

**Annual Financial Statements**  
**And Supporting Schedules**  
**For The**  
**Rural Municipality of Frenchman Butte No. 501**  
**For The Year Ended December 31, 2018**

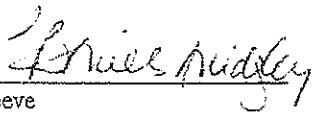
## Management's Responsibility

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 judgments 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.

Pinnacle Business Solutions, 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

*Pinnacle Business Solutions*  
*Chartered Professional Accountants P.C. Ltd.*

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**INDEPENDENT AUDITORS' REPORT**

To the Members of Rural Municipality of Frenchman's Butte No 501

*Opinion*

We have audited the financial statements of Rural Municipality of Frenchman's Butte No 501 (the Organization), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net financial assets, changes in accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

*Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

*Auditors' Responsibility*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Meadow Lake, Saskatchewan  
April 24, 2019

*Pinnacle Business Solutions*

Chartered Professional Accountants

Rural Municipality of Frenchman Butte No. 501  
 Statement of Financial Position  
 As at December 31, 2018

Statement 1

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	\$ 7,347,290	\$ 14,981,371
Taxes Receivable - Municipal (Note 3)	308,870	269,996
Other Accounts Receivable (Note 4)	1,174,985	431,297
Land for Resale (Note 5)	21,034	12,623
Long-Term Investments (Note 6)	7,633,954	1,226,990
Debt Charges Recoverable (Note 7)	31,551	38,936
<b>Other (Specify)</b>		
<b>Total Financial Assets</b>	<b>\$ 16,517,684</b>	<b>\$ 16,961,213</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 8)		
Accounts Payable	\$ 777,110	\$ 669,136
Accrued Liabilities Payable	186,616	185,101
Deposits	5,100	100
Deferred Revenue (Note 9)		
Accrued Landfill Costs (Note 10)		
Liability for Contaminated Sites (Note 11)		
Other Liabilities		
Long-Term Debt (Note 12)		
Lease Obligations (Note 13)		
<b>Total Liabilities</b>	<b>\$ 968,826</b>	<b>\$ 854,337</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>\$ 15,548,858</b>	<b>\$ 16,106,876</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	\$ 68,614,039	\$ 52,837,750
Prepayments and Deferred Charges		
Stock and Supplies	1,112,979	1,594,165
Other (Note 14)		
<b>Total Non-Financial Assets</b>	<b>\$ 69,727,018</b>	<b>\$ 54,431,915</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>\$ 85,275,876</b>	<b>\$ 70,538,791</b>

Rural Municipality of Frenchman Butte No. 501  
Statement of Operations  
As at December 31, 2018

Statement 2

	2018 Budget	2018	2017
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 10,191,500	\$ 10,203,525	\$ 10,134,008
Fees and Charges (Schedule 4, 5)	1,634,270	2,049,464	1,310,717
Conditional Grants (Schedule 4, 5)	82,990	81,835	73,619
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	(130,000)	(134,296)	(147,204)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	205,600	377,377	153,592
Other Revenues (Schedule 4, 5)			
<b>Total Revenues</b>	<b>\$ 11,984,360</b>	<b>\$ 12,577,905</b>	<b>\$ 11,524,732</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	\$ 809,682	\$ 747,981	\$ 690,228
Protective Services (Schedule 3)	261,610	136,901	128,530
Transportation Services (Schedule 3)	6,378,399	4,502,152	4,286,754
Environmental and Public Health Services (Schedule 3)	221,360	173,091	161,366
Planning and Development Services (Schedule 3)	34,000	19,168	32,809
Recreation and Cultural Services (Schedule 3)	153,924	116,319	125,886
Utility Services (Schedule 3)	62,180	66,158	53,643
<b>Total Expenses</b>	<b>\$ 7,921,155</b>	<b>\$ 5,761,770</b>	<b>\$ 5,479,216</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>4,063,205</b>	<b>6,816,135</b>	<b>6,045,516</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	13,486,840	7,920,950	557,824
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>17,550,045</b>	<b>14,737,085</b>	<b>6,603,340</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>70,538,791</b>	<b>70,538,791</b>	<b>63,935,451</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>\$ 88,088,836</b>	<b>\$ 85,275,876</b>	<b>\$ 70,538,791</b>

Rural Municipality of Frenchman Butte No. 501  
Statement of Change in Net Financial Assets  
As at December 31, 2018

