

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

Town of Hepburn
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For the Year Ended December 31, 2015

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Management's Responsibility

To the Ratepayers,
Town of Hepburn:

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

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

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

C.S. Skrupski CPA Professional Corporation, an independent Chartered Professional Accountant firm, is appointed by Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.



Mayor



Administrator

May 18, 2016

C.S. Skrupski
CPA Professional Corporation

INDEPENDENT AUDITOR'S REPORT

Mayor and Members of Council,
Town of Hepburn:

I have audited the accompanying consolidated financial statements of the Town of Hepburn, which are comprised of the consolidated statement of financial position as at December 31, 2015, and the consolidated statements of operations, change in net financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Rosthern, Saskatchewan
May 18, 2016



CPA Professional Corporation

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

Statement 1

	2015	2014
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	1,500,259	1,056,013
Taxes Receivable - Municipal (Note 3)	36,035	96,635
Other Accounts Receivable (Note 4)	69,972	500,787
Land for Resale (Note 5)	87,080	87,080
Long-term Investments (Note 6)	-	-
Debt Charges Recoverable (Note 7)	-	-
Other	-	-
Total Financial Assets	1,693,346	1,740,515
LIABILITIES		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	45,680	18,818
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-term Debt (Note 12)	1,821,987	1,961,745
Lease Obligations (Note 13)	-	-
Total Liabilities	1,867,667	1,980,563
NET FINANCIAL ASSETS (NET DEBT)	(174,321)	(240,048)
Non-financial Assets		
Tangible Capital Assets (Schedule 6, 7)	10,377,998	10,429,762
Prepayments and Deferred Charges	-	24,654
Stock and Supplies	-	-
Other (Note 14)	-	-
Total Non-financial Assets	10,377,998	10,454,416
Accumulated Surplus (Deficit) (Schedule 8)	10,203,677	10,214,368

The accompanying notes are an integral part of these financial statements.

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

Statement 2

	<i>2015 Budget</i>	2015	2014
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	687,150	664,171	671,633
Fees and Charges (Schedule 4, 5)	627,170	665,284	638,271
Conditional Grants (Schedule 4, 5)	55,150	74,744	10,376
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	1,070	4,072	1,073
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues	1,370,540	1,408,271	1,321,353
Expenses			
General Government Services (Schedule 3)	191,560	170,839	181,330
Protective Services (Schedule 3)	73,010	81,433	72,299
Transportation Services (Schedule 3)	379,580	491,590	280,101
Environmental and Public Health Services (Schedule 3)	84,820	92,066	86,733
Planning and Development Services (Schedule 3)	9,000	7,793	6,727
Recreation and Cultural Services (Schedule 3)	232,740	246,577	131,490
Utility Services (Schedule 3)	459,720	360,586	356,462
Total Expenses	1,430,430	1,450,884	1,115,142
Surplus (Deficit) of Revenues Over Expenses Before Other Capital Contributions	(59,890)	(42,613)	206,211
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	260,490	31,922	317,091
Surplus (Deficit) of Revenues Over Expenses	200,600	(10,691)	523,302
Accumulated Surplus (Deficit), Beginning of Year	10,214,368	10,214,368	9,691,066
Accumulated Surplus (Deficit), End of Year	10,414,968	10,203,677	10,214,368

The accompanying notes are an integral part of these financial statements.

