

# **DISTRICT OF KATEPWA**

## **Financial Statements**

**Year ended December 31, 2015**

## 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.

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

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Mayor

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Administrator



Chartered Professional  
Accountants LLP

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## INDEPENDENT AUDITOR'S REPORT

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### To the Council of District of Katepwa

We have audited the accompanying financial statements of District of Katepwa, which comprise of the statement of financial position as at December 31, 2015, and the statements of operations, changes in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 qualified audit opinion.

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### **Basis for Qualified Opinion**

The District is unable to implement controls that will offer assurance on the completeness of its revenue from fees and charges and donations, and we were unable to satisfy ourselves on the amounts reported using other procedures. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the District and we were not able to determine whether any adjustments might be necessary to revenues, surplus (deficit) of revenues over expenses, assets, liabilities or net financial assets.

### **Qualified Opinion**

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of District of Katepwa as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for provincial reporting entities.

A handwritten signature in dark ink, appearing to read "MWC LLP", is positioned above the firm's name.

Chartered Professional Accountants

REGINA, Saskatchewan  
April 19, 2016



**District of Katepwa**  
**Statement of Financial Position**  
**As at December 31, 2015**

Statement 1

	2015	2014
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	965,469	833,238
Taxes Receivable - Municipal (Note 3)	48,261	46,338
Other Accounts Receivable (Note 4)	54,054	200,887
Land for Resale	-	-
Long-Term Investments	-	-
Debt Charges Recoverable	-	-
Other	-	-
<b>Total Financial Assets</b>	<b>1,067,784</b>	<b>1,080,463</b>

**LIABILITIES**

Bank Indebtedness	-	-
Accounts Payable	68,980	45,288
Accrued Liabilities Payable	33,642	14,358
Deposits	-	-
Deferred Revenue (Note 5)	9,592	7,886
Accrued Landfill Costs (Note 6)	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 7)	937,616	1,600,939
Capital Lease Obligations	-	-
<b>Total Liabilities</b>	<b>1,049,830</b>	<b>1,668,471</b>

<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>17,954</b>	<b>(588,008)</b>
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**NON-FINANCIAL ASSETS**

Tangible Capital Assets (Schedule 6, 7)	3,767,296	3,849,101
Prepayments and Deferred Charges	-	-
Stock and Supplies	-	-
Other	-	-
<b>Total Non-Financial Assets</b>	<b>3,767,296</b>	<b>3,849,101</b>

<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>3,785,250</b>	<b>3,261,093</b>
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**LEASE COMMITMENTS (Note 8)**

**OTHER COMMITMENTS (Note 9)**

**District of Katepwa**  
**Statement of Operations**  
**As at December 31, 2015**

Statement 2

	2015 Budget	2015	2014
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	1,275,350	1,286,865	1,237,497
Fees and Charges (Schedule 4, 5)	114,920	123,486	87,606
Conditional Grants (Schedule 4, 5)	3,800	21,445	5,784
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	-	(2,816)
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	10,710	14,849	10,204
Other Revenues (Schedule 4, 5)	-	-	-
<b>Total Revenues</b>	<b>1,404,780</b>	<b>1,446,645</b>	<b>1,338,275</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	847,190	389,683	361,681
Protective Services (Schedule 3)	58,750	47,208	50,882
Transportation Services (Schedule 3)	263,450	224,299	195,068
Environmental and Public Health Services (Schedule 3)	172,160	193,205	468,457
Planning and Development Services (Schedule 3)	40,420	39,831	28,747
Recreation and Cultural Services (Schedule 3)	53,250	51,152	43,653
Utility Services (Schedule 3)	-	-	-
<b>Total Expenses</b>	<b>1,435,220</b>	<b>945,378</b>	<b>1,148,488</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(30,440)</b>	<b>501,267</b>	<b>189,787</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	22,850	22,890	215,110
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>(7,590)</b>	<b>524,157</b>	<b>404,897</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>3,261,093</b>	<b>3,261,093</b>	<b>2,856,196</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>3,253,503</b>	<b>3,785,250</b>	<b>3,261,093</b>

