

## **INDEPENDENT AUDITORS REPORT**

To the Council of the RM of Arm River No.252:

I have audited the accompanying financial statement of The RM of Arm River No.252 which comprise the statement of financial position as at December 31, 2017, and the statements of operations, change 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 this financial statement in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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, if any, made by management, as well as evaluating the overall presentation of the financial statement.


I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **OPINION**

In my opinion, the financial statement presents fairly, in all material respects, the financial position of The RM of Arm River No.252 as at December 31, 2017 in accordance with Canadian public sector accounting standards relevant to preparing such a financial statement.

**Other Matters**

In accordance with the terms of my engagement, I have not audited, nor do I express and opinion on the budget figures in the accompanying financial statements.



Leah Herback CPA Professional Corporation

Davidson, SK

February 15, 2018

## Management's Responsibility

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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.

Leah Herback CPA Professional Corporation, 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.



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Municipality of Arm River, No. 252  
 Consolidated Statement of Financial Position  
 As at December 31, 2017

Statement 1

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	702,540	733,605
Taxes Receivable - Municipal (Note 3)	19,520	42,846
Other Accounts Receivable (Note 4)	56,639	59,758
Land for Resale (Note 5)	-	-
Long-Term Investments (Note 6)	1,277,091	1,176,011
Debt Charges Recoverable (Note 7)	-	-
Other (Specify)	-	-
<b>Total Financial Assets</b>	<b>2,055,790</b>	<b>2,012,220</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	16,812	49,903
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	114	332
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 12)	-	-
Lease Obligations (Note 13)	-	-
<b>Total Liabilities</b>	<b>16,926</b>	<b>50,235</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>2,038,864</b>	<b>1,961,985</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	2,919,367	2,945,189
Prepayments and Deferred Charges	59,359	105,250
Stock and Supplies	197,071	58,268
Other (Note 14)	-	-
<b>Total Non-Financial Assets</b>	<b>3,175,797</b>	<b>3,108,707</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>5,214,661</b>	<b>5,070,692</b>



Municipality of Arm River, No. 252  
 Consolidated Statement of Operations  
 As at December 31, 2017

Statement 2

	2017 Budget	2017	2016
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	1,392,108	1,393,945	1,335,244
Fees and Charges (Schedule 4, 5)	91,625	46,980	102,769
Conditional Grants (Schedule 4, 5)	28,650	27,351	29,323
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	6,565	1,693
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	22,000	20,354	21,567
Other Revenues (Schedule 4, 5)	-	634	6,392
<b>Total Revenues</b>	<b>1,534,383</b>	<b>1,495,829</b>	<b>1,496,988</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	200,872	212,433	184,030
Protective Services (Schedule 3)	21,825	20,196	18,770
Transportation Services (Schedule 3)	1,288,075	1,088,676	1,571,526
Environmental and Public Health Services (Schedule 3)	18,475	19,733	15,736
Planning and Development Services (Schedule 3)	7,500	6,700	6,500
Recreation and Cultural Services (Schedule 3)	16,300	15,792	21,254
Utility Services (Schedule 3)	3,840	3,469	3,184
<b>Total Expenses</b>	<b>1,556,887</b>	<b>1,366,999</b>	<b>1,821,000</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(22,504)</b>	<b>128,830</b>	<b>(324,012)</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	14,500	15,139	293,304
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>(8,004)</b>	<b>143,969</b>	<b>(30,708)</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>5,070,692</b>	<b>5,070,692</b>	<b>5,101,400</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>5,062,688</b>	<b>5,214,661</b>	<b>5,070,692</b>

