
**Annual Financial Statement
And Supporting Schedules**

For The

R.M. OF MILTON NO. 292

For the Year Ended December 31, 2017

Close Hauta Bertoia Blanchette
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of the RM of Milton No. 292

We have audited the accompanying financial statements of the RM of Milton No. 292, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, change in net financial assets (debt) 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 financial statements present fairly, in all material respects, the financial position of the RM of Milton No. 292 as at December 31, 2017, the results of its operations, change in its net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KINDERSLEY, Saskatchewan

Chartered Professional Accountants

June 13, 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 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.

Close Hauta Bertoia Blanchette, 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.



Reeve



Administrator

Rural Municipality of Milton No. 292
Consolidated Statement of Financial Position
As at December 31, 2017

Statement 1

	2017	2016
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	2,892,117	2,792,273
Taxes Receivable - Municipal (Note 3)	78,766	84,013
Other Accounts Receivable (Note 4)	36,827	31,339
Land for Resale (Note 5)	56,828	30,757
Long-Term Investments (Note 6)	41,272	40,752
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)		
Total Financial Assets	3,105,811	2,979,134
LIABILITIES		
Bank Indebtedness (Note 8)		
Accounts Payable	34,467	61,973
Accrued Liabilities Payable		
Deposits	2,000	
Deferred Revenue (Note 9)	2,287	1,692
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)		
Other Liabilities		
Long-Term Debt (Note 12)		
Lease Obligations (Note 13)		
Total Liabilities	38,754	63,665
NET FINANCIAL ASSETS (DEBT)	3,067,056	2,915,468
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	5,983,595	6,016,290
Prepayments and Deferred Charges		
Stock and Supplies	165,488	73,929
Other (Note 14)	-	-
Total Non-Financial Assets	6,149,083	6,090,219
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	9,216,139	9,005,688

Rural Municipality of Milton No. 292
Consolidated Statement of Operations
As at December 31, 2017

Statement 2

	2017 Budget	2017	2016
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	1,901,805	1,907,610	1,902,075
Fees and Charges (Schedule 4, 5)	726,740	457,430	554,127
Conditional Grants (Schedule 4, 5)	12,060	12,060	5,299
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	10,500	-
Land Sales - Gain (Schedule 4, 5)	2,500	12,500	284,000
Investment Income and Commissions (Schedule 4, 5)	28,475	29,185	29,277
Other Revenues (Schedule 4, 5)	1,400	-	-
Total Revenues	2,672,980	2,429,285	2,774,778
EXPENSES			
General Government Services (Schedule 3)	295,278	268,297	274,625
Protective Services (Schedule 3)	22,890	16,170	17,927
Transportation Services (Schedule 3)	1,781,966	1,518,013	1,625,988
Environmental and Public Health Services (Schedule 3)	197,854	219,098	99,673
Planning and Development Services (Schedule 3)	9,832	10,017	9,832
Recreation and Cultural Services (Schedule 3)	155,367	115,681	102,896
Utility Services (Schedule 3)	128,645	94,611	91,941
Total Expenses	2,591,832	2,241,886	2,222,883
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	81,148	187,399	551,895
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	22,678	23,053	118,587
Surplus (Deficit) of Revenues over Expenses	103,826	210,451	670,482
Accumulated Surplus (Deficit), Beginning of Year	9,005,688	9,005,688	8,335,206
Accumulated Surplus (Deficit), End of Year	9,109,514	9,216,139	9,005,688

Rural Municipality of Milton No. 292
Consolidated Statement of Change in Net Financial Assets
As at December 31, 2017

Statement 3

	2017 Budget	2017	2016
Surplus (Deficit)	103,826	210,451	670,482
(Acquisition) of tangible capital assets		(303,177)	(697,109)
Amortization of tangible capital assets		318,368	300,127
Transfer of capital asset to land for resale		17,504	
Proceeds on disposal of tangible capital assets		10,500	
Loss (gain) on the disposal of tangible capital assets		(10,500)	-
Surplus (Deficit) of capital expenses over expenditures	-	32,694	(396,982)
(Acquisition) of supplies inventories		(585,784)	
(Acquisition) of prepaid expense			
Consumption of supplies inventory		494,226	133,909
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(91,558)	133,909
Increase/Decrease in Net Financial Assets	103,826	151,588	407,408
Net Financial Assets (Debt) - Beginning of Year	2,915,468	2,915,468	2,508,060
Net Financial Assets (Debt) - End of Year	3,019,294	3,067,056	2,915,468