**District of Katepwa**  
**Statement of Change in Net Financial Assets**  
**As at December 31, 2015**

Statement 3

	2015 Budget	2015	2014
<b>Surplus (Deficit)</b>	<b>(7,590)</b>	<b>524,157</b>	<b>404,897</b>
(Acquisition) of tangible capital assets		(35,576)	(7,231)
Amortization of tangible capital assets		116,181	113,023
Proceeds on disposal of tangible capital assets			7,500
Adjustment to tangible capital assets		1,200	
Loss (gain) on the disposal of tangible capital assets		-	2,816
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>-</b>	<b>81,805</b>	<b>116,108</b>
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			
Consumption of supplies inventory			
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>(7,590)</b>	<b>605,962</b>	<b>521,005</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>(588,008)</b>	<b>(588,008)</b>	<b>(1,109,013)</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>(595,598)</b>	<b>17,954</b>	<b>(588,008)</b>



**District of Katepwa  
Statement of Cash Flow  
As at December 31, 2015**

Statement 4

	2015	2014
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	524,157	404,897
Amortization	116,181	113,023
Loss (gain) on disposal of tangible capital assets	-	2,816
	640,338	520,736
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(1,923)	(35,297)
Other Receivables	146,833	228,137
Land for Resale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	42,976	33,405
Deposits	-	-
Deferred Revenue	1,706	(404)
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	-
Prepayments and Deferred Charges	-	-
Other (adjustment to tangible capital assets)	1,200	-
<b>Cash provided by operating transactions</b>	<b>831,130</b>	<b>746,577</b>
<b>Capital:</b>		
Acquisition of capital assets	(35,576)	(7,231)
Proceeds from the disposal of capital assets	-	7,500
Other capital	-	-
<b>Cash applied to capital transactions</b>	<b>(35,576)</b>	<b>269</b>
<b>Investing:</b>		
Long-term investments	-	-
Other investments	-	-
<b>Cash provided by (applied to) investing transactions</b>	<b>-</b>	<b>-</b>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(663,323)	(142,095)
Other financing	-	-
<b>Cash provided by (applied to) financing transactions</b>	<b>(663,323)</b>	<b>(142,095)</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>132,231</b>	<b>604,751</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>833,238</b>	<b>228,487</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>965,469</b>	<b>833,238</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  
None

All inter-organizational transactions and balances have been eliminated.

- b) **Revenue Recognition:**

Property tax revenue is based on assessments determined in accordance with provincial legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Penalties on overdue taxes are recorded in the period levied.

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:

- i) the transfers are authorized
- ii) any eligibility criteria have been met; and
- iii) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received but not earned are recorded as deferred revenue  
Earned government transfer amounts not received are recorded as accounts receivable.

Fees and charges are recognized when the related services are performed.

Investment income and commissions are recognized in the period in which they are earned.

- c) **Collection of funds for other authorities:** The District collects taxes for the Prairie South School Division. Amounts are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- d) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- e) **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.
- f) **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.
- g) **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.

1. Significant accounting policies - continued

- h) **Deferred Revenue:**  
Deferred revenue includes monies received in advance for taxes.
- i) **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 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	15 Yrs
Buildings	40 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	2 to 20 Yrs
<b>Infrastructure Assets</b>	
Infrastructure Assets	15 to 40 Yrs
Water & Sewer	40 Yrs
Road Network Assets	40 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 straight-line basis, over their estimated useful lives (*lease term*). Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.

- j) **Landfill liability:** The municipality maintains a waste disposal site. The municipality is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or a liability.
- k) **Trust Funds:** The District does not hold any funds in trust for others.
- l) **Employee benefit plans:** Contributions to the Districts' defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the District's obligations are limited to their contributions.
- m) **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.



- n) **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 '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.

An estimate for possible environmental contamination and restoration, if applicable, cannot be obtained. The District is not aware of any violations of environmental standards as at year-end.

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.