	2017 Budget	2017	2016
<b>Surplus (Deficit)</b>	(8,004)	143,969	(30,708)
(Acquisition) of tangible capital assets	(80,000)	(130,204)	(72,714)
Amortization of tangible capital assets	149,810	156,026	155,212
Proceeds on disposal of tangible capital assets	-	6,565	1,693
Loss (gain) on the disposal of tangible capital assets	-	(6,565)	(1,693)
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>69,810</b>	<b>25,822</b>	<b>82,498</b>
(Acquisition) of supplies inventories	(227,800)	(301,021)	(175,845)
(Acquisition) of prepaid expense	-	-	(302)
Consumption of supplies inventory	180,000	162,219	197,678
Use of prepaid expense	45,560	45,890	4,008
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>(2,240)</b>	<b>(92,912)</b>	<b>25,539</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>59,566</b>	<b>76,879</b>	<b>77,329</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>1,961,985</b>	<b>1,961,985</b>	<b>1,884,656</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>2,021,551</b>	<b>2,038,864</b>	<b>1,961,985</b>

Municipality of Arm River, No. 252  
 Consolidated Statement of Cash Flow  
 As at December 31, 2017

Statement 4

	2017	2016
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	143,969	(30,708)
Amortization	156,026	155,212
Loss (gain) on disposal of tangible capital assets	(6,565)	(1,693)
	293,430	122,811
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	23,326	5,708
Other Receivables	3,119	(5,996)
Land for Resale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(33,091)	31,618
Deposits	-	-
Deferred Revenue	(218)	(442)
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(138,803)	21,833
Prepayments and Deferred Charges	45,891	3,706
<b>Other (Specify)</b>	-	-
<b>Cash provided by operating transactions</b>	<b>193,654</b>	<b>179,238</b>
<b>Capital:</b>		
Acquisition of capital assets	(130,204)	(72,714)
Proceeds from the disposal of capital assets	6,565	1,693
Other capital	-	-
<b>Cash applied to capital transactions</b>	<b>(123,639)</b>	<b>(71,021)</b>
<b>Investing:</b>		
Long-term investments	(101,080)	314,465
Other investments	-	-
<b>Cash provided by (applied to) investing transactions</b>	<b>(101,080)</b>	<b>314,465</b>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
<b>Cash provided by (applied to) financing transactions</b>	<b>-</b>	<b>-</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>(31,065)</b>	<b>422,682</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>733,605</b>	<b>310,923</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>702,540</b>	<b>733,605</b>

## 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.
- 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>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
<b>Vehicles &amp; Equipment</b>	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
<b>Infrastructure Assets</b>	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	40 Yrs
Road Network Assets	15 to 50 Yrs

**Government contributions:** Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

**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. [Any municipality that has recorded a landfill liability in past or has incurred a liability during the year should disclose in accordance with PS 3270.21 of the Public Sector Accounting Board's handbook] See recommended disclosure in Note 10.
- n) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note [18].
- o) **Employee benefit plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
  - b) contamination exceeds the environmental standard;
  - c) The municipality:
    - i. is directly responsible; or
    - ii. accepts responsibility;
  - d) it is expected that future economic benefits will be given up; and
  - e) a reasonable estimate of the amount can be made.



**Municipality of Arm River, No. 252**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2017**

- 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	702,540	733,600
Temporary Investments	0	0
Restricted Cash	0	5
<b>Total Cash and Temporary Investments</b>	<b>702,540</b>	<b>733,605</b>

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	9,905	35,407
- Arrears	9,615	7,439
	<b>19,520</b>	<b>42,846</b>
- Less Allowance for Uncollectibles	-	-
<b>Total municipal taxes receivable</b>	<b>19,520</b>	<b>42,846</b>
School - Current	2,224	5,758
- Arrears	1,450	1,409
<b>Total school taxes receivable</b>	<b>3,674</b>	<b>7,167</b>
Other	100	547
<b>Total taxes and grants in lieu receivable</b>	<b>23,294</b>	<b>50,560</b>
Deduct taxes receivable to be collected on behalf of other organizations	<b>(3,774)</b>	<b>(7,714)</b>
<b>Total Taxes Receivable - Municipal</b>	<b>19,520</b>	<b>42,846</b>

Municipality of Arm River, No. 252  
Notes to the Consolidated Financial Statements  
As at December 31, 2017

