

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Financial Statements  
December 31, 2018

**INDEX**

Pages 1 - 2	Independent Auditors' Report
Page 3	Statement of Financial Position
Page 4	Statement of Operations
Page 5	Statement of Changes in Net Financial Assets
Page 6	Statement of Cash Flows
Pages 7 - 15	Notes to the Financial Statements
Page 16	Schedule of Taxes and Other Unconditional Revenue
Pages 17 - 20	Schedule of Operating and Capital Revenue by Function
Pages 21 - 23	Schedule of Total Expenses by Function
Pages 24 - 25	Schedule of Segment Disclosure by Function
Page 26	Schedule of Tangible Capital Assets by Object
Page 27	Schedule of Tangible Capital Assets by Function
Page 28	Schedule of Accumulated Surplus
Page 29	Schedule of Mill Rates and Assessments
Page 30	Schedule of Council Remuneration

## **INDEPENDENT AUDITORS' REPORT**

To the Reeve and Councillors  
Rural Municipality of Lipton No. 217

### *Opinion*

We have audited the financial statements of the **RURAL MUNICIPALITY OF LIPTON NO. 217**, which comprise the statement of financial position as at December 31, 2018 and the statements of operations, changes in net financial assets 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 municipality as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

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

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

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

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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.

## RURAL MUNICIPALITY OF LIPTON NO. 217

### *Independent Auditors' Report (continued)*

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 over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

  
Dudley & Company LLP  
Chartered Professional Accountants

Regina, Saskatchewan  
March 8, 2019

**RURAL MUNICIPALITY OF LIPTON NO. 217****Statement of Financial Position**As at December 31, 2018

Statement 1

**ASSETS****Financial Assets**

	2018	2017
Cash & Temporary Investments (Note 2)	\$ 963,796	\$ 1,417,902
Taxes Receivable - Municipal (Note 3)	87,772	80,758
Other Accounts Receivable (Note 4)	131,601	36,942
Land for Resale (Note 5)	214	214
SARM (Note 6)	61,021	60,161
Other Investments (Note 7)	6,787	6,317

**Total Financial Assets**

1,251,191

1,602,294

**LIABILITIES**

Bank Indebtedness	-	-
Accounts Payable (Note 8)	36,354	4,091
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Other Liabilities	-	-
Long-Term Debt (Note 9)	226,235	68,987
Lease Obligations	-	-

**Total Liabilities**

262,589

73,078

**NET FINANCIAL ASSETS**

988,602

1,529,216

Tangible Capital Assets (Schedules 6, 7)	4,057,901	3,153,631
Prepayment and Deferred Charges	1,218	1,583
Stock and Supplies	119,037	80,814
Other	-	-

**Total Non-Financial Assets**

4,178,156

3,236,028

**Accumulated Surplus (Deficit) (Schedule 8)**

\$ 5,166,758

\$ 4,765,244

The accompanying notes form an integral part of these financial statements.

**RURAL MUNICIPALITY OF LIPTON NO. 217****Statement of Operations**For the year ended December 31, 2018

Statement 2

**Revenues**

		2018 Budget	2018	2017
Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 1,223,790	\$ 1,235,341	\$ 1,243,685
Fees and Charges	(Schedule 4, 5)	35,500	59,233	69,257
Conditional Grants	(Schedule 4, 5)	37,800	93,687	54,202
Tangible Capital Assets Sales - Gain	(Schedule 4, 5)	-	2,200	16,200
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	20,610	34,495	26,663
Other Revenues	(Schedule 4, 5)	-	-	-

<b>Total Revenues</b>		<b>1,317,700</b>	<b>1,424,956</b>	<b>1,410,007</b>
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**Expenses**

General Government Services	(Schedule 3)	163,050	161,636	155,642
Protective Services	(Schedule 3)	32,690	31,865	38,776
Transportation Services	(Schedule 3)	678,990	826,550	664,769
Environmental and Public Health Services	(Schedule 3)	29,400	20,805	29,785
Planning and Development Services	(Schedule 3)	500	413	250
Recreation and Cultural Services	(Schedule 3)	8,450	8,079	8,392
Utility Services	(Schedule 3)	-	-	-

<b>Total Expenses</b>		<b>913,080</b>	<b>1,049,348</b>	<b>897,614</b>
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<b>Surplus (Deficit) before Other Capital Contributions</b>		<b>404,620</b>	<b>375,608</b>	<b>512,393</b>
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Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)		24,680	25,906	25,779
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<b>Surplus (Deficit) of Revenues over Expenses</b>		<b>429,300</b>	<b>401,514</b>	<b>538,172</b>
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<b>Accumulated Surplus (Deficit), Beginning of Year</b>		<b>4,765,244</b>	<b>4,765,244</b>	<b>4,227,072</b>
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<b>Accumulated Surplus (Deficit), End of Year</b>		<b>\$ 5,194,544</b>	<b>\$ 5,166,758</b>	<b>\$ 4,765,244</b>
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The accompanying notes form an integral part of these financial statements.

