

R. M. OF GULL LAKE NO. 139
FINANCIAL STATEMENTS
DECEMBER 31, 2017



INDEPENDENT AUDITOR'S REPORT

To the Council of R. M. of Gull Lake No. 139:

We have audited the accompanying financial statements of the R. M. of Gull Lake No. 139, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

Due to problems of timing, distance, identification and measurement we did not find it feasible to make a physical examination of the various inventory items. The quantities of gravel on hand were determined by "book records" of quantity movements, while other items were determined by your administration by actual count. Therefore, we were unable to obtain sufficient appropriate audit evidence of the R. M. of Gull Lake No. 139's inventory as at December 31, 2017 and December 31, 2016.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the R. M. of Gull Lake No. 139 as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

INDEPENDENT AUDITOR'S REPORT (continued)

Other Matter

The supplementary information listed in Schedules 1 to 10 has been taken from the accounting records of the organization but has not been audited by us other than in the course of our examination of the aforementioned financial statements to the extent necessary to allow us to render an opinion thereon.



CPA LLP
Chartered Professional Accountants
Licensed Professional Accountants

Swift Current, Saskatchewan
April 10, 2018


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 generally accepted accounting principles 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.

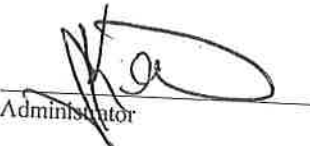
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records 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.

Stark & Marsh CPA 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.



Mayor (R.M. of Gull Lake No. 139)



Administrator

Rural Municipality of Gull Lake No. 139
Statement of Financial Position
As at December 31, 2017

Statement 1

FINANCIAL ASSETS

	2017	2016
Cash and Temporary Investments (Note 2)	3,866,147	3,719,038
Taxes Receivable - Municipal (Note 3)	1,032	17,653
Other Accounts Receivable (Note 4)	84,753	28,148
Land for Resale (Note 5)	-	-
Long-Term Investments (Note 6)	659,901	632,947
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)	-	-
Total Financial Assets	4,611,833	4,397,786

LIABILITIES

Bank Indebtedness (Note 8)		
Accounts Payable	156,780	116,195
Accrued Liabilities Payable		
Deposits		
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities		
Long-Term Debt (Note 12)	2	390
Lease Obligations (Note 13)		
Total Liabilities	156,782	116,585

NET FINANCIAL ASSETS (DEBT)

4,455,051 **4,281,201**

NON-FINANCIAL ASSETS

Tangible Capital Assets (Schedule 6, 7)	6,618,365	6,428,128
Prepayments and Deferred Charges	200	200
Stock and Supplies	513,691	116,439
Other (Note 14)	-	-
Total Non-Financial Assets	7,132,256	6,544,767

ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)

11,587,307 **10,825,968**

Rural Municipality of Gull Lake No. 139
Statement of Operations
As at December 31, 2017

Statement 2

REVENUES	2017 Budget (unaudited)	2017	2016
Taxes and Other Unconditional Revenue(Schedule 1)	2,022,830	2,042,818	2,049,222
Fees and Charges(Schedule 4, 5)	59,170	80,802	35,712
Conditional Grants(Schedule 4, 5)	42,480	38,129	43,453
Tangible Capital Asset Sales - Gain(Schedule 4, 5)	24,250	3,931	(16,909)
Land Sales - Gain(Schedule 4, 5)	-	-	-
Investment Income and Commissions(Schedule 4, 5)	28,000	46,627	32,845
Other Revenues(Schedule 4, 5)	-	-	-
Total Revenues	2,176,730	2,212,307	2,144,323
EXPENSES			
General Government Services(Schedule 3)	238,670	236,154	219,798
Protective Services(Schedule 3)	44,190	46,683	53,788
Transportation Services(Schedule 3)	1,277,450	1,110,021	982,014
Environmental and Public Health Services(Schedule 3)	19,270	15,604	14,484
Planning and Development Services(Schedule 3)	850	-	564
Recreation and Cultural Services(Schedule 3)	27,600	18,959	29,730
Utility Services(Schedule 3)	18,990	35,768	19,317
Total Expenses	1,627,020	1,463,189	1,319,695
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	549,710	749,118	824,628
Provincial/Federal Capital Grants and Contributions(Schedule 4, 5)	11,980	12,221	11,698
Surplus (Deficit) of Revenues over Expenses	561,690	761,339	836,326
Accumulated Surplus (Deficit), Beginning of Year	10,825,968	10,825,968	9,989,642
Accumulated Surplus (Deficit), End of Year	11,387,658	11,587,307	10,825,968