Statement 3

	2018 Budget	2018	2017
<b>Surplus (Deficit)</b>	\$ 17,550,045	\$ 14,737,085	\$ 6,603,340
(Acquisition) of tangible capital assets		(17,500,128)	(4,361,130)
Amortization of tangible capital assets		1,510,043	1,445,683
Proceeds on disposal of tangible capital assets		79,500	132,500
Loss (gain) on the disposal of tangible capital assets		134,296	147,204
<b>Surplus (Deficit) of capital expenses over expenditures</b>		<b>(15,776,289)</b>	<b>(2,635,743)</b>
(Acquisition) of supplies inventories			(685,004)
(Acquisition) of prepaid expense			
Consumption of supplies inventory		481,186	
Use of prepaid expense			131
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>481,186</b>	<b>(684,873)</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>17,550,045</b>	<b>(558,018)</b>	<b>3,282,724</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>16,106,876</b>	<b>16,106,876</b>	<b>12,824,152</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>\$ 33,656,921</b>	<b>\$ 15,548,858</b>	<b>\$ 16,106,876</b>

Rural Municipality of Frenchman Butte No. 501  
Statement of Cash Flow  
As at December 31, 2018

Statement 4

	2018	2017
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 14,737,085	\$ 6,603,340
Amortization	1,510,043	1,445,682
Loss (gain) on disposal of tangible capital assets	134,296	147,204
	<u>16,381,424</u>	<u>8,196,226</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(38,874)	(55,853)
Other Receivables	(743,688)	(179,596)
Land for Resale	(8,411)	
Other Financial Assets		
Accounts and Accrued Liabilities Payable	109,489	(141,779)
Deposits	5,000	(6,943)
Deferred Revenue		(2,700)
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		40,101
Stock and Supplies	481,186	(685,004)
Prepayments and Deferred Charges		131
<b>Other (Specify)</b>		
<b>Cash provided by operating transactions</b>	<b>16,186,126</b>	<b>7,164,583</b>
<b>Capital:</b>		
Acquisition of capital assets	(17,500,128)	(4,361,130)
Proceeds from the disposal of capital assets	79,500	132,500
Other capital		
<b>Cash applied to capital transactions</b>	<b>(17,420,628)</b>	<b>(4,228,630)</b>
<b>Investing:</b>		
Long-term investments	(6,406,964)	(32,592)
Other investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>(6,406,964)</b>	<b>(32,592)</b>
<b>Financing:</b>		
Debt charges recovered	7,385	12,156
Long-term debt issued		
Long-term debt repaid		
Other financing		
<b>Cash provided by (applied to) financing transactions</b>	<b>7,385</b>	<b>12,156</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>(7,634,081)</b>	<b>2,915,517</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>14,981,371</b>	<b>12,065,854</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>\$ 7,347,290</b>	<b>\$ 14,981,371</b>



Rural Municipality of Frenchman Butte No. 501  
Notes to the Financial Statements  
As at December 31, 2018

1. Significant Accounting Policies

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

**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.

- a) **Reporting Entity:** The financial statements include the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity  
Rural Municipality of Frenchman Butte No. 501

All inter-organizational transactions and balances have been eliminated.

- 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 fund are accounted for on the equity basis.

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
<b>Vehicles &amp; Equipment</b>	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	40 Yrs
Water & Sewer	40 Yrs
Road Network Assets	40 Yrs

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

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

**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 leases 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 [*amortization method*] basis, over their estimated useful lives [*lease term*]. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- m) **Landfill Liability:**  
The municipality does not maintain a waste disposal site.
- n) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- o) **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.
- p) **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

- q) **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.

- r) **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.

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 6, 2018.

- t) **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 consolidated 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 financial statements.

Rural Municipality of Frenchman Butte No. 501  
Notes to the Financial Statements  
As at December 31, 2018

2. Cash and Temporary Investments

	2018	2017
Cash	\$ 4,076,768	\$ 11,797,075
Synergy Credit Union Term 2.4% 23-Jan-19	3,000,000	
Synergy Credit Union Term 2.6% 12-Jan-19	270,522	
Restricted Cash		3,184,296
<b>Total Cash and Temporary Investments</b>	<b>\$ 7,347,290</b>	<b>\$ 14,981,371</b>

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	\$ 193,739	\$ 199,644
- Arrears	147,962	103,183
	341,701	302,827
- Less Allowance for Uncollectible	(32,831)	(32,831)
Total municipal taxes receivable	\$ 308,870	\$ 269,996
School - Current	61,081	67,736
- Arrears	45,143	31,510
Total school taxes receivable	106,224	99,246
Other		
Total taxes and grants in lieu receivable	415,094	369,242
Deduct taxes receivable to be collected on behalf of other organizations	(106,224)	(99,246)
<b>Total Taxes Receivable - Municipal</b>	<b>\$ 308,870</b>	<b>\$ 269,996</b>

Rural Municipality of Frenchman Butte No. 501  
Notes to the Consolidated Financial Statements  
As at December 31, 2018