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
**Statement of Changes in Net Financial Assets**  
For the year ended December 31, 2018

Statement 3

	2018 Budget	2018	2017
<b>Surplus (Deficit)</b>	<b>\$ 429,300</b>	<b>\$ 401,514</b>	<b>\$ 538,172</b>
(Acquisition) of tangible capital assets	(1,071,380)	(1,211,611)	(139,202)
Amortization of tangible capital assets	-	182,341	157,699
Proceeds on disposal of tangible capital assets	-	127,200	66,200
Loss (gain) on disposal of tangible capital assets	-	(2,200)	(16,200)
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>(1,071,380)</b>	<b>(904,270)</b>	<b>68,497</b>
(Acquisition) of supplies inventory	-	(38,223)	(13,772)
(Acquisition) of prepaid expense	-	-	(214)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	365	-
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>(37,858)</b>	<b>(13,986)</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>(642,080)</b>	<b>(540,614)</b>	<b>592,683</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>1,529,216</b>	<b>1,529,216</b>	<b>936,533</b>
<b>Net Financial Assets - End of Year</b>	<b>\$ 887,136</b>	<b>\$ 988,602</b>	<b>\$ 1,529,216</b>

The accompanying notes form an integral part of these financial statements.

**RURAL MUNICIPALITY OF LIPTON NO. 217**

**Statement of Cash Flows**

For the year ended December 31, 2018

Statement 4

	2018	2017
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 401,514	\$ 538,172
Amortization	182,341	157,699
Loss (gain) on disposal of tangible capital assets	(2,200)	(16,200)
	<u>581,655</u>	<u>679,671</u>
<b>Changes in assets / liabilities</b>		
Taxes Receivable - Municipal	(7,014)	(5,554)
Other Receivables	(94,659)	60,360
Land for Resale	-	-
Other Financial Assets	(470)	(2,217)
Accounts and Accrued Liabilities Payable	32,263	(201)
Deposits	-	-
Deferred Revenues	-	-
Other Liabilities	-	-
Stock and Supplies for Use	(38,223)	(13,772)
Prepayments and Deferred Charges	365	(214)
Other	-	-
<b>Net cash from (used for) operations</b>	<b>473,917</b>	<b>718,073</b>
<b>Capital:</b>		
Acquisition of Capital Assets	(1,211,611)	(139,202)
Proceeds from the Disposal of Capital Assets	127,200	66,200
Other Capital	-	-
<b>Net cash from (used for) capital</b>	<b>(1,084,411)</b>	<b>(73,002)</b>
<b>Investing:</b>		
SARM Investments	(860)	(1,550)
Other Investments	-	-
<b>Net cash from (used for) investing</b>	<b>(860)</b>	<b>(1,550)</b>
<b>Financing:</b>		
Long-Term Debt Issued	243,586	85,000
Long-Term Debt Repaid	(86,338)	(67,116)
Other Financing	-	-
<b>Net cash from (used for) financing</b>	<b>157,248</b>	<b>17,884</b>
<b>Increase (Decrease) in cash resources</b>	<b>(454,106)</b>	<b>661,405</b>
<b>Cash and Investments - Beginning of Year</b>	<u>1,417,902</u>	<u>756,497</u>
<b>Cash and Investments - End of Year</b>	<u><b>\$ 963,796</b></u>	<u><b>\$ 1,417,902</b></u>

The accompanying notes form an integral part of these financial statements.

## RURAL MUNICIPALITY OF LIPTON NO. 217

### Notes to the Financial Statements

For the year ended December 31, 2018

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

##### **Basis of Accounting:**

The 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 consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

##### **(b) Collection of Funds for Other Authorities:**

Collection of funds by the municipality for the school board and municipal hail 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 either expenses or revenues in the period that the events giving rise to the transfer occur, providing:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

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

##### **(d) Deferred Revenue:**

Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

##### **(e) Net-Financial Assets:**

Net-Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

##### **(f) Non-Financial Assets:**

Tangible capital and other Non-Financial Assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.



