

Annual Financial Statements

And Supporting Schedules

For The

Rural Municipality of Hillsdale No. 440

For the year ended December 31, 2013

Management's Responsibility

To the Ratepayers of the Rural Municipality of Hillsdale No. 440:

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 fulfills 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.

Holm Clements Kwong Raiche Oberg, an independent firm of chartered accountants, is appointed by 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.

April 3, 2014
Date

Dean Goodfellow
Reeve

Janet Black
Administrator

Holm Clements Kwong Raiche Oberg

Chartered Accountants

1321 - 101st Street

North Battleford, Saskatchewan S9A 0Z9

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INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of the Rural Municipality of Hillsdale No. 440

Report on the consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rural Municipality of Hillsdale No. 440, which comprise the consolidated statement of financial position as at December 31, 2013, 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

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Rural Municipality of Hillsdale No. 440 as at December 31, 2013, and the results of its consolidated operations, change in net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

North Battleford, Saskatchewan
April 3, 2014

Holm Clements Kwong Raiche Oberg
Chartered Accountants

G.K. Holm, CA* W.J. Clements, CA* G.D. Kwong, CMA, CA* L.A. Raiche, CA, CFP* D.D. Oberg, CA*

B.W. Svenkeson, CA*, Associate

*Denotes a Professional Corporation



Rural Municipality of Hillsdale No. 440
Consolidated Statement of Financial Position
As at December 31, 2013

Statement 1

	2013	2012
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	\$ 3,784,844	\$ 2,398,109
Taxes Receivable - Municipal (Note 3)	254,360	159,815
Other Accounts Receivable (Note 4)	397,520	181,932
Land for Resale		
Long-term Investments (Note 5)	107,979	116,442
Other (Specify)		
Total Financial Assets	4,544,703	2,856,298
LIABILITIES		
Bank Indebtedness (Note 6)		
Accounts Payable	123,588	580,236
Accrued Liabilities Payable		
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Other Liabilities	1	1
Long-term Debt (Note 9)		
Lease Obligations		
Total Liabilities	123,589	580,237
NET FINANCIAL ASSETS	4,421,114	2,276,061
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	19,428,797	19,118,309
Prepayments and Deferred Charges		
Stock and Supplies	467,370	123,935
Other		
Total Non-Financial Assets	19,896,167	19,242,244
Accumulated Surplus (Deficit) (Schedule 8)	\$ 24,317,281	\$ 21,518,305

Rural Municipality of Hillsdale No. 440
Consolidated Statement of Operations
For the year ended December 31, 2013

Statement 2

	2013 Budget	2013	2012
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 4,780,468	\$ 4,816,479	\$ 4,359,454
Fees and Charges (Schedule 4, 5)	250,230	493,171	331,570
Conditional Grants (Schedule 4, 5)	36,897	38,792	35,695
Tangible Capital Asset Sales - Loss (Schedule 4, 5)	(50,000)	(12,824)	(8,484)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	17,000	41,056	34,987
Other Revenues (Schedule 4, 5)		74,659	28,374
Total Revenues	5,034,595	5,451,333	4,781,596
Expenses			
General Government Services (Schedule 3)	302,509	314,652	293,945
Protective Services (Schedule 3)	38,029	43,871	42,227
Transportation Services (Schedule 3)	2,340,813	2,146,584	2,360,631
Environmental and Public Health Services (Schedule 3)	138,412	70,264	126,685
Planning and Development Services (Schedule 3)	33,017	27,871	22,367
Recreation and Cultural Services (Schedule 3)	85,113	80,981	68,907
Utility Services (Schedule 3)			
Total Expenses	2,937,893	2,684,223	2,914,762
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	2,096,702	2,767,110	1,866,834
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	31,886	31,866	90,890
Surplus (Deficit) of Revenues over Expenses	\$ 2,128,588	2,798,976	1,957,724
Accumulated Surplus (Deficit), Beginning of Year		21,518,305	19,560,581
Accumulated Surplus (Deficit), End of Year		\$ 24,317,281	\$ 21,518,305

Rural Municipality of Hillsdale No. 440
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2013

