

Management's Responsibility

To the Ratepayers of Town of Hanley

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgements 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 judgement 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.

Vantage, an independent firm of Chartered Professional Accountants, is appointed by the councillors 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 8, 2017



INDEPENDENT AUDITORS' REPORT

The Council
Town of Hanley
Hanley, Saskatchewan

We have audited the accompanying consolidated financial statements of the Town of Hanley, which comprise the consolidated statement of financial position as at December 31, 2016, 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Hanley as at December 31, 2016, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

North Battleford, Saskatchewan
May 8, 2017

Town of Hanley
 Consolidated Statement of Financial Position
 As at December 31, 2016

Statement 1

	2016	2015
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	653,447	601,919
Taxes Receivable - Municipal (Note 3)	14,032	17,253
Other Accounts Receivable (Note 4)	129,491	122,825
Land for Resale (Note 5)		
Long-Term Investments (Note 6)	1,050,000	1,080,000
Debt Charges Recoverable		
Other		
Total Financial Assets	1,846,970	1,821,997
LIABILITIES		
Bank Indebtedness		
Accounts Payable	78,272	36,466
Accrued Liabilities Payable	9,018	9,861
Deposits	38,398	38,723
Deferred Revenue (Note 7)	263,466	208,102
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 8)	791,057	865,070
Lease Obligations		
Total Liabilities	1,180,211	1,158,222
NET FINANCIAL ASSETS	666,759	663,775
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	1,429,265	1,336,116
Prepayments and Deferred Charges	18,810	26,258
Stock and Supplies	16,995	23,785
Other		
Total Non-Financial Assets	1,465,070	1,386,159
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	2,131,829	2,049,934

Town of Hanley

Consolidated Statement of Operations

For the year ended December 31, 2016

Statement 2

	2016 Budget	2016	2015
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	371,606	372,015	362,387
Fees and Charges (Schedule 4, 5)	532,805	488,877	470,226
Conditional Grants (Schedule 4, 5)	13,279	9,388	18,514
Tangible Capital Asset Sales - Gain (Schedule 4, 5)		120,536	
Land Sales - Gain (Schedule 4, 5)		3,478	3,000
Investment Income and Commissions (Schedule 4, 5)	3,000	1,831	3,038
Other Revenues (Schedule 4, 5)	3,000	5,999	4,524
Total Revenues	923,690	1,002,124	861,689
EXPENSES			
General Government Services (Schedule 3)	181,175	189,046	187,674
Protective Services (Schedule 3)	25,468	27,855	56,762
Transportation Services (Schedule 3)	215,342	218,479	190,955
Environmental and Public Health Services (Schedule 3)	93,827	82,918	98,228
Planning and Development Services (Schedule 3)	2,579	2,663	2,329
Recreation and Cultural Services (Schedule 3)	19,816	34,312	46,560
Utility Services (Schedule 3)	379,509	395,864	325,896
Total Expenses	917,716	951,137	908,404
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	5,974	50,987	(46,715)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	33,410	30,908	63,443
Surplus (Deficit) of Revenues over Expenses	39,384	81,895	16,728
Accumulated Surplus (Deficit), Beginning of Year	2,049,934	2,049,934	2,033,206
Accumulated Surplus (Deficit), End of Year	2,089,318	2,131,829	2,049,934

Town of Hanley
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2016

Statement 3

	2016 Budget	2016	2015
Surplus (Deficit)	39,384	81,895	16,728
(Acquisition) of tangible capital assets	(194,900)	(172,494)	(48,125)
Amortization of tangible capital assets	29,637	79,323	80,360
Proceeds on disposal of tangible capital assets		120,558	506
Loss (gain) on the disposal of tangible capital assets		(120,536)	
Surplus (Deficit) of capital expenses over expenditures	(165,263)	(93,149)	32,741
(Acquisition) of supplies inventories			(7,874)
(Acquisition) of prepaid expense			(11,423)
Consumption of supplies inventory		6,790	
Use of prepaid expense		7,448	
Surplus (Deficit) of expenses of other non-financial over expenditures		14,238	(19,297)
Increase/Decrease in Net Financial Assets	(125,879)	2,984	30,172
Net Financial Assets - Beginning of Year	663,775	663,775	633,603
Net Financial Assets - End of Year	537,896	666,759	663,775

