

City of Estevan
Consolidated Financial Statements
December 31, 2018

City of Estevan

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For the year ended December 31, 2018

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Management's Responsibility

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

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

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

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

May 6, 2019



City Manager

Independent Auditors' Report

To the Council of the City of Estevan:

Opinion

We have audited the Consolidated financial statements of the City of Estevan (the "City"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, change in net debt 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 Consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City'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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Estevan, Saskatchewan

May 6, 2019

Chartered Professional Accountants

City of Estevan
Consolidated Statement of Financial Position
As at December 31, 2018

Statement 1

	2018	2017
FINANCIAL ASSETS		
		(restated - Note 17)
Cash and Temporary Investments (Note 2)	7,171,370	4,954,582
Taxes Receivable - Municipal (Note 3)	2,480,419	1,808,814
Other Accounts Receivable (Note 4)	2,144,709	2,119,687
Land for Resale (Note 5)	2,705,278	2,632,645
Local Improvement Receivable (Note 6)	811,858	1,057,613
Total Financial Assets	15,313,634	12,573,341
LIABILITIES		
Bank Indebtedness (Note 7)	-	-
Accounts Payable	2,085,046	2,280,834
Accrued Liabilities Payable	1,168,816	1,070,418
Water Meter Deposits	606,272	586,391
Deferred Revenue (Note 8)	102,600	81,000
Accrued Landfill Costs (Note 9)	1,175,627	889,937
Long-Term Debt (Note 10)	28,023,679	30,396,109
Lease Obligations (Note 11)	1,007,900	1,089,346
Total Liabilities	34,169,940	36,394,035
NET DEBT	(18,856,306)	(23,820,694)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	110,936,867	112,439,440
Prepayments and Deferred Charges	64,228	66,383
Stock and Supplies	809,774	969,418
Other (Note 12)	82,394	82,359
Total Non-Financial Assets	111,893,263	113,557,600
ACCUMULATED SURPLUS (Schedule 8)	93,036,957	89,736,906



 Mayor



 Councillor

City of Estevan
Consolidated Statement of Operations
As at December 31, 2018

Statement 2

	2018 Budget	2018	2017 (restated - Note 17)
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	20,971,753	21,426,615	21,424,341
Fees and Charges (Schedule 4, 5)	9,532,516	10,351,299	10,542,423
Conditional Grants (Schedule 4, 5)	1,157,379	1,175,894	1,048,473
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	5,000	68,252	152,054
Land Sales - Gain (Schedule 4, 5)	-	5,425	124,439
Investment Income and Commissions (Schedule 4, 5)	20,000	82,453	32,140
Other Revenues (Schedule 4, 5)	83,500	146,312	332,993
Total Revenues	31,770,148	33,256,250	33,656,863
EXPENSES			
General Government Services (Schedule 3)	5,108,724	5,749,599	6,165,047
Protective Services (Schedule 3)	6,393,917	5,836,987	5,923,815
Transportation Services (Schedule 3)	5,776,483	5,795,105	6,408,167
Environmental and Public Health Services (Schedule 3)	1,086,941	1,236,889	1,330,473
Planning and Development Services (Schedule 3)	361,650	310,058	264,907
Recreation and Cultural Services (Schedule 3)	6,731,441	7,558,352	6,224,856
Utility Services (Schedule 3)	4,814,736	4,600,947	5,000,989
Total Expenses	30,273,892	31,087,937	31,318,254
Surplus of Revenues over Expenses before Other Capital Contributions	1,496,256	2,168,313	2,338,609
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	2,745,399	1,131,738	2,056,443
Surplus of Revenues over Expenses	4,241,655	3,300,051	4,395,052
Accumulated Surplus, Beginning of Year as Previously Stated		90,626,843	85,970,684
Prior Period Adjustment (Note 17)		889,937	628,830
Accumulated Surplus, Beginning of Year as Restated	89,736,906	89,736,906	85,341,854
Accumulated Surplus, End of Year	93,978,561	93,036,957	89,736,906