4. Other Accounts Receivable

	2018	2017
Federal Government	\$ 486,310	\$ 172,554
Provincial Government	87,307	11,457
Local Government		
Utility		
Trade	397,584	189,536
Other (Specify)	213,508	57,750
<b>Total Other Accounts Receivable</b>	<b>1,184,709</b>	<b>431,297</b>
Less: Allowance for Uncollectible	(9,724)	
<b>Net Other Accounts Receivable</b>	<b>\$ 1,174,985</b>	<b>\$ 431,297</b>

5. Land for Resale

	2018	2017
Tax Title Property	\$ 21,172	\$ 12,761
Allowance for market value adjustment	(138)	(138)
<b>Net Tax Title Property</b>	<b>21,034</b>	<b>12,623</b>
Other Land		
Allowance for market value adjustment		
<b>Net Other Land</b>		
<b>Total Land for Resale</b>	<b>\$ 21,034</b>	<b>\$ 12,623</b>

6. Long-Term Investments

	2018	2017
Sask Assoc. of Rural Municipalities - Self Insurance Fund	\$ 67,841	\$ 69,881
Sask Assoc. of Rural Municipalities - Property Insurance Fund	32,798	27,155
Synergy Credit Union Equity	30,005	300,005
Synergy Credit Union GIC 3.45%	2,500,000	1,069,025
Synergy Credit Union GIC 2.60%	5,000,000	
Turtleford Coop Equity	3,310	
Other (Specify)		
<b>Total Long-Term Investments</b>	<b>\$ 7,633,954</b>	<b>\$ 1,466,066</b>

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

7. Debt Charges Recoverable

	2018	2017
Town of St. Walburg Fire Truck Loan	\$ 31,551	\$ 38,936
<b>Total Debt Charges Recoverable</b>	<b>\$ 31,551</b>	<b>\$ 38,936</b>

The municipality has undertaken a project with the Town of St. Walburg to purchase a fire truck. The municipality assumed the long-term financing of \$76,595; however, \$76,595 plus interest at 1.2 % is recoverable from Town of St. Walburg with respect to this financing. Amounts are recoverable in annual principal instalments of \$8,126 and mature December 31, 2022.

Future debt charges recoverable are as follows:

Year	Principal	Interest	Total
2019	7747	379	8,126
2020	7840	286	8,126
2021	7934	192	8,126
2022	8030	96	8,126
Balance	31,551	953	32,504

Rural Municipality of Frenchman Butte No. 501

Notes to the Consolidated Financial Statements

As at December 31, 2018

**8. Bank Indebtedness**

The municipality has a credit facility agreement with its financial institution that consists of credit cards with a limit totaling \$21,000.

**9. Deferred Revenue**

The municipality does not have any deferred revenue.

**10. Accrued Other Liabilities**

	<u>2018</u>	<u>2017</u>
Gravel Pit Reclamation	<u>\$ 186,613</u>	<u>\$ 185,101</u>

The accrued gravel pit reclamation liability has been established for the closure and post-closure of gravel sites. This cost has been allocated over the cubic yards of gravel crushed at these sites and is being accrued at an average rate of \$0.48 per cubic yard and is reduced by reclamation work performed during the year.

**11. Liability for Contaminated Sites**

The municipality does not have any liability for contaminated sites.

**Rural Municipality of Frenchman Butte No. 501**

**Notes to the Financial Statements**

**As at December 31, 2018**

**12. Long-Term Debt**

a) The debt limit of the municipality is \$11,445,030. 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)).

b) The municipality does not have any long-term debt

**13. Lease obligations**

The municipality does not have any lease obligations.

**Rural Municipality of Frenchman Butte No. 501**  
**Notes to the Financial Statements**  
**As at December 31, 2018**

**14. Other Non-financial Assets**

The municipality does not have any other non-financial assets.

**15. 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.

**16. 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 \$104,776. 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.

**17. Comparative Figures**

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

**18. Trusts Administered by the Municipality**

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

	<u>Current Year Total</u>	<u>Prior Year Total</u>
Balance - Beginning of Year	\$ 10,060	\$ 10,011
Revenue		
Interest revenue	113	49
Expenditure		
<b>Balance - End of Year</b>	<u>\$ 10,173</u>	<u>\$ 10,060</u>



**19. Related Parties**

The financial statements include transactions with related parties. The municipality is related to the Reeve and Coucillors under the common control of the Council.

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

**20. Contingent Assets**

The municipality does not have any contingent assets.

**21. Contractual Rights**

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. The municipality does not have any contractual rights.