Rural Municipality of Milton No. 292
Consolidated Statement of Cash Flow
As at December 31, 2017

Statement 4

	2017	2016
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	210,451	670,482
Amortization	318,368	300,127
Loss (gain) on disposal of tangible capital assets	(10,500)	-
	518,319	970,608
Change in assets/liabilities		
Taxes Receivable - Municipal	5,247	(9,118)
Other Receivables	(5,488)	123,351
Land for Resale	(26,071)	
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	(27,506)	(259,566)
Deposits	2,000	
Deferred Revenue	595	345
Accrued Landfill Costs	-	
Liability for Contaminated Sites	-	
Other Liabilities	-	
Stock and Supplies	(91,559)	133,909
Prepayments and Deferred Charges	-	
Other (Specify) Transfer of capital asset to land for resale	17,504	
Cash provided by operating transactions	393,041	959,530
Capital:		
Acquisition of capital assets	(303,177)	(697,109)
Proceeds from the disposal of capital assets	10,500	-
Other capital		
Cash applied to capital transactions	(292,677)	(697,109)
Investing:		
Long-term investments	(520)	(882)
Other investments		
Cash provided by (applied to) investing transactions	(520)	(882)
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	99,844	261,539
Cash and Temporary Investments - Beginning of Year	2,792,273	2,530,734
Cash and Temporary Investments - End of Year	2,892,117	2,792,273

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

[Local arena board]

[Local swimming pool]

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.
- 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 & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	(Insert)
Road Network Assets	(Insert)

[If method other than straight line used the method must be separately disclosed]

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 [amortization method] 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 does not maintain a waste disposal 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.

2. Cash and Temporary Investments

	2017	2016
Cash	1,944,120	1,438,818
Temporary Investments		
Restricted Cash	947,997	1,353,455
Total Cash and Temporary Investments	2,892,117	2,792,273

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	73,816	74,417
- Arrears	35,011	25,026
	108,827	99,443
- Less Allowance for Uncollectibles	(30,061)	(15,430)
Total municipal taxes receivable	78,766	84,013
School - Current	21,436	23,021
- Arrears	6,876	3,426
Total school taxes receivable	28,312	26,448
Other	11,822	10,684
Total taxes and grants in lieu receivable	118,900	121,144
Deduct taxes receivable to be collected on behalf of other organizations	(40,134)	(37,132)
Total Taxes Receivable - Municipal	78,766	84,013

4. Other Accounts Receivable

	2017	2016
Federal Government	7,201	1,591
Provincial Government		
Local Government	11,069	9,351
Utility	17,995	18,821
Trade	562	1,576
Other (Specify)		
Total Other Accounts Receivable	36,827	31,339
Less: Allowance for Uncollectibles		
Net Other Accounts Receivable	36,827	31,339

5. Land for Resale

	2017	2016
Tax Title Property	37,026	28,460
Allowance for market value adjustment	(5,444)	(5,444)
Net Tax Title Property	31,582	23,016
Other Land	33,990	16,485
Allowance for market value adjustment	(8,744)	(8,744)
Net Other Land	25,246	7,741
Total Land for Resale	56,828	30,757

6. Long-Term Investments

	2017	2016
Sask Assoc. of Rural Municipalities - Self Insurance Fund	41,272	40,752
Other (Specify)		
Total Long-Term Investments	41,272	40,752

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

Marketable securities are valued at the lower of cost and market value. Market value at [date] was [\$] ([Prior Year] - [\$]).

[Marketable securities/Portfolio investments] represent investments in common shares [of public companies] and are stated at the lower of cost or market value. At year-end, cost was substantially the same as the quoted market value.

7. Debt Charges Recoverable

	2017	2016
Current debt charges recoverable		
Non-current debt charges recoverable		
Total Debt Charges Recoverable	-	-

The municipality has undertaken a project with [describe nature of project and identify partners]. The municipality assumed the long-term financing of [\$ - amount]; however [\$ - amount] plus interest at [#]% is recoverable from [name of municipality] with respect to this financing. Amounts are recoverable in annual principal instalments of [\$] plus interest, and mature [date].

