

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**  
**Financial Statements**  
**Year Ended December 31, 2018**

 elizabeth m. torrens  
CHARTERED PROFESSIONAL ACCOUNTANT  
CHARTERED ACCOUNTANT

## **Management's Responsibility for Financial Reporting**

The financial statements of Rural Municipality of Blaine Lake No. 434 have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Rural Municipality of Blaine Lake No. 434 's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Council is responsible for ensuring that management fulfills its responsibility for financial reporting. These responsibilities are fulfilled by the Council through the review the financial information prepared by management and discussion of relevant matters with the external auditors. The Council is responsible for the engagement or re-appointment of the external auditor.

Elizabeth M. Torrens CPA Professional Corporation, an independent auditor, has been appointed by the Municipal Council to audit and express an opinion on the Municipality's financial statements. The external auditor has full and free access to Council and management. The Independent Auditor's Report is addressed to the Council and appears on the following page.

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Mr. William Chalmers, Reeve

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Ms. Jennifer Gutknecht, Acting  
Administrator

Blaine Lake Saskatchewan  
October 08, 2019

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## INDEPENDENT AUDITOR'S REPORT

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### To the Councilors of Rural Municipality of Blaine Lake No. 434

I have audited the accompanying financial statements of Rural Municipality of Blaine Lake No. 434, which comprise the statement of financial position as at December 31, 2018 and the statements of operations, comprehensive income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### Basis for Qualified Opinion

I was not appointed as the auditor for the Municipality until after December 31, 2018. Multiple administrators were employed by the Municipality during 2018, and the administrator employed by the Municipality during the audit was not employed by the Municipality in 2018.

I was unable to observe the year end inventory count and, due to the age of some inventory, I was unable to obtain original cost for some items. I was unable to confirm or verify by alternative means original cost value for some inventory items included in the statement of financial position. The total estimated value of inventory items included in the statement of financial position at December 31, 2018 is \$29,612.

I was unable to locate documentation to substantiate the value of gravel held at year end. I was unable to confirm or verify by alternative means gravel inventory held included in the statement of financial position at a total amount of \$65,860 as at December 31, 2018.

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No listing of general accounts payable and accrued liabilities was found to substantiate the year end payables balance. I was unable to confirm or verify by alternative means general accounts payable and accrued liabilities included in the statement of financial position at a total of \$30,661 as at December 31, 2018.

The audit evidence obtained is sufficient and appropriate to provide a basis for my qualified opinion.

**Qualified Opinion**

In my opinion, except for the effects of the potentially missing transactions, unobservable inventory count, unavailable inventory costing, unavailable gravel documentation, and unsubstantiated accounts payable and accrued liabilities, as described in the preceding paragraphs, the financial statements present fairly, in all material respects the financial position of Rural Municipality of Blaine Lake No. 434 as at December 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Borden, Saskatchewan  
October 8, 2019

ELIZABETH M TORRENS  
CHARTERED PROFESSIONAL ACCOUNTANT  
CHARTERED ACCOUNTANT

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Statement of Financial Position**

**December 31, 2018**

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash ( <i>Note 2</i> )	\$ 1,813,629	\$ 1,492,239
Municipal taxes receivable ( <i>Note 3</i> )	127,206	146,061
Other receivables ( <i>Note 4</i> )	81,164	116,182
Long term investments ( <i>Note 5</i> )	39,242	37,891
	<u>2,061,241</u>	<u>1,792,373</u>
<b>LIABILITIES</b>		
Accounts payable	39,576	20,472
Payables collected on behalf of other organizations	6,228	-
	<u>45,804</u>	<u>20,472</u>
<b>NET FINANCIAL ASSETS</b>	<u>2,015,437</u>	<u>1,771,901</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets ( <i>Net of accumulated amortization</i> ) ( <i>Schedule 6 and 7</i> )	1,092,868	1,147,075
Prepaid expenses	938	607
Stock and supplies	132,781	131,356
	<u>1,226,587</u>	<u>1,279,038</u>
<b>ACCUMULATED SURPLUS</b> ( <i>Schedule 8</i> )	<u>\$ 3,242,024</u>	<u>\$ 3,050,939</u>