Town of Hanley
Consolidated Statement of Cash Flow
For the year ended December 31, 2016

Statement 4

	2016	2015
Cash provided by (used for) the following activities		
Operating:		
Surplus	81,895	16,728
Amortization	79,323	80,360
Loss (gain) on disposal of tangible capital assets	(120,536)	
	40,682	97,088
Change in assets/liabilities		
Taxes receivable - municipal	3,221	(2,819)
Other receivables	(6,666)	(13,844)
Land for resale		
Other financial assets		
Accounts and accrued liabilities payable	40,963	(102)
Deposits	(325)	3,241
Deferred revenue	55,364	(43,038)
Accrued landfill costs		
Liability for contaminated sites		
Other liabilities		
Stock and supplies	6,790	(7,874)
Prepayments and deferred charges	7,448	(11,423)
Other		
Cash provided by operating transactions	147,477	21,229
Capital:		
Acquisition of tangible capital assets	(172,494)	(48,125)
Proceeds from the disposal of tangible capital assets	120,558	506
Other capital		
Cash applied to capital transactions	(51,936)	(47,619)
Investing:		
Long-term investments	30,000	30,000
Other investments		
Cash provided by (applied to) investing transactions	30,000	30,000
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid	(74,013)	(71,565)
Other financing		
Cash provided by (applied to) financing transactions	(74,013)	(71,565)
Change in Cash and Temporary Investments during the year	51,528	(67,955)
Cash and Temporary Investments - Beginning of Year	601,919	669,874
Cash and Temporary Investments - End of Year	653,447	601,919

Town of Hanley
Notes to the Consolidated Financial Statements
For the year ended December 31, 2016

1. Significant accounting policies

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Accounting Standards Oversight Council. Significant aspects of the accounting policies are as follows:

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 the council for the administration of their financial affairs and resources.
- b) **Collection of funds for other authorities:** Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- c) **Government transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occurred, as long as:
 - a) the transfers are authorized;
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts 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 government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated reserves:** Reserves are established at the discretion of council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **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. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- 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.

Town of Hanley
Notes to the Consolidated Financial Statements
For the year ended December 31, 2016

1. Significant accounting policies - continued

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

<u>Asset</u>	<u>Useful life</u>
<i>General assets</i>	
Land	Indefinite
Land improvements	5 to 20 yrs
Buildings	10 to 50 yrs
Vehicles and equipment	
Vehicles	5 to 10 yrs
Machinery and equipment	5 to 10 yrs
<i>Infrastructure assets</i>	
Infrastructure assets	
Water and sewer	15 to 40 yrs
Road network assets	15 years

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

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

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

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

- m) **Landfill liability:** The municipality maintains a transfer site.
- n) **Employee benefit plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- o) **Liability for contaminated sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment
- 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.

Town of Hanley
Notes to the Consolidated Financial Statements
For the year ended December 31, 2016

1. Significant accounting policies - continued

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

The measurement of materials and supplies is 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.

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for police and fire protection.

Transportation Services: 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: Provides for neighbourhood development and sustainability.

Recreation and culture: Provides for community services through the provision of recreation and leisure services.

Utility services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

2. Cash and temporary investments

	2016	2015
Cash	11,678	29,408
Temporary investments	641,769	572,511
Restricted Cash		
Total cash and temporary investments	653,447	601,919

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.

3. Taxes receivable - municipal

	2016	2015
Municipal - Current	19,718	22,157
- Arrears	4,814	5,596
	24,532	27,753
- Less allowance for uncollectibles	(10,500)	(10,500)
Total municipal taxes receivable	14,032	17,253
School - Current	11,830	13,379
- Arrears	1,043	1,564
Total school taxes receivable	12,873	14,943
Other		
Total taxes and grants in lieu receivable	26,905	32,196
Deduct taxes receivable to be collected on behalf of other organizations	(12,873)	(14,943)
Total taxes receivable - municipal	14,032	17,253

Town of Hanley
Notes to the Consolidated Financial Statements
For the year ended December 31, 2016