Future debt charges recoverable are as follows:

Year	Principal	Interest	Total
2018			-
2019			-
2020			-
2021			-
2022			-
Thereafter			-
Balance	-	-	-

8. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to [\$] ([prior year] - [\$]) and bearing interest at prime plus [#]%. Assets pledged as collateral are [describe assets].

Credit Arrangements

{Disclosure appropriate where lines of credit have been authorized, but nil amount is drawn at statement date}

At [date], the Municipality had lines of credit totaling [\$], none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement; and

-- Hypothecation of certain preferred shares (market value at [date] of [\$]).

9. Deferred Revenue

	2017	2016
Prepaid Taxes	2,287	1,640
Alsask Community Club		52
Total Deferred Revenue	2,287	1,692

10. Accrued Landfill Costs

	2017	2016
Environmental Liabilities		-

[In [year] the municipality has accrued an overall liability for environmental matters in the amount of [\$] (prior year - \$) 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.]

[Included in environmental liabilities is [\$] (prior year - \$) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of [%] (prior year - %).]

[Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 100-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.]

11. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of [\$] ([prior year] - [\$]) for remediation of [name of the contaminated sites] using [name of the valuation method]. The nature of the liability is [description of the nature of the liability including the event of transaction creating the liability]. The assumptions used in estimating the liability include [descriptions of assumptions and measurement basis used]. The amount of estimated recoveries is [\$] ([prior year] - [\$]).

[Note: additional disclosure is required of the estimated total undiscounted expenditures and discount rate (when a net present value technique is used), as well as the reason for not recognizing a liability, if appropriate.]

Rural Municipality of Milton No. 292

Notes to the Consolidated Financial Statements

As at December 31, 2017

12. Long-Term Debt

a) The debt limit of the municipality is \$2,003,011. 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)).

or

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

Debenture debt is repayable at [describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2018			-	
2019			-	
2020			-	
2021			-	
2022			-	
Thereafter			-	
Balance	-	-	-	-

Bank loans are repayable [describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2018			-	
2019			-	
2020			-	
2021			-	
2022			-	
Thereafter			-	
Balance	-	-	-	-

13. Lease Obligations

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2018	-
2019	-
2020	-
2021	-
2022	-
Thereafter	-
Total future minimum lease payments	-
Amounts representing interest at a weighted average rate of _____ %	-
Capital Lease Liability	-

Rural Municipality of Milton No. 292
Notes to the Consolidated Financial Statements
As at December 31, 2017

14. Other Non-financial Assets

2017 2016

(List if any)

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.

The municipality is also contingently liable for the following:

(List if any)

16. 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 2017 was \$30,056.87. 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

Prior year comparative figures 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:

[Description of Trust i.e. Cemetery]

	Current Year Total	Prior Year Total
Balance - Beginning of Year		
Revenue (Specify)		
Interest revenue		
Expenditure (Specify)		
Balance - End of Year	-	-

Rural Municipality of Milton No. 292

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2017

Schedule 1

	2017 Budget	2017	2016
TAXES			
General municipal tax levy	1,897,610	1,896,113	1,875,689
Abatements and adjustments	(6,550)	(6,374)	(4,309)
Discount on current year taxes	(95,000)	(87,044)	(86,266)
Net Municipal Taxes	1,796,060	1,802,695	1,785,114
Potash tax share			
Trailer license fees			
Penalties on tax arrears	8,000	7,589	7,198
Special tax levy			
Other (Specify)			
Total Taxes	1,804,060	1,810,284	1,792,312
UNCONDITIONAL GRANTS			
Revenue Sharing	70,839	70,470	82,748
(Organized Hamlet)	21,559	21,559	21,559
Total Unconditional Grants	92,398	92,029	104,307
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	1,887	1,871	2,288
Other (Specify)	77	77	76
Local/Other			
Housing Authority	3,382	3,350	3,092
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	5,346	5,297	5,456
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,901,805	1,907,610	1,902,075