Rural Municipality of Gull Lake No. 139
 Statement of Change in Net Financial Assets
 As at December 31, 2017

Statement 3

	2017 Budget (unaudited)	2017	2016
Surplus (Deficit)	561,690	761,339	836,326
(Acquisition) of tangible capital assets	(738,420)	(597,853)	(370,121)
Amortization of tangible capital assets	392,350	387,297	368,943
Proceeds on disposal of tangible capital assets	24,250	24,250	1,450
Loss (gain) on the disposal of tangible capital assets	(24,250)	(3,931)	16,909
Surplus (Deficit) of capital expenses over expenditures	(346,070)	(190,237)	17,181
(Acquisition) of supplies inventories		(397,252)	
(Acquisition) of prepaid expense			
Consumption of supplies inventory			109,731
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(397,252)	109,731
Increase/Decrease in Net Financial Assets	215,620	173,850	963,238
Net Financial Assets (Debt) - Beginning of Year	4,281,201	4,281,201	3,317,963
Net Financial Assets (Debt) - End of Year	4,496,821	4,455,051	4,281,201

Rural Municipality of Gull Lake No. 139
Statement of Cash Flow
As at December 31, 2017

Statement 4

	2017	2016
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	761,339	836,326
Amortization	387,297	368,943
Loss (gain) on disposal of tangible capital assets	(3,931)	16,909
	1,144,705	1,222,178
Change in assets/liabilities		
Taxes Receivable - Municipal	16,621	(8,928)
Other Receivables	(56,605)	165,731
Land for Resale	-	
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	40,585	(6,960)
Deposits	-	
Deferred Revenue	-	
Accrued Landfill Costs	-	
Liability for Contaminated Sites	-	
Other Liabilities	(388)	(22)
Stock and Supplies	(397,252)	109,731
Prepayments and Deferred Charges	-	
Other (Specify)	-	
Cash provided by operating transactions	747,666	1,481,730
Capital:		
Acquisition of capital assets	(597,853)	(370,121)
Proceeds from the disposal of capital assets	24,250	1,450
Other capital		
Cash applied to capital transactions	(573,603)	(368,671)
Investing:		
Long-term investments	(26,954)	(305,757)
Other investments		
Cash provided by (applied to) investing transactions	(26,954)	(305,757)
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	147,109	807,302
Cash and Temporary Investments - Beginning of Year	3,719,038	2,911,736
Cash and Temporary Investments - End of Year	3,866,147	3,719,038

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.
 - 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.
 - 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>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	
Road Network Assets	

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. 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 does not maintain a waste disposal site. Accordingly, there is no accrued liability for estimated future closure and post-closure care costs for such a site.
- 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:
- an environmental standard exists;
 - contamination exceeds the environmental standard;
 - The municipality:
 - is directly responsible; or
 - accepts responsibility;
 - it is expected that future economic benefits will be given up; and
 - 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.

s) **Revenue recognition:** Revenue is recognized in the period it is earned.

2. Cash and Temporary Investments

	2017	2016
Cash		
Temporary Investments	3,866,147	3,719,038
Restricted Cash		
Total Cash and Temporary Investments	3,866,147	3,719,038

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
Municipal - Current	4,252	10,692
- Arrears	14,898	7,149
- Less Allowance for Uncollectibles	19,150	17,841
Total municipal taxes receivable	(18,118)	(188)
	1,032	17,653
School - Current	2,783	5,861
- Arrears	10,134	4,933
Total school taxes receivable	12,917	10,794
Other		1,887
Total taxes and grants in lieu receivable	13,949	30,334
Deduct taxes receivable to be collected on behalf of other organizations	(12,917)	(12,681)
Total Taxes Receivable - Municipal	1,032	17,653

4. Other Accounts Receivable

	2017	2016
Federal Government	31,742	24,978
Provincial Government		
Local Government	36,800	
Utility		
Trade	16,347	4,237
Other (Specify)		
Total Other Accounts Receivable	84,889	29,215
Less: Allowance for Uncollectibles	(136)	(1,067)
Net Other Accounts Receivable	84,753	28,148

5. Land for Resale

The municipality has no land for resale.