- o) **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

	2015	2014
Cash	965,469	833,238
Temporary Investments	-	-
Restricted Cash	-	-
<b>Total Cash and Temporary Investments</b>	<b>965,469</b>	<b>833,238</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

	2015	2014
Municipal - Current	33,216	29,019
- Arrears	15,045	17,319
	48,261	46,338
- Less Allowance for Uncollectibles		
<b>Total municipal taxes receivable</b>	<b>48,261</b>	<b>46,338</b>
School - Current	12,854	10,732
- Arrears	7,920	17,363
<b>Total school taxes receivable</b>	<b>20,774</b>	<b>28,095</b>
Other	-	-
<b>Total taxes and grants in lieu receivable</b>	<b>69,035</b>	<b>74,433</b>
Deduct taxes receivable to be collected on behalf of other organizations	(20,774)	(28,095)
<b>Total Taxes Receivable - Municipal</b>	<b>48,261</b>	<b>46,338</b>

District of Katepwa  
Notes to the Financial Statements  
As at December 31, 2015

4. Other Accounts Receivable

	2015	2014
Federal Government	13,599	47,460
Provincial Government	2,920	106,644
Local Government	-	-
Utility	-	-
Trade	1,771	8,387
Other ( <i>Overpayment to School Division</i> )	35,764	38,396
Total Other Accounts Receivable	54,054	200,887
Less: Allowance for Uncollectibles	-	-
<b>Net Other Accounts Receivable</b>	<b>54,054</b>	<b>200,887</b>

5. Deferred Revenue

	2015	2014
Prepaid taxes	9,592	7,886
<b>Total Deferred Revenue</b>	<b>9,592</b>	<b>7,886</b>

6. Accrued Landfill Costs

	2015	2014
Environmental Liabilities	-	-

The District of Katepwa maintains a waste disposal site. The District is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or liability.

7. Long-Term Debt

a) The debt limit of the municipality is \$1,204,772. 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)).

b) Long-term debt is repayable on demand and includes monthly blended installments of \$19,535. Interest is paid at 5.50% per annum. The debt is secured by taxes for years 2015-2023. Council intends to pay off debt in full during 2016.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2016	187,529	46,888	234,417	234,417
2017	198,107	36,310	234,417	234,417
2018	209,282	25,135	234,417	234,417
2019	221,087	13,330	234,417	234,417
2020	121,611	2,151	123,762	234,417
Thereafter	-	-	-	123,762
Balance	937,616	123,814	1,061,430	1,295,847



#### 8. Lease Commitments

The District is under an indefinite contract with the Town of Balcarres for fire protection services that can be terminated by either party with 60 days notice.

The District entered into an agreement with Cory's Excavating & Maintenance for waste collection and pick-up expiring January 1, 2019.

The District has also entered into an operating lease for photocopier services. The lease expired April 20, 2019.

Future minimum lease payments are as follows:

Year	Payment Amount
2016	57,665
2017	58,885
2018	60,143
2019	59,953
2020	15,000

#### 9. Other Commitments

The District has committed up to \$10,000 in a cost-sharing agreement with the TransCanada Trail Committee for the construction of a low level crossing along the TransCanada Trail in Katepwa Beach.

The District has also committed up to \$3,600 in funding to the Love Your Lakes program in partnership with the Lower Qu'Appelle Water Stewards.

#### 10. 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 2015 was \$9,788 (2014 - \$6,089). 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.

District of Katepwa

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2015

Schedule 1

	2015 Budget	2015	2014
<b>TAXES</b>			
General municipal tax levy	1,323,100	1,323,183	1,265,348
Abatements and adjustments	(3,650)	(8,167)	(3,550)
Discount on current year taxes	(196,200)	(186,824)	(179,471)
<b>Net Municipal Taxes</b>	<b>1,123,250</b>	<b>1,128,192</b>	<b>1,082,327</b>
Potash tax share			
Trailer license fees	19,000	18,225	18,705
Penalties on tax arrears	6,230	6,873	5,930
Special tax levy	-	-	-
Other	-	-	-
<b>Total Taxes</b>	<b>1,148,480</b>	<b>1,153,290</b>	<b>1,106,962</b>

**UNCONDITIONAL GRANTS**

Equalization (Revenue Sharing)	89,440	92,338	89,440
Organized Hamlet			
<b>Total Unconditional Grants</b>	<b>89,440</b>	<b>92,338</b>	<b>89,440</b>

**GRANTS IN LIEU OF TAXES**

Federal	-	-	-
Provincial			

S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
SPMC - Municipal Share	-	-	-
SaskTel	1,230	1,250	1,225
Other	-	-	-

