

CITY OF MARTENSVILLE

Auditor's Report

Financial Statements

December 31, 2017

MANAGEMENT'S RESPONSIBILITY

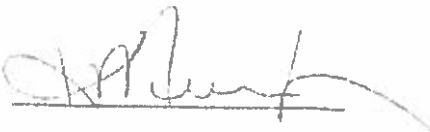
To the Ratepayers of
City of Martensville :

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.

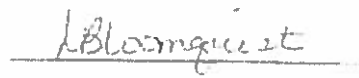
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records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

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the councilors 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.



Mayor



City Manager

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

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

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the City of Martensville

Report on the Financial Statements

We have audited the accompanying financial statements of **City of Martensville**, which comprise the statement of financial position as at **December 31, 2017** and the statements of financial activities, changes in net financial assets and changes in financial position for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

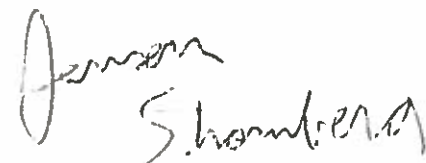
The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **City of Martensville** as at **December 31, 2017**, and the results of its financial activities, changes in net financial assets and changes in financial position for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan
August 21, 2018



Chartered Professional Accountants

CITY OF MARTENSVILLE

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2017
with comparative figures for 2016

	<u>2017</u>	<u>2016</u>
	<u>ASSETS</u>	
Financial assets:		
Cash and temporary investments (Note 2)	\$ 8,286,739	7,629,711
Taxes receivable (Note 3)	664,049	567,702
Other accounts receivable (Note 4)	2,052,974	983,654
Land for re-sale (Note 5)	42,670	42,670
Long-term investments	-	-
Other	-	-
Loans and notes receivable (Note 6)	<u>200,000</u>	<u>200,000</u>
Total financial assets	11,246,432	9,423,737
	<u>LIABILITIES</u>	
Bank indebtedness (Note 7)	-	-
Accounts payable	703,185	751,376
Accrued liabilities payable	-	-
Deposits	428,295	409,990
Deferred revenue	19,654	26,373
Accrued landfill costs	-	-
Other liabilities	83,838	78,583
Long-term debt (Note 8)	21,603,778	20,347,563
Lease obligations	<u>-</u>	<u>-</u>
Total liabilities	<u>22,838,750</u>	<u>21,613,885</u>
NET FINANCIAL ASSETS	(11,592,318)	(12,190,148)
Non-financial assets:		
Tangible capital assets	105,181,933	102,858,411
Prepaid and deferred charges	188,926	178,637
Stock and supplies	<u>-</u>	<u>-</u>
Total non-financial assets	<u>105,370,859</u>	<u>103,037,048</u>
Accumulated Surplus (Deficit) (Schedule 8)	<u>\$ 93,778,541</u>	<u>90,846,900</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2017
with comparative figures for 2016

