

RURAL MUNICIPALITY OF ROSTHERN NO. 403
Consolidated Financial Statements
Year Ended December 31, 2017

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Management's Responsibility

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of 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 the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

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



Amanda McCormick, Acting
Administrator



Mr. Martin Penner, Reeve

Rosher, SK
June 05, 2013

INDEPENDENT AUDITOR'S REPORT

To the Council of the Rural Municipality of Rosthern No. 403

We have audited the accompanying consolidated financial statements of the Rural Municipality of Rosthern No. 403, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

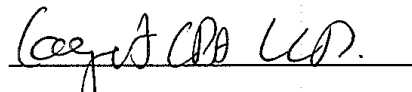
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Rural Municipality of Rosthern No. 403 as at December 31, 2017 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Rosthern, SK
June 12, 2018


Chartered Professional Accountants

Consolidated Statement of Financial Position

As at December 31, 2017

Statement 1

FINANCIAL ASSETS

Cash and Temporary Investments (Note 2)	\$ 5,706,250	\$ 4,457,792
Taxes Receivable - Municipal (Note 3)	174,635	178,856
Other Accounts Receivable (Note 4)	50,883	24,881
Land for Resale (Note 5)	-	-
Long-Term Investments (Note 6)	-	-
Debt Charges Recoverable (Note 7)	-	-
Other	-	-

Total Financial Assets

5,931,768	4,661,529
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LIABILITIES

Bank indebtedness (Note 8)	-	-
Accounts Payable	36,886	151,640
Accrued Liabilities Payable	-	-
Deposits	61,300	53,600
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	228,395	100,000
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long term debt (Note 12)	-	-
Lease Obligations (Note 13)	-	-

Total Liabilities

326,581	305,240
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NET FINANCIAL ASSETS

5,605,187	4,356,289
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NON-FINANCIAL ASSETS

Tangible Capital Assets (Schedule 6, 7)	2,737,118	2,762,194
Prepayments and Deferred Charges	167	185
Stock and Supplies	648,123	1,043,386
Other (Note 14)	-	-

Total Non-Financial Assets

3,385,408	3,805,765
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ACCUMULATED SURPLUS (Schedule 8)

\$ 8,990,595	\$ 8,162,054
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Consolidated Statement of Operations

As at December 31, 2017

Statement 2

	Budget	2017	2016
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 2,990,320	\$ 2,974,253	\$ 2,815,269
Fees and Charges (Schedule 4, 5)	142,150	150,809	172,453
Conditional Grants (Schedule 4, 5)	11,000	155,449	24,176
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	(82,681)	(40,260)
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	10,000	43,354	31,830
Other Revenues (Schedule 4, 5)	-	5,200	-
Total Revenues	3,153,470	3,246,384	3,003,468
EXPENSES			
General Government Services (Schedule 3)	390,420	366,680	303,722
Protective Services (Schedule 3)	254,060	166,489	204,497
Transportation Services (Schedule 3)	1,308,070	1,565,564	1,242,867
Environmental and Public Health Services (Schedule 3)	725,630	203,779	182,695
Planning and Development Services (Schedule 3)	63,000	53,984	43,463
Recreation and Cultural Services (Schedule 3)	209,200	184,359	139,820
Utility Services (Schedule 3)	-	-	-
Total Expenses	2,950,380	2,540,855	2,117,064
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	203,090	705,529	886,404
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	60,050	123,012	117,773
Surplus (Deficit) of Revenues over Expenses	263,140	828,541	1,004,177
Accumulated Surplus (Deficit), Beginning of Year	8,162,054	8,162,054	7,157,877
ACCUMULATED SURPLUS - END OF YEAR	\$ 8,425,194	\$ 8,990,595	\$ 8,162,054

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2017

Statement 3

	2017 Budget	2017	2016
Surplus (Deficit)	\$ 263,140	\$ 828,541	\$ 1,004,177
(Acquisition) of tangible capital assets	(550,000)	(324,755)	(377,987)
Amortization of tangible capital assets	261,327	261,327	232,892
Proceeds on disposal of tangible capital assets	-	5,844	73,502
Loss (gain) on the disposal of tangible capital assets	-	82,681	40,260
Surplus (Deficit) of capital expenses over expenditures	(288,673)	25,097	(31,333)
(Acquisition) of supplies inventories	-	(648,123)	(1,043,386)
(Acquisition) of prepaid expense	-	(167)	(164)
Consumption of supplies inventory	-	1,043,386	1,066,230
Use of prepaid expense	-	164	131
Surplus (Deficit) of expenses of other non-financial over expenditures	-	395,260	22,811
Increase/Decrease in Net Financial Assets	(25,533)	1,248,898	995,655
Net Financial Assets (Debt) - Beginning of Year	4,356,289	4,356,289	3,360,634
Net Financial Assets (Debt) - End of Year	\$ 4,330,756	\$ 5,605,187	\$ 4,356,289

