

RURAL MUNICIPALITY OF HARRIS NO. 316

Auditor's Report

Financial Statements

December 31, 2017

MANAGEMENT'S RESPONSIBILITY

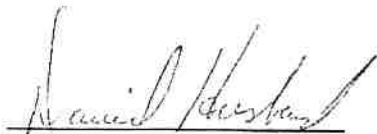
To the Ratepayers of
Rural Municipality of Harris No. 316 :

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

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

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

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



Reeve



Administrator



CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Bill Jensen, C.P.A., Prof. Corp.
Jeff Stromberg, C.P.A., Prof. Corp.

To the **Reeve** and Council of **Rural Municipality of Harris No. 316**

Report on the Financial Statements

We have audited the accompanying financial statements of **Rural Municipality of Harris No. 316**, which comprise the statement of financial position as at **December 31, 2017** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

The 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 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 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 financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Rural Municipality of Harris No. 316** as at **December 31, 2017**, and the results of its financial activities, change in its net financial assets, and change in its financial position for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan
April 12, 2018

Chartered Professional Accountants

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2017
with comparative figures for 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 1,949,462	1,727,612
Taxes receivable - Municipal (Note 3)	32,093	32,272
Other accounts receivable (Note 4)	135,722	31,423
Land for re-sale (Note 5)	-	-
Long-term investments (Note 6)	43,220	42,206
Debt charges recoverable	-	-
Other	-	-
Total financial assets	2,160,497	1,833,513
<u>LIABILITIES</u>		
Bank indebtedness (Note 7)	-	-
Accounts payable	21,484	22,863
Accrued liabilities payable	-	-
Deposits	-	-
Deferred revenue (Note 8)	679	815
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 9)	-	-
Lease obligations	-	-
Total liabilities	22,163	23,678
NET FINANCIAL ASSETS (DEBT)	2,138,334	1,809,835
Non-financial assets:		
Tangible capital assets (Schedule 6,7)	2,449,197	2,620,513
Prepaid and deferred charges	600	843
Stock and supplies	282,285	154,607
Total non-financial assets	2,732,082	2,775,963
Accumulated Surplus (Schedule 8)	\$ 4,870,416	4,585,798

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2017
with comparative figures for 2016

		<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 1,014,926	1,015,539	992,484
Fees and charges	(Schedule 4, 5)	53,100	53,200	64,965
Conditional grants	(Schedule 4, 5)	73,630	68,060	77,632
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	-	-
Land sales - gain (loss)	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	8,300	15,296	11,882
Other revenues	(Schedule 4, 5)	-	-	-
Total Revenues		<u>1,149,956</u>	<u>1,152,095</u>	<u>1,146,963</u>
Expenditures:				
General government services	(Schedule 3)	146,640	141,908	139,842
Protective services	(Schedule 3)	14,280	10,481	13,063
Transportation services	(Schedule 3)	1,004,180	678,968	821,470
Environmental and public health services	(Schedule 3)	20,980	34,158	17,438
Planning and development services	(Schedule 3)	4,650	2,836	1,758
Recreation and cultural services	(Schedule 3)	2,850	3,044	2,376
Utility services	(Schedule 3)	<u>5,613</u>	<u>9,701</u>	<u>5,153</u>
Total Expenditures		<u>1,199,193</u>	<u>881,096</u>	<u>1,001,100</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>(49,237)</u>	<u>270,999</u>	<u>145,863</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>13,350</u>	<u>13,619</u>	<u>100,013</u>
Surplus (deficit) of revenues over expenditures		(35,887)	284,618	245,876
Accumulated surplus (deficit), beginning of year		<u>4,585,798</u>	<u>4,585,798</u>	<u>4,339,922</u>
Accumulated surplus (deficit), end of year		<u>\$ 4,549,911</u>	<u>4,870,416</u>	<u>4,585,798</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Surplus (deficit)	\$ (35,887)	284,618	245,876
(Acquisition) of tangible capital assets	154,113	(5,420)	(254,425)
Amortization of tangible capital assets	-	176,736	158,629
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>154,113</u>	<u>171,316</u>	<u>(95,796)</u>
(Acquisition) of supplies inventories	-	(190,162)	101,577
(Acquisition) of prepaid expenses	-	(383)	(859)
Consumption of supplies inventories	-	62,484	-
Use of prepaid expenses	-	626	297
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(127,435)</u>	<u>101,015</u>
Increase (decrease) in Net Financial Assets	118,226	328,499	251,095
Net Financial Assets (Debt) - Beginning of the year	<u>1,809,835</u>	<u>1,809,835</u>	<u>1,558,740</u>
Net Financial Assets (Debt)- End of year	<u>\$ 1,928,061</u>	<u>2,138,334</u>	<u>1,809,835</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2017
with comparative figures for 2016