		<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 9,612,500	9,856,791	9,264,953
Fees and charges	(Schedule 4, 5)	6,735,900	7,181,845	6,282,472
Conditional grants	(Schedule 4, 5)	330,900	274,349	161,992
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	(99,515)	(4,822)
Land sales - gain	(Schedule 4, 5)	-	-	-
Investment income and commissions	(Schedule 4, 5)	95,000	112,952	114,573
Other revenues	(Schedule 4, 5)	<u>277,700</u>	<u>633,245</u>	<u>283,270</u>
Total Revenues		17,052,000	17,959,667	16,102,438
Expenditures:				
General government services	(Schedule 3)	1,580,400	1,743,258	1,682,967
Protective services	(Schedule 3)	1,550,500	1,459,441	1,378,083
Transportation services	(Schedule 3)	1,598,400	2,869,776	2,910,945
Environmental and public health services	(Schedule 3)	692,900	729,997	678,966
Planning and development services	(Schedule 3)	1,137,500	720,491	840,843
Recreation and cultural services	(Schedule 3)	3,141,300	4,215,191	3,974,517
Utility services	(Schedule 3)	<u>3,566,200</u>	<u>4,794,831</u>	<u>4,090,755</u>
Total Expenditures		<u>13,267,200</u>	<u>16,532,985</u>	<u>15,557,076</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>3,784,800</u>	<u>1,426,682</u>	<u>545,362</u>
Provincial/Federal capital grants and contributions		<u>2,181,300</u>	<u>1,504,959</u>	<u>3,001,272</u>
Surplus (deficit) of revenues over expenditures		5,966,100	2,931,641	3,546,634
Accumulated surplus (deficit), beginning of year		<u>90,846,900</u>	<u>90,846,900</u>	<u>87,300,266</u>
Accumulated surplus (deficit), end of year		<u>\$ 96,813,000</u>	<u>93,778,541</u>	<u>90,846,900</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Surplus (deficit)	\$ <u>5,966,100</u>	<u>2,931,641</u>	<u>3,546,634</u>
(Acquisition) of tangible capital assets	-	(5,916,773)	(4,110,124)
Amortization of tangible capital assets	-	3,476,309	3,338,270
Proceeds on disposal of tangible capital assets	-	17,429	49,101
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>99,514</u>	<u>4,822</u>
Surplus (deficit) of capital expenses over expenditures	<u>-</u>	<u>(2,323,521)</u>	<u>(717,931)</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(10,290)	(40,690)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(10,290)</u>	<u>(40,690)</u>
Increase (decrease) in Net Financial Assets	5,966,100	597,830	2,788,013
Net Financial Assets - Beginning of the year	<u>(12,190,148)</u>	<u>(12,190,148)</u>	<u>(14,978,161)</u>
Net Financial Assets - End of year	\$ <u>(6,224,048)</u>	<u>(11,592,318)</u>	<u>(12,190,148)</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u>	<u>2016</u>
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 2,931,641	3,546,634
Amortization	3,476,309	3,338,271
Loss (gain) on disposal of tangible capital assets	<u>99,514</u>	<u>4,822</u>
	6,507,464	6,889,727
Change in assets/liabilities		
Taxes receivable - Municipal	(96,347)	(108,447)
Other accounts receivable	(1,069,319)	516,814
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	(48,191)	(100,155)
Deposits	18,305	17,916
Deferred revenue	(6,719)	2,672
Other liabilities	5,255	(16,426)
Stock and supplies for use	-	-
Prepayments and deferred charges	(10,289)	(40,690)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>5,300,159</u>	<u>7,161,411</u>
Capital:		
Acquisition of capital assets	(5,916,773)	(4,110,124)
Proceeds from the disposal of capital assets	17,429	49,101
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(5,899,344)</u>	<u>(4,061,023)</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Long-term debt issued	2,850,000	-
Long-term debt repaid	(1,593,787)	(1,545,083)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>1,256,213</u>	<u>(1,545,083)</u>
Increase (decrease) in cash resources	657,028	1,555,305
Cash and temporary investments, beginning of year	<u>7,629,711</u>	<u>6,074,406</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 8,286,739</u>	<u>7,629,711</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City 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 revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Reporting Entity

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

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

(d) Government Transfers

Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

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

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

(e) Deferred Revenue - Fees and Charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(f) Local Improvement Charges

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

(g) Net-Financial Assets

Net-Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(h) Non-Financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(i) Appropriated Reserves

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

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Tangible Capital Assets

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on schedule 6. The 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 City's tangible capital asset useful lives are estimated as follows:

<i>General Assets</i>	<u>Asset</u>	<u>Useful Life</u>
	Land	Indefinite
	Land improvements	15 to 20 years
	Buildings	20 to 60 years
	Vehicles and equipment	
	Vehicles	10 to 15 years
	Machinery & Equipment	5 to 30 years
<i>Infrastructure Assets</i>		
	Infrastructure assets	20 to 40 Years
	Water and sewer	30 to 75 Years

Government contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of art: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of interest: The City does not capitalize interest incurred while a tangible capital asset is under construction.

(k) Measurement Uncertainty

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

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(1) Basis of Segmentation/Segment Report

The City has adopted the new Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. City services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowing.

These segments (functions) are as follows:

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

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

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

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

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

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

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

2. CASH AND TEMPORARY INVESTMENTS

	<u>2017</u>	<u>2016</u>
Cash	\$ 8,286,739	7,629,711
Temporary investments	<u>-</u>	<u>-</u>
	<u>\$ 8,286,739</u>	<u>7,629,711</u>

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

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

3. TAXES AND GRANTS IN LIEU RECEIVABLE

	<u>2017</u>	<u>2016</u>
Municipal: - Current	\$ 497,570	402,960
- Arrears	<u>166,479</u>	<u>164,742</u>
	664,049	567,702
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>664,049</u>	<u>567,702</u>
School: - Current	292,727	167,989
- Arrears	<u>97,942</u>	<u>68,679</u>
Total school taxes receivable	<u>390,669</u>	<u>236,668</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	1,054,718	804,370
Deduct taxes receivable to be collected on behalf of other organizations	<u>(390,669)</u>	<u>(236,668)</u>
Municipal and grants in lieu taxes receivable	<u>\$ 664,049</u>	<u>567,702</u>

4. OTHER ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Federal government	\$ 270,235	127,834
Provincial government	283,931	317,497
Local government	-	-
Utility	403,865	392,617
Trade	1,094,943	109,018
Other	<u>-</u>	<u>36,688</u>
Total other accounts receivable	2,052,974	983,654
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 2,052,974</u>	<u>983,654</u>

