

**VILLAGE OF VAL MARIE**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**



## INDEPENDENT AUDITOR'S REPORT

To the Council of Village of Val Marie:

We have audited the accompanying consolidated financial statements of the Village of Val Marie, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of operations, consolidated changes in net financial assets consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 organization'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 organization'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.

### Basis for Qualified Opinion

In common with certain public sector entities, the Val Marie Recreation Board and Val Marie Elevator Committee report an amount for fundraising revenue, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Village, and we were not able to determine whether any adjustments might be necessary to revenues, surplus of revenues over expenses, financial assets, and accumulated surplus for the year ended December 31, 2017 and December 31, 2016.

Public Sector Accounting Standards require that the Village accrue a liability for the estimated closure and post-closure care costs for its landfill. Due to problems associated with estimations and environmental requirements, we were unable to obtain sufficient and appropriate audit evidence over the extent of landfill closure adjustments required to the Village's financial statements as at December 31, 2017 and December 31, 2016.

## INDEPENDENT AUDITOR'S REPORT (continued)

### Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Village of Val Marie as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Other Matter

The supplementary information listed in Schedules 1 to 10 has been taken from the accounting records of the organization but has not been audited by us other than in the course of our examination of the aforementioned financial statements to the extent necessary to allow us to render an opinion thereon.



CPA LLP  
Chartered Professional Accountants  
Licensed Professional Accountants

Swift Current, Saskatchewan  
March 21, 2018

## Management's Responsibility

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 generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

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

The Council is composed of elected officials who are not employees of the Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council 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.

Stark & Marsh CPA LLP, an independent firm of Chartered Professional Accountants, is appointed by the 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 (Village of Val Marie)

  
Administrator

Village of Val Marie  
 Consolidated Statement of Financial Position  
 As at December 31, 2017

Statement 1

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	380,502	513,447
Taxes Receivable - Municipal (Note 3)	23,982	12,290
Other Accounts Receivable (Note 4)	19,723	11,988
Land for Resale (Note 5)	2	2
Long-Term Investments (Note 6)	237,281	34,060
Debt Charges Recoverable (Note 7)		
Other (Specify)		
<b>Total Financial Assets</b>	<b>661,490</b>	<b>571,787</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 8)		
Accounts Payable	3,660	3,479
Accrued Liabilities Payable		
Deposits		
Deferred Revenue (Note 9)	783	5,049
Accrued Landfill Costs (Note 10)		
Liability for Contaminated Sites (Note 11)		
Other Liabilities		
Long-Term Debt (Note 12)		
Lease Obligations (Note 13)		
<b>Total Liabilities</b>	<b>4,443</b>	<b>8,528</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>657,047</b>	<b>563,259</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	148,317	132,977
Prepayments and Deferred Charges	1,716	2,146
Stock and Supplies		
Other (Note 14)	-	-
<b>Total Non-Financial Assets</b>	<b>150,033</b>	<b>135,123</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>807,080</b>	<b>698,382</b>

Village of Val Marie  
Consolidated Statement of Operations  
As at December 31, 2017

Statement 2

	2017 Budget (unaudited)	2017	2016
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue(Schedule 1)	155,629	156,981	138,925
Fees and Charges(Schedule 4, 5)	118,655	318,666	249,439
Conditional Grants(Schedule 4, 5)	-	39,728	6,188
Tangible Capital Asset Sales - Gain(Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	2,652
Investment Income and Commissions(Schedule 4, 5)	600	936	774
Other Revenues(Schedule 4, 5)	100	310	153
<b>Total Revenues</b>	<b>274,984</b>	<b>516,621</b>	<b>398,131</b>
<b>EXPENSES</b>			
General Government Services(Schedule 3)	72,220	69,245	77,859
Protective Services(Schedule 3)	10,871	10,575	9,082
Transportation Services(Schedule 3)	30,584	29,523	30,422
Environmental and Public Health Services(Schedule 3)	22,222	19,449	13,842
Planning and Development Services(Schedule 3)	-	-	-
Recreation and Cultural Services(Schedule 3)	31,756	191,070	133,284
Utility Services (Schedule 3)	62,974	95,965	34,264
<b>Total Expenses</b>	<b>230,627</b>	<b>415,827</b>	<b>298,753</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>44,357</b>	<b>100,794</b>	<b>99,378</b>
Provincial/Federal Capital Grants and Contributions(Schedule 4, 5)	3,874	7,904	7,566
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>48,231</b>	<b>108,698</b>	<b>106,944</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>698,382</b>	<b>698,382</b>	<b>591,436</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>746,613</b>	<b>807,080</b>	<b>698,382</b>

