

## Management's Responsibility

To the Ratepayers of the Rural Municipality of Mervin No. 499

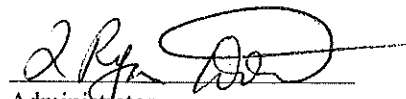
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the 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 consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The council is composed of elected officials who are not employees of the municipality. The council is responsible for overseeing management in the performance of its financial reporting responsibilities. The council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The council is also responsible for recommending the appointment of the municipality's external auditors.

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

  
Reeve

  
Administrator



## INDEPENDENT AUDITORS' REPORT

The Council  
Rural Municipality of Mervin No. 499  
Turtleford, Saskatchewan

We have audited the accompanying consolidated financial statements of the Rural Municipality of Mervin No. 499, which comprise the consolidated statement of financial position as at December 31, 2015, the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

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

### *Auditors' Responsibility*

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

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

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

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Mervin No. 499 as at December 31, 2015, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Vantage*

Chartered Professional Accountants

North Battleford, Saskatchewan  
March 19, 2016

Rural Municipality of Mervin No. 499  
 Consolidated Statement of Financial Position  
 As at December 31, 2015

Statement I

	2015	2014
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	8,152,153	6,927,070
Taxes Receivable - Municipal (Note 3)	286,561	278,275
Other Accounts Receivable (Note 4)	177,662	304,804
Land for Resale (Note 5)	26,891	42,013
Long-Term Investments (Note 6)	117,940	118,163
Debt Charges Recoverable		
Other		
<b>Total Financial Assets</b>	<b>8,761,207</b>	<b>7,670,325</b>
<b>LIABILITIES</b>		
Bank Indebtedness		
Accounts Payable	227,469	256,778
Accrued Liabilities Payable		
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt		
Lease Obligations		
<b>Total Liabilities</b>	<b>227,469</b>	<b>256,778</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>8,533,738</b>	<b>7,413,547</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	19,880,614	19,520,156
Prepayments and Deferred Charges		
Stock and Supplies	399,308	322,580
Other (Note 8)	20	20
<b>Total Non-Financial Assets</b>	<b>20,279,942</b>	<b>19,842,756</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>28,813,680</b>	<b>27,256,303</b>

Rural Municipality of Mervin No. 499  
 Consolidated Statement of Operations  
 For the year ended December 31, 2015

Statement 2

	2015 Budget	2015	2014
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	5,122,290	5,556,186	5,007,091
Fees and Charges (Schedule 4, 5)	487,500	570,932	746,696
Conditional Grants (Schedule 4, 5)	5,000	9,290	10,221
Tangible Capital Asset Sales - Gain (Schedule 4, 5)		15,232	3,098
Land Sales - Gain (Schedule 4, 5)		1,500	1,743
Investment Income and Commissions (Schedule 4, 5)	55,000	83,169	74,245
Other Revenues (Schedule 4, 5)	469,500	614,510	729,885
<b>Total Revenues</b>	<b>6,139,290</b>	<b>6,850,819</b>	<b>6,572,979</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	901,704	943,786	790,052
Protective Services (Schedule 3)	215,100	153,365	142,410
Transportation Services (Schedule 3)	3,344,650	3,245,217	3,215,413
Environmental and Public Health Services (Schedule 3)	824,560	707,246	643,028
Planning and Development Services (Schedule 3)	141,850	137,444	124,828
Recreation and Cultural Services (Schedule 3)	81,814	62,854	55,798
Utility Services (Schedule 3)	105,000	113,053	137,609
<b>Total Expenses</b>	<b>5,614,678</b>	<b>5,362,965</b>	<b>5,109,138</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>524,612</b>	<b>1,487,854</b>	<b>1,463,841</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	73,523	69,523	73,673
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>598,135</b>	<b>1,557,377</b>	<b>1,537,514</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>27,256,303</b>	<b>27,256,303</b>	<b>25,718,789</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>27,854,438</b>	<b>28,813,680</b>	<b>27,256,303</b>

Rural Municipality of Mervin No. 499  
 Consolidated Statement of Change in Net Financial Assets  
 For the year ended December 31, 2015