**ON BEHALF OF THE COUNCIL**

\_\_\_\_\_ *Reeve*

\_\_\_\_\_ *Councillor*

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Statement of Operations  
Year Ended December 31, 2018**

	<i>2018</i> <i>(Budget)</i>	<b>2018</b>	2017
<b>REVENUES</b>			
Taxes and other unconditional revenue <i>(Schedule 1)</i>	\$ 1,123,510	\$ <b>1,143,794</b>	\$ 1,156,570
Fees and charges <i>(Schedule 4 and 5)</i>	183,900	<b>61,697</b>	117,504
Conditional grants <i>(Schedule 4 and 5)</i>	5,300	<b>720</b>	13,504
Investment income and commissions <i>(Schedule 4 and 5)</i>	9,450	<b>23,360</b>	12,801
Other revenue	338,000	<b>125</b>	125
	<u>1,660,160</u>	<u><b>1,229,696</b></u>	<u>1,300,504</u>
<b>EXPENSES</b>			
General government services <i>(Schedule 3)</i>	255,110	<b>258,717</b>	234,184
Protective services <i>(Schedule 3)</i>	37,610	<b>48,764</b>	36,677
Transportation services <i>(Schedule 3)</i>	1,289,010	<b>789,371</b>	650,609
Environmental and public health services <i>(Schedule 3)</i>	80,840	<b>40,014</b>	38,713
Recreation and culture services <i>(Schedule 3)</i>	11,200	<b>7,980</b>	5,692
Utility services <i>(Schedule 3)</i>	1,800	<b>677</b>	1,313
	<u>1,675,570</u>	<u><b>1,145,523</b></u>	<u>967,188</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OTHER CAPITAL CONTRIBUTIONS</b>	(15,410)	<b>84,173</b>	333,316
Capital grants and contributions <i>(Schedule 4 and 5)</i>	29,700	<b>106,912</b>	17,509
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	14,290	<b>191,085</b>	350,825
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>3,050,939</u>	<u><b>3,050,939</b></u>	<u>2,700,114</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b> <i>(Schedule 8)</i>	<u>\$ 3,065,229</u>	<u><b>\$ 3,242,024</b></u>	<u>\$ 3,050,939</u>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Statement of Changes in Net Financial Assets**

**Year Ended December 31, 2018**

	<i>2018</i> <i>(Budget)</i>	<b>2018</b>	2017
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 14,290</b>	<b>\$ 191,085</b>	<b>\$ 350,825</b>
Acquisition of tangible capital assets	70,000	<b>(51,131)</b>	(16,937)
Amortization of tangible capital assets	81,330	<b>105,339</b>	110,601
Correction of accumulated amortization	-	-	(5,422)
	<u>151,330</u>	<u><b>54,208</b></u>	<u>88,242</u>
Use (Acquisition) of supplies inventories	-	<b>(1,425)</b>	(24,425)
Use (Acquisition) of prepaid assets	-	<b>(332)</b>	(607)
		<u><b>(1,757)</b></u>	<u>(25,032)</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	165,620	<b>243,536</b>	414,035
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>1,771,901</u>	<u><b>1,771,901</b></u>	<u>1,357,866</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u><b>\$ 1,937,521</b></u>	<u><b>\$ 2,015,437</b></u>	<u><b>\$ 1,771,901</b></u>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Statement of Cash Flows**

**Year Ended December 31, 2018**

	2018	2017
<b>NET INFLOW OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
Excess of revenues over expenses	\$ 191,085	\$ 350,825
Non-cash items included in excess of revenues over expenses:		
Amortization of tangible capital assets	105,339	110,601
Net correction to accumulated amortization	-	(5,422)
	<u>296,424</u>	<u>456,004</u>
Changes in non-cash working capital:		
Municipal taxes receivable	18,855	(2,118)
Other receivables	35,018	(17,131)
Accounts payable	19,104	(79,854)
Security / tender deposits	(331)	(600)
Inventory for consumption	(1,425)	(24,425)
Total collection liability	6,228	(18,160)
Other	-	(126)
	<u>77,449</u>	<u>(142,414)</u>
Cash provided by operating transactions	<u>373,873</u>	<u>313,590</u>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	<u>(51,131)</u>	<u>(16,937)</u>
<b>INVESTING</b>		
Long-term investments	<u>(1,352)</u>	<u>(748)</u>
<b>CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR</b>	<b>321,390</b>	<b>295,905</b>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,492,239</u>	<u>1,196,334</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR (Note 2)</b>	<b><u>\$ 1,813,629</u></b>	<b><u>\$ 1,492,239</u></b>