City of Estevan

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2018

Statement 3

	2018 Budget	2018	2017
			(restated - Note 17)
Surplus	4,241,655	3,300,051	4,395,052
(Acquisition) of tangible capital assets	(6,028,074)	(4,366,393)	(7,945,083)
Amortization of tangible capital assets	5,636,000	5,699,016	5,636,447
Proceeds on disposal of tangible capital assets	-	238,203	205,850
Gain on the disposal of tangible capital assets	-	(68,252)	(152,055)
Surplus (Deficit) of capital expenses over expenditures	(392,074)	1,502,574	(2,254,841)
Net consumption of supplies inventories	-	159,644	343,178
Net consumption of prepaid expense	-	2,155	216,869
Increase in patronage equity	-	(36)	(291)
Surplus of expenses of other non-financial over expenditures	-	161,763	559,756
Decrease in Net Debt	3,849,581	4,964,388	2,699,967
Net Debt - Beginning of Year	(23,820,694)	(23,820,694)	(26,520,661)
Net Debt - End of Year	(19,971,113)	(18,856,306)	(23,820,694)

City of Estevan
Consolidated Statement of Cash Flow
As at December 31, 2018

Statement 4

	2018	2017
Cash provided by (used for) the following activities		(restated - Note 17)
Operating:		
Surplus	3,300,051	4,395,052
Amortization	5,699,016	5,636,447
Gain on disposal of tangible capital assets	(68,252)	(152,055)
	<u>8,930,815</u>	<u>9,879,444</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(671,605)	(619,694)
Other Receivables	(25,022)	356,175
Land for Resale	(72,633)	80,806
Accounts and Accrued Liabilities Payable	(97,391)	(180,037)
Deposits	19,881	11,815
Deferred Revenue	21,600	(90,870)
Accrued Landfill Costs	285,690	261,107
Stock and Supplies	159,644	343,178
Prepayments and Deferred Charges	2,155	216,869
Other (patronage equity)	(35)	(291)
Cash provided by operating transactions	8,553,099	10,258,502
Capital:		
Acquisition of capital assets	(4,366,393)	(7,945,083)
Proceeds from the disposal of capital assets	238,203	205,850
Cash applied to capital transactions	(4,128,190)	(7,739,233)
Financing:		
Debt charges recovered	245,755	287,479
Long-term debt and capital lease issued	2,042,424	3,500,000
Long-term debt and capital lease repaid	(4,496,300)	(4,038,819)
Cash provided by (applied to) financing transactions	(2,208,121)	(251,340)
Change in Cash and Temporary Investments during the year	2,216,788	2,267,929
Cash and Temporary Investments - Beginning of Year	<u>4,954,582</u>	<u>2,686,653</u>
Cash and Temporary Investments - End of Year	7,171,370	4,954,582

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2018

1. Significant Accounting Policies

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

Basis of Accounting: The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

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

Entity
Estevan Police Department
Souris Valley Aquatic & Leisure Centre

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the City for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. (Note 3)
- 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.

1. Significant Accounting Policies - continued

- j) **Inventories:** Inventories of materials and supplies expected to be used by the City 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.
- 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. 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 City'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	20 to 40 Yrs
Vehicles & Equipment	
Vehicles	15 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	
Water & Sewer	35 to 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.

Capitalization of Interest: The City does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital leases and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a *straight line* basis, over their estimated useful lives (*lease term*). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- l) **Landfill Liability:** The Saskatchewan Environmental Protection Acts sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is being provided for over the estimated remaining life of the landfill site based on usage.
- m) **Employee Benefit Plans:** Contributions to the City's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the City's obligations are limited to their contributions.

Employees make contributions equal to the following percentages of their salary:

Civic employees	8.15% (2017 - 8.15%)
Emergency services	11.35% (2017 - 11.35%)

The City contributes an equal amount to the plan. The total amount recognized as an expense during the period is \$1,957,592 (2017 - \$1,746,637).

- n) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
 - a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the City:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

No liability for contaminated sites has been recorded as of December 31, 2018 (2017 - nil).

1. Significant Accounting Policies - continued

o)

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.

Accrued landfill liability is based on estimates of future costs, usage and capacity.

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.

p) **Basis of Segmentation/Segment Report:** The City follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. City 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 City.

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 City.

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.

q) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *January 22, 2018*.

r) **New Accounting Standards:** Effective January 1, 2018, the City adopted the following Canadian public sector accounting standards. The description of these changes and their impact on the consolidated financial statements is summarized:

PS 2200 Related Party Disclosures defines a related party and establishes disclosures required for related party transactions.

Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the consolidated financial statements.

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

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

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

The City 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 City does not have any reportable contractual rights.

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

This standard has no impact on the consolidated financial statements.