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Taxes and Other Unconditional Revenue  
 As at December 31, 2018

Schedule 1

	2018 Budget	2018	2017
<b>TAXES</b>			
General municipal tax levy	\$ 10,125,700	\$ 10,216,449	\$ 9,836,029
Abatements and adjustments	(200,000)	(132,333)	(7,180)
Discount on current year taxes	(150,000)	(287,518)	(100,911)
<b>Net Municipal Taxes</b>	<b>9,775,700</b>	<b>9,796,598</b>	<b>9,727,938</b>
Potash tax share			
Trailer license fees			
Penalties on tax arrears	10,000	26,960	12,700
Special tax levy			
Other ( <i>Specify</i> )			
<b>Total Taxes</b>	<b>\$ 9,785,700</b>	<b>\$ 9,823,558</b>	<b>\$ 9,740,638</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	\$ 254,000	\$ 264,520	\$ 282,152
(Organized Hamlet)	7,000	7,520	7,980
<b>Total Unconditional Grants</b>	<b>\$ 261,000</b>	<b>\$ 272,040</b>	<b>\$ 290,132</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	105,000	67,074	72,476
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services	12,200	13,760	8,721
SaskTel	18,600	16,765	18,558
<b>Ministry of Environment</b>		1,732	3,483
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	9,000	8,596	
<b>Other (<i>Specify</i>)</b>			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
<b>Other (<i>Specify</i>)</b>			
<b>Total Grants in Lieu of Taxes</b>	<b>\$ 144,800</b>	<b>\$ 107,927</b>	<b>\$ 103,238</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 10,191,500</b>	<b>\$ 10,203,525</b>	<b>\$ 10,134,008</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2018

Schedule 2 - 1

	2018 Budget	2018	2017
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,000	\$ 1,388	\$ 1,206
- Sales of supplies	1,000	1,854	967
- Rental income	2,500	2,728	2,660
- Stray Animals Act			2,923
- Other Permits	45,000	77,400	53,100
Total Fees and Charges	49,500	83,370	60,856
- Tangible capital asset sales - gain (loss)			(4,116)
- Land sales - gain			
- Investment income and commissions	205,600	377,377	153,592
- Other (Specify)			
Total Other Segmented Revenue	255,100	460,747	210,332
Conditional Grants			
- Student Employment			
- FCM Asset Management	34,800	34,800	
- Other MAIP	5,000	3,333	15,000
Total Conditional Grants	39,800	38,133	15,000
<b>Total Operating</b>	<b>294,900</b>	<b>498,880</b>	<b>225,332</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			
<b>Total General Government Services</b>	<b>\$ 294,900</b>	<b>\$ 498,880</b>	<b>\$ 225,332</b>

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges		\$ 400	
- Other (Specify)			
Total Fees and Charges		400	
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		400	
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>		<b>400</b>	

**Capital**

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
<b>Total Capital</b>			
<b>Total Protective Services</b>		<b>\$ 400</b>	

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2018

Schedule 2 - 2

	2018 Budget	2018	2017
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 3,500	\$ 25,771	\$ 37,041
- Sales of supplies	34,400	62,085	62,669
- Road Maintenance and Restoration Agreements	1,453,870	1,782,016	1,062,474
- <b>Other Overweight Permits</b>	25,000	40,025	25,991
<b>Total Fees and Charges</b>	<b>1,516,770</b>	<b>1,909,897</b>	<b>1,188,175</b>
- Tangible capital asset sales - gain (loss)	(130,000)	(134,296)	(143,088)
- <b>Other (Specify)</b>			
<b>Total Other Segmented Revenue</b>	<b>1,386,770</b>	<b>1,775,601</b>	<b>1,045,087</b>
Conditional Grants			
- MREP (CTP)			
- Student Employment		2,630	
- <b>Other (Specify)</b>			
<b>Total Conditional Grants</b>		<b>2,630</b>	
<b>Total Operating</b>	<b>1,386,770</b>	<b>1,778,231</b>	<b>1,045,087</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	90,000	87,862	87,430
- MREP (Heavy Haul, CTP, Municipal Bridges)	750,000	695,643	
- Provincial Disaster Assistance	800,000	178,062	
- <b>Other Local Road Cost Refund</b>			240,000
<b>Total Capital</b>	<b>1,640,000</b>	<b>961,567</b>	<b>327,430</b>
<b>Total Transportation Services</b>	<b>\$ 3,026,770</b>	<b>\$ 2,739,798</b>	<b>\$ 1,372,517</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	\$ 5,210	\$ 5,208	\$ 2,210
- Cementary		70	
- <b>Other Pest Control</b>	3,000	3,990	2,970
<b>Total Fees and Charges</b>	<b>8,210</b>	<b>9,268</b>	<b>5,180</b>
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b>			
<b>Total Other Segmented Revenue</b>	<b>8,210</b>	<b>9,268</b>	<b>5,180</b>
Conditional Grants			
- Other Sask Health Monthly Payment	25,950	23,697	32,400
- Other- Clinic Annual Levy	9,250	9,249	9,249
- Other-Sask Health Administration Fee	2,400	2,400	2,400
- Student Employment			
- MMSW	4,000	4,136	4,136
- Local government			
- <b>Other Beaver Control</b>	1,590	1,590	10,434
<b>Total Conditional Grants</b>	<b>43,190</b>	<b>41,072</b>	<b>58,619</b>
<b>Total Operating</b>	<b>51,400</b>	<b>50,340</b>	<b>63,799</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total Capital</b>			
<b>Total Environmental and Public Health Services</b>	<b>\$ 51,400</b>	<b>\$ 50,340</b>	<b>\$ 63,799</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2018

