

Annual Financial Statements

And Supporting Schedules

For The

Rural Municipality of Hillsdale No. 440

For the year ended December 31, 2014

Management's Responsibility

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

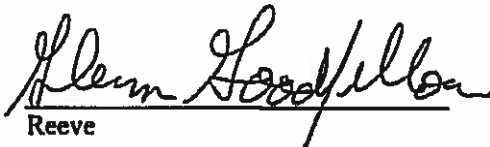
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is 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 Raiche Oberg, Chartered Professional Accountants P.C. Ltd., an independent firm of chartered professional 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.

June 4, 2015
Date


Reeve

Jamet Black
Administrator

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Rural Municipality of Hillsdale No. 440, which comprise the statement of financial position as at December 31, 2014, and the 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 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.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Rural Municipality of Hillsdale No. 440 as at December 31, 2014, and the results of its operations, change in net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The current year's supplementary information included in the schedules and appendices is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

North Battleford, Saskatchewan
June 4, 2015


Chartered Professional Accountants

Graham K. Holm, CPA, CA* Loralie A. Raiche, CPA, CA, CFP* Dallan D. Oberg, CPA, CA*

B.W. Svenkeson, CPA, CA*, Associate

*Denotes a professional corporation

Rural Municipality of Hillsdale No. 440
Statement of Financial Position
As at December 31, 2014

Statement 1

	2014	2013
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	\$ 4,801,560	\$ 3,784,844
Taxes Receivable - Municipal (Note 3)	368,972	254,360
Other Accounts Receivable (Note 4)	196,566	397,520
Land for Resale		
Long-term Investments (Note 5)	84,891	107,979
Other (Restricted cash) (Note 6)		
Total Financial Assets	5,451,989	4,544,703
LIABILITIES		
Bank Indebtedness (Note 7)		
Accounts Payable	182,319	123,588
Accrued Liabilities Payable		
Deposits		
Deferred Revenue		
Accrued Landfill Costs		
Other Liabilities	1	1
Long-term Debt (Note 8)		
Lease Obligations		
Total Liabilities	182,320	123,589
NET FINANCIAL ASSETS	5,269,669	4,421,114
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	20,576,179	19,428,797
Prepayments and Deferred Charges	5,936	
Stock and Supplies	755,791	467,370
Other		
Total Non-Financial Assets	21,337,906	19,896,167
Accumulated Surplus (Schedule 8)	\$ 26,607,575	\$ 24,317,281

Rural Municipality of Hillsdale No. 440
Statement of Operations
For the year ended December 31, 2014

Statement 2

	2014 Budget	2014	2013
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 5,139,272	\$ 5,141,879	\$ 4,816,479
Fees and Charges (Schedule 4, 5)	276,487	395,193	493,171
Conditional Grants (Schedule 4, 5)	34,367	40,611	38,792
Tangible Capital Asset Sales - Gain (Schedule 4, 5)			(12,824)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	17,000	71,782	41,056
Other Revenues (Schedule 4, 5)		29,890	74,659
Total Revenues	5,467,126	5,679,355	5,451,333
Expenses			
General Government Services (Schedule 3)	384,300	353,833	314,652
Protective Services (Schedule 3)	65,846	71,008	43,871
Transportation Services (Schedule 3)	2,330,125	2,816,518	2,146,584
Environmental and Public Health Services (Schedule 3)	99,998	70,756	70,264
Planning and Development Services (Schedule 3)	15,017	10,670	27,871
Recreation and Cultural Services (Schedule 3)	85,473	98,198	80,981
Utility Services (Schedule 3)			
Total Expenses	2,980,759	3,420,983	2,684,223
Surplus of Revenues over Expenses before Other Capital Contributions	2,486,367	2,258,372	2,767,110
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	31,866	31,922	31,866
Surplus of Revenues over Expenses	\$ 2,518,233	2,290,294	2,798,976
Accumulated Surplus, Beginning of Year		24,317,281	21,518,305
Accumulated Surplus, End of Year		\$ 26,607,575	\$ 24,317,281

