

---

## INDEPENDENT AUDITOR'S REPORT

---

To the Reeve and Council of the  
R.M. of Torch River No. 488

### Opinion

We have audited the financial statements of R.M. of Torch River No. 488, (the Municipality) which comprise of the Statement of Financial Position as at December 31, 2018, and the Statements of Operations, Change in Net Financial Assets, and Cash Flow for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

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

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with 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 Municipality'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 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Tisdale, Saskatchewan  
July 30, 2019



Chartered Professional Accountants



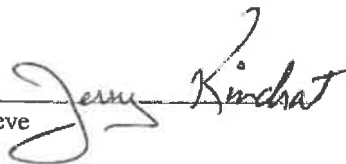
## Management's Responsibility


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

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

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

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

  
Reeve

  
Administrator

Municipality of Torch River No. 488  
Statement of Financial Position  
As at December 31, 2018

Statement 1

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	3,130,324	3,306,270
Taxes Receivable - Municipal (Note 3)	365,157	324,277
Other Accounts Receivable (Note 4)	100,429	104,034
Land for Resale (Note 5)	11,952	15,453
Long-Term Investments (Note 6)	184,839	180,412
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)	-	-
<b>Total Financial Assets</b>	<b>3,792,701</b>	<b>3,930,446</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	141,987	290,249
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	19,517	23,147
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>161,504</b>	<b>313,396</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>3,631,197</b>	<b>3,617,050</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	9,738,994	9,768,669
Prepayments and Deferred Charges	9,431	4,246
Stock and Supplies	541,958	285,218
Other (Note 14)	-	-
<b>Total Non-Financial Assets</b>	<b>10,290,383</b>	<b>10,058,133</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>13,921,580</b>	<b>13,675,183</b>

Municipality of Torch River No. 488

Statement of Operations

As at December 31, 2018

Statement: 2

	2018 Budget	2018	2017
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	3,753,282	3,749,297	3,403,529
Fees and Charges (Schedule 4.5)	152,005	145,182	111,440
Conditional Grants (Schedule 4.5)	95,310	35,228	26,441
Tangible Capital Asset Sales - Gain (Schedule 4.5)	-	(199,238)	(7,446)
Land Sales - Gain (Schedule 4.5)	-	-	-
Investment Income and Commissions (Schedule 4.5)	21,550	31,313	31,450
Other Revenues (Schedule 4.5)	-	51,156	41
<b>Total Revenues</b>	<b>4,023,147</b>	<b>3,812,938</b>	<b>3,565,455</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	495,476	439,960	415,243
Protective Services (Schedule 3)	228,940	177,794	215,091
Transportation Services (Schedule 3)	3,332,336	2,757,532	3,026,701
Environmental and Public Health Services (Schedule 3)	229,831	200,222	150,088
Planning and Development Services (Schedule 3)	15,140	17,502	8,287
Recreation and Cultural Services (Schedule 3)	44,856	45,018	39,145
Utility Services (Schedule 3)	27,513	18,208	31,486
<b>Total Expenses</b>	<b>4,374,092</b>	<b>3,656,236</b>	<b>3,886,041</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(350,945)</b>	<b>156,702</b>	<b>(320,586)</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4.5)	787,493	89,695	167,533
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>436,548</b>	<b>246,397</b>	<b>(153,053)</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>13,675,183</b>	<b>13,675,183</b>	<b>13,828,236</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>14,111,731</b>	<b>13,921,580</b>	<b>13,675,183</b>

Municipality of Torch River No. 488  
Statement of Change in Net Financial Assets  
As at December 31, 2018

Statement 3

	2018 Budget	2018	2017
Surplus (Deficit)	436,548	246,397	(153,053)
(Acquisition) of tangible capital assets	-	(1,023,064)	(937,253)
Amortization of tangible capital assets	-	676,001	612,706
Proceeds on disposal of tangible capital assets	-	177,500	19,350
Loss (gain) on the disposal of tangible capital assets	-	199,238	7,446
Surplus (Deficit) of capital expenses over expenditures	-	29,675	(297,751)
(Acquisition) of supplies inventories	-	(458,279)	(295,279)
(Acquisition) of prepaid expense	-	(19,434)	(10,908)
Consumption of supplies inventory	-	201,539	333,427
Use of prepaid expense	-	14,249	9,714
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(261,925)	36,954
Increase/Decrease in Net Financial Assets	436,548	14,147	(413,850)
Net Financial Assets (Debt) - Beginning of Year	3,617,050	3,617,050	4,030,900
Net Financial Assets (Debt) - End of Year	4,053,598	3,631,197	3,617,050