**RURAL MUNICIPALITY OF LIPTON NO. 217**

**Notes to the Financial Statements**

For the year ended December 31, 2018

**(g) Appropriated Reserves:**

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

**(h) 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 from other taxing authorities operate as a flow through and are excluded from municipal revenue.

**(i) Investments:**

Portfolio investments are valued at cost, less any provision 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 Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

**(j) 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 and 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.

## RURAL MUNICIPALITY OF LIPTON NO. 217

Notes to the Financial Statements  
For the year ended December 31, 2018

### (k) 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; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. No amortization is claimed on capital assets in the year of acquisition. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and Equipment	
Vehicles	5 to 10 years
Machinery and Equipment	5 to 10 years
<b>Infrastructure Assets</b>	
Infrastructure Assets	
Road Network Assets	35 to 40 years

**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 a tangible capital asset. 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 lease 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.

### (l) Landfill Liability:

The **RURAL MUNICIPALITY OF LIPTON NO. 217** does not maintain a waste disposal site that is an operating landfill.

### (m) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

**RURAL MUNICIPALITY OF LIPTON NO. 217**

**Notes to the Financial Statements**  
**For the year ended December 31, 2018**

**(n) Measurement Uncertainty:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses 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 stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets 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.

**(o) Basis of Segmentation / Segment Report:**

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

The segments (functions) are as follows:

**General Government:** The General Government segment provides for the administration of the municipality.

**Protective Services:** The Protective Services segment is comprised of expenses for Police and Fire protection.

**Transportation Services:** The Transportation Services segment is 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 items relating to public health services in the municipality.

**Planning and Development:** The Planning and Development segment provides for neighbourhood development and sustainability.

**Recreation and Culture:** The Recreation and Culture segment provides for community services through the provision of recreation and leisure services.

**Utility Services:** The Utility Services segment provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

**(p) Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 8, 2018.

**RURAL MUNICIPALITY OF LIPTON NO. 217**

**Notes to the Financial Statements**

For the year ended December 31, 2018

**(q) New Accounting Standards:**

Effective January 1, 2018, the municipality adopted the following new 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 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.

**RURAL MUNICIPALITY OF LIPTON NO. 217****Notes to the Financial Statements**For the year ended December 31, 2018**2. Cash and Temporary Investments**

	2018	2017
Cash	\$ 963,796	\$ 1,417,902
<b>Total Cash and Temporary Investments</b>	<b>\$ 963,796</b>	<b>\$ 1,417,902</b>

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

**3. Taxes and Grants in Lieu Receivable**

	2018	2017
Municipal - Current	\$ 56,559	\$ 61,544
- Arrears	33,613	21,614
	90,172	83,158
- Less Allowance for Uncollectables	(2,400)	(2,400)
<b>Total Municipal Taxes Receivable</b>	<b>87,772</b>	<b>80,758</b>

School - Current	10,115	11,086
- Arrears	6,004	3,760
<b>Total School Taxes Receivable</b>	<b>16,119</b>	<b>14,846</b>

<b>Other</b>	<b>7,959</b>	<b>10,262</b>
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<b>Total Taxes and Grants in Lieu Receivable</b>	<b>111,850</b>	<b>105,866</b>
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Deduct taxes to be collected on behalf of other organizations	(24,078)	(25,108)
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<b>Total Taxes and Grants in Lieu Receivable</b>	<b>\$ 87,772</b>	<b>\$ 80,758</b>
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**4. Other Accounts Receivable**

	2018	2017
Trade receivables	\$ 2,930	\$ 6,415
Federal government	324	95
Provincial government	64,561	14,550
GST receivable	63,786	15,882
<b>Total Other Accounts Receivable</b>	<b>131,601</b>	<b>36,942</b>

Less Allowance for Uncollectables	-	-
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<b>Net Other Accounts Receivable</b>	<b>\$ 131,601</b>	<b>\$ 36,942</b>
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# RURAL MUNICIPALITY OF LIPTON NO. 217

## Notes to the Financial Statements

For the year ended December 31, 2018

5. Land for Resale	2018	2017
Tax title property	\$ 214	\$ 214
Allowance for market value adjustment	-	-
Net Tax Title Property	214	214
Other land	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
<b>Total Land for Resale</b>	<b>\$ 214</b>	<b>\$ 214</b>

