

Town of Shellbrook
Consolidated Financial Statements
For the Year Ended December 31, 2015

Town of Shellbrook
Index to Consolidated Financial Statements
For the Year Ended December 31, 2015

	Page
Management's Responsibility	1
Independent Auditor's Report	2
Statement 1 - Consolidated Statement of Financial Position	3
Statement 2 - Consolidated Statement of Operations	4
Statement 3 - Consolidated Statement of Change in Net Financial Assets	5
Statement 4 - Consolidated Statement of Cash Flow	6
Notes to the Consolidated Financial Statements	7 - 13
Schedule 1 - Schedule of Taxes and Other Unconditional Revenue	14
Schedule 2 - Schedule of Operating and Capital Revenue by Function	15 - 18
Schedule 3 - Schedule of Total Expenses by Function	19 - 21
Schedule 4 - Consolidated Schedule of Segment Disclosure by Function (2015)	22
Schedule 5 - Consolidated Schedule of Segment Disclosure by Function (2014)	23
Schedule 6 - Consolidated Schedule of Tangible Capital Assets by Object	24
Schedule 7 - Consolidated Schedule of Tangible Capital Assets by Function	25
Schedule 8 - Consolidated Schedule of Accumulated Surplus	26
Schedule 9 - Schedule of Mill Rates and Assessments	27
Schedule 10 - Schedule of Council Remuneration	28

Management's Responsibility

To the Ratepayers,
Town of Shellbrook:

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 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 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.

C.S. Skrupski CPA Professional Corporation, an independent Chartered Professional Accountant firm, is appointed by 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.

Mayor

Administrator

June 13, 2016

C.S. Skrupski
CPA Professional Corporation

INDEPENDENT AUDITOR'S REPORT

Mayor and Members of Council,
Town of Shellbrook:

I have audited the accompanying consolidated financial statements of the Town of Shellbrook, which are comprised of the consolidated statement of financial position as at December 31, 2015, and 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.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I 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 auditor's 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 municipality'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 municipality'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.

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

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Shellbrook as at December 31, 2015, and the results of its operations and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Rosthern, Saskatchewan
June 13, 2016


CPA Professional Corporation

**Town of Shellbrook
Consolidated Statement of Financial Position
As at December 31, 2015**

Statement 1

	2015	2014
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	18,160	62,944
Taxes Receivable - Municipal (Note 3)	344,430	255,794
Other Accounts Receivable (Note 4)	486,228	577,600
Land for Resale (Note 5)	1,150,590	970,357
Long-term Investments (Note 6)	-	-
Debt Charges Recoverable (Note 7)	-	-
Other	-	-
Total Financial Assets	1,999,408	1,866,695
LIABILITIES		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	190,683	283,615
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	31,239	7,250
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-term Debt (Note 12)	2,616,724	2,591,216
Lease Obligations (Note 13)	-	-
Total Liabilities	2,838,646	2,882,081
NET FINANCIAL ASSETS (NET DEBT)	(839,238)	(1,015,386)
Non-financial Assets		
Tangible Capital Assets (Schedule 6, 7)	14,260,342	14,063,101
Prepayments and Deferred Charges	5,697	1,173
Stock and Supplies	-	-
Other (Note 14)	-	-
Total Non-financial Assets	14,266,039	14,064,274
Accumulated Surplus (Deficit) (Schedule 8)	13,426,801	13,048,888

**Town of Shellbrook
Consolidated Statement of Operations
For the Year Ended December 31, 2015**

Statement 2

	<i>2015 Budget</i>	2015	2014
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	1,980,187	1,939,854	1,753,834
Fees and Charges (Schedule 4, 5)	1,307,644	1,292,603	1,248,201
Conditional Grants (Schedule 4, 5)	32,610	32,426	27,990
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	40,000	188,205	17,221
Investment Income and Commissions (Schedule 4, 5)	8,000	3,362	7,796
Other Revenues (Schedule 4, 5)	2,800	14,382	2,000
Total Revenues	3,371,241	3,470,832	3,057,042
Expenses			
General Government Services (Schedule 3)	445,885	389,063	436,598
Protective Services (Schedule 3)	125,901	241,034	115,755
Transportation Services (Schedule 3)	741,535	904,453	756,754
Environmental and Public Health Services (Schedule 3)	437,950	554,251	499,241
Planning and Development Services (Schedule 3)	41,700	39,756	43,726
Recreation and Cultural Services (Schedule 3)	376,210	417,212	366,147
Utility Services (Schedule 3)	953,417	685,033	939,996
Total Expenses	3,122,598	3,230,802	3,158,217
Surplus (Deficit) of Revenues Over Expenses Before Other Capital Contributions	248,643	240,030	(101,175)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	135,670	137,883	183,556
Surplus (Deficit) of Revenues Over Expenses	384,313	377,913	82,381
Accumulated Surplus (Deficit), Beginning of Year	13,048,888	13,048,888	12,966,507
Accumulated Surplus (Deficit), End of Year	13,433,201	13,426,801	13,048,888