Municipality of Torch River No. 488  
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)	246,397	(153,053)
Amortization	676,001	612,706
Loss (gain) on disposal of tangible capital assets	199,238	7,446
	1,121,636	467,099
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(40,880)	(56,854)
Other Receivables	3,605	(2,054)
Land for Resale	3,501	(5,878)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(148,262)	69,148
Deposits	-	-
Deferred Revenue	(3,630)	(1,694)
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	(1,114)
Stock and Supplies	(256,740)	38,148
Prepayments and Deferred Charges	(5,185)	(1,194)
Other (Specify)	-	-
<b>Cash provided by operating transactions</b>	<b>674,045</b>	<b>505,607</b>
<b>Capital:</b>		
Acquisition of capital assets	(1,023,064)	(937,253)
Proceeds from the disposal of capital assets	177,500	19,350
Other capital	-	-
<b>Cash applied to capital transactions</b>	<b>(845,564)</b>	<b>(917,903)</b>
<b>Investing:</b>		
Long-term investments	(4,427)	(4,686)
Other investments	-	-
<b>Cash provided by (applied to) investing transactions</b>	<b>(4,427)</b>	<b>(4,686)</b>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
<b>Cash provided by (applied to) financing transactions</b>	<b>-</b>	<b>-</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>(175,946)</b>	<b>(416,982)</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>3,306,270</b>	<b>3,723,252</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>3,130,324</b>	<b>3,306,270</b>

**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 reporting entity does not include any other organizations.
  - 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
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	15 to 40 Yrs
Water & Sewer	40 Yrs
Road Network Assets	15 to 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 financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- m) **Landfill Liability:** The municipality maintains a waste disposal site. An annual provision is not reported as an expense. However, reserves for landfill decommissioning, etc. are reported on the Statement of Financial Position. Disclosure is provided in Note 10.
- 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:
- an environmental standard exists;
  - contamination exceeds the environmental standard;
  - the municipality:
    - is directly responsible; or
    - accepts responsibility;
  - it is expected that future economic benefits will be given up; and
  - 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 May 12, 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 financial statements is summarized:

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

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

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

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

The municipality does not have any reportable contingent assets.

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

The municipality does not have any reportable contractual rights.

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

This standard has no impact on the financial statements.

Municipality of Torch River No. 488  
Notes to the Financial Statements  
As at December 31, 2018

2. Cash and Temporary Investments

	2018	2017
Cash	1,452,739	1,605,880
Temporary Investments	-	-
Restricted Cash	1,677,585	1,700,390
<b>Total Cash and Temporary Investments</b>	<b>3,130,324</b>	<b>3,306,270</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	315,264	267,967
- Arrears	56,210	66,229
	371,474	334,196
- Less Allowance for Uncollectible	(6,317)	(9,919)
<b>Total municipal taxes receivable</b>	<b>365,157</b>	<b>324,277</b>
School - Current	57,259	48,900
- Arrears	13,336	11,907
<b>Total school taxes receivable</b>	<b>70,595</b>	<b>60,807</b>
Other	30,092	30,478
<b>Total taxes and grants in lieu receivable</b>	<b>465,844</b>	<b>415,562</b>
Deduct taxes receivable to be collected on behalf of other organizations	(100,687)	(91,285)
<b>Total Taxes Receivable - Municipal</b>	<b>365,157</b>	<b>324,277</b>

## 4. Other Accounts Receivable

	2018	2017
Federal Government:	58,381	81,948
Provincial Government:	2,340	-
Local Government	50,703	21,151
Utility	-	-
Trade	2,973	21,714
Other (Specify)	-	-
Total Other Accounts Receivable	114,397	124,813
Less: Allowance for Uncollectible	(13,968)	(20,779)
<b>Net Other Accounts Receivable</b>	<b>100,429</b>	<b>104,034</b>

## 5. Land for Resale

	2018	2017
Tax Title Property	66,063	71,966
Allowance for market value adjustment	(54,111)	(56,513)
Net Tax Title Property	11,952	15,453
Other Land	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
<b>Total Land for Resale</b>	<b>11,952</b>	<b>15,453</b>