4. Other Accounts Receivable

	2017	2016
Federal Government	25,800	18,683
Provincial Government	-	-
Local Government	-	-
Utility	-	-
Payroll	-	-
Trade	29,493	38,341
Other - Accrued Interest	1,346	2,734
<b>Total Other Accounts Receivable</b>	<b>56,639</b>	<b>59,758</b>
Less: Allowance for Uncollectibles		
<b>Net Other Accounts Receivable</b>	<b>56,639</b>	<b>59,758</b>

5. Land for Resale

	2017	2016
Tax Title Property	31,162	27,704
Allowance for market value adjustment	(31,162)	(27,704)
Net Tax Title Property	-	-
Other Land	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
<b>Total Land for Resale</b>	<b>-</b>	<b>-</b>

6. Long-Term Investments

	2017	2016
Riverbend Co-op Equity	500	500
Sask Association of Rural Municipalities - Self Insurance Fund	43,241	42,161
Term Deposits:		
\$ 250,000.00 Matures 20-Dec-18 0.60%	250,000	250,000
\$ 44,000.00 Matures 22-Nov-18 0.60%	44,000	44,000
\$ 96,350.00 Matures 19-Oct-18 0.60%	96,350	96,350
\$ 62,000.00 Matures 25-Oct-18 0.60%	62,000	62,000
\$ 100,000.00 Matures 4-Dec-18 1.15%	100,000	100,000
\$ 150,000.00 Matures 18-Oct-18 1.25%	150,000	150,000
\$ 231,000.00 Matures 29-Aug-18 0.60%	231,000	231,000
\$ 200,000.00 Matures 16-Nov-18 0.60%	200,000	200,000
\$100,000.00 Matures 28-Dec-18 0.60%	100,000	-
<b>Total Long-Term Investments</b>	<b>1,277,091</b>	<b>1,176,011</b>

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.

Marketable securities represent investments in common shares of LMR and are stated at the lower of cost or market value. At year-end, shares had been sold back to LMR for cost.

7. Debt Charges Recoverable

	2017	2016
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
<b>Total Debt Charges Recoverable</b>	<b>-</b>	<b>-</b>

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
2017			-
2018			-
2019			-
2020			-
2021			-
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**

At December 31, 2017, the Municipality had lines of credit totaling \$500,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

**9. Deferred Revenue**

	2017	2016
Prepayment of Road Haul Agreements	114	332
<b>Total Deferred Revenue</b>	<b>114</b>	<b>332</b>

**10. Accrued Landfill Costs NOT APPLICABLE**

	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 NOT APPLICABLE**

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.]

**Municipality of Arm River, No. 252**

**Notes to the Consolidated Financial Statements**

**As at December 31, 2017**

**12. Long-Term Debt**

a) The debt limit of the municipality is \$1,184,629.00. 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
2017			-	-
2018			-	-
2019			-	-
2020			-	-
2021			-	-
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
2017			-	-
2018			-	-
2019			-	-
2020			-	-
2021			-	-
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
2017	-
2018	-
2019	-
2020	-
2021	-
Thereafter	-
Total future minimum lease payments	
Amounts representing interest at a weighted average rate of _____ %	
Capital Lease Liability	

**Municipality of Arm River, No. 252**  
**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 \$21,775.27. 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. MEPP as a whole showed a surplus of \$344,484,000.00 in their 2016 Annual Report (the 2017 numbers not yet available).

**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]*

	<b>Current Year Total</b>	<b>Prior Year Total</b>
Balance - Beginning of Year		
Revenue <i>(Specify)</i>		
Interest revenue		
Expenditure <i>(Specify)</i>		
<b>Balance - End of Year</b>	<b>-</b>	<b>-</b>

**19. Budget Figures**

In common with practices followed by Saskatchewan municipalities, the budget figures are unaudited and are derived from the municipality's approved budget