5. LAND FOR RESALE

	<u>2017</u>	<u>2016</u>
Tax title property	\$ -	-
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Net tax title Property	<u>-</u>	<u>-</u>
Other land	42,670	42,670
Less: - allowance for market value adjustment	<u>-</u>	<u>-</u>
Total land for resale	<u>\$ 42,670</u>	<u>42,670</u>

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

6. LOANS AND NOTES RECEIVABLE

	<u>2017</u>	<u>2016</u>
Medical incentive loan	\$ <u>200,000</u>	<u>200,000</u>

Loans and notes receivable includes a non-interest bearing loan that is repayable on November 15, 2019, for the purpose of establishing and carrying on a medical practice in the City of Martensville. Upon and following the due date, interest shall accrue at a rate of 7% per annum.

7. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2017, the City had lines of credit totaling \$1,500,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

- General Security Agreement; and
- Assignment of municipal taxes receivable

CITY OF MARTENSVILLE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

8. LONG-TERM DEBT

The debt limit for the City is \$70,000,000. The debt limit for a City is established by the Saskatchewan Municipal Board (the Cities Act section 133).

	<u>2017</u>	<u>2016</u>
Credit Union loan, repayable in annual payments of \$444,886 including interest at 1.95%. Matures in 2020.	1,284,251	1,696,064
Debenture, repayable in annual payments of \$367,909; including interest at 4.00%; matures in 2034.	4,475,856	4,657,466
Debenture, repayable in annual payments of \$584,658 including interest at 2.95%; matures in 2024.	\$ 3,649,458	4,112,788
Debenture, repayable in annual payments of \$743,903 including interest at 3.90%; matures in 2034.	9,120,671	9,494,296
Debenture, repayable in annual payments of \$332,404 including interest at 2.90%; matures in 2027.	2,850,000	-
Debenture, repayable in annual payments of \$34,459 including interest at 4.70%; matures in 2018.	32,912	64,346
Debenture, repayable in annual payments of \$27,872 including interest at 4.55%; matures in 2019.	52,157	76,546
Debenture, repayable in annual payments of \$27,872 including interest at 4.55%; matures in 2019.	52,157	76,546
Debenture, repayable in annual payments of \$49,935 including interest at 3.75%; matures in 2018	48,130	94,520
Debenture, repayable in annual payments of \$39,618 including interest at 3.75%; matures in 2018	<u>38,186</u>	<u>74,991</u>
	<u>\$ 21,603,778</u>	<u>20,347,563</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2018	\$ 1,893,892	759,622	2,653,514	2,321,110
2019	1,829,181	700,322	2,529,503	2,321,110
2020	1,829,737	644,023	2,473,760	2,197,099
2021	1,440,458	588,416	2,028,874	2,141,356
2022	1,489,111	539,762	2,028,873	1,696,469
Thereafter	<u>13,121,399</u>	<u>3,051,680</u>	<u>16,173,079</u>	<u>16,207,526</u>
Balance	<u>\$ 21,603,778</u>	<u>6,283,825</u>	<u>27,887,603</u>	<u>26,884,670</u>

9. COMPARATIVE FIGURES

The prior year's comparative figures have been reclassified to conform to the current year's method of presentation. Net earnings were not affected.

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

10. PENSION PLAN

Employees of the City participate in the Municipal Employees Pension Plan ("MEPP") and contributions are a percentage of salary. All members contributed 8.15% to the plan. The City matches all the employees' contributions to the plan. Pension expense for the year included in the Salaries, Wages and Benefits expenses is \$249,990 (2016 \$242,034).

11. BUDGET

The Financial Plan (Budget) adopted by the Council on March 15, 2017 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis.

The budget included reserve fund transfers, asset purchases, and principal payments on debentures to offset the resulting budget surplus. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2017</u>
Approved budget operating surplus for the year	\$ -
Add: Transfers to reserves	1,849,400
Principal debenture payments	1,594,300
Capital asset purchases	4,054,000
Less: Transfers from reserves	<u>(1,531,600)</u>
 Budget surplus (deficit) per statement of operations	 <u>5,966,100</u>

12. RECENT ACCOUNTING PRONOUNCEMENTS

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

Standards effective on or after April 1, 2017:

Assets

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

Contingent Assets

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

Contractual Rights

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

Inter-Entity Transactions

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

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

12. RECENT ACCOUNTING PRONOUNCEMENTS CONTINUED

Related Party Transactions

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

Standards Effective On Or After April 1, 2018

Restructuring Transactions

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

Standards Effective On Or After April 1, 2021

Financial Statement Presentation

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

Foreign Currency Translation

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

Portfolio Investments

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

Financial Instruments

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

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

CITY OF MARTENSVILLE

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 7,293,000	7,326,156	6,835,137
Abatements and adjustments	(142,000)	(158,579)	(92,986)
Discount on current year taxes	-	-	-
Net municipal taxes	<u>7,151,000</u>	<u>7,167,577</u>	<u>6,742,151</u>
Potash tax share	-	-	-
Trailer license fees	500	-	516
Penalties on tax arrears	60,000	83,260	65,207
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>7,211,500</u>	<u>7,250,837</u>	<u>6,807,874</u>
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	1,817,000	1,817,531	1,685,071
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>1,817,000</u>	<u>1,817,531</u>	<u>1,685,071</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
Provincial - S.P.C. Electrical	-	-	-
Provincial - Sask. Energy Gas	10,000	40,985	96,853
Provincial - Transgas	-	-	-
Provincial - SPMC - Municipal Share	-	-	-
Provincial - Sasktel	2,900	3,347	2,815
Provincial - other	-	-	-
Local/Other			
Local/Other - Housing Authority	2,100	3,015	2,058
Local/Other - C.P.R. Mainline	-	-	-
Local/Other - Treaty Land Entitlement	-	-	-
Local/Other (Library)	13,000	15,406	12,995
Other Government Transfers			
Other Government Transfers - S.P.C. Surcharge	556,000	725,670	657,287
Other Government Transfers	-	-	-
Total Grants in Lieu of Taxes	<u>584,000</u>	<u>788,423</u>	<u>772,008</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 9,612,500</u>	<u>9,856,791</u>	<u>9,264,953</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
GG - Custom work	\$ -	-	-
GG - Sales of supplies	4,000	4,898	4,924
Other Licences, permits and other	2,700	2,370	3,236
Total Fees and Charges	<u>6,700</u>	<u>7,268</u>	<u>8,160</u>
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	-	-	-
Investment income and commissions	95,000	112,952	114,573
Other Segmented Revenue (Insurance, rental)	36,200	133,005	84,339
Total other segmented revenue	<u>137,900</u>	<u>253,225</u>	<u>207,072</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>137,900</u>	<u>253,225</u>	<u>207,072</u>
Capital			
Conditional Grants			
Gas Tax	-	-	-
Canadian/Saskatchewan Municipal Rural Infrastructure Fund	-	-	-
Provincial - Disaster Assistance	-	-	-
Other Capital asset grant	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>137,900</u>	<u>253,225</u>	<u>207,072</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other Policing and fire fees	86,000	89,689	114,457
Total Fees and Charges	<u>86,000</u>	<u>89,689</u>	<u>114,457</u>
Tangible capital asset sales - gain (loss)	-	3,947	(20,499)
Other Segmented Revenue (Specify)	500	1,440	1,413
Total other segmented revenue	<u>86,500</u>	<u>95,076</u>	<u>95,371</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Local government-Operating	-	-	-
Other Donations and fundraising	15,000	13,091	-
Total Conditional Grants	<u>15,000</u>	<u>13,091</u>	<u>-</u>
Total Operating	<u>101,500</u>	<u>108,167</u>	<u>95,371</u>
Capital			
Conditional Grants			
Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Local Government-Capital	-	-	-
Other Capital revenue	80,000	80,000	201,323
Total Capital	<u>80,000</u>	<u>80,000</u>	<u>201,323</u>
Total Protective Services	<u>181,500</u>	<u>188,167</u>	<u>296,694</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
GG - Custom work	\$ -	-	-
TS - Sale of gravel and supplies	-	-	-
Road maintenance and restoration agreements	-	-	-
Frontage	4,900	4,254	5,078
Other drainage easement	-	-	-
Total Fees and Charges	<u>4,900</u>	<u>4,254</u>	<u>5,078</u>
Tangible capital asset sales - gain (loss)	-	(112,444)	17,100
Other Segmented Revenue Local improvement charges	-	-	-
Total other segmented revenue	<u>4,900</u>	<u>(108,190)</u>	<u>22,178</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Federal - Student Employment	-	-	-
Other (Specify)	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>4,900</u>	<u>(108,190)</u>	<u>22,178</u>
Capital			
Conditional Grants			
Gas Tax	438,300	469,133	449,071
Canadian/Saskatchewan Municipal Rural Infrastructure Fund	-	-	-
TS - Provincial - Heavy Haul	-	-	-
TS-Provincial - Designated/Municipal Road-Bridges	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (Assets constructed by developers)	1,160,000	395,483	1,517,833
Total Capital	<u>1,598,300</u>	<u>864,616</u>	<u>1,966,904</u>
Total Transportation Services	<u>1,603,200</u>	<u>756,426</u>	<u>1,989,082</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Charges	-	4,650	-
Other (Base tax levy)	662,700	662,040	645,570
Total Fees and Charges	<u>662,700</u>	<u>666,690</u>	<u>645,570</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue Licences, permits and other	-	-	-
Total other segmented revenue	<u>662,700</u>	<u>666,690</u>	<u>645,570</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Local government-Operating	30,000	38,012	25,430
Other (Specify)	4,500	-	4,830
Total Conditional Grants	<u>34,500</u>	<u>38,012</u>	<u>30,260</u>
Total Operating	<u>697,200</u>	<u>704,702</u>	<u>675,830</u>
Capital			
Conditional Grants			
Gas Tax	-	-	-
Canadian/Saskatchewan Municipal Rural Infrastructure Fund	-	-	-
EH-Provincial - Transit for Disabled - Capital	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (Specify)	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>697,200</u>	<u>704,702</u>	<u>675,830</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ -	-	-
Other (Building permits and development)	347,500	609,997	383,094
Total Fees and Charges	347,500	609,997	383,094
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue (Licences, permits and other)	241,000	153,076	192,822
Total other segmented revenue	588,500	763,073	575,916
Conditional Grants			
Federal - Student Employment	-	-	-