Rural Municipality of Milton No. 292
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	2,060	2,860	1,746
- Sales of supplies	1,200	1,280	1,236
- Other (Specify)	113,821	122,704	80,453
Total Fees and Charges	117,081	126,844	83,435
- Tangible capital asset sales - gain (loss)			
- Land sales - gain	2,500	12,500	284,000
- Investment income and commissions	28,475	29,185	29,277
- Other (Specify)	1,400		
Total Other Segmented Revenue	149,456	168,529	396,712
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	149,456	168,529	396,712
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total General Government Services	149,456	168,529	396,712

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)	322	402	220
Total Fees and Charges	322	402	220
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	322	402	220
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	322	402	220
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital	-	-	-
Total Protective Services	322	402	220

Rural Municipality of Milton No. 292
Schedule of Operating and Capital Revenue by Function
As at December 31, 2017

Schedule 2 - 2

	2017 Budget	2017	2016
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	400,000	106,930	274,528
- Sales of supplies		525	1,200
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)	8,575	6,375	6,443
Total Fees and Charges	408,575	113,830	282,171
- Tangible capital asset sales - gain (loss)		10,500	
- Other (Specify)			
Total Other Segmented Revenue	408,575	124,330	282,171
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	408,575	124,330	282,171
Capital			
Conditional Grants			
- Federal Gas Tax	18,595	18,970	18,158
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	18,595	18,970	18,158
Total Transportation Services	427,170	143,300	300,329

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	27,000	25,568	25,712
- Other (Specify)	5,200	3,534	5,476
Total Fees and Charges	32,200	29,102	31,188
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	32,200	29,102	31,188
Conditional Grants			
- Student Employment			
- TAPD			
- Local government	6,470	6,470	5,299
- Other (Specify)			
Total Conditional Grants	6,470	6,470	5,299
Total Operating	38,670	35,572	36,487
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total Environmental and Public Health Services	38,670	35,572	36,487

Rural Municipality of Milton No. 292
Schedule of Operating and Capital Revenue by Function
As at December 31, 2017

Schedule 2 - 3

	2017 Budget	2017	2016
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	25,025	44,300	18,925
- Other (Specify)			
Total Fees and Charges	25,025	44,300	18,925
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	25,025	44,300	18,925
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	25,025	44,300	18,925
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	-	-	-
Total Planning and Development Services	25,025	44,300	18,925

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges	55,000	54,814	51,404
- Other (Specify)	2,012	2,407	
Total Fees and Charges	57,012	57,221	51,404
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	57,012	57,221	51,404
Conditional Grants			
- Student Employment			
- Local government	5,590	5,590	
- Other (Specify)			
Total Conditional Grants	5,590	5,590	-
Total Operating	62,602	62,811	51,404
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government	4,083	4,083	5,427
- Provincial Disaster Assistance			
- Other (Specify)			95,002
Total Capital	4,083	4,083	100,429
Total Recreation and Cultural Services	66,685	66,894	151,833

Rural Municipality of Milton No. 292
Schedule of Operating and Capital Revenue by Function
As at December 31, 2017

Schedule 2 - 4

	2017 Budget	2017	2016
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	65,525	65,930	66,521
- Sewer	21,000	19,800	20,263
- Other (<i>Specify</i>)			
Total Fees and Charges	86,525	85,730	86,784
- Tangible capital asset sales - gain (loss)			
- Other (<i>Specify</i>)			
Total Other Segmented Revenue	86,525	85,730	86,784
Conditional Grants			
- Student Employment			
- Other (<i>Specify</i>)			
Total Conditional Grants	-	-	-
Total Operating	86,525	85,730	86,784
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (<i>Specify</i>)			
Total Capital	-	-	-
Total Utility Services	86,525	85,730	86,784
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	793,853	544,727	991,290

SUMMARY

Total Other Segmented Revenue	759,115	509,615	867,404
Total Conditional Grants	12,060	12,060	5,299
Total Capital Grants and Contributions	22,678	23,053	118,587
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	793,853	544,727	991,290