## 6. Long-Term Investments

	2018	2017
Sask Assoc. of Rural Municipalities - Self Insurance Fund	146,212	142,640
Other - Torch River Rail	25,000	25,000
Other - Pineland Co-op Equity	13,627	12,772
<b>Total Long-Term Investments</b>	<b>184,839</b>	<b>180,412</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
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
<b>Total Debt Charges Recoverable</b>	<b>-</b>	<b>-</b>

The municipality has undertaken a project with *[describe nature of project and identify partners]*. The municipality assumed the long-term financing of *[\$ - amount]*; however, *[\$ - amount]* plus interest at *[#] %* is recoverable from *[name of municipality]* with respect to this financing. Amounts are recoverable in annual principal instalments of *[\$]* plus interest, and mature *[date]*.

Future debt charges recoverable are as follows:

Year	Principal	Interest	Total
2019			-
2020			-
2021			-
2022			-
2023			-
Thereafter			-
Balance	-	-	-

**8. Bank Indebtedness**

Bank indebtedness includes an operating loan amounting to [\$] ([prior year] - [\$]) and bearing interest at prime plus [# %]. Assets pledged as collateral are [describe assets].

**Credit Arrangements**

[Disclosure appropriate where lines of credit have been authorized, but no amount is drawn at the financial statement date]

At [date], the Municipality had lines of credit totaling [\$], none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Hypothecation of certain preferred shares (market value at [date] of [\$]).

**9. Deferred Revenue**

	2018	2017
Overpaid Taxes	19,367	23,045
Licenses / Permits	150	102
<b>Total Deferred Revenue</b>	<b>19,517</b>	<b>23,147</b>

**10. Accrued Landfill Costs**

	2018	2017
Environmental Liabilities	-	-

In 2018 the municipality has accrued an overall liability for environmental matters in the amount of \$- (prior year - \$). However, the municipality does maintain reserves of \$186,000 (prior year \$147,000) for future landfill expenses. At this time, the Municipality cannot estimate with any certainty the required future costs of decommissioning the solid waste disposal site.

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

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

The estimated remaining capacity of the landfill is [%] - [#] cubic metres (prior year - % - [#] cubic metres) of its total estimated capacity of [#] cubic metres and its estimated remaining life is [#] years (prior year - [#] years). The period for post-closure care is estimated to be [#] years (prior year - [#]).

The unfunded liability for the landfill will be paid for [explain how will be financed].

**11. Liability for Contaminated Sites**

The municipality recognizes and estimates a liability of [\$] ([prior year] - [\$]) for remediation of [name of the contaminated sites] using [name of the valuation method]. The nature of the liability is [description of the nature of the liability including the event of transaction creating the liability]. The assumptions used in estimating the liability include [descriptions of assumptions and measurement basis used]. The amount of estimated recoveries is [\$] ([prior year] - [\$]).

[Note: additional disclosure is required of the estimated total undiscounted expenditures and discount rate (when a net present value technique is used), as well as the reason for not recognizing a liability, if appropriate.]

Municipality of Torch River No. 488  
Notes to the Financial Statements  
As at December 31, 2018

12. Long-Term Debt

The debt limit of the municipality is \$2,621,785. 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)).

Debenture debt is repayable at *[describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand]*.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
Thereafter	-	-	-	-
Balance	-	-	-	-

Bank loans are repayable *[describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand]*.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
Thereafter	-	-	-	-
Balance	-	-	-	-

13. Lease Obligations

*[Description of capital leases including interest rates, expiry dates and significant conditions of the lease agreements]*

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2019	-
2020	-
2021	-
2022	-
2023	-
Thereafter	-
Total future minimum lease payments	-
Amounts representing interest at a weighted average rate of _____ %	-
Capital Lease Liability	-

Municipality of Torch River No. 488

Notes to the Financial Statements

As at December 31, 2018

14. Other Non-financial Assets

2018

2017

*[List if any]*

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 \$82,161 (2017 - \$77,765). 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:

*[Description of Trust i.e. Cemetery]*

	Current Year Total	Prior Year Total
Balance - Beginning of Year	-	-
Revenue ( <i>Specify</i> )	-	-
Interest revenue	-	-
Expenditure ( <i>Specify</i> )	-	-
Balance - End of Year	-	-

**19. Related Parties**

The financial statements include transactions with related parties.