Statement 3

	2013 Budget	2013	2012
Surplus (Deficit)	\$ 2,128,588	\$ 2,798,976	\$ 1,957,724
(Acquisition) of tangible capital assets	(2,562,215)	(1,654,951)	(3,411,384)
Amortization of tangible capital assets	982,544	981,925	958,424
Proceeds on disposal of tangible capital assets		349,714	114,600
Loss (gain) on the disposal of tangible capital assets	50,000	12,824	8,484
Surplus (Deficit) of capital revenue over expenditures	(1,529,671)	(310,488)	(2,329,876)
(Acquisition) of supplies inventories		(343,435)	(90,719)
(Acquisition) of prepaid expense			
Consumption of supplies inventories			
Use of prepaid expense			
Surplus (Deficit) of revenue of other non-financial over expenditures		(343,435)	(90,719)
Increase (Decrease) in Net Financial Assets	\$ 598,917	2,145,053	(462,871)
Net Financial Assets - Beginning of Year		2,276,061	2,738,932
Net Financial Assets - End of Year		\$ 4,421,114	\$ 2,276,061

Rural Municipality of Hillsdale No. 440
Consolidated Statement of Cash Flow
For the year ended December 31, 2013

Statement 4

	2013	2012
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 2,798,976	\$ 1,957,724
Amortization	981,925	958,424
Loss (gain) on disposal of tangible capital assets	12,824	8,484
	<u>3,793,725</u>	<u>2,924,632</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(94,545)	(50,233)
Other Receivables	(215,588)	856,909
Land for Resale		1,011
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(456,648)	424,329
Deposits		
Deferred Revenue		
Other Liabilities		
Stock and Supplies for Use	(343,435)	(90,719)
Prepayments and Deferred Charges		
Other		
Net cash from (used for) operations	<u>2,683,509</u>	<u>4,065,929</u>
Capital:		
Acquisition of Tangible Capital Assets	(1,654,951)	(3,411,384)
Proceeds From the Disposal of Tangible Capital Assets	349,714	114,600
Other Capital		
Net cash from (used for) capital	<u>(1,305,237)</u>	<u>(3,296,784)</u>
Investing:		
Long-term Investments	8,463	84,847
Other Investments		
Net cash from (used for) investing	<u>8,463</u>	<u>84,847</u>
Financing:		
Long-term Debt Issued		
Long-term Debt Repaid		
Other Financing		
Net cash from (used for) financing		
Increase (Decrease) in cash resources	<u>1,386,735</u>	<u>853,992</u>
Cash and Investments - Beginning of Year	<u>2,398,109</u>	<u>1,544,117</u>
Cash and Investments - End of Year	<u>\$ 3,784,844</u>	<u>\$ 2,398,109</u>

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:

- a) **Basis of Accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue 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 consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity

Rural Municipality of Hillsdale No. 440

- 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 relevant legislation. The amounts collected are disclosed in note 3.
- d) **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 account 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) **Net-Financial Assets:** Net-financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **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 Rural Municipalities - Self Insurance fund are accounted for on the equity basis.

Rural Municipality of Hillsdale No. 440
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

1. Significant Accounting Policies - continued

- j) **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.
- k) **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 on 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 asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	10 to 20 Yrs
Infrastructure Assets	
Road Network Assets	40 Yrs
Road Network Paving	15 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 does not capitalize interest incurred while a tangible capital asset is under construction.

- l) **Leases:** All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.
- m) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 10.
- n) **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.

Rural Municipality of Hillsdale No. 440
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

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

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

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

- p) **Basis of Segmentation:** 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 (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 neighborhood development and sustainability.

Recreation and Cultural: The recreation and cultural 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.