Cash provided by (used in) the following activities:	<u>2017</u>	<u>2016</u>
Operating:		
Surplus (deficit)	\$ 284,618	245,876
Amortization	176,736	158,628
Loss (gain) on disposal of tangible capital assets	-	-
	461,354	404,504
Change in assets/liabilities		
Taxes receivable - Municipal	179	(10,335)
Other accounts receivable	(104,299)	(13,984)
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	(1,379)	21,395
Deposits	-	-
Deferred revenue	(136)	(4,950)
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(127,678)	101,577
Prepayments and deferred charges	243	(562)
Other	-	-
	228,284	497,645
Net cash from operations		
Capital:		
Acquisition of capital assets	(5,420)	(254,425)
Proceeds from the disposal of capital assets	-	-
Other capital	-	-
	(5,420)	(254,425)
Net cash used for capital		
Investing:		
Long-term investments	(1,014)	(1,119)
Other investments	-	-
	(1,014)	(1,119)
Net cash used for investing		
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
	-	-
Net cash from financing		
Increase (decrease) in cash resources	221,850	242,101
Cash and temporary investments, beginning of year	1,727,612	1,485,511
Cash and temporary investments, end of year (Note 2)	\$ 1,949,462	1,727,612

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) **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.

(b) **Reporting Entity**

The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

(c) **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 the relevant legislation. The amounts collected are disclosed in Note 3.

(d) **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 either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount 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.

(e) **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.

(f) **Local Improvement Charges**

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) **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.

(h) **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.

(i) **Appropriated Reserves**

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts designated are described on Schedule 8.

(j) **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.

(k) **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.

(l) **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 of the inventory in the ordinary course of business.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) **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 the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs 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 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	15 years
	Buildings	50 years
	Vehicles and equipment	
	Vehicles	10 years
	Machinery & Equipment	10 to 15 years
<i>Infrastructure Assets</i>		
	Water and sewer	40 years
	Road network assets	15 to 40 years

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 statements 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 an operating lease and rental payments are expensed as incurred.

(n) **Landfill liability**

The Rural Municipality of Harris No. 316 jointly maintains a waste disposal site with the Village of Harris. The municipality is in the process of obtaining and assessment of closure and post closure costs. No amount has been recorded as an asset or liability. The municipality maintains a reserve for the potential closure costs (2017 - \$30,000; 2016 - \$20,000).

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 its contributions.

(p) **Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts 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 period in which they become known.

(q) **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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Municipality.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

Transportation Services: The transportation services segment is 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: The planning and development segment provides for neighbourhood development and sustainability.

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

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

2. CASH AND TEMPORARY INVESTMENTS

	<u>2017</u>	<u>2016</u>
Cash	\$ 1,949,462	1,727,612
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 1,949,462</u>	<u>1,727,612</u>

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 AND GRANTS IN LIEU RECEIVABLE

	<u>2017</u>	<u>2016</u>
Municipal: - Current	\$ 21,642	24,686
- Arrears	<u>12,451</u>	<u>9,586</u>
	34,093	34,272
Less: allowance for uncollectibles	<u>(2,000)</u>	<u>(2,000)</u>
Total municipal taxes receivable	<u>32,093</u>	<u>32,272</u>
School: - Current	5,396	7,181
- Arrears	<u>3,910</u>	<u>2,655</u>
Total school taxes receivable	<u>9,306</u>	<u>9,836</u>
Other: - Current	1,560	5,290
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>1,560</u>	<u>5,290</u>
Total taxes and grants in lieu receivable	42,959	47,398
Deduct taxes receivable to be collected on behalf of other organizations	<u>(10,866)</u>	<u>(15,126)</u>
Total taxes receivable - Municipal	<u>\$ 32,093</u>	<u>32,272</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Federal government	\$ 45,031	22,430
Provincial government	80,907	-
Local government	-	-
Utility	-	-
Trade	4,390	8,993
Other	<u>5,394</u>	<u>-</u>
Total other accounts receivable	135,722	31,423
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 135,722</u>	<u>31,423</u>