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

**20. Contingent Assets**

Contingent assets are not recorded in the financial statements.

**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. Significant contractual rights of the municipality are as follows:

Contractual Rights Type	Describe Nature Time and Extent	2018	2019	2020	2021	2022	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease Revenue]</i>		[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]
Contractual Rights 1		-	-	-	-	-	-	-	-	-
Contractual Rights 2		-	-	-	-	-	-	-	-	-
Contractual Rights 3		-	-	-	-	-	-	-	-	-
<i>[Other Specify]</i>		-	-	-	-	-	-	-	-	-
<b>Total</b>		-	-	-	-	-	-	-	-	-

**22. Contractual Obligations and Commitments**

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets *[identify those that apply]*. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type <sup>1</sup>	Describe Nature Time and Extent	2018	2019	2020	2021	2022	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease Revenue]</i>		[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]
Contractual Obligations 1	Signed agreement for corrective action plan and construction of a 5 year cell at the current landfill.	98,750	-	-	-	-	-	-	98,750	-
Contractual Obligations 2		-	-	-	-	-	-	-	-	-
Contractual Obligations 3		-	-	-	-	-	-	-	-	-
<i>[Other Specify]</i>		-	-	-	-	-	-	-	-	-
<b>Total</b>		98,750	-	-	-	-	-	-	98,750	-

<sup>1</sup> See Note 13 for Capital Lease obligations.



Municipality of Torch River No. 488  
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	3,019,715	3,018,526	2,587,280
Abatements and adjustments	(10,000)	(9,408)	(10,989)
Discount on current year taxes	(99,330)	(105,515)	(91,654)
<b>Net Municipal Taxes</b>	<b>2,910,385</b>	<b>2,903,603</b>	<b>2,484,637</b>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	15,995	21,705	18,990
Special tax levy	-	-	-
<b>Other- Fire levies</b>	<b>164,798</b>	<b>163,449</b>	<b>180,739</b>
<b>Total Taxes</b>	<b>3,091,178</b>	<b>3,088,757</b>	<b>2,684,366</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	638,544	638,441	687,226
(Organized Hamlet)	7,536	7,188	7,536
<b>Total Unconditional Grants</b>	<b>646,080</b>	<b>645,629</b>	<b>694,762</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	864	821	698
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	4,400	4,468	3,855
<b>Other - Pastures</b>	<b>10,760</b>	<b>9,622</b>	<b>19,848</b>
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
<b>Other (Specify)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
<b>Other (Specify)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Grants in Lieu of Taxes</b>	<b>16,024</b>	<b>14,911</b>	<b>24,401</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>3,753,282</b>	<b>3,749,297</b>	<b>3,403,529</b>

Municipality of Torch River No. 488  
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	-	-	-
- Sales of supplies	2,000	2,679	2,310
- <b>Other - Tax Certificates, Permits, Rentals</b>	10,875	16,553	12,312
<b>Total Fees and Charges</b>	12,875	19,232	14,622
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	21,550	31,313	31,450
- <b>Other (Specify)</b>	-	-	-
<b>Total Other Segmented Revenue</b>	34,425	50,545	46,072
Conditional Grants			
- Student Employment	-	-	-
- <b>Other - MAIP</b>	68,000	7,807	-
<b>Total Conditional Grants</b>	68,000	7,807	-
<b>Total Operating</b>	102,425	58,352	46,072
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total General Government Services</b>	102,425	58,352	46,072

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- <b>Other - Fines, Fire Fees</b>	-	-	-
<b>Total Fees and Charges</b>	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Other Segmented Revenue</b>	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Conditional Grants</b>	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Protective Services</b>	-	-	-