Village of Val Marie

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2017

Statement 3

	2017 Budget (unaudited)	2017	2016
<b>Surplus (Deficit)</b>	<b>48,231</b>	<b>108,698</b>	<b>106,944</b>
(Acquisition) of tangible capital assets		(29,917)	(15,742)
Amortization of tangible capital assets		14,577	14,842
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets		-	-
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>-</b>	<b>(15,340)</b>	<b>(900)</b>
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			
Consumption of supplies inventory			23,654
Use of prepaid expense		430	194
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>430</b>	<b>23,848</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>48,231</b>	<b>93,788</b>	<b>129,892</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>563,259</b>	<b>563,259</b>	<b>433,367</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>611,490</b>	<b>657,047</b>	<b>563,259</b>

Village of Val Marie  
 Consolidated Statement of Cash Flow  
 As at December 31, 2017

Statement 4

	2017	2016
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	108,698	106,944
Amortization	14,577	14,842
Loss (gain) on disposal of tangible capital assets	-	-
	<u>123,275</u>	<u>121,786</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(11,692)	(5,517)
Other Receivables	(7,735)	705
Land for Resale	-	1,102
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	181	1,325
Deposits	-	-
Deferred Revenue	(4,266)	3,649
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	23,654
Prepayments and Deferred Charges	430	194
Other (Specify)	-	-
<b>Cash provided by operating transactions</b>	<u>100,193</u>	<u>146,898</u>
<b>Capital:</b>		
Acquisition of capital assets	(29,917)	(15,742)
Proceeds from the disposal of capital assets	-	-
Other capital	-	-
<b>Cash applied to capital transactions</b>	<u>(29,917)</u>	<u>(15,742)</u>
<b>Investing:</b>		
Long-term investments	(203,221)	(1,209)
Other investments	-	-
<b>Cash provided by (applied to) investing transactions</b>	<u>(203,221)</u>	<u>(1,209)</u>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
<b>Cash provided by (applied to) financing transactions</b>	<u>-</u>	<u>-</u>
<b>Change in Cash and Temporary Investments during the year</b>	<u>(132,945)</u>	<u>129,947</u>
<b>Cash and Temporary Investments - Beginning of Year</b>	<u>513,447</u>	<u>383,500</u>
<b>Cash and Temporary Investments - End of Year</b>	<u>380,502</u>	<u>513,447</u>



I. 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 Accounting Standards Oversight Council. 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 consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity  
Val Marie Recreation Board  
Heritage Culture & Youth Committee

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 board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- 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.

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
<i>Vehicles &amp; Equipment</i>	
Vehicles	5 to 10 Yrs
Machinery and Equipment	3 to 20 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	15 Yrs
Road Network Assets	30 Yrs

**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 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 estimated useful lives. 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 waste disposal site. The municipality is unable to estimate close and post-closure costs.
- 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.

Village of Val Marie  
Notes to the Consolidated Financial Statements  
As at December 31, 2017

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

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

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

- r) **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.

- s) **Revenue recognition:** Revenue is recognized in the period it is earned.

2. Cash and Temporary Investments

	2017	2016
Cash	380,502	513,447
Temporary Investments		
Restricted Cash		
<b>Total Cash and Temporary Investments</b>	<b>380,502</b>	<b>513,447</b>

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

	2017	2016
Municipal - Current	19,013	10,186
- Arrears	6,800	7,399
	25,813	17,585
- Less Allowance for Uncollectibles	(1,831)	(5,303)
<b>Total municipal taxes receivable</b>	<b>23,982</b>	<b>12,282</b>
School - Current	1,762	394
- Arrears		374
<b>Total school taxes receivable</b>	<b>1,762</b>	<b>768</b>
Other		
<b>Total taxes and grants in lieu receivable</b>	<b>25,744</b>	<b>13,050</b>
Deduct taxes receivable to be collected on behalf of other organizations	(1,762)	(760)
<b>Total Taxes Receivable - Municipal</b>	<b>23,982</b>	<b>12,290</b>