Local/Other

Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-

Other Government Transfers

S.P.C. Surcharge	36,200	39,987	39,870
Sask Energy Surcharge	-	-	-
Other	-	-	-

<b>Total Grants in Lieu of Taxes</b>	<b>37,430</b>	<b>41,237</b>	<b>41,095</b>
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<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>1,275,350</b>	<b>1,286,865</b>	<b>1,237,497</b>
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District of Katepwa  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2015

Schedule 2 - 1

	2015 Budget	2015	2014
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	2,510	1,545	2,391
- Sales of supplies	420	1,297	8,580
- Other ( <i>licenses and permits</i> )	17,240	19,371	16,057
Total Fees and Charges	20,170	22,213	27,028
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	10,710	14,849	10,204
- Other	-	-	-
Total Other Segmented Revenue	30,880	37,062	37,232
Conditional Grants			
- Student Employment	-	1,005	-
- Other	-	-	-
Total Conditional Grants	-	1,005	-
<b>Total Operating</b>	<b>30,880</b>	<b>38,067</b>	<b>37,232</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	22,850	22,890	22,850
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>22,850</b>	<b>22,890</b>	<b>22,850</b>
<b>Total General Government Services</b>	<b>53,730</b>	<b>60,957</b>	<b>60,082</b>

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other ( <i>Donations</i> )	-	6,041	-
Total Conditional Grants	-	6,041	-
<b>Total Operating</b>	<b>-</b>	<b>6,041</b>	<b>-</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>-</b>	<b>6,041</b>	<b>-</b>



District of Katepwa  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2015

Schedule 2 - 2

**TRANSPORTATION SERVICES**

**Operating**

	2015 Budget	2015	2014
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	-	-
- Sales of supplies	-	-	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other ( <i>Maintenance shop rental</i> )	3,600	3,600	-
Total Fees and Charges	3,600	3,600	-
- Tangible capital asset sales - gain (loss)	-	-	(2,816)
- Other	-	-	-
Total Other Segmented Revenue	3,600	3,600	(2,816)
Conditional Grants			
- Primary Weight Corridor	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>3,600</b>	<b>3,600</b>	<b>(2,816)</b>

**Capital**

Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Transportation Services</b>	<b>3,600</b>	<b>3,600</b>	<b>(2,816)</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	48,650	49,840	46,989
- Other	-	-	-
Total Fees and Charges	48,650	49,840	46,989
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	48,650	49,840	46,989
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>48,650</b>	<b>49,840</b>	<b>46,989</b>

**Capital**

Conditional Grants			
- Federal Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other ( <i>Ministry of Environment, emergency response</i> )	-	-	183,239
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>183,239</b>
<b>Total Environmental and Public Health Services</b>	<b>48,650</b>	<b>49,840</b>	<b>230,228</b>



District of Katepwa  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2015

Schedule 2 - 3

	2015 Budget	2015	2014
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	39,000	45,000	10,000
- Other			
Total Fees and Charges	39,000	45,000	10,000
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	39,000	45,000	10,000
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>39,000</b>	<b>45,000</b>	<b>10,000</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Planning and Development Services</b>	<b>39,000</b>	<b>45,000</b>	<b>10,000</b>

**RECREATION AND CULTURAL SERVICES**  
**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other ( <i>Katepwa Centre fees</i> )	3,500	2,833	3,589
Total Fees and Charges	3,500	2,833	3,589
- Tangible capital asset sales - gain (loss)	-	-	-
- Other			
Total Other Segmented Revenue	3,500	2,833	3,589
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Donations	-	3,815	-
- Other ( <i>Sask Lotteries, Community Initiatives</i> )	3,800	10,584	5,784
Total Conditional Grants	3,800	14,399	5,784
<b>Total Operating</b>	<b>7,300</b>	<b>17,232</b>	<b>9,373</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other ( <i>Glenwood playground</i> )	-	-	9,021
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>9,021</b>
<b>Total Recreation and Cultural Services</b>	<b>7,300</b>	<b>17,232</b>	<b>18,394</b>

District of Katepwa  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2015

Schedule 2 - 4

	2015 Budget	2015	2014
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	-	-	-
- Sewer	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	-	-	-
- Sask Water Corp.	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Total Utility Services</b>	-	-	-
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>152,280</b>	<b>182,670</b>	<b>315,888</b>