Consolidated Statement of Cash Flow

Year Ended December 31, 2017

Statement 4

	2017	2016
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 828,541	\$ 1,004,177
Amortization	261,327	232,892
Loss (gain) on disposal of tangible capital assets	82,681	40,260
	<u>1,172,549</u>	<u>1,277,329</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	4,221	(40,675)
Other Receivables	(26,002)	(11,414)
Land for Resale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(114,755)	36,892
Deferred Revenue	-	(10,699)
Deposits	7,700	2,300
Accrued Landfill Costs	128,395	50,000
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	395,263	22,844
Prepayments and Deferred Charges	(2)	(51)
Other	-	-
	<u>394,820</u>	<u>49,197</u>
Cash provided by operating transactions	<u>1,567,369</u>	<u>1,326,526</u>
Capital:		
Acquisition of capital assets	(324,755)	(377,987)
Proceeds from disposal of capital assets	5,844	73,502
Other capital	-	-
Cash applied to capital transactions	<u>(318,911)</u>	<u>(304,485)</u>
Investing:		
Long-Term Investments	-	-
Other investments	-	-
Cash provided by (applied to) investing transactions	<u>(318,911)</u>	<u>(304,485)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
Cash provided by (applied to) financing transactions	<u>-</u>	<u>-</u>
Change in Cash and Temporary Investments during the year	<u>1,248,458</u>	<u>1,022,041</u>
Cash and Temporary Investments - Beginning of Year	<u>4,457,792</u>	<u>3,435,751</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 5,706,250</u>	<u>\$ 4,457,792</u>

1. Significant accounting policies

The consolidated 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 Accounting Standards Oversight Council. 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 recognizes revenues as they become available and measurable; 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 consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity
N/A

All inter-organizational transactions and balances have been eliminated.

(b) Collection of funds for other authorities:

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

(c) Government Transfers:

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occurred, as long as:

- 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 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) 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.

(continues)

1. **Significant accounting policies** *(continued)*(i) **Property Tax Revenue:**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The municipality does not hold any investments on the Saskatchewan Association of Rural Municipalities Self-Insurance Plan.

(k) **Inventories:**

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

(l) **Tangible Capital Assets:**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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. 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. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

Asset	Useful Life
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Years
Buildings	10 to 50 Years
Vehicles & Equipment	
Vehicles	5 to 10 Years
Machinery and Equipment	5 to 10 Years
Infrastructure Assets	
Infrastructure Assets	30 to 75 Years
Water & Sewer	30 to 75 Years
Road Network Assets	30 to 75 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: 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 statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. 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 a operating lease and rental payments are expensed as incurred.

(m) **Landfill liability:**

The municipality owns a landfill.

(continues)

1. **Significant accounting policies** (*continued*)(n) **Trust Funds:**

Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 18.

(o) **Employee benefit plans:**

Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

(p) **Liability for Contaminated Sites:**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

(q) **Measurement Uncertainty:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

(r) **Basis of segmentation/Segment report:**

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

2. Cash and Temporary Investments

	2017	2016
Cash	\$ 5,064,748	\$ 3,936,340
Temporary Investments	641,502	521,452
Restricted Cash	-	-
Total Cash and Temporary Investments	\$ 5,706,250	\$ 4,457,792

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Taxes Receivable - Municipal

	2017	2016
<u>Municipal</u>		
- current	\$ 128,355	\$ 139,945
- arrears	45,960	38,914
	174,315	178,859
Less - allowance for uncollectibles	-	-
Total municipal taxes receivable	174,315	178,859
<u>School</u>		
- current	53,455	52,847
- arrears	18,053	15,963
Total school taxes receivable	71,508	68,810
Other	320	(3)
Total taxes and grants in lieu receivable	246,143	247,666
Deduct taxes receivable to be collected on behalf of other organizations	(71,508)	(68,810)
Total Taxes Receivable - Municipal	\$ 174,635	\$ 178,856