Statement 3

	2015 Budget	2015	2014
<b>Surplus (Deficit)</b>	598,135	1,557,377	1,537,514
(Acquisition) of tangible capital assets		(1,573,982)	(1,048,009)
Amortization of tangible capital assets		1,154,397	1,132,596
Proceeds on disposal of tangible capital assets		74,359	31,397
Loss (gain) on the disposal of tangible capital assets		(15,232)	(3,098)
<b>Surplus (Deficit) of capital expenses over expenditures</b>		<b>(360,458)</b>	<b>112,886</b>
(Acquisition) of supplies inventories		(76,728)	
(Acquisition) of prepaid expense			346,142
Consumption of supplies inventory			
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>(76,728)</b>	<b>346,142</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>598,135</b>	<b>1,120,191</b>	<b>1,996,542</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>7,413,547</b>	<b>7,413,547</b>	<b>5,417,005</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>8,011,682</b>	<b>8,533,738</b>	<b>7,413,547</b>

Rural Municipality of Mervin No. 499  
 Consolidated Statement of Cash Flow  
 For the year ended December 31, 2015

Statement 4

	2015	2014
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	1,557,377	1,537,514
Amortization	1,154,397	1,132,596
Loss (gain) on disposal of tangible capital assets	(15,232)	(3,098)
	2,696,542	2,667,012
<b>Change in assets/liabilities</b>		
Taxes receivable - municipal	(8,286)	(33,769)
Other receivables	127,142	689,915
Land for resale	15,122	(174)
Other financial assets		
Accounts and accrued liabilities payable	(29,309)	34,233
Deposits		
Deferred revenue		
Accrued landfill costs		
Liability for contaminated sites		
Other liabilities		
Stock and supplies	(76,728)	346,142
Prepayments and deferred charges		
Other		
<b>Cash provided by operating transactions</b>	<b>2,724,483</b>	<b>3,703,359</b>
<b>Capital:</b>		
Acquisition of tangible capital assets	(1,573,982)	(1,048,009)
Proceeds from the disposal of tangible capital assets	74,359	31,397
Other capital		
<b>Cash applied to capital transactions</b>	<b>(1,499,623)</b>	<b>(1,016,612)</b>
<b>Investing:</b>		
Long-term investments	223	(6,283)
Other investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>223</b>	<b>(6,283)</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>Change in Cash and Temporary Investments during the year</b>	<b>1,225,083</b>	<b>2,680,464</b>
Cash and Temporary Investments - Beginning of Year	6,927,070	4,246,606
<b>Cash and Temporary Investments - End of Year</b>	<b>8,152,153</b>	<b>6,927,070</b>

**Rural Municipality of Mervin No. 499**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2015**

**1. Significant accounting policies**

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Accounting Standards Oversight Council. Significant aspects of the accounting policies are as follows:

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

- a) **Reporting entity:** The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the council for the administration of their financial affairs and resources.
- b) **Collection of funds for other authorities:** Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- c) **Government transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occurred, as long as:
  - a) the transfers are authorized;
  - b) any eligibility criteria have been met; and
  - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

Earned government transfer amounts not received will be recorded as an amount receivable.

- d) **Deferred revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local improvement charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net financial assets:** Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-financial assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated reserves:** Reserves are established at the discretion of council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **Property tax revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities Self-Insurance Fund are accounted for on the equity basis.

1. Significant accounting policies - continued

- k) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- l) **Tangible capital assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

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

**Government contributions:** Government contributions for the acquisition of 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.

**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.

- m) **Employee benefit plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- n) **Liability for contaminated sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
  - b) contamination exceeds the environmental standard;
  - c) The municipality:
    - i. is directly responsible; or
    - ii. accepts responsibility;
  - d) it is expected that future economic benefits will be given up; and
  - e) a reasonable estimate of the amount can be made.



Rural Municipality of Mervin No. 499  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2015

1. Significant accounting policies - continued

- o) **Measurement uncertainty:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies is based on estimates of volume and quality.  
The 'Opening Asset Costs' of tangible capital assets have been estimated where actual costs were not available.  
Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

- p) **Basis of segmentation/segment report:** The municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General government: provides for the administration of the municipality.

Protective services: comprised of expenses for police and fire protection.

Transportation services: responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and public health: the environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and development: provides for neighbourhood development and sustainability.

Recreation and culture: provides for community services through the provision of recreation and leisure services.