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



# RURAL MUNICIPALITY OF BLAINE LAKE NO. 434

## Notes to Financial Statements Year Ended December 31, 2018

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

#### Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable, based upon receipt of goods or services and / or the legal obligation to pay.

#### Collection of funds for other authorities

Collection of funds by the Municipality for the school board and municipal hail authorities are collected and remitted in accordance with relevant legislation.

#### Government transfers

Government transfers are recognized in the financial statements as revenue or expense in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Government transfer amounts received, but not earned, are recorded as deferred revenue.

Government transfer amounts earned, but not received, are recorded as an amount receivable.

#### 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.

#### Non-financial assets

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

#### 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.

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# RURAL MUNICIPALITY OF BLAINE LAKE NO. 434

## Notes to Financial Statements

Year Ended December 31, 2018

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 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.

#### Investments

Portfolio investments are valued at 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 investment in the Saskatchewan Rural Municipalities Self Insurance fund is accounted for on an equity basis.

#### Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

#### Tangible capital assets

Tangible capital assets acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition.

Donated tangible capital assets received are recorded at their fair market value at the date of contribution.

Tangible capital assets are amortized over their estimated useful lives, less any residual value, on a straight-line basis at the following rates:

Buildings	40 years
Machinery and equipment	5 to 20 years
Infrastructure	15 to 40 years

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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

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 cannot be made.

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# RURAL MUNICIPALITY OF BLAINE LAKE NO. 434

## Notes to Financial Statements

Year Ended December 31, 2018

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 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.

#### Measurement uncertainty

The preparation of financial statements in conformity with the Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Accounts receivable are stated after an 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.

Tangible capital asset opening cost have been estimated where actual costs were not available. Amortization is based on the estimated useful life.

#### Basis of segmentation

Municipal services have been segmented by grouping activities that have similar service objectives. Revenues that are directly related to the costs of the segment have been attributed to each segment. Interest is allocated to segments based on the purpose of the specific borrowings.

The segments are as follows:

General government services provides for the administration of the Municipality.

Protective services is comprised of expenses for police and fire protection.

Transportation services are responsible for the delivery of public works services related to the development and maintenance of roadway systems.

Environmental and public health services provides for waste disposal and other environmental service, as well as expenses related to public health services provided within the Municipality.

Planning and development services provides for neighbourhood development and sustainability.

Recreation and culture services provides for recreation and leisure services throughout the Municipality.

### 2. CASH AND TEMPORARY INVESTMENTS

	2018	2017
Cash	\$ 1,813,629	\$ 1,492,239

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434****Notes to Financial Statements****Year Ended December 31, 2018****3. TAXES AND GRANTS IN LIEU OF TAXES RECEIVABLES**

	<u>2018</u>	<u>2017</u>
Current taxes	\$ 119,757	\$ 46,121
Arrears taxes	<u>13,672</u>	<u>106,163</u>
Subtotal	133,429	152,284
Allowance for uncollectibles	<u>(6,223)</u>	<u>(6,223)</u>
Total municipal taxes receivable	127,206	146,061
Current school taxes	11,119	13,275
Arrears school taxes	<u>19,296</u>	<u>19,296</u>
Total school taxes receivable	<u>30,415</u>	<u>32,571</u>
Municipal Hail receivable	<u>20,938</u>	<u>126</u>
Total taxes and grants in lieu receivable	178,559	178,758
Taxes receivable to be collected on behalf of other organizations	<u>(51,353)</u>	<u>(32,697)</u>
	<u>\$ 127,206</u>	<u>\$ 146,061</u>

**4. OTHER ACCOUNTS RECEIVABLE**

	<u>2018</u>	<u>2017</u>
Trade	\$ 45,125	\$ 102,657
Goods and Services Tax	<u>36,039</u>	<u>13,525</u>
	<u>\$ 81,164</u>	<u>\$ 116,182</u>

**5. LONG TERM INVESTMENTS**

	<u>2018</u>	<u>2017</u>
SARM Long Term Investments	<u>\$ 39,242</u>	<u>\$ 37,891</u>

**6. DEBT LIMIT**

The debt limit of the Municipality is \$942,950. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (Municipalities Act section 161).