4. Other Accounts Receivable

	2017	2016
Federal Government	\$ 23,053	\$ 7,533
Provincial Government	-	-
Local Government	-	-
Utility	-	-
Trade	27,830	17,348
Other	-	-
Total Other Accounts Receivable	50,883	24,881
Less: allowance for uncollectibles	-	-
Net Other Accounts Receivable	\$ 50,883	\$ 24,881

5. Land for Resale

	2017	2016
Tax Title Property	\$ 324	\$ 324
Allowance for market value adjustment	(324)	(324)
Net Tax Title Property	-	-
Other Land	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
Total Land for Resale	\$ -	\$ -

6. Long-Term Investment

	2017	2016
Total Long-Term Investments	\$ -	\$ -

7. Debt Charges Recoverable

This note does not pertain to this municipality.

8. Bank Indebtedness

Credit Arrangements

At December 31, 2017, the Municipality had lines of credit totaling \$300,000 one of which were drawn. The following has been collateralized in connection with this line of credit:
– General security agreement

9. Deferred Revenue

	2017	2016
Total Deferred Revenue	\$ -	\$ -

10. Accrued Landfill Costs

	2017	2016
Environmental Liabilities	\$ 228,395	\$ 100,000
	\$ 228,395	\$ 100,000

In 2017 the municipality has accrued an overall liability for environmental matters in the amount of \$228,395 (prior year - \$100,000) 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.

11. Liability for Contaminated Sites

The municipality has no liability for contaminated sites.

12. Long-term Debt

The debt limit of the municipality is \$2,469,328. 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)).

The municipality has no long-term debt.

13. Lease Obligations

The municipality has no lease obligations.

14. Other Non-financial Assets

2017	2016
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15. Contingent Liabilities

The municipality has no contingent liabilities.

16. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer 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 pension expense in 2017 was \$26,466. The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

17. Comparative Figures

Certain of the prior year comparative figures may have been restated to conform to the current year's presentation.

18. Trusts Administered by the Municipality

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

	2017	2016
	\$ -	\$ -
Balance - End of Year	\$ -	\$ -

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2017

Schedule 1

	2017 Budget	2017	2016
TAXES			
General municipal tax levy	\$ 2,513,930	\$ 2,509,261	\$ 2,376,522
Abatements and adjustments	-	(5,443)	(1,964)
Discount on current year taxes	(87,670)	(94,851)	(87,667)
Net Municipal Taxes	2,426,260	2,408,967	2,286,891
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	9,380	11,222	9,376
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	2,435,640	2,420,189	2,296,267
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	454,330	454,362	450,109
Organized Hamlet	82,070	82,077	50,615
Total Unconditional Grants	536,400	536,439	500,724
GRANTS IN LIEU OF TAXES			
Federal	14,130	11,586	14,127
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
SPMC - Municipal share	-	-	-
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty land Entitlement	4,150	6,039	4,151
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	18,280	17,625	18,278
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,990,320	\$ 2,974,253	\$ 2,815,269

Schedule of Operating and Capital Revenue by Function

As at December 31, 2017

Schedule 2 - 1

	2017 Budget	2017	2016
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ -	\$ -	\$ -
- Custom work	-	-	-
- Sales of supplies	7,000	6,334	8,322
- Other - Permits & licenses	65,000	89,130	80,186
Total Fees and Charges	72,000	95,464	88,508
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	-	-
- Investment income and commissions	10,000	43,354	31,830
- Other	-	5,200	-
Total Other Segmented Revenue	82,000	144,018	120,338
Conditional Grants			
- Student Employment	-	-	-
- Other	-	1,377	18,194
Total Conditional Grants	-	1,377	18,194
Total Operating	82,000	145,395	138,532
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total General Government Services	82,000	145,395	138,532
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	30,000	23,305	45,910
- Other	-	-	-
Total Fees and Charges	30,000	23,305	45,910
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	30,000	23,305	45,910
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	30,000	23,305	45,910
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	\$ 30,000	\$ 23,305	\$ 45,910