6. Long-Term Investments

	2017	2016
Sask Assoc. of Rural Municipalities - Self Insurance Fund	55,224	53,987
Guaranteed Investment Certificate	604,677	578,960
Total Long-Term Investments	659,901	632,947

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

The guaranteed investment certificates are recorded at cost.

7. Debt Charges Recoverable

The municipality has no debt charges recoverable

8. Bank Indebtedness

The municipality has access to a line of credit with a limit of \$500,000, none of which is drawn.

9. Deferred Revenue

The municipality has no deferred revenue.

10. Accrued Landfill Costs

The municipality does not maintain a landfill (waste disposal) site and accordingly there is no accrued liability for estimated future closure and post-closure care costs for such a site.

11. Liability for Contaminated Sites

The municipality has no known contaminated sites and accordingly there is no accrued liability for estimated future clean up costs for such a site.

12. Long-Term Debt

The debt limit of the municipality is \$1,876,565. 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)).

13. Lease Obligations

The municipality has no significant long-term lease obligations.

14. Other Non-financial Assets

The municipality has no "other" non-financial assets.

15. 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.

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 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan whereby the contributions are expensed when made.

Details of MEPP

	2017	2016
Number of active members	3	3
Member contribution rate (percentage of salary)	8.15%	8.15%
Employer contribution rate (percentage of salary)	8.15%	8.15%
Member contributions for the year	16,254	15,204
Employer contributions for the year	16,254	15,204
Plan Assets	**	2,323,947,000
Plan Liabilities	**	1,979,463,000
Plan Surplus	**	344,484,000

** 2017 MEPP financial information is not yet available.

17. Comparative Figures

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

18. Trusts Administered by the Municipality

The municipality does not administer any trusts.

19. Future Commitments

The municipality has entered into an agreement with the Cypress Regional Health Authority to contribute \$200,000 to the Health Authority towards the construction of a new long-term care facility in Swift Current, Saskatchewan, to be paid in annual instalments of \$6,667 over 30 years, with the first payment having been made in 2016.

Rural Municipality of Gull Lake No. 139
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2017

Schedule 1

TAXES	2017 Budget	2017	2016
	(unaudited)		
General municipal tax levy	1,896,340	1,895,408	1,911,464
Abatements and adjustments	(24,000)		
Discount on current year taxes	(94,820)	(90,485)	(89,756)
Net Municipal Taxes	1,777,520	1,804,923	1,821,708
Potash tax share			
Trailer license fees			
Penalties on tax arrears		1,701	856
Special tax levy			
Other (Specify)			
Total Taxes	1,777,520	1,806,624	1,822,564
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	101,860	101,872	107,605
Total Unconditional Grants	101,860	101,872	107,605
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	3,450	3,072	3,361
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline	140,000	131,250	115,692
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	143,450	134,322	119,053
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	2,022,830	2,042,818	2,049,222

Rural Municipality of Gull Lake No. 139
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2017

Schedule 2 - 1

GENERAL GOVERNMENT SERVICES

2017 Budget
(unaudited)

2017

2016

Operating

Other Segmented Revenue			
Fees and Charges			
- Custom work	1,340	10,561	2,300
- Sales of supplies	1,200	1,274	990
- Other (sundry)		438	900
Total Fees and Charges	2,540	12,273	4,190
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	28,000	46,627	32,845
- Other (Specify)			
Total Other Segmented Revenue	30,540	58,900	37,035
Conditional Grants			
- Student Employment		1,004	888
- Other (hiring credit)			
Total Conditional Grants	-	1,004	888
Total Operating	30,540	59,904	37,923

Capital

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total General Government Services	30,540	59,904	37,923

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-

Capital

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital	-	-	-
Total Protective Services	-	-	-

Rural Municipality of Gull Lake No. 139
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2017