2. Cash and Temporary Investments

	2013	2012
Cash	\$ 3,784,844	\$ 2,398,109
Temporary Investments		
Total Cash and Temporary Investments	\$ 3,784,844	\$ 2,398,109

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

3. Taxes and Grants in Lieu Receivable

Municipal	- Current	\$ 92,348	\$ 110,078
	- Arrears	162,761	50,486
		255,109	160,564
	- Less Allowance for Uncollectibles	(749)	(749)
Total Municipal Taxes Receivable		254,360	159,815

School	- Current	17,381	22,962
	- Arrears	34,837	13,940
Total School Taxes Receivable		52,218	36,902

Other			
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Total Taxes and Grants in Lieu Receivable **306,578** **196,717**

Deduct taxes receivable to be collected on behalf of other organizations **(52,218)** **(36,902)**

Total Municipal and Grants in Lieu Taxes Receivable **\$ 254,360** **\$ 159,815**

Rural Municipality of Hillsdale No. 440
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

	2013	2012
4. Other Accounts Receivable		
Federal government	\$ 27,933	\$ 77,561
Provincial government		22,859
Local government	30,715	
Utility		
Trade	338,872	81,512
Other		
Total Other Accounts Receivable	397,520	181,932
Less Allowance for Uncollectibles		
Net Other Accounts Receivable	\$ 397,520	\$ 181,932

5. Long-term Investments

Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$ 48,705	\$ 58,138
Village of Neilburg - debentures	50,000	50,000
Synergy Credit Union - equity	9,169	8,199
Pine Island Lodge - shares	100	100
Synergy Credit Union - shares	5	5
Total Long-term Investments	\$ 107,979	\$ 116,442

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

The other investments are recorded at cost.

6. Credit Facility Agreement

The municipality has a credit facility agreement with its financial institution that includes a revolving operating line of credit in the amount of \$750,000. Interest on the line of credit is prime less 0.25%. Security for the line of credit is the assignment of the municipality's taxes receivable and unconditional government grants. There was no balance outstanding on this line of credit as of December 31, 2013.

7. 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 Plans' reserve fund.

Rural Municipality of Hillsdale No. 440
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

8. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2013 was \$37,811 (2012 - \$35,557). The benefits accrued to the municipality employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

9. Long-term Debt

The debt limit of the municipality is \$4,588,347. 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).

The municipality has no long-term debt outstanding.

10. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

Cut Knife Health Trust & SMAM Trust

	Current Total	Prior Year Total
Balance - Beginning of Year	\$ 60,551	\$ 55,325
Revenue		14,800
Interest revenue	659	541
Expenditure (webinars)	(4,685)	(10,115)
Balance - End of Year	\$ 56,525	\$ 60,551

11. Budget Figures

Budget figures are reported for information purposes only and are not included in the scope of the external audit.

Rural Municipality of Hillsdale No. 440
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2013

Schedule 1

	2013 Budget	2013	2012
TAXES			
General municipal tax levy	\$ 4,808,670	\$ 4,780,794	\$ 4,349,643
Abatements and adjustments	(5,000)	(4,294)	(2,001)
Discount on current year taxes	(240,433)	(228,940)	(206,234)
Net Municipal Taxes	4,563,237	4,547,560	4,141,408
Potash tax share			
Trailer license fees			
Penalties on tax arrears	15,000	35,432	22,008
Special tax levy			
Other			
Total Taxes	4,578,237	4,582,992	4,163,416

UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	171,008	198,841	171,008
Organized Hamlet			
Other			
Total Unconditional Grants	171,008	198,841	171,008

GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
Transgas			
SPMC - Municipal Share			
SaskTel	22,040	22,066	16,005
Other	477	453	319
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	8,706	12,127	8,706
Other			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other			
Total Grants in Lieu of Taxes	31,223	34,646	25,030

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 4,780,468	\$ 4,816,479	\$ 4,359,454
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Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2013

Schedule 2 - 1

	2013 Budget	2013	2012
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 500	\$ 1,283	\$ 759
- Sales of supplies	500	854	786
- Other (General Office Services)	2,900	26,009	6,910
Total Fees and Charges	3,900	28,146	8,455
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	17,000	41,056	34,987
- Other		74,659	28,374
Total Other Segmented Revenue	20,900	143,861	71,816
Conditional Grants			
- Student Employment			
- Other (Village share of wages)	16,197	16,508	14,333
Total Conditional Grants	16,197	16,508	14,333
Total Operating	37,097	160,369	86,149
Capital			
Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total General Government Services	37,097	160,369	86,149