Other Property clean up fees	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>588,500</u>	<u>763,073</u>	<u>575,916</u>
Capital			
Conditional Grants			
Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (Specify)	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>588,500</u>	<u>763,073</u>	<u>575,916</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (Registration, fees and rentals)	1,173,200	1,134,610	1,035,740
Total Fees and Charges	1,173,200	1,134,610	1,035,740
Tangible capital asset sales - gain (loss)	-	1,088	(1,423)
Other Segmented Revenue (Insurance proceeds on building content)	-	1,426	4,422
Total other segmented revenue	1,173,200	1,137,124	1,038,739
Conditional Grants			
Federal - Student Employment	7,000	10,575	8,280
Local government-Operating	78,700	77,716	83,700
Donations	195,700	134,955	39,752
Other Literacy plan and other	-	-	-
Total Conditional Grants	281,400	223,246	131,732
Total Operating	<u>1,454,600</u>	<u>1,360,370</u>	<u>1,170,471</u>
Capital			
Conditional Grants			
Gas Tax	-	-	-
Local Government-Capital	-	-	-
Provincial - Disaster Assistance	-	-	-
Other capital grants (Prairie Spirit school and misc)	503,000	2,944	86,199
Total Capital	<u>503,000</u>	<u>2,944</u>	<u>86,199</u>
Total Recreation and Cultural Services	<u>1,957,600</u>	<u>1,363,314</u>	<u>1,256,670</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 2,700	-	2,656
Sewer	276,000	275,925	268,988
Other (Water and Sewer fees and Charges)	4,176,200	4,393,412	3,818,729
Total Fees and Charges	<u>4,454,900</u>	<u>4,669,337</u>	<u>4,090,373</u>
Tangible capital asset sales - gain (loss)	-	7,894	-
Other Segmented Revenue (Insurance proceeds)	-	344,298	274
Total other segmented revenue	<u>4,454,900</u>	<u>5,021,529</u>	<u>4,090,647</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>4,454,900</u>	<u>5,021,529</u>	<u>4,090,647</u>
Capital			
Conditional Grants			
Gas Tax	-	-	-
Provincial - Sask Water Corporation	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (Assets constructed by developers)	-	557,399	746,846
Total Capital	<u>-</u>	<u>557,399</u>	<u>746,846</u>
Total Utility Services	<u>4,454,900</u>	<u>5,578,928</u>	<u>4,837,493</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 9,620,800</u>	<u>9,607,835</u>	<u>9,838,757</u>
SUMMARY			
Total Other Segmented Revenue	\$ 7,108,600	7,828,527	6,675,493
Total Conditional Grants	330,900	274,349	161,992
Total Capital Grants and Contributions	<u>2,181,300</u>	<u>1,504,959</u>	<u>3,001,272</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 9,620,800</u>	<u>9,607,835</u>	<u>9,838,757</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 126,900	121,598	102,459
Wages and benefits	693,900	681,818	670,875
Professional/Contractual services	270,800	260,305	203,385
Utilities	18,800	23,205	20,317
Maintenance, materials, and supplies	130,600	134,614	137,364
Grants and contributions	30,000	30,000	30,000
	-operating	-	-
	-capital	-	-
Amortization	-	131,451	198,051
Interest	309,400	299,809	315,189
Allowance for uncollectibles	-	-	-
Other (Flood expenses, elections)	-	60,458	5,327
Total Government Services	<u>1,580,400</u>	<u>1,743,258</u>	<u>1,682,967</u>
PROTECTIVE SERVICES - POLICING			
Police protection			
Wages and benefits	138,800	144,095	128,241
Professional/Contractual services	955,600	796,548	791,079
Utilities	5,800	4,673	3,858
Maintenance, materials, and supplies	19,900	14,926	13,915
Grants and contributions	-	-	-
	-operating	-	-
	-capital	-	-
Amortization - Protective services-Police	-	65,915	57,376
Interest	-	-	-
Other (specify)	-	53	-
Fire protection			
Wages and benefits	173,400	154,081	169,938
Professional/Contractual services	68,600	50,556	34,343
Utilities	16,200	15,821	15,338
Maintenance, materials, and supplies	168,700	157,890	113,235
Grants and contributions	-	-	-
	-operating	-	-
	-capital	-	-
Amortization - Protective services-Fire	-	51,400	46,216
Interest	3,500	3,483	4,544
Other (specify)	-	-	-
Total Protective Services	<u>1,550,500</u>	<u>1,459,441</u>	<u>1,378,083</u>
TRANSPORTATION SERVICES - MAINTENANCE			
Wages and benefits	751,300	738,119	751,725
Professional/Contractual services	215,800	157,001	260,958
Utilities	148,700	147,759	137,308
Maintenance, materials, and supplies	409,000	423,209	443,150
Gravel	70,000	68,198	44,715
Grants and contributions	-	-	-
	-operating	-	-
	-capital	-	-
Amortization - Transportation services	-	1,334,552	1,268,101
Interest	3,600	938	4,988
Other (specify)	-	-	-
Total Transportation Services	<u>1,598,400</u>	<u>2,869,776</u>	<u>2,910,945</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
ENVIRONMENTAL SERVICES			
Wages and benefits	-	-	-
Contractual services	662,900	703,569	656,601
Utilities	-	-	-
Maintenance, materials, and supplies	30,000	26,428	22,365
Grants and contributions			
-operating			
Grants and contributions-operating	-	-	-
Grants and contributions-operating	-	-	-
-capital			
Grants and contributions-capital	-	-	-
Grants and contributions-capital	-	-	-
Amortization - Environmental health services	-	-	-
Interest	-	-	-
Other (specify)	-	-	-
Total Environmental and Public Health Services	<u>692,900</u>	<u>729,997</u>	<u>678,966</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	376,700	372,071	384,197
Contractual services	758,600	338,898	454,417
Utilities	1,400	1,149	1,772
Maintenance, materials, and supplies	300	1,771	457
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization - Planning and development services	-	-	-
Interest	-	-	-
Other (specify)	500	6,602	-
Total Planning and Development Services	<u>1,137,500</u>	<u>720,491</u>	<u>840,843</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	1,646,500	1,631,306	1,556,298
Contractual services	235,100	227,032	281,580
Utilities	322,700	344,096	317,532
Maintenance, materials, and supplies	341,400	374,681	295,847
Grants and contributions			
-operating	143,700	149,969	138,405
-capital	80,000	80,000	-
Amortization - Recreation and cultural services	-	1,034,828	1,007,396
Interest	371,700	370,758	377,459
Allowance for uncollectibles	-	-	-
Other Swim capital land improvement	200	2,521	-
Total Recreation and Cultural Services	<u>3,141,300</u>	<u>4,215,191</u>	<u>3,974,517</u>
UTILITIES - WATER			
Wages and benefits	503,900	495,354	419,955
Contractual services	95,000	76,065	101,493
Utilities	200,200	148,303	188,711
Maintenance, materials, and supplies	2,724,200	3,175,709	2,565,567
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization	-	858,163	761,131
Interest	42,600	40,889	53,783
Allowance for uncollectibles	-	(47)	-
Other Plumbing rebate	300	395	115
Total Utility Services	<u>3,566,200</u>	<u>4,794,831</u>	<u>4,090,755</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 13,267,200</u>	<u>16,532,985</u>	<u>15,557,076</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2017