6. SARM Investments	2018	2017
SARM Liability Insurance	\$ 52,992	\$ 53,812
SARM Property Insurance	8,029	6,349
<b>Total Long Term Investments</b>	<b>\$ 61,021</b>	<b>\$ 60,161</b>

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

7. Other Investments	2018	2017
Lipton Co-op equity	\$ 100	\$ 100
Dysart Co-op equity	6,687	6,217
Cupar & District Nursing Home shares	1,000	1,000
Raymore Credit Union	3,102	2,576
Valuation allowance	(4,102)	(3,576)
<b>Total Long Term Investments</b>	<b>\$ 6,787</b>	<b>\$ 6,317</b>

8. Accounts Payable	2018	2017
Trade payables	\$ 19,126	\$ 1,661
Accrued interest	579	138
Due to school division	16,529	172
Municipal Hail collections	-	2,000
Overpaid taxes	120	120
<b>Total Accounts Payable</b>	<b>\$ 36,354</b>	<b>\$ 4,091</b>

**RURAL MUNICIPALITY OF LIPTON NO. 217****Notes to the Financial Statements**For the year ended December 31, 2018**9. Long-Term Debt**

a) The debt limit of the municipality is \$1,004,158 (2017 - \$943,162). 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) Long Term Liability:

- Consists of a Royal Bank demand loan in the amount of \$41,015. This loan is repayable in monthly payments of \$2,462.47 principal and interest with a fixed interest rate of 2.75%. This loan is secured by John Deere tractor with a book value of \$116,362.

- Consists of a Royal Bank demand loan in the amount of \$185,219. This loan is repayable in monthly payments of \$7,142.01 principal and interest with a fixed interest rate of 3.45%. This loan is secured by Caterpillar grader with a book value of \$371,128.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2018	\$ -	\$ -	\$ -	\$ 27,973
2019	109,363	5,891	115,254	28,783
2020	95,638	3,146	98,784	12,231
2021	21,234	122	21,356	-
2022	-	-	-	-
2023	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ 226,235	\$ 9,159	\$ 235,394	\$ 68,987

**10. Contingent Liabilities**

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

**11. Comparative Figures**

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

**12. Related Parties**

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

**13. Fair Value**

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature. The fair value of the municipality's long term debt approximates the carrying value as the terms and conditions are comparable to current market conditions, or they are due in a relatively short period of time.

**14. Interest Rate Risk**

The rural municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity. The municipality is exposed to interest rate price risk on its long term debt that has a fixed interest rate. The interest rate and maturity date of the debt is disclosed in Note 9.

**RURAL MUNICIPALITY OF LIPTON NO. 217**

**Notes to the Financial Statements**

For the year ended December 31, 2018

**15. Credit Risk**

The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

**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 2017 was \$12,130 (2017 - \$17,257 ). 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.



**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Taxes and Other Unconditional Revenue  
For the year ended December 31, 2018

Schedule 1

	2018 Budget	2018	2017
<b>TAXES</b>			
General municipal tax levy	\$ 1,008,900	\$ 1,026,703	\$ 1,008,856
Abatements and adjustments	(1,200)	(6,859)	(1,236)
Discount on current year taxes	(47,000)	(48,225)	(47,082)
<b>Net Municipal Taxes</b>	<b>960,700</b>	<b>971,619</b>	<b>960,538</b>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	5,300	5,954	5,295
Special tax levy	-	-	-
Other -	-	-	-

<b>Total Taxes</b>	<b>966,000</b>	<b>977,573</b>	<b>965,833</b>
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**UNCONDITIONAL GRANTS**

Equalization (Revenue Sharing)	257,520	257,493	277,077
Organized Hamlet	-	-	-
Other -	-	-	-

<b>Total Unconditional Grants</b>	<b>257,520</b>	<b>257,493</b>	<b>277,077</b>
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**GRANTS IN LIEU OF TAXES**

Federal	-	-	-
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Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	500
Central Services	-	-	-
SaskTel	270	275	275
Other -	-	-	-

Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-

Other Government Transfers			
S.P.C. Surcharges	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-