Municipality of Torch River No. 488  
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	-	651	562
- Sales of supplies	1,800	5,387	5,293
- Road Maintenance and Restoration Agreements	20,000	23,912	28,465
- Frontage	-	-	-
- Other - JD Advantage	-	7,726	4,098
Total Fees and Charges	21,800	37,676	38,418
- Tangible capital asset sales - gain (loss)	-	(199,238)	(4,507)
- Other (Specify)	-	-	-
Total Other Segmented Revenue	21,800	(161,562)	33,911
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other - Sask Water	3,130	3,128	3,555
Total Conditional Grants	3,130	3,128	3,555
<b>Total Operating</b>	<b>24,930</b>	<b>(158,434)</b>	<b>37,466</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	87,493	89,695	89,255
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	78,278
- Provincial Disaster Assistance	700,000	-	-
- Other (Specify)	-	-	-
<b>Total Capital</b>	<b>787,493</b>	<b>89,695</b>	<b>167,533</b>
<b>Total Transportation Services</b>	<b>812,423</b>	<b>(68,739)</b>	<b>204,999</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	97,810	64,664	34,021
- Other - Sale of metal	-	-	1,644
Total Fees and Charges	97,810	64,664	35,665
- Tangible capital asset sales - gain (loss)	-	-	(2,939)
- Other - ADD Board Disbanded	-	51,156	-
Total Other Segmented Revenue	97,810	115,820	32,726
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local government	-	-	2,000
- Other - Pest Control, Cem. Donations, etc.	24,180	24,293	20,886
Total Conditional Grants	24,180	24,293	22,886
<b>Total Operating</b>	<b>121,990</b>	<b>140,113</b>	<b>55,612</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>121,990</b>	<b>140,113</b>	<b>55,612</b>

Municipality of Torch River No. 488  
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	5,100	7,970	7,130
- Other ( <i>Specify</i> )	-	-	-
Total Fees and Charges	5,100	7,970	7,130
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Public Reserve	-	-	41
Total Other Segmented Revenue	5,100	7,970	7,171
Conditional Grants			
- Student Employment	-	-	-
- Other ( <i>Specify</i> )	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>5,100</b>	<b>7,970</b>	<b>7,171</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other ( <i>Specify</i> )	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Planning and Development Services</b>	<b>5,100</b>	<b>7,970</b>	<b>7,171</b>

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
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	-	-	-
<b>Total Operating</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other ( <i>Specify</i> )	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Recreation and Cultural Services</b>	<b>-</b>	<b>-</b>	<b>-</b>

Municipality of Torch River No. 488  
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	15,420	15,640	15,605
- Sewer	-	-	-
- Other ( <i>Specify</i> )	-	-	-
Total Fees and Charges	15,420	15,640	15,605
- Tangible capital asset sales - gain (loss)	-	-	-
- Other ( <i>Specify</i> )	-	-	-
Total Other Segmented Revenue	15,420	15,640	15,605
Conditional Grants			
- Student Employment	-	-	-
- Other ( <i>Specify</i> )	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>15,420</b>	<b>15,640</b>	<b>15,605</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other ( <i>Specify</i> )	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Utility Services</b>	<b>15,420</b>	<b>15,640</b>	<b>15,605</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>1,057,358</b>	<b>153,336</b>	<b>329,459</b>
<b>SUMMARY</b>			
Total Other Segmented Revenue	174,555	28,413	135,485
Total Conditional Grants	95,310	35,228	26,441
Total Capital Grants and Contributions	787,493	89,695	167,533
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>1,057,358</b>	<b>153,336</b>	<b>329,459</b>

Municipality of Torch River No. 488

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	48,064	34,945	39,704
Wages and benefits	259,961	211,064	207,197
Professional/Contractual services	115,832	114,387	99,026
Utilities	10,270	10,082	9,380
Maintenance, materials and supplies	57,890	66,023	49,647
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	3,459	3,459	3,289
Interest	-	-	-
Allowance for uncollectible	-	-	7,000
Other (Specify)	-	-	-
<b>Total Government Services</b>	<b>495,476</b>	<b>439,960</b>	<b>415,243</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits	-	-	-
Professional/Contractual services	65,800	67,137	64,695
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
<b>Other - Bylaw Enforcement</b>	<b>-</b>	<b>1,173</b>	<b>3,443</b>

**Fire protection**

Wages and benefits	-	-	-
Professional/Contractual services	13,140	10,547	7,425
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	150,000	98,937	139,528
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Specify)	-	-	-

<b>Total Protective Services</b>	<b>228,940</b>	<b>177,794</b>	<b>215,091</b>
----------------------------------	----------------	----------------	----------------

**TRANSPORTATION SERVICES**

Wages and benefits	1,079,424	970,660	929,108
Professional/Contractual Services	389,025	151,302	301,279
Utilities	20,030	23,231	18,542
Maintenance, materials, and supplies	652,600	632,211	766,280
Gravel	584,000	338,563	408,533
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	607,257	641,565	602,959
Interest	-	-	-
Other (Specify)	-	-	-

