
RURAL MUNICIPALITY OF BRITANNIA NO. 502

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2016



Vantage

CHARTERED PROFESSIONAL ACCOUNTANTS

Management's Responsibility


To the Ratepayers of Rural Municipality of Britannia No. 502

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgements 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 judgement is required.


In discharging its responsibilities for the integrity and fairness of the consolidated 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 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 the administration and discussing relevant matters with external auditors. The council is also responsible for recommending the appointment of the municipality's external auditors.

Vantage, an independent firm of Chartered Professional Accountants, is appointed by the councillors 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 administration to discuss their audit findings.



Reeve



Administrator

March 22, 2017



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CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Reeve and Council
Rural Municipality of Britannia No. 502
Lloydminster, Saskatchewan

We have audited the accompanying consolidated financial statements of the Rural Municipality of Britannia No. 502, which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statements of operations, change in net financial assets 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.

Auditors' 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 auditors' judgement, 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 the Rural Municipality of Britannia No. 502 as at December 31, 2016, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

North Battleford, Saskatchewan
March 22, 2017

Rural Municipality of Britannia No. 502
 Consolidated Statement of Financial Position
 As at December 31, 2016

Statement 1

	2016	2015
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	7,099,493	6,964,627
Taxes Receivable - Municipal (Note 3)	205,715	180,005
Other Accounts Receivable (Note 4)	824,205	1,058,266
Land for Resale (Note 5)	9,144	9,144
Long-Term Investments (Note 6)	166,422	162,088
Debt Charges Recoverable		
Other		
Total Financial Assets	8,304,979	8,374,130
LIABILITIES		
Bank Indebtedness		
Accounts Payable	358,056	600,946
Accrued Liabilities Payable		
Deposits	11,905	14,404
Deferred Revenue (Note 8)	11	12,547
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt		
Lease Obligations		
Total Liabilities	369,972	627,897
NET FINANCIAL ASSETS (DEBT)	7,935,007	7,746,233
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	59,058,432	58,001,640
Prepayments and Deferred Charges	696	80,439
Stock and Supplies	1,361,508	1,034,967
Other		
Total Non-Financial Assets	60,420,636	59,117,046
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	68,355,643	66,863,279

Rural Municipality of Britannia No. 502
 Consolidated Statement of Operations
 For the year ended December 31, 2016

Statement 2

	2016 Budget	2016	2015
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	6,138,680	6,229,018	6,400,091
Fees and Charges (Schedule 4, 5)	393,760	561,573	2,057,682
Conditional Grants (Schedule 4, 5)	21,200	13,227	7,034
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	231,000	(19,366)	(4,524)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	111,600	108,881	115,660
Other Revenues (Schedule 4, 5)	2,750,000	3,383,335	4,325,441
Total Revenues	9,646,240	10,276,668	12,901,384
EXPENSES			
General Government Services (Schedule 3)	895,650	872,518	947,483
Protective Services (Schedule 3)	343,070	461,226	410,255
Transportation Services (Schedule 3)	6,371,300	7,072,924	8,568,932
Environmental and Public Health Services (Schedule 3)	642,200	153,624	82,315
Planning and Development Services (Schedule 3)	99,400	99,167	2,970
Recreation and Cultural Services (Schedule 3)	43,510	83,470	85,468
Utility Services (Schedule 3)	1,491,200	142,294	189,734
Total Expenses	9,886,330	8,885,223	10,287,157
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(240,090)	1,391,445	2,614,227
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	98,490	100,919	897,916
Surplus (Deficit) of Revenues over Expenses	(141,600)	1,492,364	3,512,143
Accumulated Surplus (Deficit), Beginning of Year	66,863,279	66,863,279	63,351,136
Accumulated Surplus (Deficit), End of Year	66,721,679	68,355,643	66,863,279

Rural Municipality of Britannia No. 502
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2016