1. Significant Accounting Policies - continued

- s) **Revenue recognition:** The City recognizes revenue for non-government funding as it becomes available under the terms of the applicable funding agreements. Funding received under funding agreements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

The City recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred. Taxes related to unreported taxable events or unidentified economic events that would be taxable events if disclosed or known to the government are recognized when such events are known, the related taxes are quantifiable, and the amounts are collectible. Tax revenue is initially measured at the management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of the acquisition. At each financial statement date, the City evaluates the tax receivable for collectability and records a valuation allowance to best reflect the tax receivable at its net recoverable amount, if necessary.

Investment income is recognized as it is earned.

- t) **Expenditure recognition:** Expenditures are recognized in the period the goods and services are acquired and a liability is incurred. They also include grants and contributions made when no direct goods or services were acquired. Expenditures include amounts for interest on debt outstanding but do not include any amounts for principal repayments.

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2018

2. Cash and Temporary Investments

	2018	2017
Cash	4,074,368	4,003,731
Restricted Cash	3,097,002	950,851
Total Cash and Temporary Investments	7,171,370	4,954,582

Cash includes balances with banks, term deposits with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. The restricted cash is to provide up keep of the cemetery amounting to \$264,700 (2017 - \$264,700), \$832,302 (2017 - \$686,151) for the New Nursing Home in Estevan, and \$2,000,000 (2017 - \$nil) for Gas Tax fund.

3. Taxes Receivable - Municipal

	2018	2017
Municipal - Current	1,406,544	1,293,547
- Arrears	1,073,875	515,267
	2,480,419	1,808,814
- Less Allowance for Uncollectible	-	-
Total municipal taxes receivable	2,480,419	1,808,814
School - Current	440,313	566,140
- Arrears	608,286	220,846
Total school taxes receivable	1,048,599	786,986
Other	-	-
Total taxes and grants in lieu receivable	3,529,018	2,595,800
Deduct taxes receivable to be collected on behalf of other organizations	(1,048,599)	(786,986)
Total Taxes Receivable - Municipal	2,480,419	1,808,814

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2018

4. Other Accounts Receivable

	2018	2017
Federal Government	160,321	128,373
Utility	1,011,618	1,127,129
Trade	972,770	864,185
Other (Specify)	-	-
Total Other Accounts Receivable	2,144,709	2,119,687
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	2,144,709	2,119,687

5. Land for Resale

	2018	2017
Other Land	2,705,278	2,632,645
Allowance for market value adjustment	-	-
Net Other Land	2,705,278	2,632,645
Total Land for Resale	2,705,278	2,632,645

6. Local Improvements Receivable

	2018	2017
Current portion	198,187	203,836
Non-current portion	613,671	853,777
Total Local Improvement Receivable	811,858	1,057,613

Local improvements were paid in full by the City and will be repaid at the total cost plus interest at a rate of 7% (2017 - 7%) by rate payers as follows:

Year	Principal	Interest	Total
2019	198,187	13,873	212,060
2020	198,187	13,873	212,060
2021	103,288	7,230	110,518
2022	100,982	7,069	108,051
2023	28,832	2,018	30,850
Thereafter	182,382	12,767	195,149
Balance	811,858	56,830	868,688

City of Estevan

Notes to the Consolidated Financial Statements

As at December 31, 2018

7. Bank Indebtedness

Bank indebtedness includes an operating line of credit amounting to \$9,000,000 (2017 - \$9,000,000) and bearing interest at prime less 0.50% (2017 - prime less 0.50%). Assets are pledged as collateral.

8. Deferred Revenue

	2018	2017
Land sales option deposits	21,600	-
Security deposits	81,000	81,000
Total Deferred Revenue	102,600	81,000

9. Accrued Landfill Costs

	2018	2017
Environmental Liabilities	1,175,627	889,937

In 2018 the City has calculated an overall liability for environmental matters in the amount of \$4,174,175 (2017 - \$4,160,495) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

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, 2018 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 4.18% (2017 - 4.18%).

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 fifty-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 71.84% – 251,425 cubic metres (2017 - 77.72% - 272,005 cubic metres) of its total estimated capacity of 350,000 cubic metres and its estimated remaining life is unknown (2017 year – unknown). The period for post-closure care is estimated to be 50 years (2017 – 50 years).

City of Estevan

Notes to the Consolidated Financial Statements

As at December 31, 2018

10. Long-Term Debt

The debt limit of the municipality is \$55,000,000. The debt limit for the municipality has been established by the Saskatchewan Municipal Board (the *Municipalities Act* section 161(2)).