Schedule 2 - 3

	2018 Budget	2018	2017
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	\$ 2,500	\$ 1,334	\$ 5,360
- <b>Development and Building Permits</b>	25,000	23,129	29,871
Total Fees and Charges	27,500	24,463	35,231
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	27,500	24,463	35,231
Conditional Grants			
- Student Employment			
- <b>Other (Specify)</b>			
Total Conditional Grants			
<b>Total Operating</b>	<b>27,500</b>	<b>24,463</b>	<b>35,231</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total Capital</b>			
<b>Total Planning and Development Services</b>	<b>\$ 27,500</b>	<b>\$ 24,463</b>	<b>\$ 35,231</b>

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- <b>Other (Specify)</b>			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b>			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Local government			
- <b>Other (Specify)</b>			
Total Conditional Grants			
<b>Total Operating</b>			
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- CIF and Sask Lotteries	\$ 9,100	\$ 9,131	\$ 34,131
- <b>Other (Specify)</b>			
<b>Total Capital</b>	<b>9,100</b>	<b>9,131</b>	<b>34,131</b>
<b>Total Recreation and Cultural Services</b>	<b>\$ 9,100</b>	<b>\$ 9,131</b>	<b>\$ 34,131</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2018

Schedule 2 - 4

	2018 Budget	2018	2017
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 28,630	\$ 18,586	\$ 17,860
- Sewer	3,660	3,480	3,415
- Other (Specify)			
Total Fees and Charges	32,290	22,066	21,275
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	32,290	22,066	21,275
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	<b>32,290</b>	<b>22,066</b>	<b>21,275</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)	8,310,000	6,950,252	22,914
- Clean Water and Wastewater Fund			165,000
- Provincial Disaster Assistance			
- Other Local Share of Lagoon Fund	3,527,740		8,349
<b>Total Capital</b>	<b>11,837,740</b>	<b>6,950,252</b>	<b>196,263</b>
<b>Total Utility Services</b>	<b>\$ 11,870,030</b>	<b>\$ 6,972,318</b>	<b>\$ 217,538</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 15,279,700</b>	<b>\$ 10,295,330</b>	<b>\$ 1,948,548</b>

**SUMMARY**

Total Other Segmented Revenue	\$ 1,709,870	\$ 2,292,545	\$ 1,317,105
Total Conditional Grants	82,990	81,835	73,619
Total Capital Grants and Contributions	13,486,840	7,920,950	557,824
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 15,279,700</b>	<b>\$ 10,295,330</b>	<b>\$ 1,948,548</b>

Rural Municipality of Frenchman Butte No. 501  
 Total Expenses by Function  
 As at December 31, 2018

Schedule 3 - 1

	2018 Budget	2018	2017
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 154,640	\$ 127,144	\$ 101,960
Wages and benefits	378,100	387,207	359,331
Professional/Contractual services	193,550	158,407	165,151
Utilities	25,500	22,172	10,939
Maintenance, materials and supplies	41,500	24,170	38,142
Grants and contributions - operating	3,500	15,988	2,988
- capital			
Amortization	2,892	2,893	2,038
Interest			
Allowance for uncollectible	10,000	10,000	9,679
<b>Other (Specify)</b>			
<b>Total Government Services</b>	<b>\$ 809,682</b>	<b>\$ 747,981</b>	<b>\$ 690,228</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits	\$ 66,000	\$ 68,187	\$ 65,134
Professional/Contractual services	100,000		
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	200	200	200
- capital			
<b>Other (Specify)</b>			

**Fire protection**

Wages and benefits	5,000		
Professional/Contractual services	25,960	8,559	4,559
Utilities			
Maintenance, material and supplies	6,000	1,505	187
Grants and contributions - operating	55,000	55,000	55,000
- capital			
Amortization	3,450	3,450	3,450
Interest			
<b>Other (Specify)</b>			

<b>Total Protective Services</b>	<b>\$ 261,610</b>	<b>\$ 136,901</b>	<b>\$ 128,530</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	\$ 1,224,900	\$ 1,112,643	\$ 859,504
Professional/Contractual Services	2,190,900	813,615	605,135
Utilities	16,200	15,490	13,412
Maintenance, materials, and supplies	853,500	600,856	630,557
Gravel	599,000	479,902	757,382
Grants and contributions - operating			
- capital			
Amortization	1,493,899	1,479,646	1,420,764
Interest			
<b>Other (Specify)</b>			