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

Statement 3

	<i>2015 Budget</i>	2015	2014
Surplus (Deficit)	<i>200,600</i>	(10,691)	523,302
(Acquisition) of Tangible Capital Assets	<i>(61,880)</i>	(105,725)	(256,797)
Amortization of Tangible Capital Assets	<i>156,500</i>	157,489	156,614
Proceeds on Disposal of Tangible Capital Assets	-	-	-
Loss (Gain) on the Disposal of Tangible Capital Assets	-	-	-
Surplus (Deficit) of Capital Expenses over Expenditures	<i>94,620</i>	51,764	(100,183)
(Acquisition) of Supplies Inventories	-	-	-
(Acquisition) of Prepaid Expense	-	-	(24,654)
Consumption of Supplies Inventory	-	-	-
Use of Prepaid Expense	-	24,654	24,654
Surplus (Deficit) of Other Non-financial Expenses Over Expenditures	-	24,654	-
Increase (Decrease) in Net Financial Assets	<i>295,220</i>	65,727	423,119
Net Financial Assets (Net Debt) - Beginning of Year	<i>(240,048)</i>	(240,048)	(663,167)
Net Financial Assets (Net Debt) - End of Year	<i>55,172</i>	(174,321)	(240,048)

The accompanying notes are an integral part of these financial statements.

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

Statement 4

	2015	2014
Cash Provided by (Used for) the Following Activities		
Operating:		
Surplus (Deficit)	(10,691)	523,302
Amortization	157,489	156,614
Loss (Gain) on Disposal of Tangible Capital Assets	-	-
	146,798	679,916
Changes in Assets/Liabilities:		
Taxes Receivable - Municipal	60,600	88,731
Other Receivables	430,814	(227,041)
Land for Resale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	26,863	(10,942)
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	24,654	-
Other	-	-
Net Cash From (Used for) Operations	689,729	530,664
Capital:		
Acquisition of Tangible Capital Assets	(105,725)	(256,797)
Proceeds From the Disposal of Tangible Capital Assets	-	-
Other Capital	-	-
Net Cash From (Used for) Capital	(105,725)	(256,797)
Investing:		
Long-term Investments	-	-
Other Investments	-	-
Net Cash From (Used for) Investing	-	-
Financing:		
Debt Charges Recovered	-	-
Long-term Debt Issued	-	-
Long-term Debt Repaid	(139,758)	(134,492)
Other Financing	-	-
Net Cash From (Used for) Financing	(139,758)	(134,492)
Increase (Decrease) in Cash Resources	444,246	139,375
Cash and Investments - Beginning of Year	1,056,013	916,638
Cash and Investments - End of Year	1,500,259	1,056,013

The accompanying notes are an integral part of these financial statements.

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

1. Significant Accounting Policies

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

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

- a) **Reporting Entity:** The financial statements consolidate the assets, liabilities, and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to Council for the administration of their financial affairs and resources.

Entity
N/A

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school division are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- c) **Government Transfers:** Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:
- a) the transfer is authorized;
 - b) eligibility criteria have been met by the recipient; and
 - c) a reasonable estimate of the amount can be made.

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

- d) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the municipality because they can be used to provide municipal services in future periods. These assets do not normally provide resources to discharge the liabilities of the municipality unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described in Schedule 8.
- i) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

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

1. Significant Accounting Policies - continued

- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.
- k) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials, and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The tangible capital assets that are recognized at a nominal value are disclosed in Schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The municipality's tangible capital assets' useful lives are estimated as follows:

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

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

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

Capitalization of Interest: The municipality capitalizes interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded in the financial statements as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on the straight-line basis, over their estimated useful lives (lease term). Any lease not meeting the aforementioned criteria is classified as an operating lease, and lease payments are expensed as incurred.

- m) **Landfill Liability:** The municipality does not maintain a waste disposal site. Therefore, no amount has been recorded as an asset or a liability.

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

1. Significant Accounting Policies - continued

- n) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 18.
- o) **Employee benefit plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the Municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- q) **Measurement Uncertainty:** The preparation of financial statements in conformity with public sector accounting standards require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

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

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

- r) **Basis of Segmentation/Segment Reporting:** The municipality has adopted the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives, by function. Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments and functions are as follows:

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

Protective Services: The protective services segment is comprised of expenses for police and fire protection.