Statement 3

	2016 Budget	2016	2015
Surplus (Deficit)	(141,600)	1,492,364	3,512,143
(Acquisition) of tangible capital assets		(5,696,966)	(9,506,086)
Amortization of tangible capital assets		4,156,296	4,279,320
Proceeds on disposal of tangible capital assets		464,512	10,058
Loss (gain) on the disposal of tangible capital assets		19,366	4,524
Surplus (Deficit) of capital expenses over expenditures		(1,056,792)	(5,212,184)
(Acquisition) of supplies inventories		(326,541)	(137,222)
(Acquisition) of prepaid expense		79,743	(56,127)
Consumption of supplies inventory			
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures		(246,798)	(193,349)
Increase/Decrease in Net Financial Assets	(141,600)	188,774	(1,893,390)
Net Financial Assets (Debt) - Beginning of Year	7,746,233	7,746,233	9,639,623
Net Financial Assets (Debt) - End of Year	7,604,633	7,935,007	7,746,233

Rural Municipality of Britannia No. 502
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2016

Statement 4

	2016	2015
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	1,492,364	3,512,143
Amortization	4,156,296	4,279,320
Loss (gain) on disposal of tangible capital assets	19,366	4,524
	<u>5,668,026</u>	<u>7,795,987</u>
Change in assets/liabilities		
Taxes receivable - municipal	(25,710)	(80,616)
Other receivables	234,061	715,795
Land for resale		
Other financial assets		
Accounts and accrued liabilities payable	(242,890)	339,154
Deposits	(2,499)	(26)
Deferred revenue	(12,536)	(1,657,215)
Accrued landfill costs		
Liability for contaminated sites		
Other liabilities		
Stock and supplies	(326,541)	(137,222)
Prepayments and deferred charges	79,743	(56,127)
Other (Specify)		
Cash provided by operating transactions	5,371,654	6,919,730
Capital:		
Acquisition of tangible capital assets	(5,696,966)	(9,506,086)
Proceeds from the disposal of tangible capital assets	464,512	10,058
Other capital		
Cash applied to capital transactions	(5,232,454)	(9,496,028)
Investing:		
Long-term investments	(4,334)	11,454
Other investments		
Cash provided by (applied to) investing transactions	(4,334)	11,454
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid		
Other financing		
Cash provided by (applied to) financing transactions		
Change in Cash and Temporary Investments during the year	134,866	(2,564,844)
Cash and Temporary Investments - Beginning of Year	6,964,627	9,529,471
Cash and Temporary Investments - End of Year	7,099,493	6,964,627

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:

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:
- 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. The amounts collected are disclosed in 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 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.
- i) **Property tax revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities Self Insurance Fund are accounted for on the equity basis.

1. Significant accounting policies - continued

- k) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- l) **Tangible capital assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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:

<u>Asset</u>	<u>Useful life</u>
<i>General assets</i>	
Land	Indefinite
Land improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles and equipment	
Vehicles	5 to 10 Yrs
Machinery and equipment	5 to 10 Yrs
<i>Infrastructure assets</i>	
Infrastructure assets	30 to 75 Yrs

Government contributions: Government contributions for the acquisition of tangible 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. Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.

- m) **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.
- 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 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.

1. Significant accounting policies - continued

- o) **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 is 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.

- p) **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.

2. Cash and temporary investments

	2016	2015
Cash	7,099,493	6,964,627
Temporary investments		
Restricted cash		
Total cash and temporary investments	7,099,493	6,964,627

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

	2016	2015
Municipal - Current	130,939	129,368
- Arrears	80,888	56,749
	211,827	186,117
- Less allowance for uncollectibles	(6,112)	(6,112)
Total municipal taxes receivable	205,715	180,005
School - Current	131,293	128,451
- Arrears	62,416	42,736
Total school taxes receivable	193,709	171,187
Other	7,444	8,905
Total taxes and grants in lieu receivable	406,868	360,097
Deduct taxes receivable to be collected on behalf of other organizations	(201,153)	(180,092)
Total taxes receivable - municipal	205,715	180,005