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			2,300
Total Fees and Charges			2,300
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			2,300
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating			2,300
Capital			
Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Total Protective Services			2,300

Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2013

Schedule 2 - 2

	2013 Budget	2013	2012
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	18,000	42,168	21,889
- Sales of supplies	3,000	9,072	3,081
- Road Maintenance and Restoration Agreements	100,000	226,389	149,914
- Frontage			
- Other (Licenses and permits)	49,750	71,225	57,255
Total Fees and Charges	170,750	348,854	232,139
- Tangible capital asset sales - gain (loss)	(50,000)	(12,824)	(8,484)
- Other (Specify)			
Total Other Segmented Revenue	120,750	336,030	223,655
Conditional Grants			
- Primary Weight Corridor	9,700	10,670	9,700
- Student Employment			
- Other (Specify)			
Total Conditional Grants	9,700	10,670	9,700
Total Operating	130,450	346,700	233,355
Capital			
Conditional Grants			
- Gas Tax	31,886	31,866	31,886
- Canada/Sask Municipal Rural Infrastructure Fund			
- Heavy Haul			59,004
- Designated Municipal Roads and Bridges			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	31,886	31,866	90,890
Total Transportation Services	162,336	378,566	324,245

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	4,000	4,702	4,440
- Other (Pest Control)	1,000	1,523	5,518
Total Fees and Charges	5,000	6,225	9,958
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	5,000	6,225	9,958
Conditional Grants			
- Student Employment			
- Local government			
- Other (WYWRA & PREP)	11,000	11,614	11,662
Total Conditional Grants	11,000	11,614	11,662
Total Operating	16,000	17,839	21,620
Capital			
Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Transit for Disabled			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Environmental and Public Health Services	16,000	17,839	21,620

Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2013

Schedule 2 - 3

	2013 Budget	2013	2012
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Pasture and oil well rentals)	70,580	109,946	78,718
Total Fees and Charges	70,580	109,946	78,718
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	70,580	109,946	78,718
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	70,580	109,946	78,718
Capital			
Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Planning and Development Services	70,580	109,946	78,718

RECREATION AND CULTURAL SERVICES

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

Rural Municipality of Hillsdale No. 440
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2013

Schedule 2 - 4

	2013 Budget	2013	2012
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Gas Tax			
- Sask Water Corp.			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Utility Services			

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 286,013	\$ 666,720	\$ 513,032
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SUMMARY

Total Other Segmented Revenue	\$ 217,230	\$ 596,062	\$ 386,447
Total Conditional Grants	36,897	38,792	35,695
Total Capital Grants and Contributions	31,886	31,866	90,890
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 286,013	\$ 666,720	\$ 513,032

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

For the year ended December 31, 2013

Schedule 3 - 1

	2013 Budget	2013	2012
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 33,500	\$ 30,077	\$ 28,744
Wages and benefits	170,923	184,572	170,504
Professional/Contractual services	67,122	63,766	54,751
Utilities	7,435	6,400	6,417
Maintenance, materials and supplies	15,050	21,177	23,355
Grants and contributions - operating	450	500	730
- capital			
Amortization	8,029	7,410	9,334
Interest			
Allowance for uncollectibles			
Other (Refund of appeal fees)		750	110
Total Government Services	302,509	314,652	293,945

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	19,367	21,310	19,367
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protections

Wages and benefits			
Professional/Contractual services	18,662	22,561	22,860
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other (Specify)			

Total Protective Services	38,029	43,871	42,227
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TRANSPORTATION SERVICES

Wages and benefits	449,730	463,147	426,348
Professional/Contractual Services	69,700	167,037	75,107
Utilities	13,220	13,095	12,861
Maintenance, materials and supplies	435,000	373,396	411,336
Gravel	400,000	156,746	487,241
Grants and contributions - operating			
- capital			
Amortization	973,163	973,163	947,738
Interest			
Other (Specify)			

Total Transportation Services	2,340,813	2,146,584	2,360,631
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	2013 Budget	2013	2012
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits		175	
Professional/Contractual services	73,798	61,760	61,955
Utilities	625	718	614
Maintenance, materials and supplies	12,000	5,437	6,826
Grants and contributions - operating			
o Waste disposal			
o Public Health	50,941	1,126	56,242
- capital			
o Waste disposal			
o Public Health			
Amortization	1,048	1,048	1,048
Interest			
Other (Specify)			
Total Environmental and Public Health Services	138,412	70,264	126,685