Bank loans are repayable in monthly instalments ranging from \$17,357 to \$98,925 (2017 - \$43,196 to \$98,925) or annual payments of \$137,442 to \$428,586 (2017 - \$137,442 to \$428,586), bearing interest rates that range from prime less 0.50% to fixed rates of 5.50% (2017 - prime less 0.50% to fixed rates of 5.50%), maturing from March 2021 to August 2032 (2017 - maturing from March 2017 to August 2032). Long-term debt is subject to certain financial covenants with respect to annual audited statements to be provided to the bank 120 days after year end. The City is not compliant with this requirement.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2019	4,318,860	801,573	5,120,433	4,894,088
2020	4,465,069	673,605	5,138,674	4,914,144
2021	3,698,242	550,174	4,248,416	4,933,384
2022	3,505,417	450,661	3,956,078	4,042,127
2023	2,940,630	353,706	3,294,336	3,749,789
Thereafter	9,095,461	1,107,332	10,202,793	12,288,461
Balance	28,023,679	3,937,051	31,960,730	34,821,993

11. Lease Obligations

Lease obligations are repayable in monthly instalments ranging from \$2,852 to \$18,504 (2017 - \$1,545 to \$18,504), bearing interest ranging from 2.72% to 5.72% (2017 - 3.00% to 6.40%), maturing from June 2019 to June 2023 (2017 - May 2018 to June 2022).

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	384,760
2020	274,448
2021	242,869
2022	137,655
2023	38,326
Thereafter	-
Total future minimum lease payments	1,078,058
Amounts representing interest at a weighted average rate of 3.73%	(70,158)
Capital Lease Liability	1,007,900

City of Estevan
Notes to the Consolidated Financial Statements
As at December 31, 2018

12. Other Non-financial Assets	2018	2017
Patronage equity	82,394	82,359

13. 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.

In the ordinary course of business, various claims and lawsuit are brought against the City. It is the opinion of management that settlement of these actions will not resulting in material liabilities beyond any amounts already accrued. No provision has been made for pending expropriations of land beyond payments already made to affected property owners. Any payments made by the City pursuant to expropriation settlement is charged to the surplus of revenues over expenses in the year of settlement.

14. 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 \$1,957,592. 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.

15. Comparative Figures

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

16. Guarantees

As part of an agreement with the Estevan TS&M Woodlawn Golf Course, the City has a residual value guarantee on the mortgage of the land and buildings of the golf course. The maximum amount payable under the guarantee is \$500,000 (2017 - \$500,000).

As at December 31, 2018 no liability has been recorded associated with this guarantee.

17. Prior Period Adjustment

During the year, the City contracted the services of an engineer to determine the capacity and usage of the landfill. As such, the financial statements have been retroactively adjusted for the adoption of PS 3270 *Solid waste landfill closure and post-closure liability*. For 2017, the impact of the unrecorded liability has resulted in a \$889,937 increase of liability, an expense of \$261,107 and a decrease in opening accumulated surplus of \$628,831.

18. Intergovernmental Transactions

Intergovernmental transactions were conducted in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	<u>2018</u>	<u>2017</u>
CAPITAL GRANTS		
Government of Saskatchewan		
GTF (Gas Tax Program)	675,399	672,083
Transit assistance	-	55,000
Saskatchewan infrastructure Growth	50,055	-
Total funding from Government of Saskatchewan	725,454	727,083
Other Governments		
RM of Estevan	70,000	70,000
Total Capital Grants	795,454	797,083
OPERATING GRANTS		
Unconditional		
Municipal Government Revenue Sharing	2,021,911	2,163,889
OPERATING GRANTS		
Conditional		
Government of Saskatchewan		
Transit assistance	75,086	74,250
Sask. Justice		
Funded Police Officers	330,000	330,000
Sask. Municipal Affairs		
Grants In Lieu	70,297	54,104
Sask. Corrections & Public Safety		
P.D.A.P - Flooding	-	55,216
Sask. Urban Municipalities Association (SUMA)		
Recycling program	-	-
Sask. Parks, Recreation & Culture Association		
Operating	-	-
Total Conditional Operating Grants	475,383	513,570
Total Operating Grants	2,497,294	2,677,459