Rural Municipality of Britannia No. 502
Notes to the Consolidated Financial Statements
For the year ended December 31, 2016

4. Other accounts receivable	2016	2015
Federal government	41,115	370,224
Provincial government	14,254	4,230
Local government		
Utility	2,745	6,129
Trade	869,016	768,136
Other	22,149	34,621
Total other accounts receivable	949,279	1,183,340
Less: allowance for uncollectibles	(125,074)	(125,074)
Net other accounts receivable	824,205	1,058,266

5. Land for resale	2016	2015
Tax title property	644	644
Allowance for market value adjustment		
Net tax title property	644	644
Other land	8,500	8,500
Allowance for market value adjustment		
Net other land	8,500	8,500
Total land for resale	9,144	9,144

6. Long-term investments	2016	2015
Sask Assoc. of Rural Municipalities - Self Insurance Fund	129,223	126,300
Lloydminster Credit Union equity and Co-op equity	37,199	35,788
Total long-term investments	166,422	162,088

The long term investments in the Saskatchewan Association of Rural Municipalities Self Insurance Fund are accounted for on the equity basis.

7. Bank indebtedness

Credit arrangements

At year-end, the municipality had lines of credit totalling \$1,300,000, none of which were drawn, bearing interest at 2.7%, secured by a general security agreement.

Rural Municipality of Britannia No. 502
Notes to the Consolidated Financial Statements
For the year ended December 31, 2016

8. Deferred revenue

	2016	2015
Overpaid taxes and servicing agreement	11	12,547
Total deferred revenue	11	12,547

9. Long-term debt

The debt limit of the municipality is \$12,539,589. 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)).

10. Lease obligations

Future minimum operating lease payments plus taxes are as follows:

Year	Payment Amount
2017	91,401
2018	91,401
2019	
2020	
2021	
Thereafter	
Total future minimum lease payments	182,802

11. 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.

12. 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 pension expense in 2016 was \$190,329 (2015 - \$207,415). 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.

13. Comparative figures

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

14. Budget figures

Budget figures are reported for information purposes only and are not included in the scope of the external audit.

Rural Municipality of Britannia No. 502
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2016

Schedule 1

	2016 Budget	2016	2015
TAXES			
General municipal tax levy	5,949,820	5,929,366	6,212,300
Abatements and adjustments	(5,000)	(6,999)	(2,329)
Discount on current year taxes	(177,440)	(71,690)	(172,962)
Net Municipal Taxes	5,767,380	5,850,677	6,037,009
Potash tax share			
Trailer license fees			
Penalties on tax arrears	9,500	15,785	8,321
Special tax levy			
Other			
Total Taxes	5,776,880	5,866,462	6,045,330
UNCONDITIONAL GRANTS			
Revenue Sharing	324,100	324,100	316,980
Organized Hamlet			
Total Unconditional Grants	324,100	324,100	316,980
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical	20,000	20,456	20,031
SaskEnergy Gas			
TransGas	17,700	18,000	17,750
Central Services			
SaskTel			
Other			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other			
Total Grants in Lieu of Taxes	37,700	38,456	37,781
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	6,138,680	6,229,018	6,400,091

Rural Municipality of Britannia No. 502
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 1

	2016 Budget	2016	2015
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	10,000	6,726	5,199
- Sales of supplies	3,300	3,202	3,305
- Other	189,640	189,023	88,417
Total Fees and Charges	202,940	198,951	96,921
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	111,600	108,881	115,660
- Other			
Total Other Segmented Revenue	314,540	307,832	212,581
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating	314,540	307,832	212,581
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total General Government Services	314,540	307,832	212,581

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	41,000	16,170	67,921
Total Fees and Charges	41,000	16,170	67,921
- Tangible capital asset sales - gain (loss)			
- Dissolve Britannia/Wilton Fire Department		200,000	
Total Other Segmented Revenue	41,000	216,170	67,921
Conditional Grants			
- Student Employment			
- Local government			
- Other			
Total Conditional Grants			
Total Operating	41,000	216,170	67,921
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other			
Total Capital			
Total Protective Services	41,000	216,170	67,921