	2017 Budget	2017	2016
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	44,043	33,449	37,929
Wages and benefits	130,310	135,347	120,106
Professional/Contractual services	81,832	53,513	80,823
Utilities	6,593	4,701	3,659
Maintenance, materials and supplies	21,400	19,164	19,262
Grants and contributions - operating		50	50
- capital			
Amortization	1,000	1,391	591
Interest	500	498	396
Allowance for uncollectibles	2,500		5,339
Other (Specify)	7,100	20,185	6,470
Total Government Services	295,278	268,297	274,625

PROTECTIVE SERVICES**Police protection**

Wages and benefits			
Professional/Contractual services	15,000	12,202	13,471
Utilities			
Maintenance, material and supplies		88	121
Grants and contributions - operating			200
- capital			
Other (Specify)			

Fire protection

Wages and benefits			
Professional/Contractual services	2,390	2,390	390
Utilities	500	425	959
Maintenance, material and supplies	5,000	965	2,686
Grants and contributions - operating		100	100
- capital			
Amortization			
Interest			
Other (Specify)			
Total Protective Services	22,890	16,170	17,927

TRANSPORTATION SERVICES

Wages and benefits	505,800	433,376	438,599
Professional/Contractual Services	50,250	14,467	27,331
Utilities	15,916	15,535	14,308
Maintenance, materials, and supplies	251,500	221,580	196,824
Gravel	646,000	506,634	649,428
Grants and contributions - operating			
- capital			
Amortization	290,000	307,496	291,004
Interest			
Other (Specify)	22,500	18,926	8,494
Total Transportation Services	1,781,966	1,518,013	1,625,988

Rural Municipality of Milton No. 292

Total Expenses by Function

As at December 31, 2017

Schedule 3 - 2

	2017 Budget	2017	2016
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	5,000	7,689	4,669
Professional/Contractual services	53,354	36,489	43,215
Utilities			
Maintenance, materials and supplies	10,000	17,589	9,214
Grants and contributions - operating			
o Waste disposal			
o Public Health	41,500	42,375	42,575
- capital			
o Waste disposal	88,000	114,556	
o Public Health			
Amortization			
Interest			
Other (Specify)		400	
Total Environmental and Public Health Services	197,854	219,098	99,673

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	9,832	10,017	9,832
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			
Total Planning and Development Services	9,832	10,017	9,832

RECREATION AND CULTURAL SERVICES

Wages and benefits	53,000	63,024	51,057
Professional/Contractual services	55,017	18,262	13,882
Utilities	11,700	11,687	10,330
Maintenance, materials and supplies	22,100	19,249	15,451
Grants and contributions - operating	13,350	1,600	12,000
- capital			
Amortization	200	1,126	176
Interest			
Allowance for uncollectibles			
Other (Specify)		732	
Total Recreation and Cultural Services	155,367	115,681	102,896

Rural Municipality of Milton No. 292

Total Expenses by Function

As at December 31, 2017

Schedule 3 - 3

	2017 Budget	2017	2016
UTILITY SERVICES			
Wages and benefits	6,000	3,654	4,761
Professional/Contractual services	72,055	48,300	44,433
Utilities	18,100	17,672	16,989
Maintenance, materials and supplies	23,000	15,640	15,513
Grants and contributions - operating - capital			
Amortization	8,500	8,355	8,355
Interest			
Allowance for uncollectibles			
Other (<i>Specify</i>)	990	990	1,890
Total Utility Services	128,645	94,611	91,941
 TOTAL EXPENSES BY FUNCTION			
	2,591,832	2,241,886	2,222,883

Rural Municipality of Milton No. 292
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2017

Schedule 4

Revenues (Schedule 2)							
General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
126,844	402	113,830	29,102	44,300	57,221	85,730	457,430
-	-	10,500	-	-	-	-	10,500
12,500							12,500
29,185							29,185
-	-	-	-	-	-	-	-
-	-	-	6,470	-	5,590	-	12,060
-	-	18,970	-	-	4,083	-	23,053
168,529	402	143,300	35,572	44,300	66,894	85,730	544,727
Total Revenues							
Expenses (Schedule 3)							
168,796	-	433,376	7,689	-	63,024	3,654	676,539
53,513	14,592	14,467	36,489	10,017	18,262	48,300	195,640
4,701	425	15,535	-	-	11,687	17,672	50,020
19,164	1,053	728,214	17,589	19,249	19,249	15,640	800,909
50	100	-	156,931	-	1,600	-	158,681
1,391	-	307,496	-	-	1,126	8,355	318,368
498	-	-	-	-	-	-	498
-	-	-	-	-	-	-	-
20,185	-	18,926	400	-	732	990	41,233
268,297	16,170	1,518,013	219,098	10,017	115,681	94,611	2,241,886
Total Expenses							
Surplus (Deficit) by Function							
(99,768)	(15,768)	(1,374,713)	(183,526)	34,283	(48,787)	(8,881)	(1,697,159)