Schedule of Operating and Capital Revenue by Function

Year Ended December 31, 2017

Schedule 2 - 2

	Budget 2017	2017	2016
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Custom work	14,150	12,590	11,848
- Sales of supplies	-	-	-
- Road Maintenance and Restoration	-	-	-
Agreements	20,000	14,642	10,000
- Frontage	-	-	-
- Other	-	80	1,116
Total Fees and Charges	34,150	27,312	22,964
- Tangible capital asset sales - gain (loss)	-	(82,681)	(40,260)
- Other	-	-	-
Total Other Segmented Revenue	34,150	(55,369)	(17,296)
Conditional Grants			
- Primary Weight Corridor	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	34,150	(55,369)	(17,296)
Capital			
Conditional Grants			
- Gas Tax	60,050	122,512	117,273
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Donations	-	500	500
Total Capital	60,050	123,012	117,773
Total Transportation Services	94,200	67,643	100,477
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Waste and Disposal Fees	-	-	342
- Other - Landfill fees	6,000	2,840	14,729
Total Fees and Charges	6,000	2,840	15,071
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	6,000	2,840	15,071
Conditional Grants			
- Student Employment	-	-	-
- Local government	11,000	4,072	5,982
- Other	-	-	-
Total Conditional Grants	11,000	4,072	5,982
Total Operating	17,000	6,912	21,053
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	\$ 17,000	\$ 6,912	\$ 21,053

	Budget 2017	2017	2016
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Maintenance and Development Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	-	-	-
- Other	-	1,888	-
Total Fees and Charges	-	1,888	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	1,888	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other	-	150,000	-
Total Conditional Grants	-	150,000	-
Total Operating	-	151,888	-
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	\$ -	\$ 151,888	\$ -

Schedule of Operating and Capital Revenue by Function

As at December 31, 2017

Schedule 2 - 4

	Budget 2017	2017	2016
UTILITY SERVICES			
Operating			
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	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Gas Tax	-	-	-
- Sask Water Corp.	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 223,200	\$ 395,143	\$ 305,972

SUMMARY

Total Other Segmented Revenue	\$ 152,150	\$ 116,682	\$ 164,023
Total Conditional Grants	11,000	155,449	24,176
Total Capital Grants and Contributions	60,050	123,012	117,773
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 223,200	\$ 395,143	\$ 305,972

Total Expenses by Function

As at December 31, 2017

Schedule 3 - 1

	Budget 2017	2017	2016
Total Government Services			
Council remuneration and travel	\$ 57,000	\$ 46,360	\$ 45,008
Wages and benefits	153,600	136,631	142,709
Professional/Contractual services	152,010	161,693	95,915
Utilities	6,800	7,260	6,128
Maintenance, materials and supplies	20,750	14,185	13,670
Grants and contributions			
- operating	-	-	-
- capital	-	-	-
Amortization	260	551	255
Interest	-	-	37
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Total General Government Services	390,420	366,680	303,722
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	97,000	106,914	95,762
Utilities	-	-	-
Maintenance, Materials and Supplies	20,000	14,013	11,516
Grants and contributions			
- operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	73,640	41,124	94,389
Professional/Contractual Services	63,420	4,438	2,519
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	311
Grants and contributions			
- operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Protective Services	254,060	166,489	204,497
TRANSPORTATION SERVICES			
Wages and Benefits	348,500	320,570	308,067
Professional/Contractual Services	9,200	19,103	8,821
Utilities	24,310	16,271	77,163
Maintenance, Materials and Supplies	444,000	833,258	377,325
Gravel	250,000	113,397	238,870
Grants and contributions			
- operating	-	2,760	555
- Capital	-	-	-
Amortization	232,060	260,205	232,066
Interest	-	-	-
Other	-	-	-
Total Transportation Services	\$ 1,308,070	\$ 1,565,564	\$ 1,242,867

Total Expenses by Function

As at December 31, 2017

Schedule 3 - 2

	Budget 2017	2017	2016
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ 12,000	\$ 14,761	\$ 11,379
Professional/Contractual Services	675,060	170,078	106,604
Utilities	500	582	260
Maintenance, Materials and Supplies	22,500	17,787	13,881
Grants and contributions			
- operating	-	-	-
- Waste disposal	-	-	-
- Public Health	15,000	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public Health	-	-	-
Amortization	570	571	571
Interest	-	-	-
Other - Landfill Decommissioning	-	-	50,000
Total Environmental and Public Health Services	725,630	203,779	182,695
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	63,000	53,984	43,463
Grants and contributions			
- operating	-	-	-
- Capital	-	-	-
Maintenance, materials and supplies	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Planning and Development Services	63,000	53,984	43,463
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	-	-	600
Professional/Contractual Services	46,200	17,410	23,823
Utilities	-	-	-
Maintenance, Materials, and Supplies	59,500	47,494	58,045
Grants and contributions			
- operating	103,500	119,455	57,352
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Total Recreation and Cultural Services	\$ 209,200	\$ 184,359	\$ 139,820