Municipality of Arm River, No. 252

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2017

Schedule 1

	2017 Budget	2017	2016
<b>TAXES</b>			
General municipal tax levy	1,183,883	1,185,258	1,115,911
Abatements and adjustments	-	(592)	(10)
Discount on current year taxes	(45,000)	(47,586)	(44,128)
<b>Net Municipal Taxes</b>	<b>1,138,883</b>	<b>1,137,080</b>	<b>1,071,773</b>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,500	3,208	2,598
Special tax levy	-	-	-
<b>Other - Tax Enforcement</b>	<b>2,000</b>	<b>4,967</b>	<b>1,751</b>
<b>Total Taxes</b>	<b>1,143,383</b>	<b>1,145,255</b>	<b>1,076,122</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing (Organized Hamlet)	248,613	248,631	259,002
<b>Total Unconditional Grants</b>	<b>248,613</b>	<b>248,631</b>	<b>259,002</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	112	59	120
<b>Other (Specify)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
<b>Other (Specify)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
<b>Other (Specify)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Grants in Lieu of Taxes</b>	<b>112</b>	<b>59</b>	<b>120</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>1,392,108</b>	<b>1,393,945</b>	<b>1,335,244</b>

Municipality of Arm River, No. 252  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 1

	2017 Budget	2017	2016
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	-	-
- Sales of supplies	600	254	383
- <b>Other - Licenses &amp; Permits</b>	25	290	253
- <b>Other - Rental - Rural Service Center</b>	18,000	17,636	17,159
Total Fees and Charges	18,625	18,180	17,795
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	22,000	20,354	21,567
- <b>Other Rebates and Insurance Payments</b>	-	634	6,392
Total Other Segmented Revenue	40,625	39,168	45,754
Conditional Grants			
- Student Employment	-	-	-
- <b>Other (Specify)</b>	350	1,125	-
Total Conditional Grants	350	1,125	-
<b>Total Operating</b>	<b>40,975</b>	<b>40,293</b>	<b>45,754</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>40,975</b>	<b>40,293</b>	<b>45,754</b>

**PROTECTIVE SERVICES**

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

	2017 Budget	2017	2016
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	10,000	4,690	12,416
- Sales of supplies	10,000	8,504	11,017
- Road Maintenance and Restoration Agreements	40,000	10,649	53,585
- Frontage	-	-	-
- Other - Disability Benefits Proceeds	-	-	-
- Other - Fees & Permits	10,000	999	2,834
Total Fees and Charges	70,000	24,842	79,852
- Tangible capital asset sales - gain (loss)	-	6,565	1,693
- Other (Specify)	-	-	-
Total Other Segmented Revenue	70,000	31,407	81,545
Conditional Grants			
- MREP (CTP)	25,300	23,000	25,300
- Student Employment	-	-	988
- Other -	-	-	-
Total Conditional Grants	25,300	23,000	26,288
<b>Total Operating</b>	<b>95,300</b>	<b>54,407</b>	<b>107,833</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	14,500	15,139	14,492
- MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
- Provincial Disaster Assistance	-	-	278,812
- Other (Specify)	-	-	-
Total Conditional Grants	14,500	15,139	293,304
<b>Total Capital</b>	<b>14,500</b>	<b>15,139</b>	<b>293,304</b>
<b>Total Transportation Services</b>	<b>109,800</b>	<b>69,546</b>	<b>401,137</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	-	-	-
- Other - Oil Recovery Center	3,000	3,583	3,497
Total Fees and Charges	3,000	3,583	3,497
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	3,000	3,583	3,497
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local government	-	-	-
- Other - FCC AgriSpirit Grant	-	-	-
- Other - PREP	3,000	3,226	3,035
Total Conditional Grants	3,000	3,226	3,035
<b>Total Operating</b>	<b>6,000</b>	<b>6,809</b>	<b>6,532</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
<b>Total Capital</b>	<b>6,000</b>	<b>6,809</b>	<b>6,532</b>
<b>Total Environmental and Public Health Services</b>	<b>6,000</b>	<b>6,809</b>	<b>6,532</b>

Municipality of Arm River, No. 252  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 3

	2017 Budget	2017	2016
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	-	375	1,625
- <b>Other (Specify)</b>	-	-	-
Total Fees and Charges	-	375	1,625
- Tangible capital asset sales - gain (loss)	-	-	-
- <b>Other (Specify)</b>	-	-	-
Total Other Segmented Revenue	-	375	1,625
Conditional Grants			
- Student Employment	-	-	-
- <b>Other (Specify)</b>	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	375	1,625
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Planning and Development Services</b>	-	375	1,625