4. Other accounts receivable	2016	2015
Federal government	8,245	14,940
Provincial government	3,176	3,287
Local government	1,138	911
Utility	83,670	73,548
Infrastructure fee	24,962	24,668
Other	9,350	6,521
Total other accounts receivable	130,541	123,875
Less: allowance for uncollectibles	(1,050)	(1,050)
Net other accounts receivable	129,491	122,825

5. Land for resale	2016	2015
Tax title property	5,845	5,845
Allowance for market value adjustment	(5,845)	(5,845)
Net tax title property	Nil	Nil
Other land		
Allowance for market value adjustment		
Net other land		
Total land for resale	Nil	Nil

6. Long-term investments	2016	2015
Dundurn Rural Water Utility	1,050,000	1,080,000
Total long-term investments	1,050,000	1,080,000

The long term investment in the Dundurn Rural Water Utility is accounted for on the cost basis and is amortized over the estimated useful life of the project of 40 years.

Town of Hanley

Notes to the Consolidated Financial Statements

For the year ended December 31, 2016

7. Deferred revenue

	2016	2015
Animal licenses/campground exp	275	326
Infrastructure fee programs	222,901	206,906
Fire hall donations/fundraising/equipment	24,086	(11,986)
Artificial ice project	16,204	12,856
Total deferred revenue	263,466	208,102

8. Long-term debt

a) The debt limit of the municipality is \$691,012. 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(1)).

b) The Canada Mortgage Housing Corporation loan is repayable at \$103,598 annually for a 15 year term, including interest at 3.42%.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2017	76,544	27,054	103,598	76,544
2018	79,162	24,436	103,598	79,162
2019	81,869	21,729	103,598	81,869
2020	84,669	18,929	103,598	84,669
2021	87,565	16,033	103,598	84,576
Thereafter	381,248	33,145	414,393	458,250
Balance	791,057	141,326	932,383	865,070

9. Pension plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality pension expense in 2016 was \$5,753. The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

10. Comparative figures

Prior year comparative figures may have been restated to conform to the current year's presentation.

11. Budget figures

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

Town of Hanley

Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2016

Schedule 1

	2016 Budget	2016	2015
TAXES			
General municipal tax levy	230,548	230,336	223,689
Abatements and adjustments	(3,009)	(2,680)	(2,024)
Discount on current year taxes	(7,500)	(8,533)	(8,161)
Net Municipal Taxes	220,039	219,123	213,504
Potash tax share			
Trailer license fees			
Penalties on tax arrears	1,400	1,243	1,396
Special tax levy			
Other			
Total Taxes	221,439	220,366	214,900
UNCONDITIONAL GRANTS			
Revenue Sharing	121,798	121,798	119,007
Organized Hamlet			
Total Unconditional Grants	121,798	121,798	119,007
GRANTS IN LIEU OF TAXES			
Federal	2,913	2,913	2,913
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	645	645	645
Other			
Local/Other			
Housing Authority	3,811	3,811	3,811
C.P.R. Mainline			
Treaty Land Entitlement			
Other			
Other Government Transfers			
S.P.C. Surcharge	21,000	22,482	21,111
Sask Energy Surcharge			
Other			
Total Grants in Lieu of Taxes	28,369	29,851	28,480
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	371,606	372,015	362,387

Town of Hanley
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 1

	2016 Budget	2016	2015
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	13,503	17,820	14,887
- Sales of supplies	1,500	27	1,656
- Other			
Total Fees and Charges	15,003	17,847	16,543
- Tangible capital asset sales - gain (loss)			
- Land sales - gain		3,478	3,000
- Investment income and commissions	3,000	1,831	3,038
- Other WCB surplus		3,752	1,676
Total Other Segmented Revenue	18,003	26,908	24,257
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating	18,003	26,908	24,257
Capital			
Conditional Grants			
- Federal Gas Tax	2,000	2,000	
- Provincial Disaster Assistance			
- Other	539	528	
Total Capital	2,539	2,528	
Total General Government Services	20,542	29,436	24,257

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other Policing fines			720
Total Fees and Charges			720
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue			720
Conditional Grants			
- Student Employment			
- Local government			
- Other			
Total Conditional Grants			
Total Operating			720

Capital

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other			
Total Capital			
Total Protective Services			720