**7. BUDGET FIGURES**

Budget figures are reported for information purposes only and are unaudited.

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**  
**Schedule of Taxes and Other Unconditional Revenue** *(Schedule 1)*  
**Year Ended December 31, 2018**

	<i>2018 (Budget)</i>	<b>2018</b>	2017
<b>TAXES</b>			
General municipal tax levy	\$ 935,860	\$ <b>965,572</b>	\$ 967,321
Abatements and adjustments	(1,810)	-	(11,737)
Discount on current year taxes	(47,200)	<b>(48,354)</b>	(46,978)
	<u>886,850</u>	<u><b>917,218</b></u>	<u>908,606</u>
Penalties on tax arrears	5,000	<b>15,818</b>	14,756
Penalties on tax enforcement	160	<b>37</b>	94
	<u>5,160</u>	<u><b>15,855</b></u>	<u>14,850</u>
	<u>892,010</u>	<u><b>933,073</b></u>	<u>923,456</u>
<b>UNCONDITIONAL GRANTS</b>			
Equalization	210,500	<b>199,504</b>	210,512
Other (Specify)	-	<b>11,217</b>	-
	<u>210,500</u>	<u><b>210,721</b></u>	<u>210,512</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Treaty land entitlement	\$ 21,000	\$ -	\$ 22,602
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 1,123,510</u>	<u><b>\$ 1,143,794</b></u>	<u>\$ 1,156,570</u>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**  
**Schedule of Operating and Capital Revenue by Function**      *(Schedule 2)*  
**Year Ended December 31, 2018**

	<i>2018 (Budget)</i>	<b>2018</b>	2017
<b>GENERAL GOVERNMENT SERVICES</b>			
OPERATING			
Custom work	\$ 69,550	\$ 18,286	\$ 3,877
Rental	2,250	10	-
Other	-	2,300	-
	71,800	20,596	3,877
Investment income and commissions	9,450	23,360	12,801
Other	338,000	125	125
	419,250	44,081	16,803
CAPITAL			
Conditional Grants			
Gas tax	16,500	8,582	17,511
Provincial disaster assistance	-	74,330	-
	\$ 16,500	\$ 82,912	\$ 17,511
	\$ 435,750	\$ 126,993	\$ 34,314
<b>TRANSPORTATION SERVICES</b>			
OPERATING			
Road maintenance and restoration agreements	\$ 53,000	\$ 33,325	\$ 43,643
Sale of gravel	55,000	6,394	68,710
	108,000	39,719	112,353
Conditional Grants			
Heavy haul	13,200	24,000	-
	\$ 121,200	\$ 63,719	\$ 112,353

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**  
**Schedule of Operating and Capital Revenue by Function** *(continued)*  
*(Schedule 2)*  
**Year Ended December 31, 2018**

	<i>2018</i> <i>(Budget)</i>	<b>2018</b>	2017
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
OPERATING			
Waste and disposal fees	\$ 2,100	\$ -	\$ 379
Pest control	800	<b>1,382</b>	894
	<u>2,900</u>	<u><b>1,382</b></u>	<u>1,273</u>
Conditional Grants			
Beaver control	1,000	-	2,901
Weed control	300	<b>550</b>	-
Provincial rat eradication program	4,000	<b>170</b>	10,602
	<u>5,300</u>	<u><b>720</b></u>	<u>13,503</u>
	<u><b>\$ 8,200</b></u>	<u><b>\$ 2,102</b></u>	<u><b>\$ 14,776</b></u>
<b>UTILITY SERVICES</b>			
OPERATING			
Water	\$ 1,200	\$ -	\$ -
<b>TOTAL OPERATING AND CAPITAL REVENUE</b>			
	<u><b>\$ 566,350</b></u>	<u><b>\$ 192,814</b></u>	<u><b>\$ 161,443</b></u>
Total Segmented Revenue	\$ 531,350	<b>\$ 85,182</b>	\$ 130,429
Total Conditional Grants	5,300	<b>720</b>	13,503
Total Capital Grants and Contributions	29,700	<b>106,912</b>	17,511
<b>TOTAL OPERATING AND CAPITAL REVENUE</b>	<u><b>\$ 566,350</b></u>	<u><b>\$ 192,814</b></u>	<u><b>\$ 161,443</b></u>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Schedule of Expenses by Function**