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

5. LAND FOR RESALE

	<u>2017</u>	<u>2016</u>
Tax title property	\$ -	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net tax title Property	<u>-</u>	<u>-</u>
Other land	-	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net other land	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ -</u>	<u>-</u>

6. LONG-TERM INVESTMENTS

	<u>2017</u>	<u>2016</u>
Sask. Assoc. of Rural Municipalities - Self-insurance fund	\$ <u>43,115</u>	<u>42,101</u>
Other long term investments:		
Co-op shares	100	100
Credit union shares	<u>5</u>	<u>5</u>
Total long term investments	<u>\$ 43,220</u>	<u>42,206</u>

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2017, the Municipality had a line of credit totaling \$150,000, none of which was drawn.

8. DEFERRED REVENUE

	<u>2017</u>	<u>2016</u>
Prepaid taxes	\$ <u>679</u>	<u>\$ 815</u>

9. LONG-TERM DEBT

a) The authorized debt limit for the Municipality is \$790,970. The authorized 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)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

10. 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.

11. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2017 was \$20,952 (2016 - \$21,932). 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.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

12. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new and amended standards have been issued that may impact the Municipality:

Standards effective on or after April 1, 2017:

Assets

PS 3210, Assets, provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements.

Contingent Assets

PS 3380, Contingent Assets defines and establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty.

Contractual Rights

PS 3380, Contractual Rights defines and establishes standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

Inter-Entity Transactions

PS 3420, Inter-Entity Transactions specifically addresses the reporting of transactions between entities controlled by a government that comprise the government's reporting entity from both a provider and recipient perspective.

Related Party Transactions

PS 2200, Related Party Transactions defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a different value from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

Standards Effective On Or After April 1, 2018

Restructuring Transactions

PS 3430, Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operations responsibilities.

Standards Effective On Or After April 1, 2019

Financial Statement Presentation

PS 1201, Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships.

Foreign Currency Translation

PS 2601, Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

RURAL MUNICIPALITY OF HARRIS NO. 316

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

12. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

Portfolio Investments

PS 3041, Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS3041, PS 3030, Temporary Investments will no longer apply.

Financial Instruments

PS 3450, Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of remeasurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