Village of Val Marie  
Notes to the Consolidated Financial Statements  
As at December 31, 2017

4. Other Accounts Receivable	2017	2016
Federal Government	9,424	6,010
Provincial Government		
Local Government		
Utility		
Trade	10,299	5,978
Other (Specify)		
<b>Total Other Accounts Receivable</b>	<b>19,723</b>	<b>11,988</b>
Less: Allowance for Uncollectibles		
<b>Net Other Accounts Receivable</b>	<b>19,723</b>	<b>11,988</b>

5. Land for Resale	2017	2016
Tax Title Property	35,684	35,684
Allowance for market value adjustment	(35,684)	(35,684)
Net Tax Title Property	-	-
Other Land	2	2
Allowance for market value adjustment		
Net Other Land	2	2
<b>Total Land for Resale</b>	<b>2</b>	<b>2</b>

6. Long-Term Investments	2017	2016
Term deposits	31,838	31,213
Equity in credit union	449	597
Corporate shares	2,250	2,250
Marketable securities (Market value - \$201,230)	202,744	-
<b>Total Long-Term Investments</b>	<b>237,281</b>	<b>34,060</b>

Term deposits, equity in credit union and corporate share investments are valued at cost.  
Marketable securities are valued at the lower of cost and market value.

**7. Debt Charges Recoverable**

The Village does not have any significant debt charges recoverable as of December 31, 2017.

**Village of Val Marie**

**Notes to the Consolidated Financial Statements**

**As at December 31, 2017**

**8. Bank Indebtedness**

The Village has an approved overdraft of \$10,000 with monthly interest only payments at 4.2%, none of which was drawn at year end.

**9. Deferred Revenue**

	2017	2016
Prepaid rent		3,100
Deferred grant revenue	783	783
Prepaid utilities		1,166
<b>Total Deferred Revenue</b>	<b>783</b>	<b>5,049</b>

**10. Accrued Landfill Costs**

The Village is unable to estimate closure and post-closure costs. No significant amount has been accrued.

**11. Liability for Contaminated Sites**

The Village has no significant contaminated sites as of December 31, 2017.

**Village of Val Marie**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2017**

**12. Long-Term Debt**

a) The debt limit of the municipality is \$338,305. 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 Village does not have any significant long term debt as of December 31, 2017.

**13. Lease Obligations**

The Village has no significant lease obligations as of December 31, 2017.

Village of Val Marie  
Notes to the Consolidated Financial Statements  
As at December 31, 2017

14. Other Non-financial Assets

The Village does not have any other significant non-financial assets as of December 31, 2017.

15. Contingent Liabilities

The Village does not have any significant contingent liabilities as of December 31, 2017.

16. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer 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 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan whereby the contributions are expensed when made.

Details of MEPP

	2017	2016
Number of active members	1	1
Member contribution rate (percentage of salary)	8.15%	8.15%
Employer contribution rate (percentage of salary)	8.15%	8.15%
Member contributions for the year	2,928	2,031
Employer contributions for the year	2,928	2,031
Plan Assets	**	2,323,947,000
Plan Liabilities	**	1,979,463,000
Plan Surplus	**	344,484,000

\*\* 2017 MEPP financial information is not yet available.

17. Comparative Figures

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

18. Trusts Administered by the Municipality

The Village does not administer any significant trust funds as of December 31, 2017.

**Village of Val Marie**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2017**

**19. Contractual Obligation**

The Village has committed to a professional service agreement in the amount of \$40,200 for designs and recommendations on the construction of a new lagoon. As at December 31, 2017 an outstanding balance of \$13,582 is remaining on the obligation.