**(Schedule 3)**

**Year Ended December 31, 2018**

	<i>2018 (Budget)</i>	<b>2018</b>	2017
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 39,430	\$ <b>34,054</b>	\$ 39,963
Wages and benefits	101,350	<b>92,781</b>	108,774
Professional and contractual services	84,980	<b>91,989</b>	66,007
Utilities	3,100	<b>6,035</b>	2,703
Maintenance, materials and supplies	6,000	<b>1,211</b>	8,942
Operating grants and contributions	20,000	<b>8,280</b>	12,959
Amortization	250	<b>600</b>	600
Other (Specify)	-	<b>23,767</b>	-
	<u>\$ 255,110</u>	<u>\$ <b>258,717</b></u>	<u>\$ 239,948</u>
<b>PROTECTIVE SERVICES</b>			
Police Protection			
Professional and contractual services	\$ 12,500	\$ <b>13,645</b>	\$ 12,772
Maintenance, materials and supplies	12,000	<b>200</b>	-
	<u>24,500</u>	<u><b>13,845</b></u>	<u>12,772</u>
Fire Protection			
Wages and benefits	10,000	<b>5,761</b>	3,528
Professional and contractual services	760	<b>2,015</b>	560
Utilities	600	<b>748</b>	685
Maintenance, materials and supplies	1,750	<b>7,390</b>	9,595
Amortization	-	<b>2,557</b>	8,666
Other (Specify)	-	<b>16,447</b>	872
	<u>13,110</u>	<u>34,918</u>	<u>23,906</u>
	<u>\$ 37,610</u>	<u>\$ <b>48,763</b></u>	<u>\$ 36,678</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	234,550	<b>192,794</b>	132,536
Professional and contractual services	526,980	<b>278,812</b>	128,022
Utilities	4,700	<b>1,428</b>	3,576
Maintenance, materials and supplies	441,700	<b>213,664</b>	278,880
Amortization	81,080	<b>102,182</b>	101,335
Other	-	<b>490</b>	470
Interest	-	<b>-</b>	26
	<u>\$ 1,289,010</u>	<u>\$ <b>789,370</b></u>	<u>\$ 644,845</u>

*(continues)*



**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Schedule of Expenses by Function (continued)**

**(Schedule 3)**

**Year Ended December 31, 2018**

	<i>2018 (Budget)</i>	<b>2018</b>	2017
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 900	\$ 14,127	\$ 86
Professional and contractual services	38,130	7,035	24,001
Maintenance, materials and supplies	26,600	3,210	1,428
Operating grants and contributions	15,210	15,641	13,198
	<u>\$ 80,840</u>	<u>\$ 40,013</u>	<u>\$ 38,713</u>
<b>RECREATION AND CULTURE SERVICES</b>			
Professional and contractual services	\$ 2,000	\$ 591	\$ 377
Utilities	1,000	1,186	716
Maintenance, materials and supplies	3,900	637	33
Operating grants and contributions	4,300	5,566	4,566
	<u>\$ 11,200</u>	<u>\$ 7,980</u>	<u>\$ 5,692</u>
<b>UTILITY SERVICES</b>			
Professional and contractual services	\$ 500	\$ -	\$ 353
Utilities	1,000	680	863
Maintenance, materials and supplies	300	-	96
	<u>\$ 1,800</u>	<u>\$ 680</u>	<u>\$ 1,312</u>
<b>TOTAL EXPENSES</b>	<u>\$ 1,675,570</u>	<u>\$ 1,145,523</u>	<u>\$ 967,188</u>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Schedule of Segment Disclosure by Function**