The Municipality continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 598,390	598,390	571,409
Abatements and adjustments	-	(442)	-
Discount on current year taxes	(25,000)	(26,527)	(24,264)
Net municipal taxes	<u>573,390</u>	<u>571,421</u>	<u>547,145</u>
Potash tax share	82,000	81,982	85,018
Trailer license fees	-	-	-
Penalties on tax arrears	4,000	2,573	2,270
Special tax levy	98,379	102,381	79,691
Other	-	-	-
Total Taxes	<u>757,769</u>	<u>758,357</u>	<u>714,124</u>
UNCONDITIONAL GRANTS			
Revenue Sharing	252,757	252,775	273,916
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>252,757</u>	<u>252,775</u>	<u>273,916</u>
GRANTS IN LIEU OF TAXES			
Federal	1,500	1,478	1,427
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	1,000	1,000	1,000
Provincial - SPMC - Municipal Share	-	-	-
Sasktel	1,900	1,929	2,017
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>4,400</u>	<u>4,407</u>	<u>4,444</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 1,014,926</u>	<u>1,015,539</u>	<u>992,484</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	900	1,080	1,553
Other	-	-	-
Total Fees and Charges	<u>900</u>	<u>1,080</u>	<u>1,553</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	8,300	15,296	11,882
Other	-	-	-
Total other segmented revenue	<u>9,200</u>	<u>16,376</u>	<u>13,435</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>9,200</u>	<u>16,376</u>	<u>13,435</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>9,200</u>	<u>16,376</u>	<u>13,435</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	357	-
Total Fees and Charges	-	357	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>357</u>	<u>-</u>
Conditional Grants			
Student employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>357</u>	<u>-</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>-</u>	<u>357</u>	<u>-</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 17,000	7,980	22,319
Sales of supplies	25,000	15,361	24,929
Road Maintenance and Restoration Agreements	10,000	28,257	13,574
Frontage	-	-	-
Other	-	-	-
Total Fees and Charges	<u>52,000</u>	<u>51,598</u>	<u>60,822</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>52,000</u>	<u>51,598</u>	<u>60,822</u>
Conditional Grants			
Primary Weight Corridor	69,630	63,300	69,630
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>69,630</u>	<u>63,300</u>	<u>69,630</u>
Total Operating	<u>121,630</u>	<u>114,898</u>	<u>130,452</u>
Capital			
Conditional Grants			
Federal Gas Tax	13,350	13,619	18,623
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	81,390
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>13,350</u>	<u>13,619</u>	<u>100,013</u>
Total Transportation Services	<u>134,980</u>	<u>128,517</u>	<u>230,465</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other	200	100	80
Total Fees and Charges	<u>200</u>	<u>100</u>	<u>80</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>200</u>	<u>100</u>	<u>80</u>
Conditional Grants			
Student employment	-	-	-
TAPD	-	-	-
Local government	-	300	3,065
Other	4,000	4,460	4,937
Total Conditional Grants	<u>4,000</u>	<u>4,760</u>	<u>8,002</u>
Total Operating	<u>4,200</u>	<u>4,860</u>	<u>8,082</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>4,200</u>	<u>4,860</u>	<u>8,082</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	2,500
Other	-	-	-
Total Fees and Charges	-	-	2,500
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	-	-	2,500
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	2,500
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	-	-	2,500
RECREATION AND CULTURAL SERVICES			
Operating			
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	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	-	-	-

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ -	-	-
Sewer	-	-	-
Other	-	65	10
Total Fees and Charges	<u>-</u>	<u>65</u>	<u>10</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total other segmented revenue	<u>-</u>	<u>65</u>	<u>10</u>
Conditional Grants			
Student employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>-</u>	<u>65</u>	<u>10</u>
Capital			
Conditional Grants			
Federal Gas Tax	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>-</u>	<u>65</u>	<u>10</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 148,380</u>	<u>150,175</u>	<u>254,492</u>
SUMMARY			
Total Other Segmented Revenue	\$ 61,400	68,496	76,847
Total Conditional Grants	73,630	68,060	77,632
Total Capital Grants and Contributions	<u>13,350</u>	<u>13,619</u>	<u>100,013</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 148,380</u>	<u>150,175</u>	<u>254,492</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 20,600	17,779	16,964
Wages and benefits	77,000	81,184	81,299
Professional/Contractual services	28,400	26,824	25,559
Utilities	5,240	4,196	4,380
Maintenance, materials, and supplies	11,400	9,575	10,019
Grants and contributions	1,000	657	444
	-operating		
	-capital		
Amortization	-	-	-
Interest	800	907	698
Allowance for uncollectibles	-	-	-
Other	2,200	786	479
Total Government Services	<u>146,640</u>	<u>141,908</u>	<u>139,842</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	9,800	8,828	9,671
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	4,480	1,653	3,392
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Protective Services	<u>14,280</u>	<u>10,481</u>	<u>13,063</u>
TRANSPORTATION SERVICES			
Council remuneration and travel	7,600	7,000	7,600
Wages and benefits	279,900	256,382	269,020
Professional/Contractual services	77,500	39,159	26,806
Utilities	7,680	7,395	6,843
Maintenance, materials, and supplies	199,500	141,164	152,384
Gravel	282,000	55,245	204,303
Grants and contributions	-	-	-
	-operating		
	-capital		
Amortization	150,000	172,623	154,514
Interest	-	-	-
Other	-	-	-
Total Transportation Services	<u>1,004,180</u>	<u>678,968</u>	<u>821,470</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	9,300	8,488	9,041
Professional/Contractual services	6,300	22,513	4,404
Utilities	-	-	-
Maintenance, materials, and supplies	3,500	2,277	2,913
Grants and contributions			
-operating			
Waste disposal	1,080	80	1,080
Public Health	800	800	-
-capital			
Waste disposal	-	-	-
Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Environmental and Public Health Services	<u>20,980</u>	<u>34,158</u>	<u>17,438</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	4,500	2,728	1,650
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	150	108	108
Total Planning and Development Services	<u>4,650</u>	<u>2,836</u>	<u>1,758</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	700	652	652
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions			
-operating	2,150	2,392	1,724
-capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Total Recreation and Cultural Services	<u>2,850</u>	<u>3,044</u>	<u>2,376</u>
UTILITY SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	300	222	189
Utilities	700	1,341	851
Maintenance, materials, and supplies	500	4,025	-
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	4,113	4,113	4,113
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
Total Utility Services	<u>5,613</u>	<u>9,701</u>	<u>5,153</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 1,199,193</u>	<u>881,096</u>	<u>1,001,100</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2017