Village of Val Marie  
 Schedule of Taxes and Other Unconditional Revenue  
 As at December 31, 2017

Schedule 1

	2017 Budget (unaudited)	2017	2016
<b>TAXES</b>			
General municipal tax levy	108,000	108,243	90,435
Abatements and adjustments		(683)	
Discount on current year taxes			(2,406)
<b>Net Municipal Taxes</b>	<b>108,000</b>	<b>107,560</b>	<b>88,029</b>
Potash tax share			
Trailer license fees			
Penalties on tax arrears	1,800	1,801	1,256
Special tax levy			
Other ( <i>Specify</i> )			
<b>Total Taxes</b>	<b>109,800</b>	<b>109,361</b>	<b>89,285</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	28,829	28,829	31,854
<b>Total Unconditional Grants</b>	<b>28,829</b>	<b>28,829</b>	<b>31,854</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	6,300	6,372	5,673
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	900	930	768
Other ( <i>Specify</i> )			
Local/Other			
Housing Authority	2,000	2,013	1,757
C.P.R. Mainline			
Treaty Land Entitlement			
Other ( <i>Specify</i> )			
Other Government Transfers			
S.P.C. Surcharge	7,800	9,476	9,588
Sask Energy Surcharge			
Other ( <i>Specify</i> )			
<b>Total Grants in Lieu of Taxes</b>	<b>17,000</b>	<b>18,791</b>	<b>17,786</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>155,629</b>	<b>156,981</b>	<b>138,925</b>

Village of Val Marie  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 1

	2017 Budget (unaudited)	2017	2016
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work		80	90
- Sales of supplies	40,055	40,054	37,964
- Other (Specify)			1,237
Total Fees and Charges	40,055	40,134	39,291
- Tangible capital asset sales - gain (loss)			2,652
- Land sales - gain			774
- Investment income and commissions	600	936	
- General office services	100	310	
Total Other Segmented Revenue	40,755	41,380	42,717
Conditional Grants			
- Student Employment			
- Other (Specify)			1,063
Total Conditional Grants	-	-	1,063
<b>Total Operating</b>	40,755	41,380	43,780
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	-	-	-
<b>Total General Government Services</b>	40,755	41,380	43,780

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-

**Capital**

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
<b>Total Capital</b>	-	-	-
<b>Total Protective Services</b>	-	-	-

Village of Val Marie  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 2

	2017 Budget (unaudited)	2017	2016
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	-	-	-
<b>Total Transportation Services</b>	-	-	-

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	1,500	4,355	3,340
- Other (Specify)			
Total Fees and Charges	1,500	4,355	3,340
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	1,500	4,355	3,340
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other (Specify)			
Total Conditional Grants	-	-	-
<b>Total Operating</b>	1,500	4,355	3,340
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	-	-	-
<b>Total Environmental and Public Health Services</b>	1,500	4,355	3,340

Village of Val Marie  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 3

	2017 Budget (unaudited)	2017	2016
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	-	-	-
<b>Total Planning and Development Services</b>	-	-	-

**RECREATION AND CULTURAL SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Val Marie Recreation Board		163,806	114,251
- Heritage Culture & Youth Committee		106	11,108
- Campground fees	5,700	9,699	8,331
Total Fees and Charges	5,700	173,611	133,690
- Tangible capital asset sales - gain (loss)			
- Hiring credit			153
Total Other Segmented Revenue	5,700	173,611	133,843
Conditional Grants			
- Student Employment			
- Local government - Val Marie Recreation Board		5,623	3,888
- Local government - Heritage Culture & Youth Committee		600	1,217
- Grassland national park 150 Grant		25,805	
- Sask Culture		7,700	20
Total Conditional Grants	-	39,728	5,125
<b>Total Operating</b>	5,700	213,339	138,968
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	5,700	213,339	138,968

Village of Val Marie  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2017

Schedule 2 - 4

	2017 Budget (unaudited)	2017	2016
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer	71,400	69,050	73,118
- Damages from lagoon discharge		31,516	
Total Fees and Charges	71,400	100,566	73,118
- Tangible capital asset sales - gain (loss)			
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue	71,400	100,566	73,118
Conditional Grants			
- Student Employment			
- Other ( <i>Specify</i> )			
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>71,400</b>	<b>100,566</b>	<b>73,118</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax	3,874	7,904	7,566
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>	<b>3,874</b>	<b>7,904</b>	<b>7,566</b>
<b>Total Utility Services</b>	<b>75,274</b>	<b>108,470</b>	<b>80,684</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>123,229</b>	<b>367,544</b>	<b>266,772</b>
<b>SUMMARY</b>			
Total Other Segmented Revenue	119,355	319,912	253,018
Total Conditional Grants	-	39,728	6,188
Total Capital Grants and Contributions	3,874	7,904	7,566
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>123,229</b>	<b>367,544</b>	<b>266,772</b>