<b>Total Transportation Services</b>	<b>3,332,336</b>	<b>2,757,532</b>	<b>3,026,701</b>
--------------------------------------	------------------	------------------	------------------

Municipality of Torch River No. 488

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	56,740	53,494	57,151
Professional/Contractual services	130,874	98,780	75,182
Utilities	-	517	439
Maintenance, materials and supplies	12,800	17,574	12,052
Grants and contributions - operating			
o Waste disposal	-	-	-
o Public Health	900	1,340	1,270
- capital			
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	28,517	28,517	3,994
Interest	-	-	-
Other (Specify)	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>229,831</b>	<b>200,222</b>	<b>150,088</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual Services	11,140	16,002	6,787
Grants and contributions - operating	4,000	1,500	1,500
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other (Specify)	-	-	-
<b>Total Planning and Development Services</b>	<b>15,140</b>	<b>17,502</b>	<b>8,287</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	23,123	23,250	23,123
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	1,250	1,286	1,246
- capital	20,000	20,000	14,293
Amortization	483	482	483
Interest	-	-	-
Allowance for uncollectible	-	-	-
Other (Specify)	-	-	-
<b>Total Recreation and Cultural Services</b>	<b>44,856</b>	<b>45,018</b>	<b>39,145</b>

Municipality of Torch River No. 488  
**Total Expenses by Function**  
**As at December 31, 2018**

Schedule 3 - 3

	2018 Budget	2018	2017
<b>UTILITY SERVICES</b>			
Wages and benefits	5,690	6,374	11,252
Professional/Contractual services	1,032	1,099	1,328
Utilities	4,800	5,093	5,285
Maintenance, materials and supplies	14,010	3,664	11,640
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	1,981	1,978	1,981
Interest	-	-	-
Allowance for Uncollectible	-	-	-
Other (Specify)	-	-	-
<b>Total Utility Services</b>	<b>27,513</b>	<b>18,208</b>	<b>31,486</b>
 <b>TOTAL EXPENSES BY FUNCTION</b>			
	<b>4,374,092</b>	<b>3,656,236</b>	<b>3,886,041</b>



Municipality of Torch River No. 488  
Schedule of Segment Disclosure by Function  
As at December 31, 2018

Schedule 4

Revenues (Schedule 2)									
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total	
Fees and Charges	19,232	-	37,676	64,664	7,970	-	15,640	145,182	
Tangible Capital Asset Sales - Gain	-	-	(199,238)	-	-	-	-	(199,238)	
Land Sales - Gain	-	-	-	-	-	-	-	-	
Investment Income and Commissions	31,313	-	-	-	-	-	-	31,313	
Other Revenues	-	-	-	51,156	-	-	-	51,156	
Grants - Conditional	7,807	-	3,128	24,293	-	-	-	35,228	
- Capital	-	-	89,695	-	-	-	-	89,695	
<b>Total Revenues</b>	<b>58,352</b>	<b>-</b>	<b>(68,739)</b>	<b>140,113</b>	<b>7,970</b>	<b>-</b>	<b>15,640</b>	<b>153,336</b>	
Expenses (Schedule 3)									
Wages & Benefits	246,009	-	970,660	53,494	-	-	6,374	1,276,537	
Professional/ Contractual Services	114,387	77,684	151,302	98,780	16,002	23,250	1,099	482,504	
Utilities	10,082	-	23,231	517	-	-	5,093	38,923	
Maintenance Materials and Supplies	66,023	-	970,774	17,574	-	-	3,664	1,058,035	
Grants and Contributions	-	98,937	-	1,340	1,500	21,286	-	123,063	
Amortization	3,459	-	641,565	28,517	-	482	1,978	676,001	
Interest	-	-	-	-	-	-	-	-	
Allowance for Uncollectible	-	-	-	-	-	-	-	-	
Other	-	1,173	-	-	-	-	-	1,173	
<b>Total Expenses</b>	<b>439,960</b>	<b>177,794</b>	<b>2,757,532</b>	<b>200,222</b>	<b>17,502</b>	<b>45,018</b>	<b>18,208</b>	<b>3,656,236</b>	
<b>Surplus (Deficit) by Function</b>	<b>(381,608)</b>	<b>(177,794)</b>	<b>(2,826,271)</b>	<b>(60,109)</b>	<b>(9,532)</b>	<b>(45,018)</b>	<b>(2,568)</b>	<b>(3,502,900)</b>	