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 7,268	89,689	4,254	666,690	609,997	1,134,610	4,669,337	7,181,845
Tangible capital asset sales - Gain (loss)	-	3,947	(112,444)	-	-	1,088	7,894	(99,515)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	112,952	-	-	-	-	-	-	112,952
Other revenues	133,005	1,440	-	-	153,076	1,426	344,298	633,245
Grants	-	13,091	-	38,012	-	223,246	-	274,349
- Conditional	-	-	-	-	-	2,944	-	-
- Capital	-	80,000	864,616	-	-	-	557,399	1,504,959
Total revenues	<u>253,225</u>	<u>188,167</u>	<u>756,426</u>	<u>704,702</u>	<u>763,073</u>	<u>1,363,314</u>	<u>5,578,928</u>	<u>9,607,835</u>
Expenses (Schedule 3)								
Wages & Benefits	803,416	298,176	738,119	-	372,071	1,631,306	495,354	4,338,442
Professional/Contractual Services	260,305	847,104	157,001	703,569	338,898	227,032	76,065	2,609,974
Utilities	23,205	20,494	147,759	-	1,149	344,096	148,303	685,006
Maintenance, materials and supplies	134,614	172,816	491,407	26,428	1,771	374,681	3,175,709	4,377,426
Grants and contributions	30,000	-	-	-	-	229,969	-	259,969
Amortization	131,451	117,315	1,334,552	-	-	1,034,828	858,163	3,476,309
Interest	299,809	3,483	938	-	-	370,758	40,889	715,877
Allowance for uncollectibles.	-	-	-	-	-	2,521	(47)	2,474
Other	60,458	53	-	-	6,602	-	395	67,508
Total expenses	<u>1,743,258</u>	<u>1,459,441</u>	<u>2,869,776</u>	<u>729,997</u>	<u>720,491</u>	<u>4,215,191</u>	<u>4,794,831</u>	<u>16,532,985</u>
Surplus (deficit) by function	(1,490,033)	(1,271,274)	(2,113,350)	(25,295)	42,582	(2,851,877)	784,097	(6,925,150)
Taxation and other unconditional revenue (Schedule 1)								9,856,791
Net Surplus (Deficit)								<u>\$ 2,931,641</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2016