Village of Val Marie  
**Total Expenses by Function**  
As at December 31, 2017

Schedule 3 - 1

	2017 Budget	2017	2016
<b>GENERAL GOVERNMENT SERVICES</b>			
	(unaudited)		
Council remuneration and travel	5,685	6,573	3,262
Wages and benefits			
Professional/Contractual services	45,449	42,092	42,184
Utilities	8,990	9,118	8,541
Maintenance, materials and supplies	6,700	8,923	16,057
Grants and contributions - operating			
- capital			
Amortization	4,446	4,446	5,246
Interest			
Allowance for uncollectibles (recovery)		(3,472)	2,060
Training, travel, bank charges, housing authority	950	1,565	509
<b>Total Government Services</b>	<b>72,220</b>	<b>69,245</b>	<b>77,859</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits			
Professional/Contractual services	5,700	5,588	5,613
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
<b>Other (Specify)</b>			

**Fire protection**

Wages and benefits	628	508	379
Professional/Contractual services	425	419	336
Utilities	2,200	1,276	2,571
Maintenance, material and supplies	1,900	2,766	165
Grants and contributions - operating			
- capital			
Amortization	18	18	18
Interest			
<b>Other (Specify)</b>			
<b>Total Protective Services</b>	<b>10,871</b>	<b>10,575</b>	<b>9,082</b>

**TRANSPORTATION SERVICES**

Wages and benefits	17,040	15,257	11,441
Professional/Contractual Services			
Utilities	4,800	4,794	4,728
Maintenance, materials, and supplies	2,700	3,428	8,209
Gravel			
Grants and contributions - operating			
- capital			
Amortization	6,044	6,044	6,044
Interest			
<b>Other (Specify)</b>			
<b>Total Transportation Services</b>	<b>30,584</b>	<b>29,523</b>	<b>30,422</b>

Village of Val Marie  
**Total Expenses by Function**  
 As at December 31, 2017

Schedule 3 - 2

	2017 Budget	2017	2016
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
	(unaudited)		
Wages and benefits	10,660	9,731	7,180
Professional/Contractual services	4,000	3,799	1,318
Utilities			
Maintenance, materials and supplies	4,000	2,475	1,853
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization	1,462	1,462	1,462
Interest			
Insurance	2,100	1,982	2,029
<b>Total Environmental and Public Health Services</b>	<b>22,222</b>	<b>19,449</b>	<b>13,842</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits			
Professional/Contractual Services			
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Other ( <i>Specify</i> )			
<b>Total Planning and Development Services</b>	-	-	-

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	16,340	14,597	11,375
Professional/Contractual services	1,000	31,685	
Utilities	3,500	2,666	3,240
Maintenance, materials and supplies	6,500	5,556	2,918
Grants and contributions - operating	2,500	2,404	2,343
- capital			
Amortization	1,916	1,916	1,916
Interest			
Allowance for uncollectibles			
Val Marie Recreation Board		131,768	108,145
Heritage Culture & Youth Committee		478	3,347
<b>Total Recreation and Cultural Services</b>	<b>31,756</b>	<b>191,070</b>	<b>133,284</b>





Village of Val Marie  
 Schedule of Segment Disclosure by Function  
 As at December 31, 2017