*(Schedule 4)*

**Year Ended December 31, 2018**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
<b>REVENUE</b>								
Fees and charges	\$ 20,596	\$ -	\$ 39,719	\$ 1,382	\$ -	\$ -	\$ -	\$ 61,697
Investment and commission	23,360	-	-	-	-	-	-	23,360
Conditional grants	-	-	24,000	720	-	-	-	24,720
Capital grants	82,912	-	-	-	-	-	-	82,912
Other	125	-	-	-	-	-	-	125
	126,993	-	63,719	2,102	-	-	-	192,814
<b>EXPENSES</b>								
Wages and benefits	126,834	5,761	192,794	14,127	-	-	-	339,516
Professional services	91,989	15,660	278,816	7,035	-	591	-	394,091
Utilities	6,035	748	1,428	-	-	1,186	677	10,074
Maintenance, materials and supplies	1,211	7,590	213,664	3,210	-	637	-	226,312
Grants and contributions	8,280	-	-	15,641	-	5,566	-	29,487
Amortization	600	2,557	102,182	-	-	-	-	105,339
Other	23,767	16,447	490	-	-	-	-	40,704
	258,716	48,763	789,374	40,013	-	7,980	677	1,145,523
<b>LOSS FROM OPERATIONS</b>	\$ (131,723)	\$ (48,763)	\$ (725,655)	\$ (37,911)	\$ -	\$ (7,980)	\$ (677)	<b>(952,709)</b>
 Taxation and other unconditional revenue								 <b>1,143,794</b>
<b>NET SURPLUS</b>								 <b>\$ 191,085</b>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Schedule of Segment Disclosure by Function**

*(Schedule 5)*

**Year Ended December 31, 2017**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
<b>REVENUE</b>								
Fees and charges	\$ 3,877	\$ -	\$ 112,353	\$ 1,273	\$ -	\$ -	\$ -	\$ 117,503
Investment and commission	12,801	-	-	-	-	-	-	12,801
Conditional grants	-	-	-	13,503	-	-	-	13,503
Capital grants	17,511	-	-	-	-	-	-	17,511
Other	125	-	-	-	-	-	-	125
	<u>34,314</u>	<u>-</u>	<u>112,353</u>	<u>14,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>161,443</u>
<b>EXPENSES</b>								
Wages and benefits	148,736	3,528	132,536	86	-	-	-	284,886
Professional services	66,007	13,331	128,022	24,001	-	377	353	232,091
Utilities	2,703	685	3,576	-	-	716	863	8,543
Maintenance, materials and supplies	8,942	9,595	278,880	1,428	-	33	98	298,976
Grants and contributions	12,959	-	-	13,198	-	4,566	-	30,723
Amortization	600	8,666	101,335	-	-	-	-	110,601
Interest	-	-	26	-	-	-	-	26
Other	-	872	470	-	-	-	-	1,342
	<u>239,947</u>	<u>36,677</u>	<u>644,845</u>	<u>38,713</u>	<u>-</u>	<u>5,692</u>	<u>1,314</u>	<u>967,188</u>
<b>LOSS FROM OPERATIONS</b>	<u>\$ (205,633)</u>	<u>\$ (36,677)</u>	<u>\$ (532,492)</u>	<u>\$ (23,937)</u>	<u>\$ -</u>	<u>\$ (5,692)</u>	<u>\$ (1,314)</u>	<u>(805,745)</u>
 <b>Taxation and other unconditional revenue</b>								 <u>1,156,570</u>
 <b>NET SURPLUS</b>								 <u>\$ 350,825</u>

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Schedule of Tangible Capital Assets by Object**