Utility services: provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

2. Cash and temporary investments

	2015	2014
Cash	8,045,653	6,820,570
Temporary investments	106,500	106,500
Restricted cash		
<b>Total cash and temporary investments</b>	<b>8,152,153</b>	<b>6,927,070</b>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

3. Taxes receivable - municipal

	2015	2014
Municipal - Current	286,561	207,818
- Arrears		70,457
	286,561	278,275
- Less allowance for uncollectibles		
<b>Total municipal taxes receivable</b>	<b>286,561</b>	<b>278,275</b>
School - Current	128,897	169,080
- Arrears		
<b>Total school taxes receivable</b>	<b>128,897</b>	<b>169,080</b>
Other	2,351	4,079
<b>Total taxes and grants in lieu receivable</b>	<b>417,809</b>	<b>451,434</b>
Deduct taxes receivable to be collected on behalf of other organizations	(131,248)	(173,159)
<b>Total taxes receivable - municipal</b>	<b>286,561</b>	<b>278,275</b>

Rural Municipality of Mervin No. 499  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2015

4. Other accounts receivable

	2015	2014
Federal government		
Provincial government	34,762	34,762
Local government	5,280	3,740
Utility		10,787
Trade		
Other	137,620	255,515
Total other accounts receivable	177,662	304,804
Less: allowance for uncollectibles		
<b>Net other accounts receivable</b>	<b>177,662</b>	<b>304,804</b>

5. Land for resale

	2015	2014
Tax title property	30,897	49,079
Allowance for market value adjustment	(4,006)	(7,066)
Net tax title property	26,891	42,013
Other land		
Allowance for market value adjustment		
Net other land		
<b>Total land for resale</b>	<b>26,891</b>	<b>42,013</b>

6. Long-term investments

	2015	2014
Sask Assoc. of Rural Municipalities - Self Insurance Fund	117,940	118,163
Other		
<b>Total long-term investments</b>	<b>117,940</b>	<b>118,163</b>

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

7. Long-term debt

a) The debt limit of the municipality is \$6,330,567.00. 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)).

8. Other non-financial assets

	2015	2014
Credit union shares	20	20

9. 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.

**Rural Municipality of Mervin No. 499**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2015**

**10. Pension plan**

The Rural Municipality of Mervin No. 499 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 \$118,593. 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.

**11. Comparative figures**

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

**12. Budget figures**

Budget figures are reported for information purposes only and are not included in the scope of the external audit. The budget was approved by council on April 21, 2015.

Rural Municipality of Mervin No. 499  
 Schedule of Taxes and Other Unconditional Revenue  
 For the year ended December 31, 2015

Schedule 1

	2015 Budget	2015	2014
<b>TAXES</b>			
General municipal tax levy	4,940,000	6,589,119	5,936,894
Abatements and adjustments	(7,000)	(1,207,557)	(1,131,600)
Discount on current year taxes	(218,000)	(243,064)	(211,465)
<b>Net Municipal Taxes</b>	<b>4,715,000</b>	<b>5,138,498</b>	<b>4,593,829</b>
Potash tax share			
Trailer license fees			
Penalties on tax arrears	10,000	18,032	15,918
Special tax levy			
Other			
<b>Total Taxes</b>	<b>4,725,000</b>	<b>5,156,530</b>	<b>4,609,747</b>
<b>UNCONDITIONAL GRANTS</b>			
Equalization (Revenue Sharing)	302,954	302,954	302,954
Organized Hamlet	65,336	67,020	65,336
<b>Total Unconditional Grants</b>	<b>368,290</b>	<b>369,974</b>	<b>368,290</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
SPMC - Municipal Share			
SaskTel			
Other	21,000	20,870	20,672
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	8,000	8,812	8,382
Other			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other			
<b>Total Grants in Lieu of Taxes</b>	<b>29,000</b>	<b>29,682</b>	<b>29,054</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>5,122,290</b>	<b>5,556,186</b>	<b>5,007,091</b>