Rural Municipality of Hillsdale No. 440
Statement of Change in Net Financial Assets
For the year ended December 31, 2014

Statement 3

	2014 Budget	2014	2013
Surplus (Deficit)	\$ 2,518,233	\$ 2,290,294	\$ 2,798,976
(Acquisition) of tangible capital assets	(2,517,690)	(2,484,931)	(1,654,951)
Amortization of tangible capital assets	981,925	1,337,549	981,925
Proceeds on disposal of tangible capital assets	20,000		349,714
Loss (gain) on the disposal of tangible capital assets			12,824
Surplus (Deficit) of capital revenue over expenditures	(1,515,765)	(1,147,382)	(310,488)
(Acquisition) of supplies inventories		(288,421)	(343,435)
(Acquisition) of prepaid expense		(5,936)	
Consumption of supplies inventories			
Use of prepaid expense			
Surplus (Deficit) of revenue of other non-financial over expenditures		(294,357)	(343,435)
Increase in Net Financial Assets	\$ 1,002,468	848,555	2,145,053
Net Financial Assets - Beginning of Year		4,421,114	2,276,061
Net Financial Assets - End of Year		\$ 5,269,669	\$ 4,421,114

Rural Municipality of Hillsdale No. 440
Statement of Cash Flow
For the year ended December 31, 2014

Statement 4

	2014	2013
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 2,290,294	\$ 2,798,976
Amortization	1,337,549	981,925
Loss (gain) on disposal of tangible capital assets		12,824
	<u>3,627,843</u>	<u>3,793,725</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(114,612)	(94,545)
Other Receivables	200,954	(215,588)
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	58,731	(456,648)
Deposits		
Deferred Revenue		
Accrued Landfill costs		
Other Liabilities		
Stock and Supplies for Use	(288,422)	(343,435)
Prepayments and Deferred Charges	(5,936)	
Other (Specify)		
Net cash from (used for) operations	3,478,558	2,683,509
Capital:		
Acquisition of Tangible Capital Assets	(2,484,931)	(1,654,951)
Proceeds From the Disposal of Tangible Capital Assets		349,714
Other Capital		
Net cash from (used for) capital	(2,484,931)	(1,305,237)
Investing:		
Long-term Investments	23,088	8,463
Other Investments		
Net cash from (used for) investing	23,088	8,463
Financing:		
Long-term Debt Issued		
Long-term Debt Repaid		
Other Financing		
Net cash from (used for) financing		
Increase (Decrease) in cash resources	1,016,715	1,386,735
Cash and Temporary Investments - Beginning of Year	3,784,844	2,398,109
Cash and Temporary Investments - End of Year	\$ 4,801,559	\$ 3,784,844

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 of the Chartered Professional Accountants of Canada. 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 and municipal hall are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- d) **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.
- e) **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.

- f) **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.
- g) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- h) **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.
- i) **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.

1. Significant Accounting Policies - continued

- j) **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.
- 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.
- 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 in the ordinary course of business.
- 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 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>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
<i>Vehicles and Equipment</i>	
Vehicles	10 Yrs
Machinery and Equipment	10 to 20 Yrs
<i>Infrastructure Assets</i>	
Water and Sewer	40 Yrs
Road Network Assets	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.

- n) **Land for Resale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- o) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

1. Significant Accounting Policies - continued

- p) **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 lease term. Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.
- q) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 11.
- r) **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.
- s) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Taxes receivable and accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Allowances are determined through an annual review of outstanding amounts.

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.

- t) **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

	2014	2013
Cash	\$ 4,801,560	\$ 3,784,844
Temporary Investments		
Total Cash and Temporary Investments	\$ 4,801,560	\$ 3,784,844

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. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash (Note 6).