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	40,134	-	-	4,355	-	173,611	100,566	318,666
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income and Commissions	936	-	-	-	-	-	-	936
Other Revenues	310	-	-	-	-	-	-	310
Grants - Conditional	-	-	-	-	-	39,728	-	39,728
- Capital	-	-	-	-	-	-	7,904	7,904
<b>Total Revenues</b>	<b>41,380</b>	<b>-</b>	<b>-</b>	<b>4,355</b>	<b>-</b>	<b>213,339</b>	<b>108,470</b>	<b>367,544</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	6,573	508	15,257	9,731	-	14,597	14,686	61,352
Professional/ Contractual Services	42,092	6,007	-	3,799	-	31,685	41,134	124,717
Utilities	9,118	1,276	4,794	-	-	2,666	1,515	19,369
Maintenance Materials and Supplies	8,923	2,766	3,428	2,475	-	5,556	37,125	60,273
Grants and Contributions	-	-	-	-	-	2,404	-	2,404
Amortization	4,446	18	6,044	1,462	-	1,916	691	14,577
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	(3,472)	-	-	-	-	-	-	(3,472)
Other	1,565	-	-	1,982	-	132,246	814	136,607
<b>Total Expenses</b>	<b>69,245</b>	<b>10,575</b>	<b>29,523</b>	<b>19,449</b>	<b>-</b>	<b>191,070</b>	<b>95,965</b>	<b>415,827</b>
<b>Surplus (Deficit) by Function</b>	<b>(27,865)</b>	<b>(10,575)</b>	<b>(29,523)</b>	<b>(15,094)</b>	<b>-</b>	<b>22,269</b>	<b>12,505</b>	<b>(48,283)</b>
Taxes and other unconditional revenue (Schedule 1)								156,981
<b>Net Surplus (Deficit)</b>								<b>108,698</b>

Village of Val Marie  
 Schedule of Segment Disclosure by Function  
 As at December 31, 2016

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	39,291	-	-	3,340	-	133,690	73,118	249,439
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	2,652	-	-	-	-	-	-	2,652
Investment Income and Commissions	774	-	-	-	-	153	-	774
Other Revenues	-	-	-	-	-	5,125	-	153
Grants - Conditional	1,063	-	-	-	-	-	-	6,188
- Capital	-	-	-	-	-	-	7,566	7,566
<b>Total Revenues</b>	<b>43,780</b>	<b>-</b>	<b>-</b>	<b>3,340</b>	<b>-</b>	<b>138,968</b>	<b>80,684</b>	<b>266,772</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	3,262	379	11,441	7,180	-	111,375	7,999	41,636
Professional/ Contractual Services	42,184	5,949	-	1,318	-	-	8,947	58,398
Utilities	8,541	2,571	4,728	-	-	3,240	2,015	21,095
Maintenance Materials and Supplies	16,057	165	8,209	1,853	-	2,918	7,984	37,186
Grants and Contributions	-	-	-	-	-	2,343	-	2,343
Amortization	5,246	18	6,044	1,462	-	1,916	156	14,842
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	2,060	-	-	-	-	-	-	2,060
Other	509	-	-	2,029	-	111,492	7,163	121,193
<b>Total Expenses</b>	<b>77,859</b>	<b>9,082</b>	<b>30,422</b>	<b>13,842</b>	<b>-</b>	<b>133,284</b>	<b>34,264</b>	<b>298,753</b>
<b>Surplus (Deficit) by Function</b>	<b>(34,079)</b>	<b>(9,082)</b>	<b>(30,422)</b>	<b>(10,502)</b>	<b>-</b>	<b>5,684</b>	<b>46,420</b>	<b>(31,981)</b>
Taxes and other unconditional revenue (Schedule 1)								138,925
<b>Net Surplus (Deficit)</b>								<b>106,944</b>

Village of Val Marie  
 Schedule of Tangible Capital Assets by Object  
 As at December 31, 2017

Assets	General Assets						Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
<b>Asset cost</b>									
Opening Asset costs	15,059		314,343	16,057	36,665	194,753	7,710	584,587	568,845
Additions during the year				3,300			26,617	29,917	15,742
Disposals and write-downs during the year								-	
Transfers (from) assets under construction								-	
<b>Closing Asset Costs</b>	<b>15,059</b>	<b>-</b>	<b>314,343</b>	<b>19,357</b>	<b>36,665</b>	<b>194,753</b>	<b>34,327</b>	<b>614,504</b>	<b>584,587</b>
<b>Accumulated Amortization Cost</b>									
Opening Accumulated Amortization Costs	-		261,095	12,729	14,804	162,982		451,610	436,768
Add: Amortization taken			5,785	1,444	4,899	2,449		14,577	14,842
Less: Accumulated amortization on disposals								-	
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>-</b>	<b>266,880</b>	<b>14,173</b>	<b>19,703</b>	<b>165,431</b>	<b>-</b>	<b>466,187</b>	<b>451,610</b>
<b>Net Book Value</b>	<b>15,059</b>	<b>-</b>	<b>47,463</b>	<b>5,184</b>	<b>16,962</b>	<b>29,322</b>	<b>34,327</b>	<b>148,317</b>	<b>132,977</b>