**Year Ended December 31, 2018**

*(Schedule 6)*

	General Assets					Infrastructure Assets		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	2018	2017
<b>ASSET COST</b>								
Cost, beginning of year	\$ 75,000	\$ -	\$ 70,000	\$ -	\$ 1,195,070	\$ 529,040	\$ 1,869,110	\$ 1,852,173
Additions	-	-	-	-	51,131		51,131	16,937
Cost, end of year	75,000	-	70,000	-	1,246,201	529,040	1,920,241	1,869,110
<b>ACCUMULATED AMORTIZATION</b>								
Accumulated amortization, beginning of year	-	-	52,942	-	583,742	85,351	722,035	616,859
Current amortization	-	-	600	-	91,538	13,200	105,338	110,602
Correction	-	-	-	-	-	-	-	(5,426)
Accumulated amortization, end of year	-	-	53,542	-	675,280	98,551	827,373	722,035
<b>NET BOOK VALUE</b>	\$ 75,000	\$ -	\$ 16,458	\$ -	\$ 570,921	\$ 430,489	\$ 1,092,868	\$ 1,147,075

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**  
**Schedule of Tangible Capital Assets by Function**  
**Year Ended December 31, 2018**

*(Schedule 7)*

	General Government	Protective Services	Transportation Services	Environmental & Public Health Services	Recreations & Culture Services	Utility Services	2018	2017
<b>ASSET COST</b>								
Cost, beginning of year	\$ -	\$ 151,000	\$ 1,718,110	\$ -	\$ -	\$ -	\$ 1,869,110	\$ 1,852,173
Additions	-	51,131	-	-	-	-	51,131	16,937
Cost, end of year	-	202,131	1,718,110	-	-	-	1,920,241	1,869,110
<b>ACCUMULATED AMORTIZATION</b>								
Accumulated Amortization, beginning of year	-	151,000	571,035	-	-	-	722,035	616,858
Current amortization	-	2,557	102,781	-	-	-	105,338	110,602
Correction	-	-	-	-	-	-	-	(5,425)
Accumulated amortization, end of year	-	153,557	673,816	-	-	-	827,373	722,035
<b>NET BOOK VALUE</b>	\$ -	\$ 48,574	\$ 1,044,294	\$ -	\$ -	\$ -	\$ 1,092,868	\$ 1,147,075

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434**

**Schedule of Accumulated Surplus**

**(Schedule 8)**

**Year Ended December 31, 2018**

	2017	Changes	2018
<b>UNAPPROPRIATED SURPLUS</b>	\$ 1,735,688	\$ 242,993	\$ 1,978,681
<b>APPROPRIATED RESERVES</b>			
Subdivision land reserve	5,698	2,300	<b>7,998</b>
Public reserve	6,000	-	<b>6,000</b>
Capital reserve	108,438	-	<b>108,438</b>
Capital trust	48,039	-	<b>48,039</b>
Total appropriated reserves	168,175	2,300	<b>170,475</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets	1,147,075	(54,207)	<b>1,092,868</b>
<b>TOTAL ACCUMULATED SURPLUS</b>	\$ 3,050,939	\$ 191,085	\$ 3,242,024

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

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434****Schedule of Assessments and Mill Rates****(Schedule 9)****Year Ended December 31, 2018**

	Property Class			<b>Total</b>
	Agriculture	Residential	Commercial & Industrial	
<b>TAXABLE ASSESSMENT</b>	110,462,200	5,303,660	568,100	<b>116,333,960</b>
Mill rate factor	1.00	1.00	1.00	
Base tax				
Total Municipal Tax Levy	916,836	44,020	4,715	<b>965,571</b>
<b>MILL RATES:</b>				
Uniform municipal		8.3000		
Average municipal		8.3000		
Average school		1.5763		

To determine average mill rates, multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority.

**RURAL MUNICIPALITY OF BLAINE LAKE NO. 434****Schedule of Council Remuneration****(Schedule 10)****Year Ended December 31, 2018**

	Remuneration	Reimbursed Costs	Total
<b>NAME</b>			
Will Chalmers	\$ 4,065	\$ 1,724	\$ 5,789
Walter Kabaroff	4,801	2,003	6,804
John Serhienko	4,650	2,050	6,700
Robert Dagenais	775	192	967
Glenn Lamontagne	2,430	404	2,834
John Priestley	3,786	2,119	5,905
Wayne Ratzlaff	3,760	2,153	5,913
	<u>\$ 24,267</u>	<u>\$ 10,645</u>	<u>\$ 34,912</u>