Rural Municipality of Milton No. 292
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2016

Schedule 5

Revenues (Schedule 2)							
General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
83,435	220	282,171	31,188	18,925	51,404	86,784	554,127
-	-	-	-	-	-	-	-
284,000							284,000
29,277							29,277
-	-	-	-	-	-	-	-
-	-	-	5,299	-	-	-	5,299
-	-	18,158	-	-	100,429	-	118,587
396,712	220	300,329	36,487	18,925	151,833	86,784	991,290
Expenses (Schedule 3)							
158,035	-	438,599	4,669	-	51,057	4,761	657,121
80,823	13,861	27,331	43,215	9,832	13,882	44,433	233,377
3,659	959	14,308	-	-	10,330	16,989	46,245
19,262	2,807	846,252	9,214	-	15,451	15,513	908,499
50	300	-	42,575	-	12,000	-	54,925
591	-	291,004	-	-	176	8,355	300,126
396	-	-	-	-	-	-	396
5,339	-	-	-	-	-	-	5,339
6,470	-	8,494	-	-	-	1,890	16,854
274,625	17,927	1,625,988	99,673	9,832	102,896	91,941	2,222,883
122,087	(17,707)	(1,325,659)	(63,186)	9,093	48,937	(5,157)	(1,231,593)
Taxes and other unconditional revenue (Schedule 1)							
							1,902,075
Net Surplus (Deficit)							670,482

Rural Municipality of Milton No. 292
Consolidated Schedule of Tangible Capital Assets by Object
As at December 31, 2017

Schedule 6

2017

2016

	General Assets					Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Total		
Asset cost									
Opening Asset costs	14,828		96,667	93,860	1,889,113	5,944,249	8,280,773	242,056	7,586,990
Additions during the year			39,529		81,186	166,642	303,177	15,820	697,109
Disposals and write-downs during the year				(6,500)	(17,120)	(17,504)	(41,124)		(3,326)
Transfers (from) assets under construction						224,627	-	(224,627)	
Closing Asset Costs	14,828	-	136,196	87,360	1,953,179	6,318,014	8,542,826	33,249	8,280,773
Amortization									
Opening Accumulated Amortization Costs									
Add: Amortization taken			38,695	36,128	354,776	1,834,884	2,264,483		1,967,682
Less: Accumulated amortization on disposals			2,120	-	161,365	154,883	318,368		300,127
Closing Accumulated Amortization Costs	-	-	40,815	29,628	499,021	1,989,767	2,559,231	-	(3,326)
Net Book Value	14,828	-	95,381	57,732	1,454,158	4,328,247	5,983,595	33,249	6,016,290

In 2016, \$17,504 in expenses relating to a subdivision were included as an asset addition under Infrastructure. This error was corrected in 2017 and this amount has been added to land for resale.

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 Milton No. 292
Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2017

Schedule 7

2017

2016

Assets		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost										
Opening Asset costs		53,882		7,972,482	525		51,079	202,805	8,280,773	7,586,990
Additions during the year		-		253,249			39,529	10,399	303,177	697,109
Disposals and write-downs during the year				(41,124)					(41,124)	(3,326)
Transfer between departments				(71,104)	71,104					
Closing Asset Costs		53,882	-	8,113,503	71,629	-	90,608	213,204	8,542,826	8,280,773

Accumulated Amortization Cost										
Opening Accumulated Amortization Costs		30,956		2,184,666			3,067	45,793	2,264,483	1,967,682
Add: Amortization taken		1,391		307,496			1,126	8,355	318,368	300,127
Less: Accumulated amortization on disposals				(23,620)					(23,620)	(3,326)
Closing Accumulated Amortization Costs		32,347	-	2,468,542	-	-	4,193	54,148	2,559,231	2,264,483

Net Book Value		21,535	-	5,644,961	71,629	-	86,415	159,056	5,983,595	6,016,290
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In 2016, \$17,504 in expenses relating to a subdivision were included as an asset addition under Transportation. This error was corrected in 2017 and this amount has been added to land for resale.