City of Estevan
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2018

Schedule 1

	2018 Budget	2018	2017
TAXES			
General municipal tax levy	16,789,133	16,776,561	16,669,649
Abatements and adjustments	(15,000)	(172,567)	(136,441)
Discount on current year taxes	(52,000)	(51,835)	(52,049)
Net Municipal Taxes	16,722,133	16,552,159	16,481,159
Trailer license fees	131,816	124,816	74,444
Penalties on tax arrears	125,000	397,451	333,625
Other (Interest)	100,000	70,648	109,106
Total Taxes	17,078,949	17,145,074	16,998,334
UNCONDITIONAL GRANTS			
Revenue Sharing	2,025,000	2,021,911	2,163,889
Total Unconditional Grants	2,025,000	2,021,911	2,163,889
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	250,000	230,699	177,329
SaskEnergy Gas	-	283,334	121,373
Local/Other			
Housing Authority	237,804	248,371	237,804
Other Government Transfers			
S.P.C. Surcharge	1,380,000	1,497,226	1,566,407
Other	-	-	159,205
Total Grants in Lieu of Taxes	1,867,804	2,259,630	2,262,118
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	20,971,753	21,426,615	21,424,341

City of Estevan
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 1

	2018 Budget	2018	2017
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	20,000	72,810	89,590
- Sales of supplies	30,000	28,758	76,717
- Other (fees & permits)	105,000	572,041	967,135
Total Fees and Charges	155,000	673,609	1,133,442
- Land sales - gain	-	5,425	124,439
- Investment income and commissions	20,000	82,453	32,140
- Other (Rentals)	82,500	120,782	119,311
Total Other Segmented Revenue	257,500	882,269	1,409,332
Conditional Grants			
- Other (PDAP funding)	-	-	55,216
Total Conditional Grants	-	-	55,216
Total Operating	257,500	882,269	1,464,548
Capital			
Conditional Grants			
- Federal Gas Tax	675,399	675,399	672,083
Total Capital	675,399	675,399	672,083
Total General Government Services	932,899	1,557,668	2,136,631

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	412,000	557,116	547,314
Total Fees and Charges	412,000	557,116	547,314
- Tangible capital asset sales - gain (loss)		(6,524)	
Total Other Segmented Revenue	412,000	550,592	547,314
Conditional Grants			
- Other (special constable)	330,000	330,000	330,000
- Other (court, violations & enforcement)	233,500	234,601	213,682
Total Conditional Grants	563,500	564,601	543,682
Total Operating	975,500	1,115,193	1,090,996
Capital			
Conditional Grants			
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	975,500	1,115,193	1,090,996

City of Estevan
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 2

	2018 Budget	2018	2017
TRANSPORTATION SERVICES			
Operating			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	90,003	152,054
Total Operating	-	90,003	152,054
Capital			
Conditional Grants			
- Other	-	-	-
Total Capital	-	-	-
Total Transportation Services	-	90,003	152,054

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	894,916	911,132	878,107
- Other (Cemetery fees)	25,000	30,156	25,427
Total Fees and Charges	919,916	941,288	903,534
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (cemetery donations)	1,000	25,530	-
Total Other Segmented Revenue	920,916	966,818	903,534
Conditional Grants			
- TAPD	73,288	75,086	74,250
Total Conditional Grants	73,288	75,086	74,250
Total Operating	994,204	1,041,904	977,784
Capital			
Conditional Grants			
- TAPD	-	-	55,000
Total Capital	-	-	55,000
Total Environmental and Public Health Services	994,204	1,041,904	1,032,784

City of Estevan
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 3

	2018 Budget	2018	2017
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	63,500	29,121	61,470
- Other	-	-	-
Total Fees and Charges	63,500	29,121	61,470
- Other (donations)	-	-	-
Total Other Segmented Revenue	63,500	29,121	61,470
Total Operating	63,500	29,121	61,470
Total Planning and Development Services	63,500	29,121	61,470

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	1,309,600	1,964,408	1,518,871
Total Fees and Charges	1,309,600	1,964,408	1,518,871
- Tangible capital asset sales - gain (loss)	5,000	(15,227)	
Total Other Segmented Revenue	1,314,600	1,949,181	1,518,871
Conditional Grants			
- Other (Donations)	305,000	313,834	373,415
- Other (animal licenses)	4,487	6,362	-
- Other (provincial agencies)	211,104	216,011	215,592
Total Conditional Grants	520,591	536,207	589,007
Total Operating	1,835,191	2,485,388	2,107,878
Capital			
Conditional Grants			
- Local government	70,000	70,000	70,000
Total Capital	70,000	70,000	70,000
Total Recreation and Cultural Services	1,905,191	2,555,388	2,177,878