Town of Hanley
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 2

	2016 Budget	2016	2015
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	4,300	4,245	4,640
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other			
Total Fees and Charges	4,300	4,245	4,640
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	4,300	4,245	4,640
Conditional Grants			
- MREP (CTP)			
- Student Employment	1,920		
- Other-Grade crossing	5,000	5,011	
Total Conditional Grants	6,920	5,011	
Total Operating	11,220	9,256	4,640
Capital			
Conditional Grants			
- Federal Gas Tax	6,000	6,000	3,050
- MREP (Heavy Haul, CTP, Municipal Bridges)	1,760		
- Provincial Disaster Assistance			
- Other			1,760
Total Capital	7,760	6,000	4,810
Total Transportation Services	18,980	15,256	9,450

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	75,900	66,131	76,647
- Housing Authority Surplus			248
- Other Pet licensing and cemetery	4,300	3,650	4,809
Total Fees and Charges	80,200	69,781	81,704
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	80,200	69,781	81,704
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other MMSW	525	3,455	524
Total Conditional Grants	525	3,455	524
Total Operating	80,725	73,236	82,228

Capital

Conditional Grants			
- Federal Gas Tax			3,700
- TAPD			
- Provincial Disaster Assistance			
- Other			
Total Capital			3,700
Total Environmental and Public Health Services	80,725	73,236	85,928

Town of Hanley
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 3

	2016 Budget	2016	2015
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating			
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total Planning and Development Services			

RECREATION AND CULTURAL SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other Artificial ice project			657
Total Fees and Charges			657
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue			657
Conditional Grants			
- Student Employment			
- Local government	834	922	834
- Donations			
- Other CIF, SPRA, CRAG	5,000		17,156
Total Conditional Grants	5,834	922	17,990
Total Operating	5,834	922	18,647

Capital

Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other			
Total Capital			
Total Recreation and Cultural Services	5,834	922	18,647

Town of Hanley
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2016

Schedule 2 - 4

	2016 Budget	2016	2015
--	-------------	------	------

UTILITY SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Water	295,424	259,746	227,677
- Sewer	34,280	33,660	34,687
- Other Infrastructure fee	103,598	103,598	103,598
Total Fees and Charges	433,302	397,004	365,962
- Tangible capital asset sales - gain (loss)		120,536	
- Other Investment interest	3,000	2,247	2,848
Total Other Segmented Revenue	436,302	519,787	368,810
Conditional Grants			
- Student Employment			
- Other			
Total Conditional Grants			
Total Operating	436,302	519,787	368,810

Capital

Conditional Grants			
- Federal Gas Tax	23,111	22,380	22,900
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other			32,033
Total Capital	23,111	22,380	54,933
Total Utility Services	459,413	542,167	423,743

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	585,494	661,017	562,745
--	----------------	----------------	----------------

SUMMARY

Total Other Segmented Revenue	538,805	620,721	480,788
Total Conditional Grants	13,279	9,388	18,514
Total Capital Grants and Contributions	33,410	30,908	63,443
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	585,494	661,017	562,745

	2016 Budget	2016	2015
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	10,297	8,632	8,300
Wages and benefits	97,823	97,228	96,141
Professional/Contractual services	61,655	65,813	64,710
Utilities	1,900	1,946	1,879
Maintenance, materials and supplies	9,000	12,998	11,403
Grants and contributions - operating	500	1,068	765
- capital			
Amortization		1,361	4,171
Interest			
Allowance for uncollectibles			
Other Crime expenses			305
Total Government Services	181,175	189,046	187,674

PROTECTIVE SERVICES**Police protection**

Wages and benefits			
Professional/Contractual services	21,340	22,537	21,339
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Other			

Fire protection

Wages and benefits			
Professional/Contractual services	1,128	1,683	35,097
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	3,000	3,309	
- capital			
Amortization		326	326
Interest			
Other			

Total Protective Services	25,468	27,855	56,762
----------------------------------	---------------	---------------	---------------

TRANSPORTATION SERVICES

Wages and benefits	72,503	77,715	71,497
Professional/Contractual services	38,905	32,417	18,482
Utilities	15,334	14,577	15,328
Maintenance, materials and supplies	58,600	36,721	42,722
Gravel	30,000	27,909	15,099
Grants and contributions - operating			
- capital			
Amortization		29,140	27,827
Interest			
Other			