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and charges	\$ 8,160	114,457	5,078	645,570	383,094	1,035,740	4,090,373	6,282,472
Tangible capital asset sales - Gain (loss)	-	(20,499)	17,100	-	-	(1,423)	-	(4,822)
Land sales - Gain (loss)	-	-	-	-	-	-	-	-
Investment income and commissions	114,573	-	-	-	-	-	-	114,573
Other revenues	84,339	1,413	-	-	192,822	4,422	274	283,270
Grants - Conditional	-	-	-	30,260	-	131,732	-	161,992
Grants - Capital	-	201,323	1,966,904	-	-	86,199	746,846	3,001,272
Total revenues	<u>207,072</u>	<u>296,694</u>	<u>1,989,082</u>	<u>675,830</u>	<u>575,916</u>	<u>1,256,670</u>	<u>4,837,493</u>	<u>9,838,757</u>
Expenses (Schedule 3)								
Wages & Benefits	773,334	298,179	751,725	-	384,197	1,556,298	419,955	4,183,688
Professional/Contractual Services	203,385	825,422	260,958	656,601	454,417	281,580	101,493	2,783,856
Utilities	20,317	19,196	137,308	-	1,772	317,532	188,711	684,836
Maintenance, materials and supplies	137,364	127,150	487,865	22,365	457	295,847	2,565,567	3,636,615
Grants and contributions	30,000	-	-	-	-	138,405	-	168,405
Amortization	198,051	103,592	1,268,101	-	-	1,007,396	761,131	3,338,271
Interest	315,189	4,544	4,988	-	-	377,459	53,783	755,963
Allowance for uncollectibles.	-	-	-	-	-	-	-	-
Other	5,327	-	-	-	-	-	115	5,442
Total expenses	<u>1,682,967</u>	<u>1,378,083</u>	<u>2,910,945</u>	<u>678,966</u>	<u>840,843</u>	<u>3,974,517</u>	<u>4,090,755</u>	<u>15,557,076</u>
Surplus (deficit) by function	(1,475,895)	(1,081,389)	(921,863)	(3,136)	(264,927)	(2,717,847)	746,738	(5,718,319)
Taxation and other unconditional revenue (Schedule 1)								
Net Surplus (Deficit)								<u>\$ 3,546,634</u>

See accompanying notes to the financial statements.



CITY OF MARTENSVILLE
SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2017
with comparative figures for 2016

	2017						2016	
	General Assets			Machinery & Equipment	Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land Improvements	Buildings	Vehicles		Linear Assets			
Asset cost								
Opening asset costs	\$ 12,667,687	13,135,390	32,019,765	2,105,140	5,213,997	69,980,026	-	135,122,005
Additions during the year	-	1,713,415	115,947	13,900	173,204	3,900,307	-	5,916,773
Disposals and write-downs during the year	-	-	-	-	(76,668)	(261,600)	-	(338,268)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Closing asset costs	<u>12,667,687</u>	<u>14,848,805</u>	<u>32,135,712</u>	<u>2,119,040</u>	<u>5,310,533</u>	<u>73,618,733</u>	<u>-</u>	<u>140,700,510</u>
Accumulated amortization cost								
Opening accumulated amortization costs	-	3,301,090	6,470,606	681,730	2,582,893	19,227,274	-	32,263,593
Add: Amortization taken	-	677,624	693,120	149,133	235,486	1,720,946	-	3,476,309
Less: Accumulated amortization on disposals	-	-	-	-	(75,469)	(145,856)	-	(221,325)
Closing accumulated amortization costs	<u>-</u>	<u>3,978,714</u>	<u>7,163,726</u>	<u>830,863</u>	<u>2,742,910</u>	<u>20,802,364</u>	<u>-</u>	<u>35,518,577</u>
Net book value	<u>\$ 12,667,687</u>	<u>10,870,091</u>	<u>24,971,986</u>	<u>1,288,177</u>	<u>2,567,623</u>	<u>52,816,369</u>	<u>-</u>	<u>105,181,933</u>

- Total contributed/donated assets received in 2017: \$ -
- List of assets recognized at nominal value in 2017 are:
 - Infrastructure Assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
- Amount of interest capitalized in 2017: \$ -

See accompanying notes to the financial statements.