City of Estevan
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2018

Schedule 2 - 4

	2018 Budget	2018	2017
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	3,701,500	3,479,302	3,481,036
- Sewer	2,971,000	2,706,455	2,896,756
Total Operating	6,672,500	6,185,757	6,377,792
Capital			
Conditional Grants			
- Other (Provincial & federal water & sewer grant)	2,000,000	386,339	1,259,360
Total Capital	2,000,000	386,339	1,259,360
Total Utility Services	8,672,500	6,572,096	7,637,152
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	13,543,794	12,961,373	14,288,965

SUMMARY

Total Other Segmented Revenue	9,641,016	10,653,741	10,970,367
Total Conditional Grants	1,157,379	1,175,894	1,262,155
Total Capital Grants and Contributions	2,745,399	1,131,738	2,056,443
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	13,543,794	12,961,373	14,288,965

City of Estevan

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 1

	2018 Budget	2018	2017
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	211,804	176,236	181,034
Wages and benefits	1,702,596	1,511,740	1,416,888
Professional/Contractual services	974,130	896,368	1,167,040
Utilities	148,300	130,614	143,837
Maintenance, materials and supplies	327,750	359,447	538,562
Grants and contributions - operating	1,005,993	1,078,651	1,110,732
Amortization	337,000	407,321	336,752
Interest	40,000	1,007,900	1,201,607
Other	361,151	181,322	68,595
Total Government Services	5,108,724	5,749,599	6,165,047

PROTECTIVE SERVICES

Police protection

Wages and benefits	4,204,832	4,012,922	3,991,305
Professional/Contractual services	551,544	362,817	326,603
Utilities	30,000	25,530	24,301
Maintenance, material and supplies	366,000	411,813	408,803

Fire protection

Wages and benefits	427,417	423,216	400,020
Professional/Contractual services	82,220	39,939	34,649
Utilities	25,000	36,263	26,817
Maintenance, material and supplies	392,904	195,272	396,881
Amortization	314,000	329,215	314,436

Total Protective Services	6,393,917	5,836,987	5,923,815
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TRANSPORTATION SERVICES

Wages and benefits	1,555,730	1,650,754	1,680,671
Professional/Contractual Services	566,755	691,432	983,746
Utilities	383,260	356,633	376,455
Maintenance, materials, and supplies	1,101,738	977,287	1,198,439
Amortization	2,169,000	2,118,999	2,168,856

Total Transportation Services	5,776,483	5,795,105	6,408,167
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City of Estevan

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 2

	2018 Budget	2018	2017
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	202,941	153,303	119,627
Professional/Contractual services	695,500	842,793	983,275
Utilities	6,500	10,578	7,935
Maintenance, materials and supplies	26,000	72,895	63,747
Amortization	156,000	157,320	155,889
Total Environmental and Public Health Services	1,086,941	1,236,889	1,330,473
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	206,280	202,912	154,170
Professional/Contractual Services	85,450	36,604	41,262
Amortization	68,000	68,515	68,515
Other	1,920	2,027	960
Total Planning and Development Services	361,650	310,058	264,907
RECREATION AND CULTURAL SERVICES			
Wages and benefits	3,293,933	3,315,346	3,130,698
Professional/Contractual services	780,784	716,119	551,091
Utilities	603,255	724,735	616,928
Maintenance, materials and supplies	1,163,861	1,556,857	1,090,783
Amortization	709,000	707,669	708,857
Other	180,608	537,626	126,499
Total Recreation and Cultural Services	6,731,441	7,558,352	6,224,856

City of Estevan

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 3

	2018 Budget	2018	2017
UTILITY SERVICES			
Wages and benefits	1,428,406	1,401,350	1,350,011
Professional/Contractual services	376,250	394,493	703,076
Utilities	306,580	299,219	256,142
Maintenance, materials and supplies	820,500	595,908	808,618
Amortization	1,883,000	1,909,977	1,883,142
Total Utility Services	4,814,736	4,600,947	5,000,989
TOTAL EXPENSES BY FUNCTION	30,273,892	31,087,937	31,318,254