Total Transportation Services	215,342	218,479	190,955
--------------------------------------	----------------	----------------	----------------

Total Expenses by Function

For the year ended December 31, 2016

Schedule 3 - 2

	2016 Budget	2016	2015
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	8,677	8,490	8,549
Professional/Contractual services	84,650	73,927	84,839
Utilities			
Maintenance, materials and supplies	500	501	4,840
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other			
Total Environmental and Public Health Services	93,827	82,918	98,228
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual services	2,579	2,663	2,329
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other			
Total Planning and Development Services	2,579	2,663	2,329
RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	4,346	4,081	5,214
Utilities	1,690	1,676	1,623
Maintenance, materials and supplies		1,108	8
Grants and contributions - operating	13,780	8,968	21,236
- capital			
Amortization		18,479	18,479
Interest			
Allowance for uncollectibles			
Other			
Total Recreation and Cultural Services	19,816	34,312	46,560

Town of Hanley

Total Expenses by Function

For the year ended December 31, 2016

Schedule 3 - 3

	2016 Budget	2016	2015
UTILITY SERVICES			
Wages and benefits	28,000	34,444	32,623
Professional/Contractual services	74,407	81,555	37,516
Utilities	6,417	7,365	5,878
Maintenance, materials and supplies	179,015	183,741	159,105
Grants and contributions - operating			
- capital	30,000	30,000	30,000
Amortization	29,637	30,017	29,557
Interest	32,033	28,742	31,217
Allowance for uncollectibles			
Other			
Total Utility Services	379,509	395,864	325,896
TOTAL EXPENSES BY FUNCTION	917,716	951,137	908,404

Town of Hanley
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2016

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	17,847		4,245	69,781			397,004	488,877
Tangible Capital Asset Sales - Gain	3,478						120,536	120,536
Land Sales - Gain	1,831							3,478
Investment Income and Commissions	3,752						2,247	1,831
Other Revenues			5,011	3,455		922		5,999
Grants - Conditional - Capital	2,528		6,000				22,380	9,388
								30,908
Total revenues	29,436		15,256	73,236		922	542,167	661,017
Expenses (Schedule 3)								
Wages and Benefits	105,860		77,715	8,490			34,444	226,509
Professional/Contractual Services	65,813	24,220	32,417	73,927	2,663	4,081	81,555	284,676
Utilities	1,946		14,577			1,676	7,365	25,564
Maintenance Materials and Supplies	12,998		64,630	501		1,108	183,741	262,978
Grants and Contributions	1,068	3,309				8,968	30,000	43,345
Amortization	1,361	326	29,140			18,479	30,017	79,323
Interest							28,742	28,742
Allowance for Uncollectibles								
Other								
Total expenses	189,046	27,855	218,479	82,918	2,663	34,312	395,864	951,137
Surplus (Deficit) by Function	(159,610)	(27,855)	(203,223)	(9,682)	(2,663)	(33,390)	146,303	(290,120)
Taxes and other unconditional revenue (Schedule 1)								372,015
Net Surplus (Deficit)								81,895

Town of Hanley
 Consolidated Schedule of Segment Disclosure by Function
 For the year ended December 31, 2015

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	16,543	720	4,640	81,704		657	365,962	470,226
Tangible Capital Asset Sales - Gain	3,000							3,000
Land Sales - Gain	3,038							3,038
Investment Income and Commissions	1,676			524		17,990	2,848	4,524
Other Revenues				3,700			54,933	18,514
Grants - Conditional - Capital			4,810					63,443
Total revenues	24,257	720	9,450	85,928		18,647	423,743	562,745
Expenses (Schedule 3)								
Wages and Benefits	104,441		71,497	8,549			32,623	217,110
Professional/Contractual Services	64,710	56,436	18,482	84,839	2,329	5,214	37,516	269,526
Utilities	1,879		15,328			1,623	5,878	24,708
Maintenance Materials and Supplies	11,403		57,821	4,840		8	159,105	233,177
Grants and Contributions	765					21,236	30,000	52,001
Amortization	4,171	326	27,827			18,479	29,557	80,360
Interest							31,217	31,217
Allowance for Uncollectibles								
Other	305							305
Total expenses	187,674	56,762	190,955	98,228	2,329	46,560	325,896	908,404
Surplus (Deficit) by Function	(163,417)	(56,042)	(181,505)	(12,300)	(2,329)	(27,913)	97,847	(345,659)
Taxes and other unconditional revenue (Schedule 1)								362,387
Net Surplus (Deficit)								16,728