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

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

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

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

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

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

	2015	2014
2. Cash and Temporary Investments		
Cash	1,487,123	1,043,223
Temporary Investments	13,136	12,790
Restricted Cash	-	-
Total Cash and Temporary Investments	1,500,259	1,056,013

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

	2015	2014
3. Taxes and Grants in Lieu Receivable		
Municipal - Current	-	-
- Arrears	38,035	98,635
	38,035	98,635
- Less Allowance for Uncollectibles	(2,000)	(2,000)
Total Municipal Taxes Receivable	36,035	96,635
School - Current	-	-
- Arrears	12,293	25,921
Total School Taxes Receivable	12,293	25,921
Other	-	-
Total Taxes and Grants in Lieu Receivable	48,328	122,556
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(12,293)	(25,921)
Municipal Taxes and Grants in Lieu Receivable	36,035	96,635

	2015	2014
4. Other Accounts Receivable		
Federal Government	31,688	464,110
Provincial Government	1,826	1,664
Local Government	-	-
Utility	24,218	27,513
Trade	12,240	7,500
Other	-	-
Total Other Accounts Receivable	69,972	500,787
Less Allowance for Uncollectibles	-	-
Net Other Accounts Receivable	69,972	500,787

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

	2015	2014
5. Land for Resale		
Tax Title Property	365	365
Allowance for Market Value Adjustment	(285)	(285)
Net Tax Title Property	80	80
Other Land	114,179	114,179
Allowance for Market Value Adjustment	(27,179)	(27,179)
Net Other Land	87,000	87,000
Total Land for Resale	87,080	87,080
6. Long-term Investments		
	2015	2014
	-	-
7. Debt Charges Recoverable		
	2015	2014
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
Total Debt Charges Recoverable	-	-
8. Bank Indebtedness		
Credit Arrangements		
At December 31, 2015, the municipality had lines of credit totalling \$10,000, none of which were drawn. The following has been collateralized in connection with this line of credit:		
- general security agreement		
9. Deferred Revenue		
	2015	2014
	-	-
Total Deferred Revenue	-	-

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

10. Accrued Landfill Costs

	2015	2014
Environmental liabilities	-	-

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

11. Liability for Contaminated Sites

The municipality has no liability for contaminated sites.

12. Long-term Debt

The debt limit of the municipality is \$1,123,383. 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.

Bank loan is repayable to Canada Mortgage and Housing Corporation in annual payments of \$96,038 plus interest at 3.35 %. The loan matures in 2025.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year
2016	68,624	27,414	96,038	
2017	70,942	25,096	96,038	
2018	73,339	22,699	96,038	
2019	75,816	20,222	96,038	
2020	78,377	17,661	96,038	
	444,423	46,753	491,176	
Balance	811,521	159,845	971,366	878,920

Bank loan is repayable to Canada Mortgage and Housing Corporation in annual payments of \$111,172 plus interest at 3.92 %. The loan matures in 2027.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year
2016	71,174	39,998	111,172	
2017	73,991	37,181	111,172	
2018	76,920	34,252	111,172	
2019	79,965	31,207	111,172	
2020	83,130	28,042	111,172	
	625,286	94,404	719,690	
Balance	1,010,466	265,084	1,275,550	1,082,825

13. Lease Obligations

The municipality has no lease obligations.

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

14. Other Non-financial Assets

2015	2014
-	-

15. Contingent Liabilities

The municipality has no contingent liabilities.

16. Pension Plan

The Town of Hepburn is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Town of Hepburn pension expense in 2015 was \$30,407. The benefits accrued to the Town of Hepburn employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

17. Comparative Figures

No figures have been restated.

18. Trusts Administered by the Municipality

The municipality does not administer any trusts.