Rural Municipality of Britannia No. 502
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 2

	2016 Budget	2016	2015
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Road Maintenance and Restoration Agreements			1,745,880
- Frontage	2,000	2,754	550
- Other	72,010	217,695	63,511
Total Fees and Charges	74,010	220,449	1,809,941
- Tangible capital asset sales - gain (loss)	231,000	(19,366)	(4,524)
- Other	2,750,000	3,183,335	4,325,441
Total Other Segmented Revenue	3,055,010	3,384,418	6,130,858
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating	3,055,010	3,384,418	6,130,858
Capital			
Conditional Grants			
- Federal Gas Tax	98,490	100,919	147,916
- MREP (Heavy Haul, CTP, Municipal Bridges)			750,000
- Provincial Disaster Assistance			
- Other			
Total Capital	98,490	100,919	897,916
Total Transportation Services	3,153,500	3,485,337	7,028,774

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees			5,617
- Other	5,300	7,929	3,853
Total Fees and Charges	5,300	7,929	9,470
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	5,300	7,929	9,470
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other	21,200	13,227	7,034
Total Conditional Grants	21,200	13,227	7,034
Total Operating	26,500	21,156	16,504
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total Environmental and Public Health Services	26,500	21,156	16,504

Rural Municipality of Britannia No. 502
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 3

	2016 Budget	2016	2015
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges		55,395	
- Other	11,000	3,090	11,363
Total Fees and Charges	11,000	58,485	11,363
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	11,000	58,485	11,363
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating	11,000	58,485	11,363
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total Planning and Development Services	11,000	58,485	11,363

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	11,010	11,011	13,511
Total Fees and Charges	11,010	11,011	13,511
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	11,010	11,011	13,511
Conditional Grants			
- Student Employment			
- Local government			
- Other			
Total Conditional Grants			
Total Operating	11,010	11,011	13,511
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total Recreation and Cultural Services	11,010	11,011	13,511

Rural Municipality of Britannia No. 502
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 4

	2016 Budget	2016	2015
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	23,900	24,100	23,913
- Sewer	23,900	24,099	23,913
- Other	700	379	729
Total Fees and Charges	48,500	48,578	48,555
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	48,500	48,578	48,555
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating	48,500	48,578	48,555
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total Utility Services	48,500	48,578	48,555

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	3,606,050	4,148,569	7,399,209
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SUMMARY

Total Other Segmented Revenue	3,486,360	4,034,423	6,494,259
Total Conditional Grants	21,200	13,227	7,034
Total Capital Grants and Contributions	98,490	100,919	897,916
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	3,606,050	4,148,569	7,399,209

Rural Municipality of Britannia No. 502

Total Expenses by Function

For the year ended December 31, 2016

Schedule 3 - 1

	2016 Budget	2016	2015
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	148,000	127,418	152,111
Wages and benefits	447,000	430,782	501,495
Professional/Contractual services	217,350	222,427	203,479
Utilities	23,300	21,110	22,209
Maintenance, materials and supplies	35,000	38,003	35,006
Grants and contributions - operating	4,000	8,729	3,693
- capital			
Amortization		24,049	21,096
Interest			
Allowance for uncollectibles			
Other	21,000		8,394
Total Government Services	895,650	872,518	947,483

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	126,000	167,108	88,241
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other			

Fire protection

Wages and benefits	70	12,914	170,745
Professional/Contractual services		25,860	2,640
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	217,000	215,009	98,122
- capital			
Amortization		40,335	42,758
Interest			
Other			7,749

Total Protective Services	343,070	461,226	410,255
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TRANSPORTATION SERVICES

Wages and benefits	2,137,500	1,429,792	1,924,799
Professional/Contractual services	1,299,000	140,727	206,247
Utilities	27,800	18,822	19,744
Maintenance, materials and supplies	1,516,000	1,285,597	1,620,252
Gravel	550,000	134,433	529,115
Grants and contributions - operating			
- capital			
Amortization		3,994,056	4,119,539
Interest			
Other	841,000	69,497	149,236