**SUMMARY**

Total Other Segmented Revenue	125,630	138,335	94,994
Total Conditional Grants	3,800	21,445	5,784
Total Capital Grants and Contributions	22,850	22,890	215,110
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>152,280</b>	<b>182,670</b>	<b>315,888</b>

	2015 Budget	2015	2014
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	51,310	42,624	37,485
Wages and benefits	148,470	167,189	140,306
Professional/Contractual services	65,870	52,761	48,205
Utilities	6,250	4,301	5,190
Maintenance, materials and supplies	23,000	21,500	18,263
Grants and contributions - operating	640	400	611
- capital	-	-	-
Amortization	-	8,954	8,954
Interest	537,950	72,184	92,336
Allowance for uncollectibles	-	-	168
Other ( <i>Advertising, memberships, training</i> )	13,700	19,770	10,163
<b>Total Government Services</b>	<b>847,190</b>	<b>389,683</b>	<b>361,681</b>

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

Wages and benefits	-	-	-
Professional/Contractual services	31,000	28,461	30,128
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other	-	-	-

**Fire protection**

Wages and benefits	-	-	-
Professional/Contractual services	15,350	15,336	16,336
Utilities	-	-	-
Maintenance, material and supplies	12,000	1,606	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	1,805	-
Interest	-	-	-
Other ( <i>EMO Facilitator, STARS</i> )	400	-	4,418

<b>Total Protective Services</b>	<b>58,750</b>	<b>47,208</b>	<b>50,882</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	56,350	49,855	41,294
Professional/Contractual Services	76,600	74,018	26,406
Utilities	37,000	31,968	31,508
Maintenance, materials, and supplies	76,500	28,957	47,991
Gravel	17,000	7,211	16,775
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	32,047	31,094
Interest	-	-	-
Other ( <i>Travel and meals</i> )	-	243	-

<b>Total Transportation Services</b>	<b>263,450</b>	<b>224,299</b>	<b>195,068</b>
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	2015 Budget	2015	2014
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	82,540	78,075	79,188
Utilities	-	456	-
Maintenance, materials and supplies	89,620	48,466	323,061
Grants and contributions - operating			
o Waste disposal	-	-	-
o Public Health	-	-	-
- capital			
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	-	66,208	66,208
Interest	-	-	-
Other	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>172,160</b>	<b>193,205</b>	<b>468,457</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	-	-	-
Professional/Contractual Services	40,420	39,831	28,747
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Total Planning and Development Services</b>	<b>40,420</b>	<b>39,831</b>	<b>28,747</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	1,710	1,318	379
Maintenance, materials and supplies	29,240	24,196	11,176
Grants and contributions - operating	5,000	-	3,414
- capital	-	-	-
Amortization	-	7,167	6,767
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other (Canada day celebration, summer program, fireworks )	17,300	18,471	21,917
<b>Total Recreation and Cultural Services</b>	<b>53,250</b>	<b>51,152</b>	<b>43,653</b>



District of Katepwa

Total Expenses by Function

As at December 31, 2015

Schedule 3 - 3

	2015 Budget	2015	2014
<b>UTILITY SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Total Utility Services</b>	-	-	-
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>1,435,220</b>	<b>945,378</b>	<b>1,148,488</b>

Revenues (Schedule 2)							
General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
22,213	-	3,600	49,840	45,000	2,833	-	123,486
Fees and Charges	-	-	-	-	-	-	-
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-
Investment Income and Commissions	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	14,849
Grants - Conditional	6,041	-	-	-	14,399	-	21,445
- Capital	-	-	-	-	-	-	22,890
Total revenues	6,041	3,600	49,840	45,000	17,232	-	182,670
Expenses (Schedule 3)							
209,813	-	49,855	-	-	-	-	259,668
Wages and Benefits	-	-	-	-	-	-	-
Professional/ Contractual Services	43,797	74,018	78,075	39,831	-	-	288,482
Utilities	-	31,968	456	-	1,318	-	38,043
Maintenance Materials and Supplies	1,606	36,168	48,466	-	24,196	-	131,936
Grants and Contributions	-	-	-	-	-	-	400
Amortization	1,805	32,047	66,208	-	7,167	-	116,181
Interest	-	-	-	-	-	-	72,184
Allowance for Uncollectibles	-	-	-	-	-	-	-
Other	-	243	-	-	18,471	-	38,484
Total expenses	47,208	224,299	193,205	39,831	51,152	-	945,378
Surplus (Deficit) by Function							
(328,726)	(41,167)	(220,699)	(143,365)	5,169	(33,920)	-	(762,708)