Rural Municipality of Hillsdale No. 440
Notes to the Financial Statements
For the year ended December 31, 2014

	2014	2013
3. Taxes and Grants in Lieu Receivable		
Municipal - Current	\$ 85,999	\$ 92,348
- Arrears	283,722	162,761
	369,721	255,109
- Less Allowance for Uncollectibles	(749)	(749)
Total Municipal Taxes Receivable	368,972	254,360
School - Current	14,986	17,381
- Arrears	53,168	34,837
Total School Taxes Receivable	68,154	52,218
Other		
Total Taxes and Grants in Lieu Receivable	437,126	306,578
Deduct taxes receivable to be collected on behalf of other organizations	(68,154)	(52,218)
Total Municipal and Grants in Lieu Taxes Receivable	\$ 368,972	\$ 254,360

4. Other Accounts Receivable

Federal government	\$ 64,375	\$ 27,933
Provincial government		
Local government	35,749	30,715
Utility		
Trade	96,442	338,872
Other		
Total Other Accounts Receivable	196,566	397,520
Less Allowance for Uncollectibles		
Net Other Accounts Receivable	\$ 196,566	\$ 397,520

5. Long-term Investments

Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$ 50,311	\$ 48,705
Village of Neilburg - debentures	10,000	50,000
Synergy Credit Union - equity	12,595	9,174
Pine Island Lodge - shares	11,885	
Synergy Credit Union - shares	100	100
Total Long-term Investments	\$ 84,891	\$ 107,979

The long-term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund and Property Insurance Fund are accounted for on the equity basis. Other long-term investments are recorded at cost.

6. Other (Restricted cash)

The municipality has not formally set aside specific funds to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council. The appropriated reserves are underfunded by \$1,638,050 and \$1,629,700 as of December 31, 2014 and 2013, respectively. However there are sufficient funds in the general accounts to fund their reserve.

7. 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, 2014.

8. Long-term debt

The debt limit of the municipality is \$5,191,878. 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.

9. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance plan for its proportionate share of claims and future claims in excess of the Plans' reserve fund.

10. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2014 was \$43,401 (2013 - \$37,811). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

11. Trusts Administered by the Municipality

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

Cut Knife Health Trust & SAMA Trust

	Current Total	Prior Year Total
Balance - Beginning of Year	\$ 56,525	\$ 60,551
Revenue		
Interest revenue	637	659
Expenditure (webinars)		(4,685)
Balance - End of Year	\$ 57,162	\$ 56,525

12. 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, 2014

Schedule 1

	2014 Budget	2014	2013
TAXES			
General municipal tax levy	\$ 5,122,669	\$ 5,099,309	\$ 4,780,794
Abatements and adjustments	(5,000)	(1,500)	(4,294)
Discount on current year taxes	(235,000)	(244,466)	(228,940)
Net Municipal Taxes	4,882,669	4,853,343	4,547,560
Potash tax share			
Trailer license fees			
Penalties on tax arrears	25,000	58,103	35,432
Special tax levy			
Other (Specify)			
Total Taxes	4,907,669	4,911,446	4,582,992

UNCONDITIONAL GRANTS

Equalization (Revenue Sharing)	198,841	195,094	198,841
Organized Hamlet			
Total Unconditional Grants	198,841	195,094	198,841

GRANTS IN LIEU OF TAXES

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
Transgas			
SPMC - Municipal Share			
SaskTel	23,546	23,471	22,066
Other	510	523	453
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	8,706	11,345	12,127
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	32,762	35,339	34,646

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 5,139,272	\$ 5,141,879	\$ 4,816,479
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Rural Municipality of Hillsdale No. 440
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2014

Schedule 2 - 1

	2014 Budget	2014	2013
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 20,000	\$ 11,978	\$ 1,283
- Sales of supplies	750	1,804	854
- Other (General Office Services)	2,900	5,404	26,009
Total Fees and Charges	23,650	19,186	28,146
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	17,000	71,782	41,056
- Other (SARM)		27,670	74,659
Total Other Segmented Revenue	40,650	118,638	143,861
Conditional Grants			
- Student Employment			
- Other (Village share of wages)	17,197	17,197	16,508
Total Conditional Grants	17,197	17,197	16,508
Total Operating	57,847	135,835	160,369
Capital			
Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total General Government Services	57,847	135,835	160,369