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	32,713	27,567	22,063
Grants and contributions - operating			
- capital			
Amortization	304	304	304
Interest			
Other (Specify)			
Total Planning and Development Services	33,017	27,871	22,367

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	6,913	6,691	6,815
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	78,200	74,290	62,092
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Recreation and Cultural Services	85,113	80,981	68,907

Rural Municipality of Hillsdale No. 440**Total Expenses by Function****For the year ended December 31, 2013**

Schedule 3 - 3

	2013 Budget	2013	2012
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Utility Services			
TOTAL EXPENSES BY FUNCTION	\$ 2,937,893	\$ 2,684,223	\$ 2,914,762

Rural Municipality of Hillsdale No. 440
Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2013

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 28,146		\$ 348,854	\$ 6,225	\$ 109,946			\$ 493,171
Tangible Capital Asset Sales - Loss			(12,824)					(12,824)
Land Sales - Gain								
Investment Income and Commissions	41,056							41,056
Other Revenues	74,659							74,659
Grants - Conditional	16,508		10,670	11,614				38,792
- Capital			31,866					31,866
Total revenues	160,369		378,566	17,839	109,946			666,720
Expenses (Schedule 3)								
Wages & Benefits	214,649		463,147	175				677,971
Professional/ Contractual Services	63,766	\$ 43,871	167,037	61,760	27,567	\$ 6,691		370,692
Utilities	6,400		13,095	718				20,213
Maintenance, Materials and Supplies	21,177		530,142	5,437		74,290		556,756
Grants and Contributions	500			1,126				75,916
Amortization	7,410		973,163	1,048	304			981,925
Interest								
Allowance for Uncollectibles								
Other	750							750
Total expenses	314,652	43,871	2,146,584	70,264	27,871	80,981		2,684,223
Surplus (Deficit) by Function	\$ (154,283)	\$ (43,871)	\$ (1,768,018)	\$ (52,425)	\$ 82,075	\$ (80,981)		(2,017,503)

Taxation and Other Unconditional Revenue (Schedule 1)

4,816,479

Net Surplus (Deficit) **\$ 2,798,976**

Rural Municipality of Hillsdale No. 440
Consolidated Schedule of Segment Disclosure by Function
For The Year Ended December 31, 2012

Schedule 5

Revenues (Schedule 2)									
General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total		
\$ 8,455	\$ 2,300	\$ 232,139	\$ 9,958	\$ 78,718			\$	331,570	(8,484)
		(8,484)							
34,987								34,987	
28,374								28,374	
14,333		9,700	11,662					35,695	
		90,890						90,890	
86,149	2,300	324,245	21,620	78,718				513,032	
Expenses (Schedule 3)									
199,248		426,348						625,596	
54,751	42,227	75,107	61,955	22,063	\$ 6,815			262,918	
6,417		12,861	614					19,892	
23,355		898,577	6,826					928,758	
730			56,242		62,092			119,064	
9,334		947,738	1,048	304				958,424	
110								110	
293,945	42,227	2,360,631	126,685	22,367	68,907			2,914,762	
\$ (207,796)	\$ (39,927)	\$ (2,036,386)	\$ (105,065)	\$ 56,351	\$ (68,907)			(2,401,730)	
Taxation and Other Unconditional Revenue (Schedule 1)									
								4,359,454	
Net Surplus (Deficit)									
								\$	1,957,724

Rural Municipality of Hillsdale No. 440
Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2013