Total Transportation Services	6,371,300	7,072,924	8,568,932
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	2016 Budget	2016	2015
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	83,600	86,701	45,472
Professional/Contractual services	146,500	47,405	18,154
Utilities	4,000	1,236	4,127
Maintenance, materials and supplies	8,100	11,953	5,660
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization		6,329	5,672
Interest			
Other	400,000		3,230
Total Environmental and Public Health Services	642,200	153,624	82,315

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	97,400	97,195	
Professional/Contractual services	2,000	200	1,198
Grants and contributions - operating			
- capital			
Amortization		1,772	1,772
Interest			
Other			
Total Planning and Development Services	99,400	99,167	2,970

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services			
Utilities	400	314	312
Maintenance, materials and supplies			
Grants and contributions - operating	35,510	32,319	34,319
- capital			
Amortization		43,293	43,293
Interest			
Allowance for uncollectibles			
Other	7,600	7,544	7,544
Total Recreation and Cultural Services	43,510	83,470	85,468

Rural Municipality of Britannia No. 502
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2016

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	198,951	16,170	220,449	7,929	58,485	11,011	48,578	561,573
Tangible Capital Asset Sales - Gain			(19,366)					(19,366)
Land Sales - Gain								
Investment Income and Commissions	108,881							108,881
Other Revenues		200,000	3,183,335	13,227				3,383,335
Grants - Conditional								13,227
- Capital			100,919					100,919
Total Revenues	307,832	216,170	3,485,337	21,156	58,485	11,011	48,578	4,148,569
Expenses (Schedule 3)								
Wages and Benefits	558,200	12,914	1,429,792	86,701	97,195		46,029	2,230,831
Professional/Contractual Services	222,427	192,968	140,727	47,405	200		15,031	618,758
Utilities	21,110		18,822	1,236		314		41,482
Maintenance Materials and Supplies	38,003		1,420,030	11,953			34,772	1,504,758
Grants and Contributions	8,729	215,009				32,319		256,057
Amortization	24,049	40,335	3,994,056	6,329	1,772	43,293	46,462	4,156,296
Interest								
Allowance for Uncollectibles								
Other			69,497			7,544		77,041
Total Expenses	872,518	461,226	7,072,924	153,624	99,167	83,470	142,294	8,885,223
Surplus (Deficit) by Function	(564,686)	(245,056)	(3,587,587)	(132,468)	(40,682)	(72,459)	(93,716)	(4,736,654)
Taxes and other unconditional revenue (Schedule 1)								6,229,018
Net Surplus (Deficit)								1,492,364

Rural Municipality of Britannia No. 502
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2015

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	96,921	67,921	1,809,941 (4,524)	9,470	11,363	13,511	48,555	2,057,682 (4,524)
Tangible Capital Asset Sales - Gain								
Land Sales - Gain								
Investment Income and Commissions	115,660		4,325,441	7,034				115,660 4,325,441
Other Revenues								7,034
Grants - Conditional			897,916					897,916
- Capital								
Total Revenues	212,581	67,921	7,028,774	16,504	11,363	13,511	48,555	7,399,209
Expenses (Schedule 3)								
Wages and Benefits	653,606	170,745	1,924,799	45,472			72,880	2,867,502
Professional/Contractual Services	203,479	90,881	206,247	18,154	1,198		20,204	540,163
Utilities	22,209		19,744	4,127		312		46,392
Maintenance Materials and Supplies	35,006	98,122	2,149,367	5,660			51,127	2,241,160
Grants and Contributions	3,693							136,134
Amortization	21,096	42,758	4,119,539	5,672	1,772	43,293	45,190	4,279,320
Interest								
Allowance for Uncollectibles								
Other	8,394	7,749	149,236	3,230		7,544	333	176,486
Total Expenses	947,483	410,255	8,568,932	82,315	2,970	85,468	189,734	10,287,157
Surplus (Deficit) by Function	(734,902)	(342,334)	(1,540,158)	(65,811)	8,393	(71,957)	(141,179)	(2,887,948)
Taxes and other unconditional revenue (Schedule 1)								6,400,091
Net Surplus (Deficit)								3,512,143