19. Budget Figures

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

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

Schedule 1

2015 Budget **2015** 2014

TAXES

General Municipal Tax Levy	525,610	534,415	525,608
Abatements and Adjustments	(16,500)	(30,132)	(21,179)
Discount on Current Year Taxes	(14,000)	(14,784)	(14,390)
Net Municipal Taxes	495,110	489,499	490,039
Potash Tax Share	-	-	-
Trailer Licence Fees	-	-	-
Penalties on Tax Arrears	28,460	12,244	23,209
Special Tax Levy	-	-	-
Other	-	-	15
Total Taxes	523,570	501,743	513,263

UNCONDITIONAL GRANTS

Equalization (Revenue Sharing)	127,970	127,971	123,929
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	127,970	127,971	123,929

GRANTS IN LIEU OF TAXES

Federal	3,520	2,481	2,476
Provincial			
SPC Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
SPMC - Municipal Share	-	-	-
SaskTel	8,090	8,068	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
CPR Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
SPC Surcharge	24,000	23,908	31,965
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	35,610	34,457	34,441

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	687,150	664,171	671,633
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**Town of Hepburn
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2015**

Schedule 2-1

2015 Budget 2015 2014

GENERAL GOVERNMENT SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Custom Work	-	-	-
- Sales of Supplies	2,200	968	2,518
- Other	2,000	2,010	2,558
Total Fees and Charges	4,200	2,978	5,076
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Land Sales - Gain	-	-	-
- Investment Income and Commissions	1,070	4,072	1,073
- Other	-	-	-
Total Other Segmented Revenue	5,270	7,050	6,149
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	5,270	7,050	6,149

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total General Government Services	5,270	7,050	6,149

PROTECTIVE SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	14,570	21,528	17,376
- Other	-	-	-
Total Fees and Charges	14,570	21,528	17,376
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	14,570	21,528	17,376
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	16,000	35,960	-
- Other	-	-	-
Total Conditional Grants	16,000	35,960	-
Total Operating	30,570	57,488	17,376

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	30,570	57,488	17,376

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

Schedule 2-2

2015 Budget **2015** 2014

TRANSPORTATION SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Custom Work	3,220	1,450	772
- Sales of Supplies	600	294	369
- Road Maintenance and Restoration Agreements	-	-	6,000
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	3,820	1,744	7,141
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	3,820	1,744	7,141
Conditional Grants	-	-	-
- Primary Weight Corridor	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	3,820	1,744	7,141

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Heavy Haul	-	-	-
- Designated Municipal Roads and Bridges	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Transportation Services	3,820	1,744	7,141

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Waste and Disposal Fees	84,440	78,658	74,669
- Other	-	-	-
Total Fees and Charges	84,440	78,658	74,669
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	84,440	78,658	74,669
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	-	-	-
- Other (Mosquito Control)	-	-	8,276
Total Conditional Grants	-	-	8,276
Total Operating	84,440	78,658	82,945

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Transit for Disabled	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	84,440	78,658	82,945

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

Schedule 2-3

2015 Budget **2015** 2014

PLANNING AND DEVELOPMENT SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Maintenance and Development Charges	-	-	-
- Other - Licences and Permits	9,050	9,330	17,220
Total Fees and Charges	9,050	9,330	17,220
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	9,050	9,330	17,220
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	9,050	9,330	17,220

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	9,050	9,330	17,220

RECREATION AND CULTURAL SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	52,500	53,247	63,475
- Other	-	-	-
Total Fees and Charges	52,500	53,247	63,475
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	52,500	53,247	63,475
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	7,500	7,500	-
- Donations	23,750	22,500	2,100
- Other	7,900	8,784	-
Total Conditional Grants	39,150	38,784	2,100
Total Operating	91,650	92,031	65,575

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - RINC	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	91,650	92,031	65,575

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

Schedule 2-4

2015 Budget **2015** 2014

UTILITY SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Water	410,700	421,807	405,969
- Sewer	47,890	75,992	47,345
- Other	-	-	-
Total Fees and Charges	458,590	497,799	453,314
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	458,590	497,799	453,314
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	458,590	497,799	453,314

Capital

Conditional Grants	-	-	-
- Gas Tax	31,920	31,922	31,867
- SaskWater Corporation	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - BCF	228,570	-	285,224
Total Capital	260,490	31,922	317,091
Total Utility Services	719,080	529,721	770,405