Town of Shellbrook
 Consolidated Statement of Change in Net Financial Assets
 For the Year Ended December 31, 2015

Statement 3

	<i>2015 Budget</i>	2015	2014
Surplus (Deficit)	<i>384,313</i>	377,913	82,381
(Acquisition) of Tangible Capital Assets	<i>(273,000)</i>	(597,137)	(620,150)
Amortization of Tangible Capital Assets	-	399,896	379,898
Proceeds on Disposal of Tangible Capital Assets	-	-	-
Loss (Gain) on the Disposal of Tangible Capital Assets	-	-	-
Surplus (Deficit) of Capital Expenses over Expenditures	<i>(273,000)</i>	(197,241)	(240,252)
(Acquisition) of Supplies Inventories	-	-	-
(Acquisition) of Prepaid Expense	-	(5,697)	(1,173)
Consumption of Supplies Inventory	-	-	-
Use of Prepaid Expense	-	1,173	14,188
Surplus (Deficit) of Other Non-financial Expenses Over Expenditures	-	(4,524)	13,015
Increase (Decrease) in Net Financial Assets	<i>111,313</i>	176,148	(144,856)
Net Financial Assets (Net Debt) - Beginning of Year	<i>(1,015,386)</i>	(1,015,386)	(870,530)
Net Financial Assets (Net Debt) - End of Year	<i>(904,073)</i>	(839,238)	(1,015,386)

**Town of Shellbrook
Consolidated Statement of Cash Flow
For the Year Ended December 31, 2015**

Statement 4

	2015	2014
Cash Provided by (Used for) the Following Activities		
Operating:		
Surplus (Deficit)	377,913	82,381
Amortization	399,896	379,898
Loss (Gain) on Disposal of Tangible Capital Assets	-	-
	777,809	462,279
Changes in Assets/Liabilities:		
Taxes Receivable - Municipal	(88,636)	(85,256)
Other Receivables	91,371	(135,843)
Land for Resale	(180,233)	190,160
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(92,931)	(171,639)
Deposits	-	-
Deferred Revenue	23,989	(161,563)
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	(4,524)	13,015
Other	-	-
Net Cash From (Used for) Operations	526,845	111,153
Capital:		
Acquisition of Tangible Capital Assets	(597,137)	(620,150)
Proceeds From the Disposal of Tangible Capital Assets	-	-
Other Capital	-	-
Net Cash From (Used for) Capital	(597,137)	(620,150)
Investing:		
Long-term Investments	-	-
Other Investments	-	-
Net Cash From (Used for) Investing	-	-
Financing:		
Debt Charges Recovered	-	-
Long-term Debt Issued	309,526	-
Long-term Debt Repaid	(284,018)	(169,747)
Other Financing	-	-
Net Cash From (Used for) Financing	25,508	(169,747)
Increase (Decrease) in Cash Resources	(44,784)	(678,744)
Cash and Investments - Beginning of Year	62,944	741,688
Cash and Investments - End of Year	18,160	62,944

**Town of Shellbrook
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 Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

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

- a) **Reporting Entity:** The financial statements 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 Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity
N/A

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school division authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- c) **Government Transfers:** 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.

- 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 municipality because they can be used to provide municipal services in future periods. These assets do not normally provide resources to discharge the liabilities of the municipality 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 in 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. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2015**

1. Significant Accounting Policies - continued

- 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.
- 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 tangible capital assets that are recognized at a nominal value are disclosed in Schedule 6. 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 municipality's tangible capital assets' useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	30 to 75 Yrs
Road Network Assets	30 to 75 Yrs

Government Contributions: Government contributions for the acquisition of tangible 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 capitalizes interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded in 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 the straight-line basis, over their estimated useful lives (lease term). Any lease not meeting the aforementioned criteria is classified as an operating lease, and lease payments are expensed as incurred.

