857,252 | | | | 16,568,322 |
| | | | | | | | 15,677,361 |

Rural Municipality of Manitou Lake No. 442
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2018

Schedule 8

| | 2017 | Changes | 2018 |
|-------------------------------|------------------|------------------|-------------------|
| UNAPPROPRIATED SURPLUS | 8,871,628 | 1,512,136 | 10,383,764 |

APPROPRIATED RESERVES

| | | | |
|---------------------------|------------------|--------------------|----------------|
| Machinery and Equipment | | | |
| Public Reserve | 5,196 | 1,435 | 6,631 |
| Capital Trust | 400,005 | | 400,005 |
| Utility | | | |
| Other (Specify) | 1,600,000 | (1,320,000) | 280,000 |
| Total Appropriated | 2,005,201 | (1,318,565) | 686,636 |

ORGANIZED HAMLETS (add lines if required)

| | | | |
|--------------------------------|--|--|--|
| Organized Hamlet of (Name) | | | |
| Organized Hamlet of (Name) | | | |
| Organized Hamlet of (Name) | | | |
| Organized Hamlet of (Name) | | | |
| Organized Hamlet of (Name) | | | |
| Organized Hamlet of (Name) | | | |
| Total Organized Hamlets | | | |

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

| | | | |
|--|-------------------|----------------|-------------------|
| Tangible capital assets (Schedule 6, 7) | 15,677,361 | 890,961 | 16,568,322 |
| Less: Related debt | | | |
| Net Investment in Tangible Capital Assets | 15,677,361 | 890,961 | 16,568,322 |

| | | | |
|----------------------------------|-------------------|------------------|-------------------|
| Total Accumulated Surplus | 26,554,190 | 1,084,532 | 27,638,722 |
|----------------------------------|-------------------|------------------|-------------------|

Rural Municipality of Manitow Lake No. 442

Schedule of Mill Rates and Assessments

For the year ended December 31, 2018

Schedule 9

| | PROPERTY CLASS | | | | | | Total |
|--|----------------|-------------|-------------------------|----------------------|---------------------------|----------------|-------------|
| | Agriculture | Residential | Residential Condominium | Seasonal Residential | Commercial and Industrial | Potash Mine(s) | |
| Taxable Assessment | 99,444,565 | 10,903,350 | | 64,640 | 62,965,175 | | 173,377,730 |
| Regional Park Assessment | | | | | | | |
| Total Assessment | | | | | | | 173,377,730 |
| Mill Rate Factor(s) | 1.0000 | 1.2000 | | 1.2000 | 9.0000 | | |
| Total Base/Minimum Tax (generated for each property class) | | 43,600 | | | 576,000 | | 619,600 |
| Total Municipal Tax Levy (include base and/or minimum tax and special levies) | 522,084 | 112,291 | | 407 | 3,551,105 | | 4,185,887 |

MILL RATES: MILLS

| | |
|-----------------------------|---------|
| Average Municipal* | 24.1432 |
| Average School* | 4.3825 |
| Potash Mill Rate | |
| Uniform Municipal Mill Rate | 5.2500 |

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority).

Rural Municipality of Manitou Lake No. 442
 Schedule of Council Remuneration
 For the year ended December 31, 2018

Schedule 10

| Position | Name | Remuneration | Reimbursed Costs | Total |
|------------------|----------------|---------------|---------------------|---------------|
| Reeve | Ian Lamb | 17,917 | 8,958 | 26,875 |
| Councillor Div 1 | Travis Lindsay | 3,417 | 1,708 | 5,125 |
| Councillor Div 2 | Brian Graham | 1,250 | 625 | 1,875 |
| Councillor Div 3 | Norman Wright | 7,333 | 3,667 | 11,000 |
| Councillor Div 4 | Jason Paterson | 833 | 417 | 1,250 |
| Councillor Div 5 | Rick Swanstrom | 5,083 | 2,542 | 7,625 |
| Councillor Div 6 | Joseph Koch | 8,240 | 4,120 | 12,360 |
| Councillor | Kevin Bossert | 7,584 | 3,792 | 11,376 |
| Councillor | Robert Walde | 3,733 | 1,867 | 5,600 |
| Total | | 55,390 | 27,696 | 83,086 |