Rural Municipality of Britannia No. 502
 Consolidated Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2016

2015

2016

	General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment			
Assets								
Asset cost								
Opening Asset costs	386,654	792,374	2,940,235	1,960,623	7,466,803	75,086,766	1,021,195	80,167,574
Additions during the year	1,290,001	11,784	825,835	53,620	1,293,405	1,252,806	969,515	9,506,086
Disposals and write-downs during the year				(75,341)	(1,025,720)			(1,101,061)
Transfers (from) assets under construction		95,715	23,651		26,125	5,675	(151,166)	Nil
Closing Asset Costs	1,676,655	899,873	3,789,721	1,938,902	7,760,613	76,345,247	1,839,544	89,654,650
Amortization								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs		340,853	669,842	772,303	3,565,660	26,304,352		27,378,117
Add: Amortization taken		31,218	81,151	141,933	399,358	3,502,636		4,278,943
Transfers								386
Less: Accumulated amortization on disposals				(27,532)	(589,651)			(4,436)
Closing Accumulated Amortization Costs	372,071	750,993	886,704	3,375,367	29,806,988	31,653,010	(617,183)	31,653,010
Net Book Value	1,676,655	527,802	3,038,728	1,052,198	4,385,246	46,538,259	1,839,544	58,001,640

1. Total contributed/donated assets received in 2016: Nil

2. List of assets recognized at nominal value in 2016 are:

- Infrastructure Assets Nil
- Vehicles Nil
- Machinery and Equipment Nil

Rural Municipality of Britannia No. 502
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2016

Schedule 8

	2015	Changes	2016
UNAPPROPRIATED SURPLUS	7,522,005	331,563	7,853,568
APPROPRIATED RESERVES			
Machinery and Equipment	500,000		500,000
Public Reserve	58,084	3,090	61,174
Capital Trust			
Gas tax	174,783	100,919	275,702
Gravel pit reclamation and roads	606,767		606,767
Total Appropriated	1,339,634	104,009	1,443,643
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	58,001,640	1,056,792	59,058,432
Less: Related debt			
Net Investment in Tangible Capital Assets	58,001,640	1,056,792	59,058,432
Total Accumulated Surplus	66,863,279	1,492,364	68,355,643

Rural Municipality of Britannia No. 502
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2016

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	54,006,885	153,372,066			150,275,903		357,654,854
Regional Park Assessment							
Total Assessment							357,654,854
Mill Rate Factor(s)	0.6868	0.3636			3.2724		
Total Base/Minimum Tax (generated for each property class)		12,200			433,500		445,700
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	370,919	563,710			4,994,737		5,929,366

MILL RATES: MILLS

Average Municipal*	16.57
Average School*	7.04
Potash Mill Rate	
Uniform Municipal Mill Rate	10.00

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

Rural Municipality of Britannia No. 502
 Schedule of Council Remuneration
 For the year ended December 31, 2016

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	John Light	13,076	3,231	16,307
Councillor Division 1	Ed Noble	8,412	4,208	12,620
Councillor Division 2	Dale Forland	10,349	2,673	13,022
Councillor Division 3	Jim Collins	12,211	3,504	15,715
Councillor Division 4	Kim Schindel	14,690	3,429	18,119
Councillor Division 5	Diann Tippe	13,958	3,573	17,531
Councillor Division 5	Cory McCall	1,353	722	2,075
Councillor Division 6	Dale Crush	9,788	4,089	13,877
Total		83,837	25,429	109,266

2016 Remuneration Schedule

Mileage Rate	\$ 0.54/Km
Meetings and Attendance Remuneration	\$32.00/Hr
Incidentals (Phone and Internet)	\$100.00/Month