**RECREATION AND CULTURAL SERVICES**

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

Municipality of Arm River, No. 252  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 4

	2017 Budget	2017	2016
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	-	-	-
- Sewer	-	-	-
- <b>Other (Specify)</b>	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- <b>Other (Specify)</b>	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- <b>Other (Specify)</b>	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- <b>Other (Specify)</b>	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Utility Services</b>	-	-	-
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>156,775</b>	<b>117,023</b>	<b>455,048</b>

**SUMMARY**

Total Other Segmented Revenue	113,625	74,533	132,421
Total Conditional Grants	28,650	27,351	29,323
Total Capital Grants and Contributions	14,500	15,139	293,304
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>156,775</b>	<b>117,023</b>	<b>455,048</b>



## Total Expenses by Function

As at December 31, 2017

Schedule 3 - 1

	2017 Budget	2017	2016
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	53,500	66,120	43,167
Wages and benefits	95,169	95,910	92,598
Professional/Contractual services	28,350	25,832	25,602
Utilities	3,200	3,689	3,039
Maintenance, materials and supplies	11,000	7,746	7,973
Grants and contributions - operating	-	2,285	1,545
- capital	-	-	-
Amortization	1,653	1,583	1,585
Interest	-	-	-
Allowance for uncollectibles	-	194	870
<b>Other Rural Service Center</b>	8,000	9,074	7,651
<b>Total Government Services</b>	<b>200,872</b>	<b>212,433</b>	<b>184,030</b>

**PROTECTIVE SERVICES****Police protection**

Wages and benefits	-	-	-
Professional/Contractual services	11,000	10,990	10,751
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
<b>Other (Specify)</b>	-	-	-

**Fire protection**

Wages and benefits	-	-	-
Professional/Contractual services	325	311	311
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	10,500	8,895	7,708
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
<b>Other (Specify)</b>	-	-	-
<b>Total Protective Services</b>	<b>21,825</b>	<b>20,196</b>	<b>18,770</b>

**TRANSPORTATION SERVICES**

Wages and benefits	294,000	252,708	277,528
Professional/Contractual Services	437,800	315,203	599,023
Utilities	12,500	11,422	11,162
Maintenance, materials, and supplies	213,000	208,751	309,335
Gravel	180,000	138,700	224,164
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	150,775	151,130	150,314
Interest	-	-	-
<b>Other (Allowances for Inventory)</b>	-	10,762	-
<b>Total Transportation Services</b>	<b>1,288,075</b>	<b>1,088,676</b>	<b>1,571,526</b>

	2017 Budget	2017	2016
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	300	-	100
Professional/Contractual services	10,200	9,325	9,208
Utilities	-	-	-
Maintenance, materials and supplies	3,000	4,136	2,944
Grants and contributions - operating			
o Waste disposal	-	-	-
o Public Health	2,500	3,800	1,010
- capital			
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	2,475	2,472	2,474
Interest	-	-	-
<b>Other - Oil Recovery Center</b>	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>18,475</b>	<b>19,733</b>	<b>15,736</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	-	-	-
Professional/Contractual Services	7,500	6,700	6,500
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
<b>Other (Specify)</b>	-	-	-
<b>Total Planning and Development Services</b>	<b>7,500</b>	<b>6,700</b>	<b>6,500</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	-	-	500
Professional/Contractual services	-	-	415
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	11,300	12,337	16,934
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
<b>Other - Library Requisition</b>	<b>5,000</b>	<b>3,455</b>	<b>3,405</b>
<b>Total Recreation and Cultural Services</b>	<b>16,300</b>	<b>15,792</b>	<b>21,254</b>