Rural Municipality of Mervin No. 499  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended 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	500	16,222	590
- Sales of supplies	4,000	8,231	5,430
- Other - Loss on tax title		(7,818)	
Total Fees and Charges	4,500	16,635	6,020
- Tangible capital asset sales - gain (loss)			
- Land sales - gain		1,500	1,743
- Investment income and commissions	55,000	83,169	74,245
- Other	119,500	155,909	293,787
Total Other Segmented Revenue	179,000	257,213	375,795
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
<b>Total Operating</b>	<b>179,000</b>	<b>257,213</b>	<b>375,795</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Provincial Disaster Assistance			
- Other			
<b>Total Capital</b>			
<b>Total General Government Services</b>	<b>179,000</b>	<b>257,213</b>	<b>375,795</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			
Total Conditional Grants			
<b>Total Operating</b>			
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other			
<b>Total Capital</b>			
<b>Total Protective Services</b>			

Rural Municipality of Mervin No. 499  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended December 31, 2015

Schedule 2 - 2

	2015 Budget	2015	2014
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	25,000	18,220	311,445
- Sales of supplies	15,000	34,910	36,876
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other			
Total Fees and Charges	40,000	53,130	348,321
- Tangible capital asset sales - gain (loss)		15,232	3,098
- Other			
Total Other Segmented Revenue	40,000	68,362	351,419
Conditional Grants			
- Primary Weight Corridor			
- Student Employment			
- Other			
Total Conditional Grants			
<b>Total Operating</b>	<b>40,000</b>	<b>68,362</b>	<b>351,419</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	69,523	69,523	69,523
- Canada/Sask Municipal Rural Infrastructure Fund			
- Heavy Haul			
- Designated Municipal Roads and Bridges			
- Provincial Disaster Assistance			
- Other	4,000		4,150
<b>Total Capital</b>	<b>73,523</b>	<b>69,523</b>	<b>73,673</b>
<b>Total Transportation Services</b>	<b>113,523</b>	<b>137,885</b>	<b>425,092</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	75,000	281,157	211,015
- Other	164,000	82,344	57,588
Total Fees and Charges	239,000	363,501	268,603
- Tangible capital asset sales - gain (loss)			
- Other	350,000	372,957	347,652
Total Other Segmented Revenue	589,000	736,458	616,255
Conditional Grants			
- Student Employment			
- Local government			
- Other	5,000	9,290	10,221
Total Conditional Grants	5,000	9,290	10,221
<b>Total Operating</b>	<b>594,000</b>	<b>745,748</b>	<b>626,476</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Transit for Disabled			
- Provincial Disaster Assistance			
- Other			
<b>Total Capital</b>			
<b>Total Environmental and Public Health Services</b>	<b>594,000</b>	<b>745,748</b>	<b>626,476</b>

Rural Municipality of Mervin No. 499  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended 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	20,000	24,756	11,500
- Other	84,000	6,455	12,500
Total Fees and Charges	104,000	31,211	24,000
- Tangible capital asset sales - gain (loss)		85,644	88,446
- Other			
Total Other Segmented Revenue	104,000	116,855	112,446
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
<b>Total Operating</b>	104,000	116,855	112,446
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other			
<b>Total Capital</b>			
<b>Total Planning and Development Services</b>	<b>104,000</b>	<b>116,855</b>	<b>112,446</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
<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			
- Donations			
- Other			
Total Conditional Grants			
<b>Total Operating</b>			
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other			
<b>Total Capital</b>			
<b>Total Recreation and Cultural Services</b>			

Rural Municipality of Mervin No. 499  
 Schedule of Operating and Capital Revenue by Function  
 For the year ended December 31, 2015

Schedule 2 - 4

	2015 Budget	2015	2014
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	100,000	106,455	99,752
- Sewer			
- Other			
Total Fees and Charges	100,000	106,455	99,752
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	100,000	106,455	99,752
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
<b>Total Operating</b>	<b>100,000</b>	<b>106,455</b>	<b>99,752</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>100,000</b>	<b>106,455</b>	<b>99,752</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>1,090,523</b>	<b>1,364,156</b>	<b>1,639,561</b>

<b>SUMMARY</b>			
Total Other Segmented Revenue	1,012,000	1,285,343	1,555,667
Total Conditional Grants	5,000	9,290	10,221
Total Capital Grants and Contributions	73,523	69,523	73,673
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>1,090,523</b>	<b>1,364,156</b>	<b>1,639,561</b>