Total Expenses by Function

As at December 31, 2017

Schedule 3 - 3

	Budget 2017	2017	2016
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	-	-	-
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and contributions			
- operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
TOTAL EXPENSES BY FUNCTION	\$ 2,950,380	\$ 2,540,855	\$ 2,117,064

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2017

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	\$ 95,464	\$ 23,305	\$ 27,312	\$ 2,840	\$ -	\$ 1,888	\$ -	\$ 150,809
Tangible Capital Asset Sales - Gain (Loss)	-	-	(82,681)	-	-	-	-	(82,681)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	43,354	-	-	-	-	-	-	43,354
Other Revenues	5,200	-	-	-	-	-	-	5,200
Grants - Conditional	1,377	-	-	4,072	-	150,000	-	155,449
- Capital	-	-	123,012	-	-	-	-	123,012
Total Revenues	145,395	23,305	67,643	6,912	-	151,888	-	395,143
Expenses (Schedule 3)								
Wages and Benefits	182,991	41,124	320,570	14,761	-	-	-	559,446
Professional/Contractual Services	161,693	111,362	19,103	170,078	53,984	17,410	-	533,620
Utilities	7,260	-	16,271	582	-	-	-	24,113
Maintenance Material and Supplies	14,185	14,013	946,655	17,787	-	47,494	-	1,040,134
Grants and Contributions	-	-	2,760	-	-	119,455	-	122,215
Amortization	551	-	260,205	571	-	-	-	261,327
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	366,680	166,489	1,565,564	203,779	53,984	184,359	-	2,540,855
Surplus (Deficit) by Function	(221,285)	(143,184)	(1,497,921)	(196,867)	(53,984)	(32,471)	-	(2,145,712)
Taxes and other unconditional revenue (Schedule 1)								<u>2,974,253</u>
Net Surplus (Deficit)								\$ 828,541

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2016

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 88,508	\$ 45,910	\$ 22,964	\$ 15,071	\$ -	\$ -	\$ -	\$ 172,453
Tangible Capital Asset Sales - Gain (Loss)	-	-	(40,260)	-	-	-	-	(40,260)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	31,830	-	-	-	-	-	-	31,830
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	18,194	-	-	5,982	-	-	-	24,176
- Capital	-	-	117,773	-	-	-	-	117,773
Total Revenues	138,532	45,910	100,477	21,053	-	-	-	305,972
Expenses (Schedule 3)								
Wages and Benefits	187,717	94,389	308,067	11,379	-	600	-	602,152
Professional/ Contractual Services	95,915	98,281	8,821	106,604	43,463	23,823	-	376,907
Utilities	6,128	-	77,163	260	-	-	-	83,551
Maintenance Material and Supplies	13,670	11,827	616,195	13,881	-	58,045	-	713,618
Grants and Contributions	-	-	555	-	-	57,362	-	57,907
Amortization	255	-	232,066	571	-	-	-	232,892
Interest	37	-	-	-	-	-	-	37
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	50,000	-	-	-	50,000
Total Expenses	303,722	204,497	1,242,867	182,695	43,463	139,820	-	2,117,064
Surplus (Deficit) by Function	(165,190)	(158,587)	(1,142,390)	(161,642)	(43,463)	(139,820)	-	(1,811,092)
Taxes and other unconditional revenue (Schedule 1)								<u>2,815,269</u>
Net Surplus (Deficit)								<u>\$ 1,004,177</u>

See notes to consolidated financial statements

RURAL MUNICIPALITY OF ROSTHERN NO. 403

Consolidated Schedule of Tangible Capital Assets by Object

As at December 31, 2017

Schedule 6

2017

	General Assets								2016 Total
	General Assets				Infrastructure Assets		General/ Infrastructure Assets Under Construction		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Infrastructure Assets			
						Linear Assets			
Asset cost									
Opening Asset costs	\$ 21,064	\$ 28,549	\$ 120,920	\$ 395,109	\$ 2,092,392	\$ 4,466,984	\$ -	\$ 7,125,018	\$ 6,984,031
Additions during the year	-	-	150,000	-	46,380	128,395	-	324,775	377,987
Disposals and write-downs during the year	-	-	-	-	(107,907)	-	-	(107,907)	(237,000)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Closing Asset Costs	21,064	28,549	270,920	395,109	2,030,865	4,595,379	-	7,341,886	7,125,018
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	16,559	68,742	291,096	758,328	3,228,099	-	4,362,824	4,253,172
Add: Amortization taken	-	571	2,418	20,394	170,996	66,948	-	261,327	232,892
Less: Accumulated amortization on disposals	-	-	-	-	(19,383)	-	-	(19,383)	(123,240)
Closing Accumulated Amortization Costs	-	17,130	71,160	311,490	909,941	3,295,047	-	4,604,768	4,362,824
Net Book Value	\$ 21,064	\$ 11,419	\$ 199,760	\$ 83,619	\$ 1,120,924	\$ 1,300,332	\$ -	\$ 2,737,118	\$ 2,762,194