District of Katepwa  
Schedule of Segment Disclosure by Function  
As at December 31, 2014

Schedule 5

Revenues (Schedule 2)		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Fees and Charges		27,028	-	-	46,989	10,000	3,589	-	87,606
Tangible Capital Asset Sales - Gain		-	-	(2,816)	-	-	-	-	(2,816)
Land Sales - Gain		-							-
Investment Income and Commissions		10,204							10,204
Other Revenues		-	-	-	-	-	-	-	-
Grants - Conditional		-	-	-	-	-	5,784	-	5,784
- Capital		22,850	-	-	183,239	-	9,021	-	215,110
<b>Total revenues</b>		<b>60,082</b>	<b>-</b>	<b>(2,816)</b>	<b>230,228</b>	<b>10,000</b>	<b>18,394</b>	<b>-</b>	<b>315,888</b>
Expenses (Schedule 3)									
Wages & Benefits		177,791	-	41,294	-	-	-	-	219,085
Professional/ Contractual Services		48,205	46,464	26,406	79,188	28,747	-	-	229,010
Utilities		5,190	-	31,508	-	-	379	-	37,077
Maintenance Materials and Supplies		18,263	-	64,766	323,061	-	11,176	-	417,266
Grants and Contributions		611	-	-	-	-	3,414	-	4,025
Amortization		8,954	-	31,094	66,208	-	6,767	-	113,023
Interest		92,336	-	-	-	-	-	-	92,336
Allowance for Uncollectibles		168	-	-	-	-	-	-	168
Other		10,163	4,418	-	-	-	21,917	-	36,498
<b>Total expenses</b>		<b>361,681</b>	<b>50,882</b>	<b>195,068</b>	<b>468,457</b>	<b>28,747</b>	<b>43,653</b>	<b>-</b>	<b>1,148,488</b>
<b>Surplus (Deficit) by Function</b>		<b>(301,599)</b>	<b>(50,882)</b>	<b>(197,884)</b>	<b>(238,229)</b>	<b>(18,747)</b>	<b>(25,259)</b>	<b>-</b>	<b>(832,600)</b>
Taxes and other unconditional revenue (Schedule 1)									1,237,497
<b>Net Surplus (Deficit)</b>									<b>404,897</b>



District of Katapwa  
Schedule of Tangible Capital Assets by Object  
As at December 31, 2015

Schedule 6

2014

2015

	General Assets					Infrastructure Assets	General/Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment			
<b>Asset cost</b>								
Opening Asset costs	316,505	-	209,211	147,265	77,713	3,671,407	-	4,422,101
Additions during the year				9,525	18,051	8,000	-	35,576
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	(25,791)
<b>Closing Asset Costs</b>	<b>316,505</b>	<b>-</b>	<b>209,211</b>	<b>156,790</b>	<b>95,764</b>	<b>3,679,407</b>	<b>-</b>	<b>4,457,677</b>
<b>Accumulated Amortization Cost</b>								
Opening Accumulated Amortization Costs	-	-	55,006	92,174	22,719	403,101	-	573,000
Add: Amortization taken	-	-	4,974	10,940	9,577	90,690	-	116,181
Less: Accumulated amortization on disposals & adjustments	-	-	-	-	-	1,200	-	1,200
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>-</b>	<b>59,980</b>	<b>103,114</b>	<b>32,296</b>	<b>494,991</b>	<b>-</b>	<b>690,381</b>
<b>Net Book Value</b>	<b>316,505</b>	<b>-</b>	<b>149,231</b>	<b>53,676</b>	<b>63,468</b>	<b>3,184,416</b>	<b>-</b>	<b>3,849,101</b>