<b>Total Grants in Lieu of Taxes</b>	<b>270</b>	<b>275</b>	<b>775</b>
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<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,223,790</b>	<b>\$ 1,235,341</b>	<b>\$ 1,243,685</b>
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**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Operating and Capital Revenue by Function  
For the year ended 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	\$ 550	\$ 5,161	\$ 15,437
- Sales of supplies	500	639	507
- Other - Licences and permits	450	630	390
Total Fees and Charges	1,500	6,430	16,334
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	20,610	34,495	26,663
- Other -	-	-	-
Total Other Segmented Revenue	22,110	40,925	42,997
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>22,110</b>	<b>40,925</b>	<b>42,997</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>\$ 22,110</b>	<b>\$ 40,925</b>	<b>\$ 42,997</b>

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other - Fire fees	\$ 3,000	\$ 2,500	\$ 6,500
Total Fees and Charges	3,000	2,500	6,500
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	3,000	2,500	6,500
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>3,000</b>	<b>2,500</b>	<b>6,500</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>\$ 3,000</b>	<b>\$ 2,500</b>	<b>\$ 6,500</b>

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Operating and Capital Revenue by Function  
For the year ended 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	\$ 500	\$ 1,070	\$ 290
- Sales of supplies	1,500	1,000	5,631
- Road maintenance agreements	25,000	42,101	34,649
- Frontage	-	-	-
- Other -	-	-	-
Total Fees and Charges	27,000	44,171	40,570
- Tangible capital asset sales - gain (loss)	-	2,200	16,200
- Other -	-	-	-
Total Other Segmented Revenue	27,000	46,371	56,770
Conditional Grants			
- Primary Weight Corridor	28,800	28,800	28,800
- Provincial Disaster Assistance	-	58,101	14,910
- Other -	-	-	-
Total Conditional Grants	28,800	86,901	43,710
<b>Total Operating</b>	<b>55,800</b>	<b>133,272</b>	<b>100,480</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	24,680	25,906	25,779
- Can/Sask Municipal Rural Infrastructure	-	-	-
- MEEP	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>24,680</b>	<b>25,906</b>	<b>25,779</b>
<b>Total Transportation Services</b>	<b>\$ 80,480</b>	<b>\$ 159,178</b>	<b>\$ 126,259</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ -	\$ -	\$ -
- Other - Pest control supplies	1,500	1,882	1,679
Total Fees and Charges	1,500	1,882	1,679
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	1,500	1,882	1,679
Conditional Grants			
- Student Employment	-	-	-
- Provincial Government	9,000	6,786	10,492
- Other -	-	-	-
Total Conditional Grants	9,000	6,786	10,492
<b>Total Operating</b>	<b>10,500</b>	<b>8,668</b>	<b>12,171</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>\$ 10,500</b>	<b>\$ 8,668</b>	<b>\$ 12,171</b>

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Operating and Capital Revenue by Function  
For the year ended 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	\$ -	\$ -	\$ 1,924
- Other - Land rent	2,500	4,250	2,250
Total Fees and Charges	2,500	4,250	4,174
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	2,500	4,250	4,174
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>2,500</b>	<b>4,250</b>	<b>4,174</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Planning and Development Services</b>	<b>\$ 2,500</b>	<b>\$ 4,250</b>	<b>\$ 4,174</b>

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other -	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Recreation and Cultural Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2018

Schedule 2-4

	2018 Budget	2018	2017
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ -	\$ -	\$ -
- Sewer	-	-	-
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Gas Tax	-	-	-
- Sask Water Corp.	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Utility Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 118,590</b>	<b>\$ 215,521</b>	<b>\$ 192,101</b>
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**SUMMARY**

Total Other Segmented Revenue	\$ 56,110	\$ 95,928	\$ 112,120
Total Conditional Grants	37,800	93,687	54,202
Total Capital Grants and Contributions	24,680	25,906	25,779

<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 118,590</b>	<b>\$ 215,521</b>	<b>\$ 192,101</b>
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**RURAL MUNICIPALITY OF LIPTON NO. 217**

## Schedule of Total Expenses by Function

For the year ended December 31, 2018

Schedule 3-1

	2018 Budget	2018	2017
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 26,490	\$ 19,713	\$ 20,603
Wages and benefits	77,160	78,390	79,386
Professional/Contractual services	36,950	34,934	34,582
Utilities	6,750	5,906	6,215
Maintenance, materials, and supplies	9,800	16,746	7,243
Grants and contributions - operating	3,500	2,974	3,274
- capital	-	-	-
Amortization	-	2,447	2,447
Interest	-	-	-
Allowance for uncollectible	2,400	526	1,892
Other -	-	-	-
<b>Total General Government Services</b>	<b>\$ 163,050</b>	<b>\$ 161,636</b>	<b>\$ 155,642</b>