CITY OF MARTENSVILLE

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2017
with comparative figures for 2016

	2017						2016		
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset cost									
Opening asset costs	\$ 16,569,332	2,925,206	39,957,774	-	-	33,088,384	42,581,308	135,122,004	131,278,990
Additions during the year	-	89,033	3,382,105	-	-	1,791,933	653,702	5,916,773	4,110,124
Disposals and write-downs during the year	-	(30,817)	(278,080)	-	-	(4,220)	(25,150)	(338,267)	(267,110)
Closing asset costs	<u>16,569,332</u>	<u>2,983,422</u>	<u>43,061,799</u>	<u>-</u>	<u>-</u>	<u>34,876,097</u>	<u>43,209,860</u>	<u>140,700,510</u>	<u>135,122,004</u>
Accumulated amortization cost									
Opening accumulated amortization costs	668,089	1,109,792	13,643,102	-	-	8,224,043	8,618,568	32,263,594	29,138,510
Add: Amortization taken	131,451	117,317	1,334,551	-	-	1,034,828	858,162	3,476,309	3,338,270
Less: Accumulated amortization on disposals	-	(30,820)	(161,536)	-	-	(3,820)	(25,150)	(221,326)	(213,187)
Closing accumulated amortization costs	<u>799,540</u>	<u>1,196,289</u>	<u>14,816,117</u>	<u>-</u>	<u>-</u>	<u>9,255,051</u>	<u>9,451,580</u>	<u>35,518,577</u>	<u>32,263,593</u>
Net book value	<u>\$ 15,769,792</u>	<u>1,787,133</u>	<u>28,245,682</u>	<u>-</u>	<u>-</u>	<u>25,621,046</u>	<u>33,758,280</u>	<u>105,181,933</u>	<u>102,858,411</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE
SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2017

	<u>2016</u>	<u>Changes</u>	<u>2017</u>
UNAPPROPRIATED SURPLUS	\$ <u>2,270,703</u>	<u>9,320</u>	<u>2,280,023</u>
APPROPRIATED RESERVES			
Reserve for machinery and equipment	-	-	-
Public reserve	6,065,350	1,855,012	7,920,362
Capital trust fund	-	-	-
Utility reserve	-	-	-
Total Appropriated	<u>6,065,350</u>	<u>1,855,012</u>	<u>7,920,362</u>
ORGANIZED HAMLETS			
Hamlet of (Name)	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	102,858,411	2,323,522	105,181,933
Less: Related debt	<u>(20,347,564)</u>	<u>(1,256,213)</u>	<u>(21,603,777)</u>
Net Investment in Tangible Capital Assets	<u>82,510,847</u>	<u>1,067,309</u>	<u>83,578,156</u>
Other	-	-	-
Total Accumulated Surplus	\$ <u>90,846,900</u>	<u>2,931,641</u>	<u>93,778,541</u>

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE
SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2017
 with comparative figures for 2016

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	\$ 192,500	797,042,895	113,066,000	-	95,607,700	\$1,005,909,095
Regional Park Assessment						
Total Assessment	1,000	1,4229	1,0000	1,0000	1,0000	\$1,005,909,095
Mill Rate Factor(s)						
Total Base/Minimum Tax (generated for each property class)	1,230	1,807,485	368,385	-	127,185	2,304,285
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 2,173	5,729,426	922,408	-	672,149	7,326,156

	MILLS
Average Municipal*	7.283
Average School*	3.830
Potash Mill Rate	-
Uniform Municipal Mill Rate	4.900

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

See accompanying notes to the financial statements.



CITY OF MARTENSVILLE
SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2017
with comparative figures for 2016

Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Kent Muench	\$ 40,442	322	40,764
Debbie McGuire	14,214	55	14,269
Tyson Chillog	13,933	50	13,983
Darren MacDonald	13,770	-	13,770
Bob Blackwell	13,583	292	13,875
Michael Cox	13,345	-	13,345
Jamie Martens	13,295	-	13,295
Total	<u>\$ 122,582</u>	<u>719</u>	<u>123,301</u>

See accompanying notes to the financial statements.