	2015 Budget	2015	2014
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	70,000	76,213	66,164
Wages and benefits	371,100	350,977	299,048
Professional/Contractual services	383,685	447,995	326,698
Utilities	16,500	14,744	14,840
Maintenance, materials and supplies	40,500	33,938	63,383
Grants and contributions - operating			
- capital			
Amortization	19,919	19,919	19,919
Interest			
Allowance for uncollectibles			
Other			
<b>Total Government Services</b>	<b>901,704</b>	<b>943,786</b>	<b>790,052</b>

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

Wages and benefits			
Professional/Contractual services	50,200	52,111	48,451
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other			

**Fire protection**

Wages and benefits			
Professional/Contractual services	164,900	88,167	93,717
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other		13,087	242

<b>Total Protective Services</b>	<b>215,100</b>	<b>153,365</b>	<b>142,410</b>
----------------------------------	----------------	----------------	----------------

**TRANSPORTATION SERVICES**

Wages and benefits	735,000	803,175	671,177
Professional/Contractual services	172,500	149,511	108,392
Utilities	24,500	18,820	23,737
Maintenance, materials and supplies	631,650	208,736	268,554
Gravel	640,000	588,524	766,320
Grants and contributions - operating			
- capital			
Amortization	1,111,000	1,062,346	1,059,936
Interest			
Other	30,000	414,105	317,297

<b>Total Transportation Services</b>	<b>3,344,650</b>	<b>3,245,217</b>	<b>3,215,413</b>
--------------------------------------	------------------	------------------	------------------

	2015 Budget	2015	2014
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	350,000	372,957	347,616
Professional/Contractual services	456,660	320,173	279,343
Utilities	1,400	1,038	1,308
Maintenance, materials and supplies	7,500	1,640	5,323
Grants and contributions - operating	7,500	9,948	7,948
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization	1,500	1,490	1,490
Interest			
Other			
<b>Total Environmental and Public Health Services</b>	<b>824,560</b>	<b>707,246</b>	<b>643,028</b>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	70,200	70,866	63,917
Professional/Contractual services	71,650	65,319	59,910
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other		1,259	1,001
<b>Total Planning and Development Services</b>	<b>141,850</b>	<b>137,444</b>	<b>124,828</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits			
Professional/Contractual services	14,000	14,688	13,856
Utilities			
Maintenance, materials and supplies	57,255	23,337	31,383
Grants and contributions - operating			
- capital			
Amortization	10,559	24,829	10,559
Interest			
Allowance for uncollectibles			
Other			
<b>Total Recreation and Cultural Services</b>	<b>81,814</b>	<b>62,854</b>	<b>55,798</b>

Rural Municipality of Mervin No. 499

Total Expenses by Function

For the year ended December 31, 2015

Schedule 3 - 3

	2015 Budget	2015	2014
<b>UTILITY SERVICES</b>			
Wages and benefits			
Professional/Contractual services			
Utilities	64,000	67,238	96,917
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization	41,000	45,815	40,692
Interest			
Allowance for uncollectibles			
Other			
<b>Total Utility Services</b>	<b>105,000</b>	<b>113,053</b>	<b>137,609</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>5,614,678</b>	<b>5,362,965</b>	<b>5,109,138</b>

Rural Municipality of Mervin No. 499  
 Consolidated Schedule of Segment Disclosure by Function  
 For the year ended December 31, 2015

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	16,635		53,130	363,501	31,211		106,455	570,932
Tangible Capital Asset Sales - Gain			15,232					15,232
Land Sales - Gain	1,500							1,500
Investment Income and Commissions	83,169							83,169
Other Revenues	155,909			372,957	85,644			614,510
Grants - Conditional			69,523	9,290				9,290
- Capital								69,523
<b>Total revenues</b>	<b>257,213</b>		<b>137,885</b>	<b>745,748</b>	<b>116,855</b>		<b>106,455</b>	<b>1,364,156</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	427,190		803,175	372,957	70,866			1,674,188
Professional/ Contractual Services	447,995	140,278	149,511	320,173	65,319	14,688		1,137,964
Utilities	14,744		18,820	1,038			67,238	101,840
Maintenance Materials and Supplies	33,938		797,260	1,640		23,337		856,175
Grants and Contributions	19,919		1,062,346	9,948		24,829		1,154,399
Amortization				1,490				9,948
Interest								
Allowance for Uncollectibles		13,087						
Other			414,105		1,259			428,451
<b>Total expenses</b>	<b>943,786</b>	<b>153,365</b>	<b>3,245,217</b>	<b>707,246</b>	<b>137,444</b>	<b>62,854</b>	<b>113,053</b>	<b>5,362,965</b>
<b>Surplus (Deficit) by Function</b>	<b>(686,573)</b>	<b>(153,365)</b>	<b>(3,107,332)</b>	<b>38,502</b>	<b>(20,589)</b>	<b>(62,854)</b>	<b>(6,598)</b>	<b>(3,998,809)</b>