Rural Municipality of Milton No. 292
Consolidated Schedule of Accumulated Surplus
As at December 31, 2017

Schedule 8

	2016	Changes	2017
UNAPPROPRIATED SURPLUS	1,671,700	629,717	2,301,417

APPROPRIATED RESERVES

Machinery and Equipment	1,035,622	(373,500)	662,122
Public Reserve	57,076	(24,071)	33,005
Capital Trust			-
Utility	125,000	11,000	136,000
Other (Specify)	100,000		100,000
Total Appropriated	1,317,698	(386,571)	931,127

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)	6,016,290	(32,695)	5,983,595
Less: Related debt			-
Net Investment in Tangible Capital Assets	6,016,290	(32,695)	5,983,595

Total Accumulated Surplus	9,005,688	210,451	9,216,139
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Rural Municipality of Milton No. 292
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	78,800,400	4,733,520			53,383,400	136,917,320
Regional Park Assessment						
Total Assessment						136,917,320
Mill Rate Factor(s)	1.0000	1.0000			6.0000	
Total Base/Minimum Tax (generated for each property class)	650	53,138			7,800	61,588
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	355,886	95,465			1,444,762	1,896,113

MILLS	
Average Municipal*	13.85
Average School*	4.71
Potash Mill Rate	
Uniform Municipal Mill Rate	SSA - 12.00 Remainder - 4.5

* 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 Milton No. 292
Schedule of Council Remuneration
As at December 31, 2017

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve/Mayor	David Bond	4,462	1,537	5,999
Councillor/Alderman	Adrian Boisvert	2,300	140	2,440
Councillor/Alderman	James Loken	4,675	526	5,201
Councillor/Alderman	Garry Warrington	2,950	199	3,149
Councillor/Alderman	Murray Cowie	4,300	1,414	5,714
Councillor/Alderman	Larry Stasiuk	2,875	485	3,360
Councillor/Alderman	Barrie Slater	3,150	607	3,757
Councillor/Alderman	William May	3,975	531	4,506
Councillor/Alderman				-
Councillor/Alderman				-
Councillor/Alderman				-
Councillor/Alderman				-
Councillor/Alderman				-
Total		28,687	5,438	34,125



Saskatchewan Municipal Hail Insurance Association
MUNICIPAL HAIL BUILDING, 2100 CORNWALL STREET
REGINA, SK S4P 2K7

AUDITOR'S STATEMENT, 2017

As Provided by the Municipal Hail Insurance Act
Rural Municipality of Milton No. 292

Please Show Items
in Dollars and Cents

	TOTAL LIABILITY TO ASSOCIATION		CASH		TAXES (HAIL ONLY)		LIABILITY A/C PROPERTY ACQUIRED		(DESCRIBE)	
	DR	CR	DR	CR	DR	CR	DR	CR	DR	CR
Balance Due Jan. 1/11		10,683 85			10,683 85					
Penalties collected during year		624 24	624 24							
Penalties added to roll Dec. 31		211 65			211 65					
Current Levy		244,938 90			244,938 90					
Discount (current levy)	9,894 25					9,894 25				
Cancellations/Adjustments (explanation required)										
Cash Collections			234,118 15			234,118 15				
Transfer (give particulars)										
Cheques to Association	234,742 39			234,742 39						
TOTALS	244,636 64	256,458 64	234,742 39	234,742 39	255,834 40	244,012 40				
Balance Dec. 31/11	11,822 00					11,822 00				
GRAND TOTALS	256,458 64	256,458 64	234,742 39	234,742 39	255,834 40	255,834 40				

I have examined the Hail Insurance Accounts of the above mentioned Municipality for the year ended December 31, 2011, and in our opinion the above presents fairly the said accounts as at that dated, and cash balance \$ 0 shown above has now been remitted to the Association.

Signature

Address: Box 1507 Kindersley, SK S0L 1S0

Date: June 13, 2018