Taxes and other unconditional revenue (Schedule 1)

3,749,297

**Net Surplus (Deficit)**

**246,397**

Municipality of  
Torch River No. 488  
Schedule of Segment Disclosure by Function  
As at December 31, 2017

Schedule 5

Revenues (Schedule 2)		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Fees and Charges		14,622	-	38,418	35,665	7,130	-	15,605	111,440
Tangible Capital Asset Sales - Gain		-	-	(4,507)	(2,939)	-	-	-	(7,446)
Land Sales - Gain		-	-	-	-	-	-	-	-
Investment Income and Commissions		31,450	-	-	-	41	-	-	31,450
Other Revenues		-	-	3,555	-	-	-	-	41
Grants - Conditional		-	-	167,533	22,886	-	-	-	26,441
- Capital		-	-	-	-	-	-	-	167,533
<b>Total Revenues</b>		<b>46,072</b>	<b>-</b>	<b>204,999</b>	<b>55,612</b>	<b>7,171</b>	<b>-</b>	<b>15,605</b>	<b>329,459</b>
Expenses (Schedule 3)									
Wages & Benefits		246,901	-	929,108	57,151	-	-	11,252	1,244,412
Professional/ Contractual Services		99,026	72,120	301,279	75,182	6,787	23,123	1,328	578,845
Utilities		9,380	-	18,542	439	-	-	5,285	33,646
Maintenance Materials and Supplies		49,647	-	1,174,813	12,052	-	-	11,640	1,248,152
Grants and Contributions		-	139,528	-	1,270	1,500	15,539	-	157,837
Amortization		3,289	-	602,959	3,994	-	483	1,981	612,706
Interest		-	-	-	-	-	-	-	-
Allowance for Uncollectible		7,000	-	-	-	-	-	-	7,000
Other		-	3,443	-	-	-	-	-	3,443
<b>Total Expenses</b>		<b>415,243</b>	<b>215,091</b>	<b>3,026,701</b>	<b>150,088</b>	<b>8,287</b>	<b>39,145</b>	<b>31,486</b>	<b>3,886,041</b>
<b>Surplus (Deficit) by Function</b>		<b>(369,171)</b>	<b>(215,091)</b>	<b>(2,821,702)</b>	<b>(94,476)</b>	<b>(1,116)</b>	<b>(39,145)</b>	<b>(15,881)</b>	<b>(3,556,582)</b>

Taxes and other unconditional revenue (Schedule 1)

3,403,529

**Net Surplus (Deficit)**

**(153,053)**

Municipality of  
Torch River No. 488  
Schedule of Tangible Capital Assets by Object  
As at December 31, 2018

Schedule 6

	2018							2017	
	General Assets							General/ Infrastructure	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Assets Under Construction	Total	Total
<b>Asset cost</b>									
Opening Asset costs	316,892	-	543,123	58,089	4,029,667	22,504,656	158,862	27,611,289	26,772,316
Additions during the year	-	-	-	26,500	876,932	112,516	7,116	1,023,064	937,253
Disposals and write-downs during the year	-	-	-	-	(634,511)	-	-	(634,511)	(48,280)
Transfers (from) assets under construction	-	-	-	-	-	142,083	(142,083)	-	-
<b>Closing Asset Costs</b>	<b>316,892</b>	<b>-</b>	<b>543,123</b>	<b>84,589</b>	<b>4,272,088</b>	<b>22,759,255</b>	<b>23,895</b>	<b>27,999,842</b>	<b>27,611,289</b>
<b>Accumulated Amortization Cost</b>									
Opening Accumulated Amortization Costs	-	-	291,023	10,938	1,376,780	16,163,879	-	17,842,620	17,251,398
Add: Amortization taken	-	-	11,863	5,810	283,775	374,553	-	676,001	612,706
Less: Accumulated amortization on disposals	-	-	-	-	(257,773)	-	-	(257,773)	(21,484)
<b>Closing Accumulated</b>	<b>-</b>	<b>-</b>	<b>302,886</b>	<b>16,748</b>	<b>1,402,782</b>	<b>16,538,432</b>	<b>-</b>	<b>18,260,848</b>	<b>17,842,620</b>
<b>Net Book Value</b>	<b>316,892</b>	<b>-</b>	<b>240,237</b>	<b>67,841</b>	<b>2,869,306</b>	<b>6,220,823</b>	<b>23,895</b>	<b>9,738,994</b>	<b>9,768,669</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  
\$ -