Taxes and other unconditional revenue (Schedule 1) 5,556,186

**Net Surplus (Deficit)** **1,557,377**

Rural Municipality of Mervin No. 499  
 Consolidated Schedule of Segment Disclosure by Function  
 For the year ended December 31, 2014

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	6,020		348,321	268,603	24,000		99,752	746,696
Tangible Capital Asset Sales - Gain			3,098					3,098
Land Sales - Gain	1,743							1,743
Investment Income and Commissions	74,245							74,245
Other Revenues	293,787			347,652	88,446			729,885
Grants - Conditional			73,673	10,221				10,221
- Capital								73,673
<b>Total revenues</b>	<b>375,795</b>		<b>425,092</b>	<b>626,476</b>	<b>112,446</b>		<b>99,752</b>	<b>1,639,561</b>
<b>Expenses (Schedule 3)</b>								
Wages and Benefits	365,212		671,177	347,616	63,917			1,447,922
Professional/ Contractual Services	326,698	142,168	108,392	279,343	59,910	13,856		930,367
Utilities	14,840		23,737	1,308				39,885
Maintenance Materials and Supplies	63,383		1,034,874	5,323		31,383	96,917	1,231,880
Grants and Contributions			1,059,936	7,948		10,559		7,948
Amortization	19,919			1,490			40,692	1,132,596
Interest								
Allowance for Uncollectibles		242			1,001			1,001
Other			317,297					317,539
<b>Total expenses</b>	<b>790,052</b>	<b>142,410</b>	<b>3,215,413</b>	<b>643,028</b>	<b>124,828</b>	<b>55,798</b>	<b>137,609</b>	<b>5,109,138</b>
<b>Surplus (Deficit) by Function</b>	<b>(414,257)</b>	<b>(142,410)</b>	<b>(2,790,321)</b>	<b>(16,552)</b>	<b>(12,382)</b>	<b>(55,798)</b>	<b>(37,857)</b>	<b>(3,469,577)</b>
Taxes and other unconditional revenue (Schedule 1)								5,007,091
<b>Net Surplus (Deficit)</b>								<b>1,537,514</b>

Rural Municipality of Mervin No. 499  
 Consolidated Schedule of Tangible Capital Assets by Object  
 For the year ended December 31, 2015

2014

2015

Assets	General Assets						Infrastructure Assets	General/Infrastructure	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear assets	Assets Under Construction		
Asset cost	229,019								
Opening Asset costs	229,019		1,136,778	102,693	2,985,934	32,605,290	14,234	36,061,313	
Additions during the year			7,875	161,092	349,580	732,022	323,413	1,048,009	
Disposals and write-downs during the year				(29,925)	(56,681)			(35,374)	
Transfers (from) assets under construction						10,308	(10,308)	Nil	
<b>Closing Asset Costs</b>	<b>229,019</b>		<b>1,144,653</b>	<b>233,860</b>	<b>3,278,833</b>	<b>33,347,620</b>	<b>327,339</b>	<b>37,073,948</b>	
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs			297,273	44,818	671,832	16,539,869		17,553,792	
Add: Amortization taken			28,149	28,030	181,466	916,752		1,132,596	
Less: Accumulated amortization on disposals				(8,977)	(18,502)			(7,075)	
<b>Closing Accumulated Amortization Costs</b>			<b>325,422</b>	<b>63,871</b>	<b>834,796</b>	<b>17,456,621</b>		<b>17,553,792</b>	
<b>Net Book Value</b>	<b>229,019</b>		<b>819,231</b>	<b>169,989</b>	<b>2,444,037</b>	<b>15,890,999</b>	<b>327,339</b>	<b>19,880,614</b>	