**PROTECTIVE SERVICES****Police Protection**

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	17,550	17,389	17,230
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-

**Fire Protection**

Wages and benefits	-	-	-
Professional/Contractual services	11,140	10,476	16,296
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	4,000	4,000	4,000
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Allowance for uncollectible	-	-	1,250

<b>Total Protective Services</b>	<b>\$ 32,690</b>	<b>\$ 31,865</b>	<b>\$ 38,776</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	\$ 172,900	\$ 167,574	\$ 176,731
Council remuneration and travel	14,440	6,635	7,172
Professional/Contractual services	129,640	106,687	105,681
Utilities	6,880	5,814	6,032
Maintenance, materials, and supplies	107,750	80,942	83,028
Gravel	240,200	207,722	114,105
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	179,894	155,252
Interest	7,180	7,930	1,893
Allowance for uncollectible	-	-	-
Other - Flood damages	-	62,031	14,875
Other - Crop damages	-	1,321	-

<b>Total Transportation Services</b>	<b>\$ 678,990</b>	<b>\$ 826,550</b>	<b>\$ 664,769</b>
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**RURAL MUNICIPALITY OF LIPTON NO. 217**Schedule of Total Expenses by Function  
For the year ended December 31, 2018

Schedule 3-2

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

	2018 Budget	2018	2017
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	25,500	16,203	25,768
Utilities	-	-	-
Maintenance, materials, and supplies	2,000	2,524	2,113
Grants and contributions - operating	-	-	-
- Farm stewardship	1,900	2,078	1,904
- Public health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-

<b>Total Environmental and Public Health Services</b>	<b>\$ 29,400</b>	<b>\$ 20,805</b>	<b>\$ 29,785</b>
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**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	500	413	250
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-

<b>Total Planning and Development Services</b>	<b>\$ 500</b>	<b>\$ 413</b>	<b>\$ 250</b>
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**RECREATION AND CULTURAL SERVICES**

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	5,450	5,079	5,392
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	3,000	3,000	3,000
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other -	-	-	-

<b>Total Recreation and Cultural Services</b>	<b>\$ 8,450</b>	<b>\$ 8,079</b>	<b>\$ 8,392</b>
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**RURAL MUNICIPALITY OF LIPTON NO. 217****Schedule of Total Expenses by Function**  
**For the year ended December 31, 2018**

Schedule 3-3

	2018 Budget	2018	2017
<b>UTILITY SERVICES</b>			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other -	-	-	-
<b>Total Utility Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 913,080</b>	<b>\$ 1,049,348</b>	<b>\$ 897,614</b>



**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Segment Disclosure by Function  
For the year ended 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	\$ 6,430	\$ 2,500	\$ 44,171	\$ 1,882	\$ 4,250	\$ -	\$ -	\$ 59,233
Tangible Capital Asset Sales - Gain	-	-	2,200	-	-	-	-	2,200
Investment Income and Commissions	34,495	-	-	-	-	-	-	34,495
Grants - Conditional	-	-	86,901	6,786	-	-	-	93,687
- Capital	-	-	25,906	-	-	-	-	25,906
<b>Total Revenues</b>	<b>40,925</b>	<b>2,500</b>	<b>159,178</b>	<b>8,668</b>	<b>4,250</b>	<b>-</b>	<b>-</b>	<b>215,821</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	98,103	-	174,209	-	-	-	-	272,312
Professional / Contractual Services	34,934	27,865	106,687	16,203	413	5,079	-	191,181
Utilities	5,906	-	5,814	-	-	-	-	11,720
Maintenance, Materials, and Supplies	16,746	-	288,664	2,524	-	-	-	307,934
Grants and Contributions	2,974	4,000	-	2,078	-	3,000	-	12,052
Amortization	2,447	-	179,894	-	-	-	-	182,341
Interest	-	-	7,930	-	-	-	-	7,930
Allowance for Uncollectibles	526	-	-	-	-	-	-	526
Other	-	-	63,352	-	-	-	-	63,352
<b>Total Expenses</b>	<b>161,836</b>	<b>31,865</b>	<b>826,550</b>	<b>20,805</b>	<b>413</b>	<b>8,079</b>	<b>-</b>	<b>1,049,348</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (120,711)</b>	<b>\$ (29,365)</b>	<b>\$ (667,372)</b>	<b>\$ (12,137)</b>	<b>\$ 3,837</b>	<b>\$ (8,079)</b>	<b>\$ -</b>	<b>\$ (833,827)</b>