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Fire Fees)		7,418	
Total Fees and Charges		7,418	
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue		7,418	
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating		7,418	
Capital			
Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Total Protective Services		7,418	

	2014 Budget	2014	2013
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	18,000	22,933	42,168
- Sales of supplies	3,000	1,662	9,072
- Road Maintenance and Restoration Agreements	100,000	189,137	226,389
- Frontage			
- Other (Licenses and permits)	49,750	39,452	71,225
Total Fees and Charges	170,750	253,184	348,854
- Tangible capital asset sales - gain (loss)			(12,824)
- Other (Specify)			
Total Other Segmented Revenue	170,750	253,184	336,030
Conditional Grants			
- Primary Weight Corridor	10,670	10,670	10,670
- Student Employment			
- Other (Specify)			
Total Conditional Grants	10,670	10,670	10,670
Total Operating	181,420	263,854	346,700
Capital			
Conditional Grants			
- Gas Tax	31,866	31,922	31,866
- Canada/Sask Municipal Rural Infrastructure Fund			
- Heavy Haul			
- Designated Municipal Roads and Bridges			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	31,866	31,922	31,866
Total Transportation Services	213,286	295,776	378,566

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	4,000	4,914	4,702
- Other (Pest Control)	1,000	1,691	1,523
Total Fees and Charges	5,000	6,605	6,225
- Tangible capital asset sales - gain (loss)			
- Other (Cemetery)		2,220	
Total Other Segmented Revenue	5,000	8,825	6,225
Conditional Grants			
- Student Employment			
- Local government			
- Other (WYWRA & PREP)	6,500	12,744	11,614
Total Conditional Grants	6,500	12,744	11,614
Total Operating	11,500	21,569	17,839
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	11,500	21,569	17,839

Rural Municipality of Hillsdale No. 440
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2014

Schedule 2 - 3

2014 Budget	2014	2013
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PLANNING AND DEVELOPMENT SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges		300	
- Other (Pasture and oil well rentals)	77,087	108,500	109,946
Total Fees and Charges	77,087	108,800	109,946
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	77,087	108,800	109,946
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	77,087	108,800	109,946

Capital

Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Planning and Development Services	77,087	108,800	109,946

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, 2014

Schedule 2 - 4

2014 Budget	2014	2013
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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	\$ 359,720	\$ 569,398	\$ 666,720
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SUMMARY

Total Other Segmented Revenue	\$ 293,487	\$ 496,865	\$ 596,062
Total Conditional Grants	34,367	40,611	38,792
Total Capital Grants and Contributions	31,866	31,922	31,866
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 359,720	\$ 569,398	\$ 666,720

Rural Municipality of Hillsdale No. 440

Total Expenses by Function

For the year ended December 31, 2014

Schedule 3 - 1

	2014 Budget	2014	2013
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 25,000	\$ 23,033	\$ 30,077
Wages and benefits	226,684	211,854	184,572
Professional/Contractual services	94,721	78,411	63,766
Utilities	7,435	7,014	6,400
Maintenance, materials and supplies	22,550	25,563	21,177
Grants and contributions - operating	500	550	500
- capital			
Amortization	7,410	7,408	7,410
Interest			
Allowance for uncollectibles			
Other (Refund of appeal fees)			750
Total Government Services	384,300	353,833	314,652

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	21,310	22,194	21,310
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protection

Wages and benefits			
Professional/Contractual services	44,536	42,602	22,561
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital		6,212	
Amortization			
Interest			
Other (Specify)			

Total Protective Services	65,846	71,008	43,871
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TRANSPORTATION SERVICES