- m) **Landfill Liability:** The municipality owns a transfer station.

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2015**

1. Significant Accounting Policies - continued

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

- q) **Measurement Uncertainty:** The preparation of financial statements in conformity with public sector accounting standards require 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 collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

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

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

- r) **Basis of Segmentation/Segment Reporting:** The municipality has adopted 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 and functions are as follows:

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

Protective Services: The protective services segment 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 delivery of water, collecting and treating of wastewater, and providing collection and disposal of solid waste.

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2015**

	2015	2014
2. Cash and Temporary Investments		
Cash	18,160	62,944
Temporary Investments	-	-
Restricted Cash	-	-
Total Cash and Temporary Investments	18,160	62,944

Cash and temporary investments include balances with banks, term deposits, marketable securities, and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

	2015	2014
3. Taxes and Grants in Lieu Receivable		
Municipal - Current	-	-
- Arrears	353,902	271,675
	353,902	271,675
- Less Allowance for Uncollectibles	(9,472)	(15,881)
Total Municipal Taxes Receivable	344,430	255,794
School - Current	-	-
- Arrears	53,890	23,388
Total School Taxes Receivable	53,890	23,388
Other	-	-
Total Taxes and Grants in Lieu Receivable	398,320	279,182
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(53,890)	(23,388)
Municipal Taxes and Grants in Lieu Receivable	344,430	255,794

	2015	2014
4. Other Accounts Receivable		
Federal Government	2,814	92,860
Provincial Government	-	-
Local Government	-	-
Utility	75,962	52,796
Trade	409,952	434,444
Other	-	-
Total Other Accounts Receivable	488,728	580,100
Less Allowance for Uncollectibles	(2,500)	(2,500)
Net Other Accounts Receivable	486,228	577,600

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2015**

	2015	2014
5. Land for Resale		
Tax Title Property	25,000	-
Allowance for Market Value Adjustment	-	-
Net Tax Title Property	25,000	-
Other Land	1,125,590	970,357
Allowance for Market Value Adjustment	-	-
Net Other Land	1,125,590	970,357
Total Land for Resale	1,150,590	970,357

6. Long-term Investments	2015	2014
	-	-

7. Debt Charges Recoverable	2015	2014
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
Total Debt Charges Recoverable	-	-

8. Bank Indebtedness
The municipality has no bank indebtedness.

9. Deferred Revenue	2015	2014
Facility Deposits	31,239	7,250
Total Deferred Revenue	31,239	7,250

10. Accrued Landfill Costs	2015	2014
Environmental liabilities	-	-

Since the municipality does not own a landfill, it has no accrued landfill costs.

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2015**

11. Liability for Contaminated Sites

The municipality has no liability for contaminated sites.

12. Long-term Debt

The debt limit of the municipality is \$2,495,158. 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).

Bank loan is repayable to Canada Mortgage and Housing Corporation in annual payments of \$263,262 plus interest at 3.65 %. The loan matures in 2026.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year
2016	174,300	88,962	263,262	
2017	180,720	82,542	263,262	
2018	187,376	75,886	263,262	
2019	194,278	68,984	263,262	
2020	201,434	61,828	263,262	
	1,477,165	205,237	1,682,402	
Balance	2,415,273	583,439	2,998,712	2,591,216

Capital lease is repayable to John Deere Finance in monthly payments of \$5,159 plus interest at 1.55 %. The loan matures in 2019.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year
2016	59,211	2,697	61,908	
2017	60,132	1,776	61,908	
2018	61,068	840	61,908	
2019	21,040	67	21,107	
2020	-	-	-	
	-	-	-	
Balance	201,451	5,380	206,831	-

13. Lease Obligations

The municipality has no lease obligations.

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2015**

14. Other Non-financial Assets

<u>2015</u>	<u>2014</u>
<u>-</u>	<u>-</u>

15. Contingent Liabilities

The municipality has no contingent liabilities.