1. Total contributed/donated assets received in 2017: \$ -

2. List of assets recognized at nominal value in 2017 are:

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

3. Amount of interest capitalized in 2016 \$ -

Village of Val Marie  
 Schedule of Tangible Capital Assets by Function  
 As at December 31, 2017

Schedule 7

	2017						2016	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
<b>Asset cost</b>								
Opening Asset costs	224,846	4,036	132,292	25,239		121,493	76,681	584,587
Additions during the year							29,917	29,917
Disposals and write-downs during the year							-	-
<b>Closing Asset Costs</b>	<b>224,846</b>	<b>4,036</b>	<b>132,292</b>	<b>25,239</b>	<b>-</b>	<b>121,493</b>	<b>106,598</b>	<b>614,504</b>
<b>Accumulated Amortization Cost</b>								
Opening Accumulated Amortization Costs	174,274	3,794	116,802	8,847		89,583	58,310	451,610
Add: Amortization taken	4,446	18	6,044	1,462		1,916	691	14,577
Less: Accumulated amortization on disposals								-
<b>Closing Accumulated Amortization Costs</b>	<b>178,720</b>	<b>3,812</b>	<b>122,846</b>	<b>10,309</b>	<b>-</b>	<b>91,499</b>	<b>59,001</b>	<b>466,187</b>
<b>Net Book Value</b>	<b>46,126</b>	<b>224</b>	<b>9,446</b>	<b>14,930</b>	<b>-</b>	<b>29,994</b>	<b>47,597</b>	<b>148,317</b>
								<b>132,977</b>

Village of Val Marie  
 Schedule of Accumulated Surplus  
 As at December 31, 2017

Schedule 8

	2016	Changes	2017
<b>UNAPPROPRIATED SURPLUS</b>	<b>203,901</b>	<b>67,988</b>	<b>271,889</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment			-
Val Marie Recreation Board	278,198	9,993	288,191
Heritage Culture & Youth Committee	12,164	8,977	21,141
Utility	51,142	6,400	57,542
Other (Specify)	20,000		20,000
<b>Total Appropriated</b>	<b>361,504</b>	<b>25,370</b>	<b>386,874</b>
<b>ORGANIZED HAMLETS (add lines if required)</b>			
			-
			-
			-
			-
			-
<b>Total Organized Hamlets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	132,977	15,340	148,317
Less: Related debt			-
<b>Net Investment in Tangible Capital Assets</b>	<b>132,977</b>	<b>15,340</b>	<b>148,317</b>
<b>Total Accumulated Surplus</b>	<b>698,382</b>	<b>108,698</b>	<b>807,080</b>

Village of Val Marie  
 Schedule of Mill Rates and Assessments  
 As at December 31, 2017

Schedule 9

	PROPERTY CLASS							Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)		
Taxable Assessment	52,305	2,561,120			447,500			3,060,925
Regional Park Assessment								
Total Assessment								3,060,925
Mill Rate Factor(s)	1.0000	1.0000			1.0000			
Total Base/Minimum Tax (generated for each property class)								
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	900	83,700			11,400			96,000
	1,109	93,944			13,190			108,243

	MILLS
Average Municipal*	35.36
Average School*	4.39
Potash Mill Rate	
Uniform Municipal Mill Rate	4.00

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

Village of Val Marie  
 Schedule of Council Remuneration (Unaudited)  
 As at December 31, 2017

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Roland Facette	3,663	316	3,979
Councillor	Glenn Baxter	1,024		1,024
Councillor	Jacques Beauchamp	550		550
Councillor	John Reynolds	2,113		2,113
Councillor	Rene Perrault	600		600
<b>Total</b>		<b>7,950</b>	<b>316</b>	<b>8,266</b>