Wages and benefits	563,702	505,335	463,147
Professional/Contractual Services	64,500	65,349	167,037
Utilities	13,960	12,805	13,095
Maintenance, materials and supplies	314,800	376,714	373,396
Gravel	400,000	516,560	156,746
Grants and contributions - operating			
- capital			
Amortization	973,163	1,328,788	973,163
Interest		10,967	
Other (Specify)			

Total Transportation Services	2,330,125	2,816,518	2,146,584
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	2014 Budget	2014	2013
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	175	178	175
Professional/Contractual services	83,798	63,118	61,760
Utilities	725	277	718
Maintenance, materials and supplies	12,000	4,635	5,437
Grants and contributions - operating			
o Waste disposal			
o Public Health	2,252	1,500	1,126
- capital			
o Waste disposal			
o Public Health			
Amortization	1,048	1,048	1,048
Interest			
Other (Specify)			
Total Environmental and Public Health Services	99,998	70,756	70,264

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits			
Professional/Contractual Services	14,713	10,365	27,567
Grants and contributions - operating			
- capital			
Amortization	304	305	304
Interest			
Other (Specify)			
Total Planning and Development Services	15,017	10,670	27,871

RECREATION AND CULTURAL SERVICES

Wages and benefits			
Professional/Contractual services	7,273	7,332	6,691
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	78,200	90,866	74,290
- capital			
Amortization			
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Recreation and Cultural Services	85,473	98,198	80,981

Total Expenses by Function

For the year ended December 31, 2014

	2014 Budget	2014	2013
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	\$ 2,980,759	\$ 3,420,983	\$ 2,684,223

Rural Municipality of Hillisdale No. 440
 Schedule of Segment Disclosure by Function
 For the year ended December 31, 2014

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	\$ 19,186	\$ 7,418	\$ 253,184	\$ 6,605	\$ 108,800			\$ 395,193
Tangible Capital Asset Sales - Gain								
Land Sales - Gain	71,782			2,220				71,782
Investment Income and Commissions	27,670		10,670	12,744				29,890
Other Revenues	17,197		31,922					40,611
Grants - Conditional - Capital								31,922
Total revenues	135,835	7,418	295,776	21,569	108,800			569,398
Expenses (Schedule 3)								
Wages & Benefits	234,887		505,335	178				740,400
Professional/ Contractual Services	78,411	64,796	65,349	63,118	10,365	7,332		289,371
Utilities	7,014		12,805	277				20,096
Maintenance, Materials and Supplies	25,563		893,274	4,635				923,472
Grants and Contributions	550	6,212	1,328,788	1,500	305	90,866		99,128
Amortization	7,408		10,967	1,048				1,337,549
Interest								10,967
Allowance for Uncollectibles								
Other								
Total expenses	353,833	71,008	2,816,518	70,756	10,670	98,198		3,420,983
Surplus (Deficit) by Function	\$ (217,998)	\$ (63,590)	\$ (2,520,742)	\$ (49,187)	\$ 98,130	\$ (98,198)		(2,851,585)
Taxation and Other Unconditional Revenue (Schedule 1)								5,141,879
Net/Surplus (Deficit)								\$ 2,290,294

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

	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 - Gain			(12,824)					(12,824)
Land Sales - Gain	41,056							41,056
Investment Income and Commissions	74,659							74,659
Other Revenues	16,508		10,670	11,614				38,792
Grants - Conditional			31,866					31,866
- Capital								
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	304			75,916
Amortization	7,410		973,163	1,048				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
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2014