Municipality of Arm River, No. 252

Total Expenses by Function

As at December 31, 2017

Schedule 3 - 3

	2017 Budget	2017	2016
<b>UTILITY SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	3,000	2,442	2,309
Maintenance, materials and supplies	-	186	36
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	840	841	839
Interest	-	-	-
Allowance for uncollectibles	-	-	-
<b>Other (Specify)</b>	-	-	-
<b>Total Utility Services</b>	<b>3,840</b>	<b>3,469</b>	<b>3,184</b>
 <b>TOTAL EXPENSES BY FUNCTION</b>	 <b>1,556,887</b>	 <b>1,366,999</b>	 <b>1,821,000</b>

Municipality of Arm River, No. 252  
 Consolidated Schedule of Segment Disclosure by Function  
 As at December 31, 2016

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	17,795	-	79,852	3,497	1,625	-	-	102,769
Tangible Capital Asset Sales - Gain	-	-	1,693	-	-	-	-	1,693
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	21,567	-	-	-	-	-	-	21,567
Other Revenues	6,392	-	-	3,035	-	-	-	6,392
Grants - Conditional	-	-	26,288	-	-	-	-	29,323
- Capital	-	-	293,304	-	-	-	-	293,304
<b>Total Revenues</b>	<b>45,754</b>	<b>-</b>	<b>401,137</b>	<b>6,532</b>	<b>1,625</b>	<b>-</b>	<b>-</b>	<b>455,048</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	135,765	-	277,528	100	-	500	-	413,893
Professional/ Contractual Services	25,602	11,062	599,023	9,208	6,500	415	-	651,810
Utilities	3,039	-	11,162	-	-	-	2,309	16,510
Maintenance Materials and Supplies	7,973	-	533,499	2,944	-	-	36	544,452
Grants and Contributions	1,545	7,708	-	1,010	-	16,934	-	27,197
Amortization	1,585	-	150,314	2,474	-	-	839	155,212
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	870	-	-	-	-	-	-	870
Other	7,651	-	-	-	-	3,405	-	11,056
<b>Total Expenses</b>	<b>184,030</b>	<b>18,770</b>	<b>1,571,526</b>	<b>15,736</b>	<b>6,500</b>	<b>21,254</b>	<b>3,184</b>	<b>1,821,000</b>
<b>Surplus (Deficit) by Function</b>	<b>(138,276)</b>	<b>(18,770)</b>	<b>(1,170,389)</b>	<b>(9,204)</b>	<b>(4,875)</b>	<b>(21,254)</b>	<b>(3,184)</b>	<b>(1,365,952)</b>

Taxes and other unconditional revenue (Schedule 1)

1,335,244

Net Surplus (Deficit)

**(30,708)**

Municipality of Artn River, No. 252  
 Consolidated Schedule of Tangible Capital Assets by Object  
 As at December 31, 2017

	2017										2016	
	General Assets							Infrastructure Assets	General/Infrastructure Assets Under Construction	Total	Total	
	Land	Office Technology	Buildings	Vehicles	Machinery & Equipment	Linear assets						
<b>Assets</b>												
Opening Asset costs	6,747	4,390	243,375	92,004	864,796	4,817,019	-	6,028,331	5,962,639			
Additions during the year								130,204	72,714			
Disposals and write-downs during the year				(20,085)				(20,085)	(7,022)			
Transfers (from) assets under construction								-	-			
<b>Closing Asset Costs</b>	<b>6,747</b>	<b>4,390</b>	<b>243,375</b>	<b>71,919</b>	<b>894,158</b>	<b>4,917,861</b>	<b>-</b>	<b>6,138,450</b>	<b>6,028,331</b>			
<b>Accumulated Amortization Cost</b>												
Opening Accumulated Amortization Costs	-	4,200	185,743	38,059	356,477	2,498,663	-	3,083,142	2,934,952			
Add: Amortization taken		369	4,532	4,375	47,198	99,552		156,026	155,212			
Less: Accumulated amortization on disposals				(20,085)				(20,085)	(7,022)			
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>4,569</b>	<b>190,275</b>	<b>22,349</b>	<b>403,675</b>	<b>2,598,215</b>	<b>-</b>	<b>3,219,083</b>	<b>3,083,142</b>			
<b>Net Book Value</b>	<b>6,747</b>	<b>(179)</b>	<b>53,100</b>	<b>49,570</b>	<b>490,483</b>	<b>2,319,646</b>	<b>-</b>	<b>2,919,367</b>	<b>2,945,189</b>			