City of Estevan
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2018

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	673,609	557,116	-	941,288	29,121	1,964,408	6,185,757	10,351,299
Tangible Capital Asset Sales - Gain	-	(6,524)	90,003	-	-	(15,227)	-	68,252
Land Sales - Gain	5,425							5,425
Investment Income and Commissions	82,453							82,453
Other Revenues	120,782	-	-	25,530	-	-	-	146,312
Grants - Conditional	-	564,601	-	75,086	-	536,207	-	1,175,894
- Capital	675,399	-	-	-	-	70,000	386,339	1,131,738
Total Revenues	1,557,668	1,115,193	90,003	1,041,904	29,121	2,555,388	6,572,096	12,961,373
Expenses (Schedule 3)								
Wages & Benefits	1,687,976	4,436,138	1,650,754	153,303	202,912	3,315,346	1,401,350	12,847,779
Professional/ Contractual Services	896,368	402,756	691,432	842,793	36,604	716,119	394,493	3,980,565
Utilities	130,614	61,793	356,633	10,578		724,735	299,219	1,583,572
Maintenance Materials and Supplies	359,447	607,085	977,287	72,895		1,556,857	595,908	4,169,479
Grants and Contributions	1,078,651	-	-	-	-	-	-	1,078,651
Amortization	407,321	329,215	2,118,999	157,320	68,515	707,669	1,909,977	5,699,016
Interest	1,007,900	-	-	-	-	-	-	1,007,900
Other	181,322	-	-	-	2,027	537,626	-	720,975
Total Expenses	5,749,599	5,836,987	5,795,105	1,236,889	310,058	7,558,352	4,600,947	31,087,937
Surplus (Deficit) by Function	(4,191,931)	(4,721,794)	(5,705,102)	(194,985)	(280,937)	(5,002,964)	1,971,149	(18,126,564)
Taxes and other unconditional revenue (Schedule 1)								21,426,615
Net Surplus (Deficit)								3,300,051

City of Estevan
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2017

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	1,133,442	547,314	-	903,534	61,470	1,518,871	6,377,792	10,542,423
Tangible Capital Asset Sales - Gain	-	-	152,054	-	-	-	-	152,054
Land Sales - Gain	124,439							124,439
Investment Income and Commissions	32,140							32,140
Other Revenues	119,311	213,682	-	-	-	-	-	332,993
Grants - Conditional	55,216	330,000	-	74,250	-	589,007	-	1,048,473
- Capital	672,083	-	-	55,000	-	70,000	1,259,360	2,056,443
Total Revenues	2,136,631	1,090,996	152,054	1,032,784	61,470	2,177,878	7,637,152	14,288,965
Expenses (Schedule 3)								
Wages & Benefits	1,597,922	4,391,325	1,680,671	119,627	154,170	3,130,698	1,350,011	12,424,424
Professional/ Contractual Services	1,167,040	361,252	983,746	983,275	41,262	551,091	703,076	4,790,742
Utilities	143,837	51,118	376,455	7,935		616,928	256,142	1,452,415
Maintenance Materials and Supplies	538,562	805,684	1,198,439	63,747		1,090,783	808,618	4,505,833
Grants and Contributions	1,110,732	-	-	-	-	-	-	1,110,732
Amortization	336,752	314,436	2,168,856	155,889	68,515	708,857	1,883,142	5,636,447
Interest	1,201,607	-	-	-	-	-	-	1,201,607
Other	68,595	-	-	-	960	126,499	-	196,054
Total Expenses	6,165,047	5,923,815	6,408,167	1,330,473	264,907	6,224,856	5,000,989	31,318,254
Surplus (Deficit) by Function	(4,028,416)	(4,832,819)	(6,256,113)	(297,689)	(203,437)	(4,046,978)	2,636,163	(17,029,289)

Taxes and other unconditional revenue (Schedule 1)

21,424,341

Net Surplus (Deficit)