16. Pension Plan

The Town of Shellbrook 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 Town of Shellbrook pension expense in 2015 was \$123,494. The benefits accrued to the Town of Shellbrook employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

17. Comparative Figures

No figures have been restated.

18. Trusts Administered by the Municipality

The municipality does not administer any trusts.

19. Budget Figures

The 2015 budget figures are provided for informative purposes only and were not covered by the scope of the external audit.

Town of Shellbrook
 Schedule of Taxes and Other Unconditional Revenue
 For the Year Ended December 31, 2015

Schedule 1

	<i>2015 Budget</i>	2015	2014
TAXES			
General Municipal Tax Levy	1,638,027	1,599,413	1,431,134
Abatements and Adjustments	-	(14,951)	(3,893)
Discount on Current Year Taxes	(98,000)	(102,909)	(98,024)
Net Municipal Taxes	1,540,027	1,481,553	1,329,217
Potash Tax Share	-	-	-
Trailer Licence Fees	-	-	-
Penalties on Tax Arrears	45,000	54,388	39,970
Special Tax Levy	-	-	-
Other	-	-	-
Total Taxes	1,585,027	1,535,941	1,369,187
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	323,160	323,164	312,859
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	323,160	323,164	312,859
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
SPC Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
SPMC - Municipal Share	-	-	-
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
CPR Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
SPC Surcharge	72,000	80,749	71,788
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	72,000	80,749	71,788
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,980,187	1,939,854	1,753,834

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2015**

Schedule 2-1

	2015 Budget	2015	2014
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	2,460	4,099	5,194
- Custom Work	-	-	-
- Sales of Supplies	2,500	13,061	8,885
- Other - Rentals/Other	78,700	104,410	95,143
Total Fees and Charges	83,660	121,570	109,222
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Land Sales - Gain	40,000	188,205	17,221
- Investment Income and Commissions	8,000	3,362	7,796
- Other	-	-	-
Total Other Segmented Revenue	131,660	313,137	134,239
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	3,008	-
Total Conditional Grants	-	3,008	-
Total Operating	131,660	316,145	134,239
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total General Government Services	131,660	316,145	134,239
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	25,100	10,723	20,096
- Other	-	-	-
Total Fees and Charges	25,100	10,723	20,096
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	25,100	10,723	20,096
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	25,100	10,723	20,096
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	25,100	10,723	20,096

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2015**

Schedule 2-2

	2015 Budget	2015	2014
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Custom Work	13,000	7,155	12,710
- Sales of Supplies	4,500	1,350	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	60,000	56,590	75,946
- Other - Rentals	2,430	1,400	1,400
Total Fees and Charges	79,930	66,495	90,056
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	2,800	14,382	2,000
Total Other Segmented Revenue	82,730	80,877	92,056
Conditional Grants	-	-	-
- Primary Weight Corridor	-	-	-
- Student Employment	-	-	-
- Other (Airport)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	82,730	80,877	92,056
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Transportation Services	82,730	80,877	92,056

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	3,300	3,815	2,400
- Waste and Disposal Fees	500	500	500
- Other	301,090	288,110	289,257
Total Fees and Charges	304,890	292,425	292,157
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	304,890	292,425	292,157
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	304,890	292,425	292,157
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Transit for Disabled	9,420	11,489	2,915
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	9,420	11,489	2,915
Total Environmental and Public Health Services	314,310	303,914	295,072

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2015**

Schedule 2-3

	2015 Budget	2015	2014
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Maintenance and Development Charges	-	-	-
- Other - Licences and Permits	30,000	17,624	25,307
Total Fees and Charges	30,000	17,624	25,307
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	30,000	17,624	25,307
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	30,000	17,624	25,307
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	30,000	17,624	25,307

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	92,950	66,848	81,187
- Other	-	-	-
Total Fees and Charges	92,950	66,848	81,187
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	92,950	66,848	81,187
Conditional Grants	-	-	-
- Student Employment	3,500	-	3,500
- Local Government	5,930	6,579	8,434
- Donations	200	407	-
- Other - SPRA / CIF	22,980	22,432	16,056
Total Conditional Grants	32,610	29,418	27,990
Total Operating	125,560	96,266	109,177
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	125,560	96,266	109,177