2014

2013

Assets	General Assets						Infrastructure Assets	General/Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
Asset Cost									
Opening Asset costs	\$ 395,537	\$ 58,731	\$ 719,662	\$ 123,021	\$ 2,105,995	\$ 23,475,287	\$ 539,881	\$ 27,418,114	\$ 26,259,342
Additions during the year	8,000				213,599	634,028	1,629,304	2,484,931	1,654,951
Disposals and write-downs during the year									(496,179)
Transfers (from) assets under construction									
Closing Asset Costs	403,537	58,731	719,662	123,021	2,319,594	24,109,315	2,169,185	29,903,045	27,418,114
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs		3,727	166,243	27,426	233,173	7,558,748		7,989,317	7,141,033
Add: Amortization taken		3,915	15,678	10,163	210,514	1,097,279		1,337,549	981,925
Less: Accumulated amortization on disposals									(133,641)
Closing Accumulated Amortization Costs		7,642	181,921	37,589	443,687	8,656,027		9,326,866	7,989,317
Net Book Value	\$ 403,537	\$ 51,089	\$ 537,741	\$ 85,432	\$ 1,875,907	\$ 15,453,288	\$ 2,169,185	\$ 20,576,179	\$ 19,428,797

1. Total contributed/donated assets received in 2014: \$ -

2. List of assets recognized at nominal value in 2014 are:

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

Rural Municipality of Hillsdale No. 440
 Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2014

	2014						2013
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	
Assets							
Asset Cost							
Opening Asset costs	\$ 264,026		\$ 26,754,748	\$ 25,343	\$ 373,997		\$ 26,259,342
Additions during the year			2,484,931				1,654,951
Disposals and write-downs during the year							(496,179)
Closing Asset Costs	264,026		29,239,679	25,343	373,997		27,418,114
Amortization							
Accumulated Amortization Cost							
Opening Accumulated Amortization Costs	114,655		7,870,966	3,088	608		7,141,033
Add: Amortization taken	7,408		1,328,788	1,048	305		981,925
Less: Accumulated amortization on disposals							(133,641)
Closing Accumulated Amortization Costs	122,063		9,199,754	4,136	913		7,989,317
Net Book Value	\$ 141,963		\$ 20,039,925	\$ 21,207	\$ 373,084		\$ 19,428,797

Rural Municipality of Hillsdale No. 440
 Schedule of Accumulated Surplus
 For the year ended December 31, 2014

Schedule 8

	2013	Changes	2014
UNAPPROPRIATED SURPLUS	\$ 3,258,784	\$ 1,134,562	\$ 4,393,346
APPROPRIATED RESERVES			
Machinery and Equipment			
Public Reserve			
Capital Trust			
Utility			
Future Capital	1,629,700	8,350	1,638,050
Total Appropriated	1,629,700	8,350	1,638,050
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	19,428,797	1,147,382	20,576,179
Less: Related debt			
Net Investment in Tangible Capital Assets	19,428,797	1,147,382	20,576,179
Total Accumulated Surplus	\$ 24,317,281	\$ 2,290,294	\$ 26,607,575

Rural Municipality of Hillsdale No. 440
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2014

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 47,589,385	\$ 4,852,240			\$ 64,717,400		\$ 117,159,025
Regional Park Assessment							
Total Assessment							117,159,025
Mill Rate Factor(s)	1.0000	1.0000			9.0000		
Total Base/Minimum Tax (generated for each property class)							
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 380,715	\$ 58,941			\$ 4,659,653		\$ 5,099,309

MILL RATES:

	MILLS
Average Municipal*	43.5247
Average School*	7.3755
Potash Mill Rate	
Uniform Municipal Mill Rate	8.0000

* 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, 2014
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Glen Goodfellow	\$ 4,800	\$ 2,400	\$ 7,200
Councillor	Trevor McCrea	3,333	1,667	5,000
Councillor	Jerry Petovello	3,800	1,900	5,700
Councillor	Bernadette Poppleton	3,600	1,800	5,400
Councillor	Vincent Murphy	3,333	1,667	5,000
Councillor	Floyd Whitney	467	233	700
Councillor	Dale Chibri	600	300	900
Councillor	Jessie Whitney	1,400	700	2,100
Councillor	Miles O'Grady	2,600	1,300	3,900
Total		\$ 23,933	\$ 11,967	\$ 35,900