Schedule 2 - 2

TRANSPORTATION SERVICES

	2017 Budget (unaudited)	2017	2016
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	300		1,706
- Sales of supplies			
- Road Maintenance and Restoration Agreements	11,630	11,625	11,625
- Frontage			
- Other (permits)			
Total Fees and Charges	28,000	23,225	2,075
- Tangible capital asset sales - gain (loss)	39,930	34,850	15,406
- Other (Specify)	24,250	3,931	(16,909)
Total Other Segmented Revenue	64,180	38,781	(1,503)
Conditional Grants			
- MREP (CTP)	40,480	36,800	40,480
- Student Employment			
- Other (Specify)			
Total Conditional Grants	40,480	36,800	40,480
Total Operating Capital	104,660	75,581	38,977
Conditional Grants			
- Federal Gas Tax	11,980	12,221	11,698
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	11,980	12,221	11,698
Total Transportation Services	116,640	87,802	50,675

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	700	799	2,038
- Other (sale of pest control products)	2,000	2,237	808
Total Fees and Charges	2,700	3,036	2,846
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	2,700	3,036	2,846
Conditional Grants			
- Student Employment			
- TAPD			
- Local government	2,000	325	2,085
- Other (Specify)			
Total Conditional Grants	2,000	325	2,085
Total Operating Capital	4,700	3,361	4,931
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total Environmental and Public Health Services	4,700	3,361	4,931

Rural Municipality of Gull Lake No. 139
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2017

Schedule 2 - 3

PLANNING AND DEVELOPMENT SERVICES	2017 Budget (unaudited)	2017	2016
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total Planning and Development Services	-	-	-

RECREATION AND CULTURAL SERVICES

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

Rural Municipality of Gull Lake No. 139
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2017

Schedule 2 - 4

UTILITY SERVICES	2017 Budget (unaudited)	2017	2016
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	14,000	30,643	13,270
- Sewer			
- Other (Specify)			
Total Fees and Charges	14,000	30,643	13,270
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	14,000	30,643	13,270
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	14,000	30,643	13,270
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total Utility Services	14,000	30,643	13,270
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	165,880	181,710	106,799
SUMMARY			
Total Other Segmented Revenue	111,420	131,360	51,648
Total Conditional Grants	42,480	38,129	43,453
Total Capital Grants and Contributions	11,980	12,221	11,698
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	165,880	181,710	106,799

GENERAL GOVERNMENT SERVICES	2017 Budget (unaudited)	2017	2016
Council remuneration and travel	39,530	37,222	36,262
Wages and benefits	94,710	93,852	90,121
Professional/Contractual services	67,090	52,294	53,930
Utilities	8,850	8,460	8,431
Maintenance, materials and supplies	17,100	15,775	18,854
Grants and contributions - operating	3,000	1,445	3,386
- capital			
Amortization	8,190	8,188	8,188
Interest	200	168	216
Allowance for uncollectibles		18,750	410
Other (Specify)			
Total Government Services	238,670	236,154	219,798

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	8,600	8,844	8,678
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	250	251	251
- capital			
Other (Specify)			

Fire protection

Wages and benefits			
Professional/Contractual services	16,580	16,576	15,066
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	10,640	12,890	21,671
- capital			
Amortization	8,120	8,122	8,122
Interest			
Other (Specify)			
Total Protective Services	44,190	46,683	53,788

TRANSPORTATION SERVICES

Wages and benefits	224,300	210,923	202,342
Professional/Contractual Services	41,300	69,808	109,511
Utilities	4,900	6,309	5,969
Maintenance, materials, and supplies	107,360	152,126	110,401
Gravel	524,010	304,324	205,614
Grants and contributions - operating			
- capital			
Amortization	371,580	366,531	348,177
Interest			
Other	4,000		
Total Transportation Services	1,277,450	1,110,021	982,014

Total Expenses by Function

As at December 31, 2017

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES	2017 Budget (unaudited)	2017	2016
Wages and benefits	12,600	8,837	7,817
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health	6,670	6,767	6,667
Amortization			
Interest			
Other (<i>Specify</i>)			
Total Environmental and Public Health Services	19,270	15,604	14,484

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual Services			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other	850		564
Total Planning and Development Services	850	-	564

RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	2,930	2,925	4,840
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	24,670	16,034	24,890
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (<i>Specify</i>)			
Total Recreation and Cultural Services	27,600	18,959	29,730

Total Expenses by Function

As at December 31, 2017

UTILITY SERVICES	2017 Budget	2017	2016
	(unaudited)		
Wages and benefits			
Professional/Contractual services	12,930	29,762	12,650
Utilities	1,300	1,250	1,961
Maintenance, materials and supplies	300	300	250
Grants and contributions - operating			
- capital			
Amortization	4,460	4,456	4,456
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Utility Services	18,990	35,768	19,317
 TOTAL EXPENSES BY FUNCTION	 1,627,020	 1,463,189	 1,319,695

Rural Municipality of Gull Lake No. 139
 Schedule of Segment Disclosure by Function
 As at December 31, 2017

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	12,273	-	34,850	3,036	-	-	30,643	80,802
Tangible Capital Asset Sales - Gain	-	-	3,931	-	-	-	-	3,931
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	46,627	-	-	-	-	-	-	46,627
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	1,004	-	36,800	325	-	-	-	38,129
- Capital	-	-	12,221	-	-	-	-	12,221
Total Revenues	59,904	-	87,802	3,361	-	-	30,643	181,710
Expenses (Schedule 3)								
Wages & Benefits	131,074	-	210,923	8,837	-	-	-	350,834
Professional/ Contractual Services	52,294	25,420	69,808	-	-	2,925	29,762	180,209
Utilities	8,460	-	6,309	-	-	-	1,250	16,019
Maintenance Materials and Supplies	15,775	-	456,450	-	-	-	300	472,525
Grants and Contributions	1,445	13,141	-	6,767	-	16,034	-	37,387
Amortization	8,188	8,122	366,531	-	-	-	4,456	387,297
Interest	168	-	-	-	-	-	-	168
Allowance for Uncollectibles	18,750	-	-	-	-	-	-	18,750
Other	-	-	-	-	-	-	-	-
Total Expenses	236,154	46,683	1,110,021	15,604	-	18,959	35,768	1,463,189
Surplus (Deficit) by Function	(176,250)	(46,683)	(1,022,219)	(12,243)	-	(18,959)	(5,125)	(1,281,479)
Taxes and other unconditional revenue (Schedule 1)								2,042,818
Net Surplus (Deficit)								761,339

Rural Municipality of Gull Lake No. 139
 Schedule of Segment Disclosure by Function
 As at December 31, 2016

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	4,190	-	15,406	2,846	-	-	13,270	35,712
Tangible Capital Asset Sales - Gain	-	-	(16,909)	-	-	-	-	(16,909)
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	32,845	-	-	-	-	-	-	32,845
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional - Capital	888	-	40,480	2,085	-	-	-	43,453
	-	-	11,698	-	-	-	-	11,698
Total Revenues	37,923	-	50,675	4,931	-	-	13,270	106,799
Expenses (Schedule 3)								
Wages & Benefits	126,383	-	202,342	7,817	-	-	-	336,542
Professional/ Contractual Services	53,930	23,744	109,511	-	-	4,840	12,650	204,675
Utilities	8,431	-	5,969	-	-	-	1,961	16,361
Maintenance Materials and Supplies	18,854	-	316,015	-	-	-	250	335,119
Grants and Contributions	3,386	21,922	-	6,667	-	24,890	-	56,865
Amortization	8,188	8,122	348,177	-	-	-	4,456	368,943
Interest	216	-	-	-	-	-	-	216
Allowance for Uncollectibles	410	-	-	-	-	-	-	410
Other	-	-	-	-	564	-	-	564
Total Expenses	219,798	53,788	982,014	14,484	564	29,730	19,317	1,319,695
Surplus (Deficit) by Function	(181,875)	(53,788)	(931,339)	(9,553)	(564)	(29,730)	(6,047)	(1,212,896)
Taxes and other unconditional revenue (Schedule 1)								2,049,222
Net Surplus (Deficit)								836,326

Rural Municipality of Gull Lake No. 139
 Schedule of Tangible Capital Assets by Object
 As at December 31, 2017