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2015**

Schedule 2-4

	2015 Budget	2015	2014
UTILITY SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Water	407,840	431,646	444,045
- Sewer	283,274	285,272	186,131
- Other	-	-	-
Total Fees and Charges	691,114	716,918	630,176
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	691,114	716,918	630,176
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	691,114	716,918	630,176
Capital			
Conditional Grants	-	-	-
- Gas Tax	81,250	81,394	81,251
- SaskWater Corporation	-	-	-
- Provincial Disaster Assistance	45,000	45,000	99,390
- Other - MRIF/BCF	-	-	-
Total Capital	126,250	126,394	180,641
Total Utility Services	817,364	843,312	810,817

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,526,724	1,668,861	1,486,764
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SUMMARY

Total Other Segmented Revenue	1,358,444	1,498,552	1,275,218
Total Conditional Grants	32,610	32,426	27,990
Total Capital Grants and Contributions	135,670	137,883	183,556
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,526,724	1,668,861	1,486,764

**Town of Shellbrook
Schedule of Total Expenses by Function
For the Year Ended December 31, 2015**

Schedule 3-1

	<i>2015 Budget</i>	2015	2014
GENERAL GOVERNMENT SERVICES			
Council Remuneration and Travel	30,500	25,744	21,740
Wages and Benefits	217,255	196,811	253,424
Professional/Contractual Services	105,810	75,040	83,554
Utilities	13,430	17,255	7,887
Maintenance, Materials, and Supplies	78,890	62,894	66,784
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Amortization	-	11,319	3,209
Interest	-	-	-
Allowance for Uncollectibles	-	-	-
Other	-	-	-
Total Government Services	445,885	389,063	436,598
PROTECTIVE SERVICES			
Police Protection			
Wages and Benefits	-	-	-
Professional/Contractual Services	92,000	98,235	91,308
Utilities	-	-	-
Maintenance, Material, and Supplies	-	176	1,366
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and Benefits	8,551	4,413	5,478
Professional/Contractual Services	20,850	117,467	2,896
Utilities	1,500	4,346	1,341
Maintenance, Material, and Supplies	3,000	5,546	2,515
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Amortization	-	10,851	10,851
Interest	-	-	-
Other	-	-	-
Total Protective Services	125,901	241,034	115,755
TRANSPORTATION SERVICES			
Wages and Benefits	256,285	236,190	246,264
Professional/Contractual Services	103,400	94,321	29,315
Utilities	75,250	64,325	53,474
Maintenance, Materials, and Supplies	271,600	267,064	221,057
Gravel	35,000	59,218	32,256
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Amortization	-	183,335	174,388
Interest	-	-	-
Other	-	-	-
Total Transportation Services	741,535	904,453	756,754

**Town of Shellbrook
Schedule of Total Expenses by Function
For the Year Ended December 31, 2015**

Schedule 3-2

2015 Budget

2015

2014

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Wages and Benefits	290,970	320,177	296,349
Professional/Contractual Services	146,480	232,021	199,740
Utilities	-	-	-
Maintenance, Materials, and Supplies	500	314	237
Grants and Contributions- Operating	-	1,739	2,915
- Waste Disposal	-	-	-
- Public Health	-	-	-
- Capital	-	-	-
- Waste Disposal	-	-	-
- Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Environmental and Public Health Services	437,950	554,251	499,241

PLANNING AND DEVELOPMENT SERVICES

Wages and Benefits	-	-	-
Professional/Contractual Services	41,700	39,756	43,726
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Planning and Development Services	41,700	39,756	43,726

RECREATION AND CULTURAL SERVICES

Wages and Benefits	167,310	169,505	151,489
Professional/Contractual Services	72,050	90,857	70,548
Utilities	40,000	53,841	33,632
Maintenance, Materials, and Supplies	55,400	29,714	46,481
Grants and Contributions- Operating	41,450	27,995	17,960
- Capital	-	-	-
Amortization	-	45,024	45,024
Interest	-	-	-
Allowance for Uncollectibles	-	-	-
Other	-	276	1,013
Total Recreation and Cultural Services	376,210	417,212	366,147