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 1,080	357	51,598	100	-	-	65	53,200
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	15,296	-	-	-	-	-	-	15,296
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	63,300	4,760	-	-	-	68,060
Grants - Capital	-	-	13,619	-	-	-	-	13,619
Total revenues	<u>16,376</u>	<u>357</u>	<u>128,517</u>	<u>4,860</u>	<u>-</u>	<u>-</u>	<u>65</u>	<u>150,175</u>
Expenses (Schedule 3)								
Wages & Benefits	98,963	-	256,382	8,488	-	-	-	363,833
Professional/Contractual Services	26,824	10,481	39,159	22,513	2,728	652	222	102,579
Utilities	4,196	-	7,395	-	-	-	1,341	12,932
Maintenance, materials and supplies	9,575	-	196,409	2,277	-	-	4,025	212,286
Grants and contributions	657	-	-	880	-	2,392	-	3,929
Amortization	-	-	172,623	-	-	-	4,113	176,736
Interest	907	-	-	-	-	-	-	907
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	786	-	-	-	108	-	-	894
Total expenses	<u>141,908</u>	<u>10,481</u>	<u>671,968</u>	<u>34,158</u>	<u>2,836</u>	<u>3,044</u>	<u>9,701</u>	<u>874,096</u>
Surplus (deficit) by function	(125,532)	(10,124)	(543,451)	(29,298)	(2,836)	(3,044)	(9,636)	(723,921)
Taxation and other unconditional revenue (Schedule 1)								1,015,539
Net Surplus (Deficit)								<u>\$ 291,618</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
Year ended December 31, 2016

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 1,553	-	60,822	80	2,500	-	10	64,965
Tangible capital asset sales - Gain (loss)	-	-	-	-	-	-	-	-
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	11,882	-	-	-	-	-	-	11,882
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	69,630	8,002	-	-	-	77,632
Grants - Capital	-	-	100,013	-	-	-	-	100,013
Total revenues	13,435	-	230,465	8,082	2,500	-	10	254,492
Expenses (Schedule 3)								
Wages & Benefits	98,263	-	269,020	9,041	-	-	-	376,324
Professional/Contractual Services	25,559	13,063	26,806	4,404	1,650	652	189	72,323
Utilities	4,380	-	6,843	-	-	-	851	12,074
Maintenance, materials and supplies	10,019	-	356,687	2,913	-	-	-	369,619
Grants and contributions	444	-	-	1,080	-	1,724	-	3,248
Amortization	-	-	154,514	-	-	-	4,113	158,627
Interest	698	-	-	-	-	-	-	698
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	479	-	-	-	108	-	-	587
Total expenses	139,842	13,063	813,870	17,438	1,758	2,376	5,153	993,500
Surplus (deficit) by function	(126,407)	(13,063)	(583,405)	(9,356)	742	(2,376)	(5,143)	(739,008)
Taxation and other unconditional revenue (Schedule 1)								992,484
Net Surplus (Deficit)								\$ 253,476

Taxation and other unconditional revenue (Schedule 1)

Net Surplus (Deficit)

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2017
with comparative figures for 2016