1. Total contributed donated assets received in 2017:

\$ -

2. List of assets recognized at nominal value in 2017 are:

a) Infrastructure Assets

\$ -

b) Vehicles

\$ -

c) Machinery and Equipment

\$ -

3. Amount of interest capitalized in 2017:

\$ -

See notes to consolidated financial statements

RURAL MUNICIPALITY OF ROSTHERN NO. 403
Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2017

Schedule 7

2017

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	2017 Total	2016 Total
Asset cost									
Opening Asset costs	\$ 25,907	\$ 309,561	\$ 6,761,001	\$ 28,549	\$ -	\$ -	\$ -	\$ 7,125,018	\$ 6,984,031
Additions during the year	-	-	46,380	128,395	-	150,000	-	324,775	377,987
Disposals and write-downs during the year	-	-	(107,907)	-	-	-	-	(107,907)	(237,000)
Closing Asset Costs	25,907	309,561	6,699,474	156,944	-	150,000	-	7,341,886	7,125,018
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	19,043	224,478	4,102,744	16,559	-	-	-	4,362,824	4,253,172
Add: Amortization taken	551	-	260,205	571	-	-	-	261,327	232,892
Less: Accumulated amortization on disposals	-	-	(19,383)	-	-	-	-	(19,383)	(123,240)
Closing Accumulated Amortization Costs	19,594	224,478	4,343,566	17,130	-	-	-	4,604,768	4,362,824
Net Book Value	\$ 6,313	\$ 85,083	\$ 2,355,908	\$ 139,814	\$ -	\$ 150,000	\$ -	\$ 2,737,118	\$ 2,762,194

See notes to consolidated financial statements

Consolidated Schedule of Accumulated Surplus

As at December 31, 2017

Schedule 8

	2016	Changes	2017
UNAPPROPRIATED SURPLUS	\$ 4,965,100	\$ 419,532	\$ 5,384,632
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	5,378	-	5,378
Capital Trust	-	-	-
Utility	-	-	-
Other - General Reserve	130,747	397,935	528,682
Total Appropriated	136,125	397,935	534,060
ORGANIZED HAMLETS			
Hamlet of Blumenthal	95,920	34,366	130,286
Hamlet of Neuanlage	202,715	1,784	204,499
Total Organized Hamlets	298,635	36,150	334,785
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,762,194	(25,076)	2,737,118
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	2,762,194	(25,076)	2,737,118
Total Accumulated Surplus	\$ 8,162,054	\$ 828,541	\$ 8,990,595

RURAL MUNICIPALITY OF ROSTERN NO. 403

Schedule of Mill Rates and Assessments

As at December 31, 2017

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$154,611,980	\$130,312,345	\$ -	\$ -	\$ 5,622,000	\$ -	\$290,546,325
Regional Park Assessment	-	-	-	-	-	-	-
Total Assessment	154,611,980	130,312,345	-	-	5,622,000	-	290,546,325
Mill Rate Factor(s)	1.1500	1.2500	-	-	2.0000	-	-
Total Base/Minimum Tax (generated for each property class)	140,325	77,395	-	-	3,942	-	221,662
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,296,050	\$ 1,136,183	\$ -	\$ -	\$ 77,028	\$ -	\$ 2,509,261

MILL RATES:

Average Municipal *	8.6364
Average School	2.7301
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.5000

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

Schedule of Council Remuneration

As at December 31, 2017

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
Position				
Reeve	Martin Penner	\$ 6,462	\$ 1,570	\$ 8,032
Councillor	Rick Pochipinski	5,572	900	6,472
Councillor	Peter Unger	6,062	805	6,867
Councillor	Glenn Braun	6,025	1,485	7,510
Councillor	Ernest Fast	4,687	126	4,813
Councillor	Victor Janzen	4,192	534	4,726
Councillor	Tom Madden	4,725	930	5,655
Councillor	Robert Baynton	2,125	160	2,285
Total		<u>\$ 39,850</u>	<u>\$ 6,510</u>	<u>\$ 46,360</u>