1. Total contributed/donated assets received in 2015: Nil

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

- Infrastructure Assets Nil
- Vehicles Nil
- Machinery and Equipment Nil
- 3. Amount of interest capitalized in 2015 Nil

Rural Municipality of Mervin No. 499  
 Consolidated Schedule of Tangible Capital Assets by Function  
 For the year ended December 31, 2015

	2015						2014	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total
<b>Assets</b>								
Asset cost								
Opening Asset costs	758,583		34,535,881	93,383		140,877	1,545,224	36,061,313
Additions during the year			907,953	227,845		233,252	204,932	1,048,009
Disposals and write-downs during the year			(86,606)				(86,606)	(35,374)
<b>Closing Asset Costs</b>	<b>758,583</b>		<b>35,357,228</b>	<b>321,228</b>		<b>374,129</b>	<b>1,750,156</b>	<b>37,073,948</b>
<b>Amortization</b>								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	167,046		16,551,483	58,097		24,325	752,841	16,428,271
Add: Amortization taken	19,919		1,062,344	1,490		24,829	45,815	1,132,596
Less: Accumulated amortization on disposals			(27,479)					(7,075)
<b>Closing Accumulated Amortization Costs</b>	<b>186,965</b>		<b>17,586,348</b>	<b>59,587</b>		<b>49,154</b>	<b>798,656</b>	<b>17,553,792</b>
<b>Net Book Value</b>	<b>571,618</b>		<b>17,770,880</b>	<b>261,641</b>		<b>324,975</b>	<b>951,500</b>	<b>19,520,156</b>

Rural Municipality of Mervin No. 499  
 Consolidated Schedule of Accumulated Surplus  
 For the year ended December 31, 2015

Schedule 8

	2014	Changes	2015
<b>UNAPPROPRIATED SURPLUS</b>	<b>3,207,994</b>	<b>160,343</b>	<b>3,368,337</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	3,250,000	986,581	4,236,581
Public Reserve			
Capital Trust	106,500		106,500
Utility			
Other	67,073	(36,581)	30,492
<b>Total Appropriated</b>	<b>3,423,573</b>	<b>950,000</b>	<b>4,373,573</b>
<b>ORGANIZED HAMLETS (add lines if required)</b>			
Organized Hamlet of	1,011,473	116,388	1,127,861
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of	93,107	(29,812)	63,295
<b>Total Organized Hamlets</b>	<b>1,104,580</b>	<b>86,576</b>	<b>1,191,156</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	19,520,156	360,458	19,880,614
Less: Related debt			
<b>Net Investment in Tangible Capital Assets</b>	<b>19,520,156</b>	<b>360,458</b>	<b>19,880,614</b>
<b>Total Accumulated Surplus</b>	<b>27,256,303</b>	<b>1,557,377</b>	<b>28,813,680</b>



Rural Municipality of Mervin No. 499  
 Schedule of Mill Rates and Assessments  
 For the year ended December 31, 2015

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	53,565,105	90,721,331		212,572,560	61,784,300		418,643,296
Regional Park Assessment							
Total Assessment							418,643,296
Mill Rate Factor(s)	1.0000	0.3900		0.3900	3.5100		
Total Base/Minimum Tax (generated for each property class)	130,650	Inc in Seasonal Res.		755,200	2,325,000		3,210,850
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	576,986	Inc in Seasonal Res.		1,625,644	4,386,489		6,589,119

MILL RATES:

	MILLS
Average Municipal*	16.0275
Average School*	5.5604
Potash Mill Rate	
Uniform Municipal Mill Rate	9.5000

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

Rural Municipality of Mervin No. 499  
 Schedule of Council Remuneration  
 For the year ended December 31, 2015

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Tom Brown	11,049	659	11,708
Councillor Div. #1	Georgina Pilling	10,574	1,712	12,286
Councillor Div. #2	Lyle McKee	6,736	361	7,097
Councillor Div. #3	Alex McDonald	6,013	220	6,233
Councillor Div. #4	Charles Bodnar	8,459	1,208	9,667
Councillor Div. #5	Evelyn Bloom	8,149	1,464	9,613
Councillor Div. #6	Victor Hamm	8,144	2,268	10,412
<b>Total</b>		<b>59,124</b>	<b>7,892</b>	<b>67,016</b>