<b>Total Transportation Services</b>	<b>\$ 6,378,399</b>	<b>\$ 4,502,152</b>	<b>\$ 4,286,754</b>
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Rural Municipality of Frenchman Butte No. 501

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 2

	2018 Budget	2018	2017
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 27,700	\$ 30,449	\$ 25,457
Professional/Contractual services	114,870	93,894	83,735
Utilities	2,450	2,453	2,500
Maintenance, materials and supplies	10,200	4,146	5,830
Grants and contributions - operating			
o Waste disposal			
o Public Health	50,000	26,008	27,703
- capital			
o Waste disposal			
o Public Health	16,140	16,141	16,141
Amortization			
Interest			
Other (Specify)			
<b>Total Environmental and Public Health Services</b>	<b>\$ 221,360</b>	<b>\$ 173,091</b>	<b>\$ 161,366</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits			
Professional/Contractual Services	\$ 34,000	\$ 19,168	\$ 32,809
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
<b>Total Planning and Development Services</b>	<b>\$ 34,000</b>	<b>\$ 19,168</b>	<b>\$ 32,809</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits			
Professional/Contractual services	\$ 20,200	\$ 18,839	\$ 18,258
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	129,100	92,856	107,628
- capital			
Amortization	4,624	4,624	
Interest			
Allowance for uncollectible			
Other (Specify)			
<b>Total Recreation and Cultural Services</b>	<b>\$ 153,924</b>	<b>\$ 116,319</b>	<b>\$ 125,886</b>



Rural Municipality of Frenchman Butte No. 501

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 3

	2018 Budget	2018	2017
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ 500	\$ 201	\$ 1,129
Professional/Contractual services	30,950	27,425	23,889
Utilities	6,900	7,464	5,987
Maintenance, materials and supplies	4,400	3,289	3,208
Grants and contributions - operating			
- capital		8,349	
Amortization	19,430	19,430	19,430
Interest			
Allowance for Uncollectible			
Other ( <i>Specify</i> )			
<b>Total Utility Services</b>	<b>\$ 62,180</b>	<b>\$ 66,158</b>	<b>\$ 53,643</b>
 <b>TOTAL EXPENSES BY FUNCTION</b>	 <b>\$ 7,921,155</b>	 <b>\$ 5,761,770</b>	 <b>\$ 5,479,216</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Segment Disclosure by Function  
 As at December 31, 2018

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 83,370	\$ 400	\$ 1,909,897	\$ 9,268	\$ 24,463		\$ 22,066	\$ 2,049,464
Tangible Capital Asset Sales - Gain			(134,296)					(134,296)
Land Sales - Gain	377,377							377,377
Investment Income and Commissions								
Other Revenues	38,133		2,630	41,072				81,835
Grants - Conditional			961,567			\$ 9,131	6,950,252	7,920,950
- Capital								
<b>Total Revenues</b>	<b>\$ 498,880</b>	<b>\$ 400</b>	<b>\$ 2,739,798</b>	<b>\$ 50,340</b>	<b>\$ 24,463</b>	<b>\$ 9,131</b>	<b>\$ 6,972,318</b>	<b>\$ 10,295,330</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	\$ 514,351	\$ 68,187	\$ 1,112,643	\$ 30,449			\$ 201	\$ 1,725,831
Professional/ Contractual Services	158,407	8,559	813,615	93,894	\$ 19,168	\$ 18,839	27,425	1,139,907
Utilities	22,172		15,490	2,453			7,464	47,579
Maintenance Materials and Supplies	24,170	1,505	1,080,758	4,146			3,289	1,113,868
Grants and Contributions	15,988	55,200		42,149		92,856	8,349	214,542
Amortization	2,893	3,450	1,479,646			4,624	19,430	1,510,043
Interest								
Allowance for Uncollectible	10,000							10,000
Other								
<b>Total Expenses</b>	<b>\$ 747,981</b>	<b>\$ 136,901</b>	<b>\$ 4,502,152</b>	<b>\$ 173,091</b>	<b>\$ 19,168</b>	<b>\$ 116,319</b>	<b>\$ 66,158</b>	<b>\$ 5,761,770</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (249,101)</b>	<b>\$ (136,501)</b>	<b>\$ (1,762,354)</b>	<b>\$ (122,751)</b>	<b>\$ 5,295</b>	<b>\$ (107,188)</b>	<b>\$ 6,906,160</b>	<b>\$ 4,533,560</b>
Taxes and other unconditional revenue (Schedule 1)								10,203,525
<b>Net Surplus (Deficit)</b>								<b>\$ 14,737,085</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Segment Disclosure by Function  
 As at December 31, 2017