Town of Hanley
 Consolidated Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2016

	2016							2015
	General Assets				Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear assets		
Asset cost								
Opening Asset costs	4,089	83,341	922,552	7,445	1,437,704	1,285,485		3,694,374
Additions during the year						172,494		48,125
Disposals and write-downs during the year	(22)					(8,434)		(1,883)
Transfers (from) assets under construction								
Closing Asset Costs	4,067	83,341	922,552	7,445	1,437,704	1,449,545		3,740,616
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs		17,907	563,043	7,445	1,146,803	669,302		2,325,517
Add: Amortization taken		4,150	15,979		31,196	27,998		80,360
Less: Accumulated amortization on disposals						(8,434)		(1,377)
Closing Accumulated Amortization Costs		22,057	579,022	7,445	1,177,999	688,866		2,404,500
Net Book Value	4,067	61,284	343,530	Nil	259,705	760,679		1,336,116

1. Total contributed/donated assets received in 2016: Nil

2. List of assets recognized at nominal value in 2016 are:

- Infrastructure Assets Nil
- Vehicles Nil
- Machinery and Equipment Nil
- 3. Amount of interest capitalized in 2016 Nil

Town of Hanley
 Consolidated Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2016

	2016						2015
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	
Assets							
Asset cost							
Opening Asset costs	25,069	37,444	864,903	91		930,466	3,694,374
Additions during the year			14,686				48,125
Disposals and write-downs during the year	(22)		(8,434)				(1,883)
Closing Asset Costs	25,047	37,444	871,155	91		930,466	3,740,616
Amortization							
Accumulated Amortization Cost							
Opening Accumulated Amortization Costs	21,485	34,973	367,999			531,802	2,325,517
Add: Amortization taken	1,361	326	29,141			18,478	80,360
Less: Accumulated amortization on disposals			(8,434)				(1,377)
Closing Accumulated Amortization Costs	22,846	35,299	388,706			550,280	2,404,500
Net Book Value	2,201	2,145	482,449	91		380,186	1,336,116

Town of Hanley
 Consolidated Schedule of Accumulated Surplus
 For the year ended December 31, 2016

Schedule 8

	2015	Changes	2016
UNAPPROPRIATED SURPLUS	359,131	(54,134)	304,997
APPROPRIATED RESERVES			
Machinery and Equipment	30,000		30,000
Public Reserve			
Capital Trust	213,000		213,000
Utility	74,527	42,914	117,441
Other (Fire hall, CIF, cemetery, trnsf stn)	37,160	(34)	37,126
Total Appropriated	354,687	42,880	397,567
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	1,336,116	93,149	1,429,265
Less: Related debt			
Net Investment in Tangible Capital Assets	1,336,116	93,149	1,429,265
Total Accumulated Surplus	2,049,934	81,895	2,131,829

Town of Hanley
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2016

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	67,540	25,108,300	322,700		2,531,400		28,029,940
Regional Park Assessment							
Total Assessment							28,029,940
Mill Rate Factor(s)	1.0000	1.0000	1.0000		1.2200		
Total Base/Minimum Tax (generated for each property class)	573	53,958			13,383		67,914
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	972	199,500	2,327		27,537		230,336

MILL RATES: MILLS

Average Municipal*	8.2200
Average School*	5.3200
Potash Mill Rate	
Uniform Municipal Mill Rate	7.2100

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

Town of Hanley
 Schedule of Council Remuneration
 For the year ended December 31, 2016

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Marv Gerbrandt	1,500		1,500
Councillor	Giselle Hanson	1,200		1,200
Councillor	Melissa Maddocks	1,000	207	1,207
Councillor	Tammy Martens	200		200
Councillor	Kevin McCormick	800		800
Councillor	Richard McGregor	1,200	226	1,426
Councillor	Dwight Thall	1,200		1,200
Councillor	Andrea Townsend	1,100		1,100
Total		8,200	433	8,633