**Town of Shellbrook
Schedule of Total Expenses by Function
For the Year Ended December 31, 2015**

Schedule 3-3

	<i>2015 Budget</i>	2015	2014
UTILITY SERVICES			
Wages and Benefits	135,027	109,633	131,563
Professional/Contractual Services	88,620	93,237	149,432
Utilities	92,500	100,016	78,863
Maintenance, Materials, and Supplies	373,000	145,461	339,097
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Amortization	-	149,367	146,426
Interest	264,270	87,319	93,515
Allowance for Uncollectibles	-	-	-
Other	-	-	1,100
Total Utility Services	953,417	685,033	939,996
 TOTAL EXPENSES BY FUNCTION	 <i>3,122,598</i>	 3,230,802	 3,158,217

**Town of Shellbrook
Consolidated Schedule of Segment Disclosure by Function
For the Year Ended December 31, 2015**

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	121,570	10,723	66,495	292,425	17,624	66,848	716,918	1,292,603
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	188,205	-	-	-	-	-	-	188,205
Investment Income and Commissions	3,362	-	-	-	-	-	-	3,362
Other Revenues	-	-	14,382	-	-	-	-	14,382
Grants - Conditional	3,008	-	-	-	-	29,418	-	32,426
- Capital	-	-	-	11,489	-	-	126,394	137,883
Total Revenues	316,145	10,723	80,877	303,914	17,624	96,266	843,312	1,668,861

Expenses (Schedule 3)								
Wages and Benefits	222,555	4,413	236,190	320,177	-	169,505	109,633	1,062,473
Professional/Contractual Services	75,040	215,702	94,321	232,021	39,756	90,857	93,237	840,934
Utilities	17,255	4,346	64,325	-	-	53,841	100,016	239,783
Maintenance, Materials, and Supplies	62,894	5,722	326,282	314	-	29,714	145,461	570,387
Grants and Contributions	-	-	-	1,739	-	27,995	-	29,734
Amortization	11,319	10,851	183,335	-	-	45,024	149,367	399,896
Interest	-	-	-	-	-	-	87,319	87,319
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	276	-	276
Total Expenses	389,063	241,034	904,453	554,251	39,756	417,212	685,033	3,230,802

Surplus (Deficit) by Function	(72,918)	(230,311)	(823,576)	(250,337)	(22,132)	(320,946)	158,279	(1,561,941)
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Taxation and Other Unconditional Revenue (Schedule 1)

1,939,854

Net Surplus (Deficit)

377,913

**Town of Shellbrook
Consolidated Schedule of Segment Disclosure by Function
For the Year Ended December 31, 2014**

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	109,222	20,096	90,056	292,157	25,307	81,187	630,176	1,248,201
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	17,221	-	-	-	-	-	-	17,221
Investment Income and Commissions	7,796	-	-	-	-	-	-	7,796
Other Revenues	-	-	2,000	-	-	-	-	2,000
Grants - Conditional	-	-	-	-	-	27,990	-	27,990
- Capital	-	-	-	2,915	-	-	180,641	183,556
Total Revenues	134,239	20,096	92,056	295,072	25,307	109,177	810,817	1,486,764

Expenses (Schedule 3)								
Wages and Benefits	275,164	5,478	246,264	296,349	-	151,489	131,563	1,106,307
Professional/Contractual Services	83,554	94,204	29,315	199,740	43,726	70,548	149,432	670,519
Utilities	7,887	1,341	53,474	-	-	33,632	78,863	175,197
Maintenance, Materials, and Supplies	66,784	3,881	253,313	237	-	46,481	339,097	709,793
Grants and Contributions	-	-	-	2,915	-	17,960	-	20,875
Amortization	3,209	10,851	174,388	-	-	45,024	146,426	379,898
Interest	-	-	-	-	-	-	93,515	93,515
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1,013	1,100	2,113
Total Expenses	436,598	115,755	756,754	499,241	43,726	356,147	939,996	3,158,217

Surplus (Deficit) by Function	(302,359)	(95,659)	(664,698)	(204,169)	(18,419)	(256,970)	(129,179)	(1,671,453)
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Taxation and Other Unconditional Revenue (Schedule 1)

1,753,834

Net Surplus (Deficit)

82,381

**Town of Shellbrook
Consolidated Schedule of Tangible Capital Assets by Object
For the Year Ended December 31, 2015**

	2015							2014		
	General Assets							Infrastructure Assets	General / Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear Assets	Total			