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 2017 \$ -



Municipality of Arm River, No. 252  
 Consolidated Schedule of Tangible Capital Assets by Function  
 As at December 31, 2017

Assets	2017							Total	Total
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
Asset cost									
Opening Asset costs	113,653	-	5,801,507	62,209	-	-	50,962	6,028,331	5,962,639
Additions during the year			130,204					130,204	72,714
Disposals and write-downs during the year			(20,085)					(20,085)	(7,022)
Closing Asset Costs	113,653	-	5,911,626	62,209	-	-	50,962	6,138,450	6,028,331

Amortization	2017							Total	Total
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	96,306	-	2,934,761	20,889	-	-	31,186	3,083,142	2,934,952
Add: Amortization taken	1,583	-	151,130	2,472	-	-	841	156,026	155,212
Less: Accumulated amortization on disposals			(20,085)					(20,085)	(7,022)
Closing Accumulated Amortization Costs	97,889	-	3,065,806	23,361	-	-	32,027	3,219,083	3,083,142
Net Book Value	15,764	-	2,845,820	38,848	-	-	18,935	2,919,367	2,945,189

Municipality of Arm River, No. 252

Consolidated Schedule of Accumulated Surplus

As at December 31, 2017

Schedule 8

	2016	Changes	2017
<b>UNAPPROPRIATED SURPLUS</b>	<b>992,153</b>	<b>69,791</b>	<b>1,061,944</b>

**APPROPRIATED RESERVES**

Machinery and Equipment	325,000		325,000
Public Reserve	100		100
Capital Trust	-		-
Utility	-		-
Roads	654,250	100,000	754,250
Future Uncollectible	25,000		25,000
Waste Management	15,000		15,000
Doctor Recruitment	15,000		15,000
Fire Truck	75,000		75,000
Recreation/Economic Development	24,000		24,000
<b>Other (Specify)</b>	-		-
<b>Total Appropriated</b>	<b>1,133,350</b>	<b>100,000</b>	<b>1,233,350</b>

**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)	-		-
<b>Total Organized Hamlets</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NET INVESTMENT IN TANGIBLE CAPITAL ASSETS**

Tangible capital assets (Schedule 6)	2,945,189	(25,822)	2,919,367
Less: Related debt			-
<b>Net Investment in Tangible Capital Assets</b>	<b>2,945,189</b>	<b>(25,822)</b>	<b>2,919,367</b>

<b>Total Accumulated Surplus</b>	<b>5,070,692</b>	<b>143,969</b>	<b>5,214,661</b>
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Municipality of Arm River, No. 252  
 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	91,702,741	1,996,780	-	-	11,656,700	-	105,356,221
Regional Park Assessment							
Total Assessment							
Mill Rate Factor(s)							105,356,221
Total Base/Minimum Tax (generated for each property class)	1.0000	1.0000	1.0000	1.0000	1.0000	-	
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,031,656	22,464	-	-	131,138	-	1,185,258

MILL RATES: MILLS

Average Municipal*	11.25
Average School*	2.0168
Potash Mill Rate	-
Uniform Municipal Mill Rate	11.25

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

**Municipality of Arm River, No. 252**  
**Schedule of Council Remuneration**  
**As at December 31, 2017**

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed or Associated Costs</b>	<b>Total</b>
Reeve	Wayne Obrigewitsch	14,400	2,048	16,448
Councillor Division 1	Brian Vibert	7,290	400	7,690
Councillor Division 2	Alan McNabb	7,140	702	7,842
Councillor Division 3	Brent Storey	6,870	513	7,383
Councillor Division 4	Blaine Smith	7,890	1,016	8,906
Councillor Division 5	David Gauthier	7,290	2,586	9,876
Councillor Division 6	Rob Stone	7,410	565	7,975
				-
				-
<b>Total</b>		<b>58,290</b>	<b>7,830</b>	<b>66,120</b>