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION 943,880 776,022 966,811

SUMMARY

Total Other Segmented Revenue	628,240	669,356	639,344
Total Conditional Grants	55,150	74,744	10,376
Total Capital Grants and Contributions	260,490	31,922	317,091
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	943,880	776,022	966,811

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

Schedule 3-2

2015 Budget **2015** 2014

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Wages and Benefits	-	-	-
Professional/Contractual Services	84,820	92,066	86,733
Utilities	-	-	-
Maintenance, Materials, and Supplies	-	-	-
Grants and Contributions- Operating	-	-	-
- Waste Disposal	-	-	-
- Public Health	-	-	-
- Capital	-	-	-
- Waste Disposal	-	-	-
- Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Environmental and Public Health Services	84,820	92,066	86,733

PLANNING AND DEVELOPMENT SERVICES

Wages and Benefits	-	-	-
Professional/Contractual Services	9,000	7,793	6,727
Grants and Contributions- Operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	-	-
Total Planning and Development Services	9,000	7,793	6,727

RECREATION AND CULTURAL SERVICES

Wages and Benefits	11,740	16,503	11,671
Professional/Contractual Services	93,420	107,671	3,641
Utilities	12,920	10,640	12,659
Maintenance, Materials, and Supplies	38,970	41,530	36,836
Grants and Contributions- Operating	13,400	7,906	4,356
- Capital	-	-	-
Amortization	62,290	62,327	62,327
Interest	-	-	-
Allowance for Uncollectibles	-	-	-
Other	-	-	-
Total Recreation and Cultural Services	232,740	246,577	131,490

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

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	2,978	21,528	1,744	78,658	9,330	53,247	497,799	665,284
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	4,072	-	-	-	-	-	-	4,072
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	35,960	-	-	-	38,784	-	74,744
- Capital	-	-	-	-	-	-	31,922	31,922
Total Revenues	7,050	57,488	1,744	78,658	9,330	92,031	529,721	776,022

Expenses (Schedule 3)								
Wages and Benefits	105,331	5,415	61,323	-	-	16,503	58,325	246,897
Professional/Contractual Services	47,645	37,371	263,364	92,066	7,793	107,671	165,495	721,405
Utilities	6,608	4,317	17,579	-	-	10,640	19,713	58,857
Maintenance, Materials, and Supplies	5,539	11,838	113,335	-	-	41,530	18,031	190,273
Grants and Contributions	500	100	-	-	-	7,906	-	8,506
Amortization	5,216	22,392	35,989	-	-	62,327	31,565	157,489
Interest	-	-	-	-	-	-	67,457	67,457
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	170,839	81,433	491,590	92,066	7,793	246,577	360,586	1,450,884

Surplus (Deficit) by Function	(163,789)	(23,945)	(489,846)	(13,408)	1,537	(154,546)	169,135	(674,862)
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Taxation and Other Unconditional Revenue (Schedule 1)

664,171

Net Surplus (Deficit)

(10,691)

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

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	5,076	17,376	7,141	74,669	17,220	63,475	453,314	638,271
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	1,073	-	-	-	-	-	-	1,073
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	8,276	-	2,100	-	10,376
- Capital	-	-	-	-	-	-	317,091	317,091
Total Revenues	6,149	17,376	7,141	82,945	17,220	65,575	770,405	966,811

Expenses (Schedule 3)								
Wages and Benefits	102,036	5,235	55,835	-	-	11,671	45,504	220,281
Professional/Contractual Services	60,780	26,252	93,877	86,733	6,727	3,641	154,473	432,483
Utilities	6,885	1,962	18,451	-	-	12,659	16,739	56,696
Maintenance, Materials, and Supplies	5,115	15,334	77,912	-	-	36,836	35,272	170,469
Grants and Contributions	-	1,124	-	-	-	4,356	-	5,480
Amortization	6,514	22,392	34,026	-	-	62,327	31,355	156,614
Interest	-	-	-	-	-	-	73,119	73,119
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	181,330	72,299	280,101	86,733	6,727	131,490	356,462	1,115,142