	2017					2016	
	General Assets		Machinery & Equipment	Infrastructure Assets		General / Infrastructure Assets Under Construction	Total
	Land Improvements	Buildings		Vehicles	Linear Assets		
Asset cost							
Opening asset costs	\$ 50,135	88,542	159,945	885,409	3,973,964	-	4,903,570
Additions during the year	-	-	-	5,420	-	-	254,425
Disposals and write-downs during the year	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-
Closing asset costs	<u>50,135</u>	<u>88,542</u>	<u>159,945</u>	<u>890,829</u>	<u>3,973,964</u>	<u>-</u>	<u>5,157,995</u>
Accumulated amortization cost							
Opening accumulated amortization costs	-	52,616	68,867	392,186	2,023,813	-	2,378,853
Add: Amortization taken	-	1,563	11,491	64,324	99,358	-	158,629
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>-</u>	<u>54,179</u>	<u>80,358</u>	<u>456,510</u>	<u>2,123,171</u>	<u>-</u>	<u>2,714,218</u>
Net book value	<u>\$ 50,135</u>	<u>34,363</u>	<u>79,587</u>	<u>434,319</u>	<u>1,850,793</u>	<u>-</u>	<u>2,449,197</u>

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: \$ -

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2017
 with comparative figures for 2016

	2017						2016		
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening asset costs	\$ 10,848	-	5,043,211	-	-	-	103,936	5,157,995	4,903,570
Additions during the year	-	-	5,420	-	-	-	-	5,420	254,425
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Closing asset costs	<u>10,848</u>	<u>-</u>	<u>5,048,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,936</u>	<u>5,163,415</u>	<u>5,157,995</u>
Accumulated amortization cost									
Opening accumulated amortization costs	10,400	-	2,498,288	-	-	-	28,794	2,537,482	2,378,853
Add: Amortization taken	-	-	172,623	-	-	-	4,113	176,736	158,629
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Closing accumulated amortization costs	<u>10,400</u>	<u>-</u>	<u>2,670,911</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,907</u>	<u>2,714,218</u>	<u>2,537,482</u>
Net book value	<u>\$ 448</u>	<u>-</u>	<u>2,377,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,029</u>	<u>2,449,197</u>	<u>2,620,513</u>

See accompanying notes to the financial statements.



RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2017

	<u>2016</u>	<u>Changes</u>	<u>2017</u>
UNAPPROPRIATED SURPLUS	\$ <u>880,997</u>	<u>364,225</u>	<u>1,245,222</u>
APPROPRIATED RESERVES			
Machinery and equipment	18,659	2,000	20,659
Public reserve	11,030	-	11,030
Capital trust	376,000	50,000	426,000
Utility	-	-	-
Other	<u>678,599</u>	<u>39,709</u>	<u>718,308</u>
Total Appropriated	<u>1,084,288</u>	<u>91,709</u>	<u>1,175,997</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,620,513	(171,316)	2,449,197
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	<u>2,620,513</u>	<u>(171,316)</u>	<u>2,449,197</u>
Total Accumulated Surplus	\$ <u>4,585,798</u>	<u>284,618</u>	<u>4,870,416</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2017
 with comparative figures for 2016

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	\$ 93,287,030	2,867,890	-	-	4,039,900	\$ 100,194,820
Regional Park Assessment						
Total Assessment	1.0000	0.6000	1.0000	1.0000	1.2500	\$ 100,194,820
Mill Rate Factor(s)						
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-	-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 517,650	21,151	-	-	59,589	598,390

MILL RATES:

Average Municipal*	5.972
Average School*	3.200
Potash Mill Rate	-
Uniform Municipal Mill Rate	14.000

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

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF HARRIS NO. 316

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2017
with comparative figures for 2016

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Reeve	David Husband	\$ 4,200	1,233	5,433
Councillor	Russell Gordon	1,400	400	1,800
Councillor	Lester Twordik	1,600	1,170	2,770
Councillor	Bryce McKenzie	1,600	535	2,135
Councillor	James Richardson	2,000	1,063	3,063
Councillor	Donald Genest	1,800	400	2,200
Councillor	Owen Crawley	2,100	732	2,832
Total		<u>\$ 14,700</u>	<u>5,533</u>	<u>20,233</u>

See accompanying notes to the financial statements.