Asset Cost	659,319	221,891	1,739,255	169,120	1,101,684	13,703,735	348,868	17,943,872	17,323,722
Opening Asset Costs	-	-	88,419	30,850	50,450	325,291	102,127	597,137	620,150
Additions During the Year	-	-	-	-	-	-	-	-	-
Disposals and Write-downs During the Year	-	-	-	-	-	-	-	-	-
Transfers (From) Assets Under Construction	659,319	221,891	1,827,674	199,970	1,152,134	14,029,026	450,995	18,541,009	17,943,872
Closing Asset Costs									

Accumulated Amortization Cost

Opening Accumulated Amortization Costs	-	29,272	861,511	65,032	714,611	2,210,345	-	3,880,771	3,500,873
Add: Amortization Taken	-	11,095	42,515	18,581	135,330	192,375	-	399,896	379,898
Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	40,367	904,026	83,613	849,941	2,402,720	-	4,280,667	3,880,771

Net Book Value	659,319	181,524	923,648	116,357	302,193	11,626,306	450,995	14,260,342	14,063,101
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1. Total Contributed/Donated Assets Received in 2015: -
2. List of Assets Recognized at Nominal Value in 2015 are:
 - Infrastructure Assets 7
 - Vehicles -
 - Machinery and Equipment -
 - 3. Amount of Interest Capitalized in 2015: -

**Town of Shellbrook
Consolidated Schedule of Tangible Capital Assets by Function
For the Year Ended December 31, 2015**

Schedule 7

	2015						2014		
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total	Total
Asset Cost									
Opening Asset Costs	261,190	116,307	5,021,750	-	-	1,110,748	11,433,877	17,943,872	17,323,722
Additions During the Year	-	-	113,494	-	-	-	483,643	597,137	620,150
Disposals and Write-downs During the Year	-	-	-	-	-	-	-	-	-
Closing Asset Costs	261,190	116,307	5,135,244	-	-	1,110,748	11,917,520	18,541,009	17,943,872
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	22,463	61,284	2,034,919	-	-	523,396	1,238,709	3,880,771	3,500,873
Add: Amortization Taken	11,319	10,851	183,335	-	-	45,024	149,367	399,896	379,898
Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	33,782	72,135	2,218,254	-	-	568,420	1,388,076	4,280,667	3,880,771
Net Book Value	227,408	44,172	2,916,990	-	-	542,328	10,529,444	14,260,342	14,063,101

**Town of Shellbrook
Consolidated Schedule of Accumulated Surplus
For the Year Ended December 31, 2015**

Schedule 8

	2014	Changes	2015
UNAPPROPRIATED SURPLUS	1,513,510	117,274	1,630,784
APPROPRIATED RESERVES			
Machinery and Equipment	-	78,095	78,095
Public Reserve	-	-	-
Capital Trust	-	-	-
Utility	-	-	-
Other	63,493	10,811	74,304
Total Appropriated	63,493	88,906	152,399
ORGANIZED HAMLETS			
	-	-	-
	-	-	-
	-	-	-
Total Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6)	14,063,101	197,241	14,260,342
Less: Related Debt	(2,591,216)	(25,508)	(2,616,724)
Net Investment in Tangible Capital Assets	11,471,885	171,733	11,643,618
Other	-	-	-
Total Accumulated Surplus	13,048,888	377,913	13,426,801

**Town of Shellbrook
Schedule of Mill Rates and Assessments
For the Year Ended December 31, 2015**

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	98,010	78,755,040	-	-	11,603,300	-	90,456,350
Regional Park Assessment							
Total Assessment							90,456,350
Mill Rate Factor(s)	1.000	1.000	-	-	1.000		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-	-	-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,111	1,150,186	-	-	447,116	-	1,599,413

MILL RATES:

	MILLS
Average Municipal*	17.6816
Average School*	5.4437
Potash Mill Rate	-
Uniform Municipal Mill Rate	12.8000

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

**Town of Shellbrook
Schedule of Council Remuneration
For the Year Ended December 31, 2015**

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	George Tomporowski	8,159	-	8,159
Councillor	Lyle Banda	3,095	-	3,095
Councillor	Bruce Clements	4,930	-	4,930
Councillor	Lois Freeman	3,265	-	3,265
Councillor	David Knight	2,140	-	2,140
Councillor	Kathleen Nording	2,470	-	2,470
Councilor	Amund Otterson	1,685	-	1,685
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		25,744	-	25,744