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 60,856		\$ 1,188,175	\$ 5,180	\$ 35,231		\$ 21,275	\$ 1,310,717
Tangible Capital Asset Sales - Gain	(4,116)		(143,088)					(147,204)
Land Sales - Gain								
Investment Income and Commissions	153,592							153,592
Other Revenues				58,619				73,619
Grants - Conditional	15,000		327,430			\$ 34,131	196,263	557,824
- Capital								
<b>Total Revenues</b>	<b>\$ 225,332</b>		<b>\$ 1,372,517</b>	<b>\$ 63,799</b>	<b>\$ 35,231</b>	<b>\$ 34,131</b>	<b>\$ 217,538</b>	<b>\$ 1,948,548</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	\$ 461,291	\$ 65,134	\$ 859,504	\$ 25,457			\$ 1,129	\$ 1,412,515
Professional/ Contractual Services	165,151	4,559	605,135	83,735	\$ 32,809	\$ 18,258	23,889	933,536
Utilities	10,939		13,412	2,500			5,987	32,838
Maintenance Materials and Supplies	38,142	187	1,387,939	5,830		107,628	3,208	1,435,306
Grants and Contributions	2,988	55,200		43,844				209,660
Amortization	2,038	3,450	1,420,764				19,430	1,445,682
Interest								
Allowance for Uncollectible	9,679							9,679
Other								
<b>Total Expenses</b>	<b>\$ 690,228</b>	<b>\$ 128,530</b>	<b>\$ 4,286,754</b>	<b>\$ 161,366</b>	<b>\$ 32,809</b>	<b>\$ 125,886</b>	<b>\$ 53,643</b>	<b>\$ 5,479,216</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (464,896)</b>	<b>\$ (128,530)</b>	<b>\$ (2,914,237)</b>	<b>\$ (97,567)</b>	<b>\$ 2,422</b>	<b>\$ (91,755)</b>	<b>\$ 163,895</b>	<b>\$ (3,530,668)</b>
Taxes and other unconditional revenue (Schedule 1)								10,134,008
<b>Net Surplus (Deficit)</b>								<b>\$ 6,603,340</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Tangible Capital Assets by Object  
 As at December 31, 2018

Schedule 6

2017

2018

Assets	General Assets							Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total
	Land	Land Improvements		Buildings	Vehicles	Machinery & Equipment	Linear assets		Total		
Asset cost											
Opening Asset costs	\$ 236,476	\$ 687,249	\$ 637,337	\$ 320,461	\$ 4,175,209	\$ 48,465,872		\$ 8,950,303	\$ 63,472,907	\$ 59,467,696	
Additions during the year	2,291			79,671	453,979	6,839,945		16,940,511	24,316,397	4,361,130	
Disposals and write-downs during the year					(285,061)			(6,816,269)	(285,061)	(355,919)	
Transfers (from) assets under construction								(6,816,269)	(6,816,269)		
<b>Closing Asset Costs</b>	<b>\$ 238,767</b>	<b>\$ 687,249</b>	<b>\$ 637,337</b>	<b>\$ 400,132</b>	<b>\$ 4,344,127</b>	<b>\$ 55,305,817</b>		<b>\$ 19,074,545</b>	<b>\$ 80,687,974</b>	<b>\$ 63,472,907</b>	
Accumulated Amortization Cost											
Opening Accumulated Amortization Costs		\$ 47,154	\$ 223,901	\$ 114,670	\$ 1,278,094	\$ 8,971,338			\$ 10,635,157	\$ 9,265,689	
Add: Amortization taken		12,483	12748	32,946	246,830	1,205,036			1,510,043	1,445,683	
Less: Accumulated amortization on disposals					(71,265)				(71,265)	(76,215)	
<b>Closing Accumulated</b>		<b>\$ 59,637</b>	<b>\$ 236,649</b>	<b>\$ 147,616</b>	<b>\$ 1,453,659</b>	<b>\$ 10,176,374</b>			<b>\$ 12,073,935</b>	<b>\$ 10,635,157</b>	
<b>Net Book Value</b>	<b>\$ 238,767</b>	<b>\$ 627,612</b>	<b>\$ 400,688</b>	<b>\$ 252,516</b>	<b>\$ 2,890,468</b>	<b>\$ 45,129,443</b>		<b>\$ 19,074,545</b>	<b>\$ 68,614,039</b>	<b>\$ 52,837,750</b>	

- Total contributed/donated assets received in 2018 \$ -
- List of assets recognized at nominal value in 2018 are:
  - Infrastructure Assets \$ -
  - Vehicles \$ -
  - Machinery and Equipment \$ -
- Amount of interest capitalized in Schedule 6 \$ -

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Tangible Capital Assets by Function  
 As at December 31, 2018