Municipality of  
Torch River No. 488  
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
<b>Assets</b>								
Asset cost								Total
Opening Asset costs	104,441	-	26,223,779	322,821	-	19,885	940,363	27,611,289
Additions during the year	-	-	1,023,064	-	-	-	-	1,023,064
Disposals and write-downs during the year	-	-	(634,511)	-	-	-	-	(634,511)
Closing Asset Costs	104,441	-	26,612,332	322,821	-	19,885	940,363	27,999,842
<b>Amortization</b>								
Accumulated								
Opening Accumulated Amortization Costs	87,027	-	16,795,864	32,456	-	1,932	925,341	17,842,620
Add: Amortization taken	3,459	-	641,565	28,517	-	482	1,978	676,001
Less: Accumulated amortization on disposals	-	-	(257,773)	-	-	-	-	(257,773)
Closing Accumulated Amortization Costs	90,486	-	17,179,656	60,973	-	2,414	927,319	18,260,848
Net Book Value	13,955	-	9,432,676	261,848	-	17,471	13,044	9,738,994
								9,768,669

Municipality of Torch River No. 488  
Schedule of Accumulated Surplus  
As at December 31, 2018

Schedule 8

	2017	Changes	2018
<b>UNAPPROPRIATED SURPLUS</b>	<b>2,206,124</b>	<b>298,878</b>	<b>2,505,002</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	394,721	(15,000)	379,721
Public Reserve	3,650	-	3,650
Capital Trust	165,000	(165,000)	-
Utility	-	-	-
Other - Roads, Fire Prot., Enviro., Emergency,	1,049,948	153,511	1,203,459
<b>Total Appropriated</b>	<b>1,613,319</b>	<b>(26,489)</b>	<b>1,586,830</b>
<b>ORGANIZED HAMLETS (add lines if required)</b>			
Organized Hamlet of Garrick	32,031	5,809	37,840
Organized Hamlet of Snowden	41,788	(2,126)	39,662
Organized Hamlet of Shipman	13,252	-	13,252
	-	-	-
	-	-	-
	-	-	-
<b>Total Organized Hamlets</b>	<b>87,071</b>	<b>3,683</b>	<b>90,754</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6, 7)	9,768,669	(29,675)	9,738,994
Less: Related debt	-	-	-
<b>Net Investment in Tangible Capital Assets</b>	<b>9,768,669</b>	<b>(29,675)</b>	<b>9,738,994</b>
<b>Total Accumulated Surplus</b>	<b>13,675,183</b>	<b>246,397</b>	<b>13,921,580</b>

Municipality of  
Schedule of Mill Rates and Assessments  
As at December 31, 2018

Torch River No. 488  
Schedule 9

	PROPERTY CLASS					
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	207,588,645	45,794,100	2,236,240	9,284,445	6,220,700	
Regional Park Assessment						
Total Assessment						271,124,130
Mill Rate Factor(s)	1.0000	1.0000	1.0000	1.0000	1.5000	
Total Base/Minimum Tax (generated for each property class)	378,550	77,500	-	-	525	456,575
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,297,921	512,229	22,362	92,777	93,237	3,018,526

MILL RATES:

	MILLS
Average Municipal*	11.1330
Average School*	2.1350
Potash Mill Rate	-
Uniform Municipal Mill Rate	10.0000

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

Municipality of Torch River No. 488  
Schedule of Council Remuneration  
As at December 31, 2018

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Jerry Kindrat	4,030	3,040	7,070
Councillor	David LaRose	4,015	978	4,993
Councillor	Carissa Schmidt	1,520	841	2,361
Councillor	Lyle Lindbergh	460	207	667
Councillor	Peter Lubyk	2,995	1,578	4,573
Councillor	Ken Runn	2,750	749	3,499
Councillor	Pick Pickett	2,105	819	2,924
Councillor	Tom Jensen	2,025	887	2,912
Councillor	Ken Rein	380	123	503
		-	-	-
		-	-	-
				-
				-
Total		20,280	9,222	29,502