Schedule 6

2013

2012

Assets	General Assets					Infrastructure Assets		General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				
Asset Cost										
Opening Asset costs	\$ 395,537	\$ 39,346	\$ 719,662	\$ 83,863	\$ 1,752,077	\$ 18,242,694		\$ 5,026,163	\$ 26,259,342	\$ 23,179,407
Additions during the year		19,385		39,158	850,097	206,430		539,881	1,654,951	3,411,384
Disposals and write-downs during the year					(496,179)				(496,179)	(331,449)
Transfers (from) assets under construction						5,026,163		(5,026,163)		
Closing Asset Costs	395,537	58,731	719,662	123,021	2,105,995	23,475,287		539,881	27,418,114	26,259,342
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs		1,104	150,563	20,758	258,524	6,710,084			7,141,033	6,390,974
Add: Amortization taken		2,623	15,680	6,668	108,290	848,664			981,925	958,424
Less: Accumulated amortization on disposals					(133,641)				(133,641)	(208,365)
Closing Accumulated Amortization Costs		3,727	166,243	27,426	233,173	7,558,748			7,989,317	7,141,033
Net Book Value	\$ 395,537	\$ 55,004	\$ 553,419	\$ 95,595	\$ 1,872,822	\$ 15,916,539		\$ 539,881	\$ 19,428,797	\$ 19,118,309

1. Total contributed/donated assets received in 2013: \$

2. List of assets recognized at nominal value in 2013 are:

- Infrastructure Assets \$
- Vehicles \$
- Machinery and Equipment \$

3. Amount of interest capitalized in 2013 \$

Rural Municipality of Hillsdale No. 440
Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2013

Schedule 7

	2013						2012	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total
Assets								
Asset Cost								
Opening Asset costs	\$ 264,026		\$ 25,595,976	\$ 25,343	\$ 373,997			\$ 23,179,407
Additions during the year			1,654,951					3,411,384
Disposals and write-downs during the year			(496,179)					(331,449)
Closing Asset Costs	264,026		26,754,748	25,343	373,997			26,259,342
Amortization								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	107,245		7,031,444	2,040	304			6,390,974
Add: Amortization taken	7,410		973,163	1,048	304			958,424
Less: Accumulated amortization on disposals			(133,641)					(208,365)
Closing Accumulated Amortization Costs	114,655		7,870,966	3,088	608			7,141,033
Net Book Value	\$ 149,371		\$ 18,883,782	\$ 22,255	\$ 373,389			\$ 19,118,309

Rural Municipality of Hillsdale No. 440
Consolidated Schedule of Accumulated Surplus
For the year ended December 31, 2013

Schedule 8

	2012	Changes	2013
UNAPPROPRIATED SURPLUS	\$ 770,296	\$ 2,488,488	\$ 3,258,784

APPROPRIATED RESERVES

Machinery and Equipment			
Public Reserve			
Capital Trust			
Utility			
Future Capital	1,629,700		1,629,700
Total Appropriated	1,629,700		1,629,700

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6)	19,118,309	310,488	19,428,797
Less: Related debt			
Net Investment in Tangible Capital Assets	19,118,309	310,488	19,428,797

Total Accumulated Surplus	\$ 21,518,305	\$ 2,798,976	\$ 24,317,281
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Rural Municipality of Hillsdale No. 440
Schedule of Mill Rates and Assessments
For the year ended December 31, 2013

Schedule 9,

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 47,605,595	\$ 4,996,605			\$ 65,002,100		\$ 117,604,300
Regional Park Assessment							
Total Assessment							117,604,300
Mill Rate Factor(s)							
Total Base/Minimum Tax (generated for each property class)		0.8500			9.7000		
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 333,239	\$ 33,912			\$ 4,413,643		\$ 4,780,794

MILL RATES:

	MILLS
Average Municipal*	40.6515
Average School*	7.3809
Potash Mill Rate	
Uniform Municipal Mill Rate	7.0000

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority.)

Rural Municipality of Hillsdale No. 440
Schedule of Council Remuneration
For the year ended December 31, 2013

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Glenn Goodfellow	\$ 7,700	\$ 1,073	\$ 8,773
Councillor	Trevor McCrea	4,400	751	5,151
Councillor	Jerry Petovello	4,850	1,518	6,368
Councillor	Bernadette Poppleton	4,225	517	4,742
Councillor	Vincent Murphy	3,200	991	4,191
Councillor	Jessie Whitney	3,800	969	4,769
Councillor	Miles O'Grady	5,200	601	5,801
Total		\$ 33,375	\$ 6,420	\$ 39,795