Surplus (Deficit) by Function	(175,181)	(54,923)	(272,960)	(3,788)	10,493	(65,915)	413,943	(148,331)
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Taxation and Other Unconditional Revenue (Schedule 1)

671,633

Net Surplus (Deficit)

523,302

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

Schedule 6

2015

2014

Asset Cost	2015						2014	
	General Assets			Machinery and Equipment	Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings					
Opening Asset Costs	75,500	-	3,438,335	106,956	4,202,098	7,651,146	15,916,418	15,659,621
Additions During the Year	11,800	-	-	39,375	25,226	-	105,725	256,797
Disposals and Write-downs During the Year	-	-	-	-	-	-	-	-
Transfers (From) Assets Under Construction	-	-	-	-	7,651,146	(7,651,146)	-	-
Closing Asset Costs	87,300	-	3,438,335	146,331	11,878,470	-	16,022,143	15,916,418

Accumulated Amortization Cost

Opening Accumulated Amortization Costs	-	-	3,172,128	84,906	2,078,118	-	5,486,656	5,330,042
Add: Amortization Taken	-	-	71,713	2,450	40,089	-	157,489	156,614
Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	3,243,841	87,356	2,118,207	-	5,644,145	5,486,656

Net Book Value	87,300	-	194,494	58,975	9,760,263	-	10,377,998	10,429,762
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1. Total Contributed/Donated Assets Received in 2015: -
2. List of Assets Recognized at Nominal Value in 2015 are:
 - Infrastructure Assets
 - Vehicles
 - Machinery and Equipment
3. Amount of Interest Capitalized in 2015: -

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

Schedule 7

2015

2014

	2015							2014	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total	Total
Asset Cost									
Opening Asset Costs	190,313	415,583	2,136,039	-	-	2,924,588	10,249,895	15,916,418	15,659,621
Additions During the Year	11,800	-	46,199	-	-	-	47,726	105,725	256,797
Disposals and Write-downs During the Year	-	-	-	-	-	-	-	-	-
Closing Asset Costs	202,113	415,583	2,182,238	-	-	2,924,588	10,297,621	16,022,143	15,916,418

Accumulated Amortization Cost

Opening Accumulated Amortization Costs	155,155	248,465	1,578,972	-	-	2,819,827	684,237	5,486,656	5,330,042
Add: Amortization Taken	5,216	22,392	35,989	-	-	62,327	31,565	157,489	156,614
Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	160,371	270,857	1,614,961	-	-	2,882,154	715,802	5,644,145	5,486,656
Net Book Value	41,742	144,726	567,277	-	-	42,434	9,581,819	10,377,998	10,429,762

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

Schedule 8

	2014	Changes	2015
UNAPPROPRIATED SURPLUS	1,346,751	(98,685)	1,248,066
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	600	-	600
Capital Trust	-	-	-
Utility	-	-	-
Other	399,000	-	399,000
Total Appropriated	399,600	-	399,600
ORGANIZED HAMLETS			
	-	-	-
	-	-	-
	-	-	-
Total Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6)	10,429,762	(51,764)	10,377,998
Less: Related Debt	(1,961,745)	139,758	(1,821,987)
Net Investment in Tangible Capital Assets	8,468,017	87,994	8,556,011
Other	-	-	-
Total Accumulated Surplus	10,214,368	(10,691)	10,203,677

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

Schedule 9

	PROPERTY CLASS							Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)		
Taxable Assessment	10,065	37,055,830	-	-	2,488,300	-	39,554,195	
Regional Park Assessment							-	
Total Assessment							39,554,195	
Mill Rate Factor(s)	1.0	1.0	-	-	1.0			
Total Base/Minimum Tax (generated for each property class)	1,200	304,200	-	-	17,400		322,800	
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,254	502,449	-	-	30,712		534,415	

MILL RATES:

	MILLS
Average Municipal*	13.5110
Average School*	5.2339
Potash Mill Rate	-
Uniform Municipal Mill Rate	5.3500

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