1. Total contributed/donated assets received in 2015:

\$ -

2. List of assets recognized at nominal value in 2015 are:

- Infrastructure Assets
- Vehicles
- Machinery and Equipment

\$ -  
\$ -  
\$ -

3. Amount of interest capitalized in 2015

\$ -



District of Katapwa  
Schedule of Tangible Capital Assets by Function  
As at December 31, 2015

Schedule 7

	2015						2014	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
<b>Assets</b>								
Asset cost								
Opening Asset costs	565,510	-	1,118,649	2,648,313	-	89,629	-	4,422,101
Additions during the year	-	18,051	9,525	-	-	8,000	-	35,576
Disposals and write-downs during the year	-	-	-	-	-	-	-	(25,791)
<b>Closing Asset Costs</b>	<b>565,510</b>	<b>18,051</b>	<b>1,128,174</b>	<b>2,648,313</b>	<b>-</b>	<b>97,629</b>	<b>-</b>	<b>4,422,101</b>
<b>Amortization</b>								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	68,700	-	318,553	165,934	-	19,813	-	573,452
Add: Amortization taken	8,954	1,805	32,047	66,208	-	7,167	-	113,023
Less: Accumulated amortization on disposals & adjustments	-	-	-	-	-	1,200	-	(15,475)
<b>Closing Accumulated Amortization Costs</b>	<b>77,654</b>	<b>1,805</b>	<b>350,600</b>	<b>232,142</b>	<b>-</b>	<b>28,180</b>	<b>-</b>	<b>573,000</b>
<b>Net Book Value</b>	<b>487,856</b>	<b>16,246</b>	<b>777,574</b>	<b>2,416,171</b>	<b>-</b>	<b>69,449</b>	<b>-</b>	<b>3,849,101</b>

District of Katepwa  
Schedule of Accumulated Surplus  
As at December 31, 2015

Schedule 8

	2014	Changes	2015
<b>UNAPPROPRIATED SURPLUS</b>	<b>(762,260)</b>	<b>493,712</b>	<b>(268,548)</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	25,000	-	25,000
Capital Trust	40,000	-	40,000
Other:			
- Roads	25,000	30,000	55,000
- Drainage	-	20,000	20,000
- Fire	6,000	-	6,000
- Recreation - capital	-	5,000	5,000
- Recreation - Breese Park	18,335	(9,750)	8,585
- Recreation - Get Active Glenwood	7,790	-	7,790
- Emergency	32,127	-	32,127
- Lagoon	4,000	20,000	24,000
- Landfill	16,000	47,000	63,000
<b>Total Appropriated</b>	<b>174,252</b>	<b>112,250</b>	<b>286,502</b>
<b>ORGANIZED HAMLETS</b>			
	-	-	-
<b>Total Organized Hamlets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	3,849,101	(81,805)	3,767,296
Less: Related debt			-
<b>Net Investment in Tangible Capital Assets</b>	<b>3,849,101</b>	<b>(81,805)</b>	<b>3,767,296</b>
<b>Total Accumulated Surplus</b>	<b>3,261,093</b>	<b>524,157</b>	<b>3,785,250</b>

## Schedule 9

PROPERTY CLASS						
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	23,595	67,942,622	522,003	70,972,715	3,374,600	-
Regional Park Assessment						
Total Assessment						
Mill Rate Factor(s)	6.0000	6.0000	6.0000	6.0000	6.0000	
Total Base/Minimum Tax (generated for each property class)	325	364,692	2,802	380,956	8,750	
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	325	632,337	4,858	660,538	25,125	

## MILL RATES: MILLS

Average Municipal*	9.2637
Average School*	5.1064
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.0000

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



**District of Katepwa**  
**Schedule of Council Remuneration**  
**As at December 31, 2015**

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Mayor	Fred Weekly	4,070	933	5,003
Councillor	Murray Penny	3,500	1,760	5,260
Councillor	Dwane Zahorski	1,100	1,200	2,300
Councillor	Robert Burnett	1,600	700	2,300
Councillor	Dwight Fisher	6,575	588	7,163
Councillor	Darwin Chattersson	4,000	245	4,245
Councillor	David Thauberger	3,400	1,600	5,000
Councillor	Michael Alport	3,635	2,090	5,725
<b>Total</b>		<b>27,880</b>	<b>9,116</b>	<b>36,996</b>