2017

2016

Assets	General Assets						Infrastructure Assets	General/ Infrastructure	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				Assets Under Construction
Asset cost										
Opening Asset costs	11,314		222,496	246,880	1,520,219	7,656,392	67,058	9,398,888		
Additions during the year			61,721		86,520	449,612	-	370,121		
Disposals and write-downs during the year					(50,505)		-	(44,650)		
Transfers (from) assets under construction						1,005	(1,005)			
Closing Asset Costs	11,314	-	284,217	246,880	1,556,234	8,107,009	66,053	9,724,359		
Amortization										
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs			108,793	70,463	460,884	2,656,091		2,953,579		
Add: Amortization taken			4,093	12,129	72,733	298,342		368,943		
Less: Accumulated amortization on disposals					(30,186)			(26,291)		
Closing Accumulated Amortization Costs	-	-	112,886	82,592	503,431	2,954,433	-	3,296,231		
Net Book Value	11,314	-	171,331	164,288	1,052,803	5,152,576	66,053	6,428,128		

1. Total contributed/donated assets received in 2017: \$ -

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

- Infrastructure Assets \$ -
- Vehicles \$ -
- Machinery and Equipment \$ -

3. Amount of interest capitalized in 2016 \$ -

Rural Municipality of Gull Lake No. 139
 Schedule of Tangible Capital Assets by Function
 As at December 31, 2017

Schedule 7

2017

2016

	2017						2016	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Assets								
Asset cost								
Opening Asset costs	114,522	180,988	9,253,095	2,089			173,665	9,398,888
Additions during the year	61,721		536,132					370,121
Disposals and write-downs during the year			(50,505)					(44,650)
Closing Asset Costs	176,243	180,988	9,738,722	2,089	-	-	173,665	9,724,359
Amortization								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	95,472	64,489	3,089,639				46,631	2,953,579
Add: Amortization taken	8,188	8,122	366,531				4,456	368,943
Less: Accumulated amortization on disposals			(30,186)					(26,291)
Closing Accumulated Amortization Costs	103,660	72,611	3,425,984	-	-	-	51,087	3,296,231
Net Book Value	72,583	108,377	6,312,738	2,089	-	-	122,578	6,428,128

Rural Municipality of Gull Lake No. 139

Schedule of Accumulated Surplus

As at December 31, 2017

Schedule 8

	2016	Changes	2017
UNAPPROPRIATED SURPLUS	2,898,788	585,109	3,483,897
APPROPRIATED RESERVES			
Machinery and Equipment	647,385		647,385
Public Reserve	4,355	438	4,793
Capital Trust			-
Utility			-
Other (roads, gravel, development)	847,312	(14,445)	832,867
Total Appropriated	1,499,052	(14,007)	1,485,045
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	6,428,128	190,237	6,618,365
Less: Related debt			-
Net Investment in Tangible Capital Assets	6,428,128	190,237	6,618,365
Total Accumulated Surplus	10,825,968	761,339	11,587,307

Rural Municipality of Gull Lake No. 139
 Schedule of Mill Rates and Assessments
 As at December 31, 2017

	PROPERTY CLASS							Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)		
Taxable Assessment	64,382,340	3,183,763			109,344,900			176,911,003
Regional Park Assessment								
Total Assessment								176,911,003
Mill Rate Factor(s)	0.6179	0.8500			2.5000			
Total Base/Minimum Tax (generated for each property class)		400						400
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	238,691	16,543			1,640,174			1,895,408

MILL RATES: MILLS

Average Municipal*	10.7139
Average School*	6.2469
Potash Mill Rate	
Uniform Municipal Mill Rate	6.0000

* 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 Gull Lake No. 139
 Schedule of Council Remuneration (Unaudited)
 As at December 31, 2017

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Terry Winter	6,950	789	7,739
Councillor	John Slabik	5,350	581	5,931
Councillor	Patrick Simpson	4,812	1,430	6,242
Councillor	Betty Kramer	4,650	880	5,530
Councillor	Robert Hansen	2,000	849	2,849
Councillor	Thomas Bucheler	4,450	670	5,120
Councillor	Jason Craig	3,650	1,350	5,000
				-
				-
				-
				-
				-
				-
				-
Total		31,862	6,549	38,411