Schedule 7

	2018						2017		
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Assets</b>									
Asset cost									
Opening Asset costs	\$ 283,072	\$ 106,502	\$ 61,272,456	\$ 240		\$ 75,819	\$ 1,734,818	\$ 63,472,907	\$ 59,467,696
Additions during the year			16,210,944				8,105,453	24,316,397	4,361,130
Disposals and write-downs during the year			(7,101,330)					(7,101,330)	(355,919)
<b>Closing Asset Costs</b>	<b>\$ 283,072</b>	<b>\$ 106,502</b>	<b>\$ 70,382,070</b>	<b>\$ 240</b>		<b>\$ 75,819</b>	<b>\$ 9,840,271</b>	<b>\$ 80,687,974</b>	<b>\$ 63,472,907</b>
<b>Amortization</b>									
Accumulated									
Opening Accumulated Amortization Costs	\$ 55,187	\$ 24,600	\$ 10,339,295				\$ 216,075	\$ 10,635,157	\$ 9,265,689
Add: Amortization taken	2,893	3,450	1,479,646			4,624	19,430	1,510,043	1,445,683
Less: Accumulated amortization on disposals			(71,265)					(71,265)	(76,215)
<b>Closing Accumulated Amortization Costs</b>	<b>\$ 58,080</b>	<b>\$ 28,050</b>	<b>\$ 11,747,676</b>	<b>-</b>		<b>\$ 4,624</b>	<b>\$ 235,505</b>	<b>\$ 12,073,935</b>	<b>\$ 10,635,157</b>
<b>Net Book Value</b>	<b>\$ 224,992</b>	<b>\$ 78,452</b>	<b>\$ 58,634,394</b>	<b>\$ 240</b>		<b>\$ 71,195</b>	<b>\$ 9,604,766</b>	<b>\$ 68,614,039</b>	<b>\$ 52,837,750</b>

Rural Municipality of Frenchman Butte No. 501  
 Schedule of Accumulated Surplus  
 As at December 31, 2018

Schedule 8

	2017	Changes	2018
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 14,042,400</b>	<b>\$ (454,640)</b>	<b>\$ 13,587,760</b>

**APPROPRIATED RESERVES**

Dust Control	\$ 40,000		\$ 40,000
EMO	20,000		20,000
Fire	450,000		450,000
Ft. Pitt Fire Department	10,000		10,000
Health Care/PNRHA	452,746	(4,676)	448,070
Machinery & Equipment	1,242,034		1,242,034
Public Reserve	5,318	1,334	6,652
Rail Line Discontinuation	270,449	73	270,522
Recreation		8,040	8,040
Residential Road Allowance	100,000		100,000
Road Construction	957,519	(597,941)	359,578
<b>Total Appropriated</b>	<b>\$ 3,548,066</b>	<b>\$ (593,170)</b>	<b>\$ 2,954,896</b>

**ORGANIZED HAMLETS (add lines if required)**

Organized Hamlet of Frenchman Butte	\$ 110,575	\$ 8,606	\$ 119,181
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
<b>Total Organized Hamlets</b>	<b>\$ 110,575</b>	<b>\$ 8,606</b>	<b>\$ 119,181</b>

**NET INVESTMENT IN TANGIBLE CAPITAL ASSETS**

Tangible capital assets (Schedule 6, 7)	\$ 52,837,750	\$ 15,776,289	\$ 68,614,039
Less: Related debt			
<b>Net Investment in Tangible Capital Assets</b>	<b>\$ 52,837,750</b>	<b>\$ 15,776,289</b>	<b>\$ 68,614,039</b>

<b>Total Accumulated Surplus</b>	<b>\$ 70,538,791</b>	<b>\$ 14,737,085</b>	<b>\$ 85,275,876</b>
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Rural Municipality of Frenchman Butte No. 501  
 Schedule of Mill Rates and Assessments  
 As at December 31, 2018

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 148,488,650	\$ 63,458,295			\$ 273,800,380		\$ 485,747,325
Regional Park Assessment							
Total Assessment							485,747,325
Mill Rate Factor(s)	1.0000	0.7000			6.3000		
Total Base/Minimum Tax (generated for each property class)	50	14,875			1,948,375		1,963,300
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 638,546	\$ 211,738			\$ 9,366,165		\$ 10,216,449

	MILLS
Average Municipal*	21.03
Average School*	6.37
Potash Mill Rate	
Uniform Municipal Mill Rate	4.30

\* 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 Frenchman Butte No. 501  
 Schedule of Council Remuneration  
 As at December 31, 2018

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Mills Midgley, Bonnie	\$ 11,350	\$ 6,275	\$ 17,625
Councillor	Fischer, Owen	6,850	4,025	10,875
Councillor	Gory, Ronald	6,067	3,633	9,700
Councillor	Hritzuk, Daniel	8,567	4,833	13,400
Councillor	Larre, Leonard	6,000	3,600	9,600
Councillor	Noeth, Gay	8,517	4,858	13,375
Councillor	Young, Claus	5,667	3,433	9,100
<b>Total</b>		<b>\$ 53,018</b>	<b>\$ 30,657</b>	<b>\$ 83,675</b>