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 1,235,341

**Net Surplus (Deficit)**

\$ 401,514

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2017

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 16,334	\$ 6,500	\$ 40,570	\$ 1,679	\$ 4,174	\$ -	\$ -	\$ 69,257
Tangible Capital Asset Sales - Gain	-	-	16,200	-	-	-	-	16,200
Investment Income and Commissions	26,663	-	-	-	-	-	-	26,663
Grants - Conditional	-	-	43,710	10,492	-	-	-	54,202
- Capital	-	-	25,779	-	-	-	-	25,779
<b>Total Revenues</b>	<b>42,997</b>	<b>6,500</b>	<b>126,259</b>	<b>12,171</b>	<b>4,174</b>	<b>-</b>	<b>-</b>	<b>192,101</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	99,989	-	183,903	-	-	-	-	283,892
Professional / Contractual Services	34,582	33,526	120,556	25,768	250	5,392	-	220,074
Utilities	6,215	-	6,032	-	-	-	-	12,247
Maintenance, Materials, and Supplies	7,243	-	197,133	2,113	-	-	-	206,489
Grants and Contributions	3,274	4,000	-	1,904	-	3,000	-	12,178
Amortization	2,447	-	155,252	-	-	-	-	157,699
Interest	-	-	1,893	-	-	-	-	1,893
Allowance for Uncollectibles	1,892	-	-	-	-	-	-	1,892
Other	-	1,250	-	-	-	-	-	1,250
<b>Total Expenses</b>	<b>155,642</b>	<b>38,776</b>	<b>664,769</b>	<b>29,785</b>	<b>250</b>	<b>8,392</b>	<b>-</b>	<b>897,614</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ (112,645)</b>	<b>\$ (32,276)</b>	<b>\$ (538,510)</b>	<b>\$ (17,614)</b>	<b>\$ 3,924</b>	<b>\$ (8,392)</b>	<b>\$ -</b>	<b>\$ (705,513)</b>
<b>Taxation and Other Unconditional Revenue (Schedule 1)</b>								
								\$ 1,243,685
<b>Net Surplus (Deficit)</b>								\$ 538,172

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Tangible Capital Assets by Object  
For the year ended December 31, 2018

Schedule 6

2018										2017	
	General Assets					Infrastructure Assets		General / Infrastructure Assets Under Construction	Total	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets					
<b>Asset Cost</b>											
Opening Asset Costs	\$ 34,301	\$ -	\$ 171,382	\$ -	\$ 846,686	\$ 5,147,161	\$ -	\$ -	\$ 6,199,530	\$ 6,157,713	
Additions during the year	-	-	-	-	371,128	840,483	-	-	1,211,611	139,202	
Disposals and write downs during the year	-	-	-	-	(291,660)	-	-	-	(291,660)	(97,385)	
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	-	
<b>Closing Asset Costs</b>	<b>\$ 34,301</b>	<b>\$ -</b>	<b>\$ 171,382</b>	<b>\$ -</b>	<b>\$ 926,154</b>	<b>\$ 6,987,644</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,119,461</b>	<b>\$ 6,199,530</b>	
<b>Accumulated Amortization</b>											
Opening Accum. Amort. Cost	\$ -	\$ -	\$ 51,635	\$ -	\$ 328,040	\$ 2,666,224	\$ -	\$ -	\$ 3,045,899	\$ 2,935,585	
Add: Amortization taken	-	-	3,124	-	74,314	104,903	-	-	182,341	157,699	
Less: Accum. Amort. on Disposals	-	-	-	-	(166,660)	-	-	-	(166,660)	(47,385)	
<b>Closing Accumulated Amort.</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 54,759</b>	<b>\$ -</b>	<b>\$ 235,694</b>	<b>\$ 2,771,127</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,081,580</b>	<b>\$ 3,045,899</b>	
<b>Net Book Value</b>	<b>\$ 34,301</b>	<b>\$ -</b>	<b>\$ 116,623</b>	<b>\$ -</b>	<b>\$ 690,460</b>	<b>\$ 3,216,517</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,037,901</b>	<b>\$ 3,153,631</b>	

1. Total contributed/donated assets received in 2018:

2. List of assets recognized at nominal value are:

- Infrastructure assets
- Vehicles
- Machinery and Equipment

3. Amount of interest capitalized in 2018:

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
**Schedule of Tangible Capital Assets by Function**  
**For the year ended December 31, 2018**