4,395,052

City of Estevan
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2018

Schedule 6

		2018					2017		
		General Assets					Infrastructure Assets		
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Total	Total
Assets	Asset cost								
	Opening Asset costs	1,279,314	8,811,043	55,561,954	5,088,827	12,972,532	138,697,376	222,411,046	214,927,764
	Additions during the year	-	1,637,820	773,348	411,857	537,364	1,006,004	4,366,393	7,945,083
	Disposals and write-downs during the year	-	-	(485,657)	(280,001)	(380,148)	-	(1,145,806)	(461,801)
	Closing Asset Costs	1,279,314	10,448,863	55,849,645	5,220,683	13,129,748	139,703,380	225,631,633	222,411,046
Amortization	Accumulated Amortization Cost								
	Opening Accumulated Amortization Costs	-	2,278,003	16,959,721	2,600,779	9,683,801	78,449,302	109,971,606	104,743,165
	Add: Amortization taken	-	385,390	972,451	320,225	639,837	3,381,113	5,699,016	5,636,447
	Less: Accumulated amortization on disposals	-	-	(470,430)	(171,893)	(333,533)	-	(975,856)	(408,006)
	Closing Accumulated	-	2,663,393	17,461,742	2,749,111	9,990,105	81,830,415	114,694,766	109,971,606
	Net Book Value	1,279,314	7,785,470	38,387,903	2,471,572	3,139,643	57,872,965	110,936,867	112,439,440

Included in capital assets are fully amortized assets with a cost of \$35,938,814 (2017 - \$34,741,571), accumulated amortization of \$18,366,258 (2017 - \$18,169,015), and residual value of \$17,572,556 (2017 - \$17,572,556).

Included in capital assets are leased assets with a NBV of \$1,854,519 (2017 - \$1,762,607).

Included in capital asset are contributed assets of \$30,000 (2017 - \$nil).

City of Estevan
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2018

Schedule 7

		2018							2017	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	8,088,962	6,970,162	89,958,710	2,146,783	2,630,357	42,145,708	70,470,364	222,411,046	214,927,764
	Additions during the year	2,672,504	278,287	-	-	-	342,117	1,073,485	4,366,393	7,945,083
	Disposals and write-downs during the year	-	(117,248)	(542,901)	-	-	(485,657)	-	(1,145,806)	(461,801)
	Closing Asset Costs	10,761,466	7,131,201	89,415,809	2,146,783	2,630,357	42,002,168	71,543,849	225,631,633	222,411,046
Amortization	Accumulated									
	Opening Accumulated Amortization Costs	1,549,418	2,611,908	60,392,009	1,098,656	222,838	11,138,464	32,958,313	109,971,606	104,743,165
	Add: Amortization taken	407,321	329,215	2,118,999	157,320	68,515	707,669	1,909,977	5,699,016	5,636,447
	Less: Accumulated amortization on disposals	-	(105,523)	(399,903)	-	-	(470,430)	-	(975,856)	(408,006)
	Closing Accumulated Amortization Costs	1,956,739	2,835,600	62,111,105	1,255,976	291,353	11,375,703	34,868,290	114,694,766	109,971,606
	Net Book Value	8,804,727	4,295,601	27,304,704	890,807	2,339,004	30,626,465	36,675,559	110,936,867	112,439,440

City of Estevan
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2018

Schedule 8

	2017	Changes	2018
UNAPPROPRIATED SURPLUS	8,495,661	2,348,748	10,844,409
APPROPRIATED RESERVES			
Utility	287,260	-	287,260
Total Appropriated	287,260	-	287,260
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	112,439,440	(1,502,573)	110,936,867
Less: Related debt	(31,485,455)	2,453,876	(29,031,579)
Net Investment in Tangible Capital Assets	80,953,985	951,303	81,905,288
Total Accumulated Surplus	89,736,906	3,300,051	93,036,957

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

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	321,150	840,849,020	208,084,560	-	490,401,612		1,539,656,342
Regional Park Assessment							
Total Assessment							1,539,656,342
Mill Rate Factor(s)	0.8500	0.8000	0.8000; 0.9000	-	1.3300; 1.45000; 2.5000; 3.000		
Total Base/Minimum Tax (generated for each property class)	-	42,700	-	-	2,100		44,800
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,964	7,293,275	1,913,726	-	7,566,596		16,776,561

MILL RATES:	MILLS
Average Municipal*	10.90
Average School*	4.55
Uniform Municipal Mill Rate	10.20

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

City of Estevan
Schedule of Council Remuneration
As at December 31, 2018

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Ludwig, Roy	44,945	3,327	48,272
Councillor	Frank, Travis	14,982	1,500	16,482
Councillor	Hoffort, Greg	14,982	3,472	18,454
Councillor	Knibbs, Trevor	14,982	1,190	16,172
Councillor	Moore, Dennis	14,982	1,959	16,941
Councillor	Veroba, Shelley	14,982	1,440	16,422
Councillor	Yanish, Lyle	14,982	200	15,182
Total		134,837	13,088	147,925