Schedule 7

	2018							2017	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Asset Cost</b>									
Opening Asset Costs	\$ 30,310	\$ -	\$ 6,169,203	\$ 17	\$ -	\$ -	\$ -	\$ 6,199,530	\$ 6,157,713
Additions during the year	-	-	1,211,611	-	-	-	-	1,211,611	139,202
Disposals and write-downs during the year	-	-	(291,660)	-	-	-	-	(291,660)	(97,385)
<b>Closing Asset Costs</b>	<b>\$ 30,310</b>	<b>\$ -</b>	<b>\$ 7,089,154</b>	<b>\$ 17</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,119,481</b>	<b>\$ 8,199,530</b>
<b>Accumulated Amortization</b>									
Opening Accum. Amort. Costs	\$ 23,254	\$ -	\$ 3,022,645	\$ -	\$ -	\$ -	\$ -	\$ 3,045,899	\$ 2,935,585
Add: Amortization taken	2,447	-	179,894	-	-	-	-	182,341	157,699
Less: Accum. Amort. on Disposals	-	-	(166,660)	-	-	-	-	(166,660)	(47,385)
<b>Closing Accumulated Amortization</b>	<b>\$ 25,701</b>	<b>\$ -</b>	<b>\$ 3,035,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,081,660</b>	<b>\$ 3,045,899</b>
<b>Net Book Value</b>	<b>\$ 4,609</b>	<b>\$ -</b>	<b>\$ 4,053,275</b>	<b>\$ 17</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,037,821</b>	<b>\$ 3,153,631</b>

**RURAL MUNICIPALITY OF LIPTON NO. 217****Schedule of Accumulated Surplus**  
**For the year ended December 31, 2018**

Schedule 8

	2017	Changes	2018
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 843,339</b>	<b>\$ 155,792</b>	<b>\$ 999,131</b>

**APPROPRIATED RESERVES**

Reserve for future	625,311	(501,300)	124,011
Public Reserve	2,064	-	2,064
Road Maintenance Reserve	193,999	-	193,999
Municipal Emergency Disaster Contingency Fund	15,887	-	15,887
Other	-	-	-

<b>Total Appropriated</b>	<b>837,261</b>	<b>(501,300)</b>	<b>335,961</b>
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**NET INVESTMENT IN TANGIBLE CAPITAL ASSETS**

Tangible Capital Assets (Schedule 6)	3,153,631	904,270	4,057,901
Less: Related debt	(68,987)	(157,248)	(226,235)

<b>Net Investment in Tangible Capital Assets</b>	<b>3,084,644</b>	<b>747,022</b>	<b>3,831,666</b>
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**OTHER**

<b>Total Accumulated Surplus</b>	<b>\$ 4,765,244</b>	<b>\$ 401,514</b>	<b>\$ 5,166,758</b>
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**RURAL MUNICIPALITY OF LIPTON NO. 217**  
Schedule of Mill Rates and Assessments  
For the year ended December 31, 2018

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
<b>Taxable Assessment</b>	\$ 108,241,904	\$ 5,481,061	\$ -	\$ -	\$ 1,799,100	\$ -	\$ 115,522,065
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							115,522,065
<b>Mill Rate Factor(s)</b>	0.981	1.390	-	-	1.300		
<b>Total Minimum Tax</b>	-	-	-	-	-		-
<b>Total Municipal Tax Levy</b>	\$ 938,678	\$ 67,350	\$ -	\$ -	\$ 20,675		\$ 1,026,703

MILL RATES:	
Average Municipal*	8.888
Average School*	1.633
Potash Mill Rate	-
Uniform Municipal Mill Rate	8.840

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

**RURAL MUNICIPALITY OF LIPTON NO. 217**  
**Schedule of Council Remuneration**  
For the year ended December 31, 2018

Schedule 10

<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Corey Senft	\$ 6,446	\$ 700	\$ 7,146
Bill Huber	1,575	385	1,960
William Tyson	2,962	428	3,390
Dale Czemerer	3,126	592	3,718
James Slywka	4,155	489	4,644
Twila Miller	2,456	312	2,768
Barry Bradshaw	1,722	296	2,018
Tomas Arthur	300	29	329
Greg Van Luven	331	15	346
<b>Total</b>	<b>\$ 23,073</b>	<b>\$ 3,246</b>	<b>\$ 26,319</b>