

**Town of Shellbrook
Consolidated Financial Statements
For the Year Ended December 31, 2013**

Town of Shellbrook
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For the Year Ended December 31, 2013

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C.S. Skrupski
Certified General Accountant
Professional Corporation

INDEPENDENT AUDITOR'S REPORT

Mayor and Members of Council,
Town of Shellbrook:

I have audited the accompanying consolidated financial statements of the Town of Shellbrook, which are comprised of the consolidated statement of financial position as at December 31, 2013, 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 Shellbrook as at December 31, 2013, 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 12, 2014


Certified General Accountant
Professional Corporation

**Town of Shellbrook
Consolidated Statement of Financial Position
As at December 31, 2013**

Statement 1

	<u>2013</u>	<u>2012</u>
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	741,688	130,552
Taxes Receivable - Municipal (Note 3)	170,538	136,494
Other Accounts Receivable (Note 4)	441,756	1,070,651
Land for Resale (Note 5)	1,160,517	1,092,163
Long-term Investments (Note 6)	-	-
Other	-	-
Total Financial Assets	2,514,499	2,429,860
LIABILITIES		
Bank Indebtedness (Note 7)	-	-
Accounts Payable	455,254	225,486
Accrued Liabilities Payable	-	-
Deposits	-	11,931
Deferred Revenue (Note 8)	168,813	3,100
Accrued Landfill Costs (Note 9)	-	-
Other Liabilities	-	-
Long-term Debt (Note 10)	2,760,962	2,924,731
Lease Obligations (Note 11)	-	-
Total Liabilities	3,385,029	3,165,248
NET FINANCIAL ASSETS (NET DEBT)	(870,530)	(735,388)
Non-financial Assets		
Tangible Capital Assets (Schedule 6, 7)	13,822,849	13,549,091
Prepayments and Deferred Charges	14,188	301
Stock and Supplies	-	-
Other (Note 12)	-	-
Total Non-financial Assets	13,837,037	13,549,392
Accumulated Surplus (Deficit) (Schedule 8)	12,966,507	12,814,004

**Town of Shellbrook
Consolidated Statement of Operations
For the Year Ended December 31, 2013**

Statement 2

	<i>2013 Budget</i>	2013	2012
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	1,653,320	1,714,747	1,429,817
Fees and Charges (Schedule 4, 5)	939,635	1,087,935	1,004,118
Conditional Grants (Schedule 4, 5)	33,160	102,471	50,453
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	6,000	-	-
Land Sales - Gain (Schedule 4, 5)	101,050	37,109	370,740
Investment Income and Commissions (Schedule 4, 5)	25,000	8,689	31,796
Other Revenues (Schedule 4, 5)	-	408	70
Total Revenues	2,758,165	2,951,359	2,886,994
Expenses			
General Government Services (Schedule 3)	477,850	426,342	363,256
Protective Services (Schedule 3)	127,150	134,319	113,108
Transportation Services (Schedule 3)	569,530	696,502	722,847
Environmental and Public Health Services (Schedule 3)	343,340	556,407	374,043
Planning and Development Services (Schedule 3)	35,900	68,867	25,620
Recreation and Cultural Services (Schedule 3)	336,220	346,929	360,028
Utility Services (Schedule 3)	829,450	856,252	754,677
Total Expenses	2,719,440	3,085,618	2,713,579
Surplus (Deficit) of Revenues Over Expenses Before Other Capital Contributions	38,725	(134,259)	173,415
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	161,850	286,762	808,484
Surplus (Deficit) of Revenues Over Expenses	200,575	152,503	981,899
Accumulated Surplus (Deficit), Beginning of Year	12,814,004	12,814,004	11,832,105
Accumulated Surplus (Deficit), End of Year	13,014,579	12,966,507	12,814,004

**Town of Shellbrook
Consolidated Statement of Change in Net Financial Assets
For the Year Ended December 31, 2013**

Statement 3

	<i>2013 Budget</i>	2013	2012
Surplus (Deficit)	<i>200,575</i>	152,503	981,899
(Acquisition) of Tangible Capital Assets	<i>(233,940)</i>	(627,693)	(449,622)
Amortization of Tangible Capital Assets	-	353,935	230,786
Proceeds on Disposal of Tangible Capital Assets	-	-	-
Loss (Gain) on the Disposal of Tangible Capital Assets	<i>(6,000)</i>	-	-
Surplus (Deficit) of Capital Expenses over Expenditures	<i>(239,940)</i>	(273,758)	(218,836)
(Acquisition) of Supplies Inventories	-	-	-
(Acquisition) of Prepaid Expense	-	(14,188)	(301)
Consumption of Supplies Inventory	-	-	-
Use of Prepaid Expense	-	301	252
Surplus (Deficit) of Other Non-financial Expenses Over Expenditures	-	(13,887)	(49)
Increase (Decrease) in Net Financial Assets	<i>(39,365)</i>	(135,142)	763,014
Net Financial Assets (Net Debt) - Beginning of Year	<i>(735,388)</i>	(735,388)	(1,498,402)
Net Financial Assets (Net Debt) - End of Year	<i>(774,753)</i>	(870,530)	(735,388)

**Town of Shellbrook
Consolidated Statement of Cash Flow
For the Year Ended December 31, 2013**

Statement 4

	2013	2012
Cash Provided by (Used for) the Following Activities		
Operating:		
Surplus (Deficit)	152,503	981,899
Amortization	353,935	230,786
Loss (Gain) on Disposal of Tangible Capital Assets	-	-
	506,438	1,212,685
Changes in Assets/Liabilities:		
Taxes Receivable - Municipal	(34,044)	6,144
Other Receivables	628,895	227,144
Land for Resale	(68,354)	(71,852)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	229,767	(192,708)
Deposits	(11,931)	(629,280)
Deferred Revenue	165,713	(14,300)
Other Liabilities	-	-
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	(13,886)	(50)
Other	-	-
Net Cash From (Used for) Operations	1,402,598	537,783
Capital:		
Acquisition of Tangible Capital Assets	(627,693)	(449,622)
Proceeds From the Disposal of Tangible Capital Assets	-	-
Other Capital	-	-
Net Cash From (Used for) Capital	(627,693)	(449,622)
Investing:		
Long-term Investments	-	1,000
Other Investments	-	-
Net Cash From (Used for) Investing	-	1,000
Financing:		
Long-term Debt Issued	-	-
Long-term Debt Repaid	(163,769)	(148,877)
Other Financing	-	-
Net Cash From (Used for) Financing	(163,769)	(148,877)
Increase (Decrease) in Cash Resources	611,136	(59,716)
Cash and Investments - Beginning of Year	130,552	190,268
Cash and Investments - End of Year	741,688	130,552

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2013**

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. Entities included in these financial statements are as follows:

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 authorities 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) **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 Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2013**

1. Significant Accounting Policies - continued

- j) **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.
- k) **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.

- l) **Landfill Liability:** The municipality owns a transfer station. However, no amount has been recorded as a liability..
- m) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 16.
- 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.

Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2013

	2013	2012
3. Taxes and Grants in Lieu Receivable		
Municipal - Current	-	-
- Arrears	187,963	153,919
	187,963	153,919
- Less Allowance for Uncollectibles	(17,425)	(17,425)
Total Municipal Taxes Receivable	170,538	136,494
School - Current	-	-
- Arrears	21,699	27,466
Total School Taxes Receivable	21,699	27,466
Other	15,641	15,615
Total Taxes and Grants in Lieu Receivable	207,878	179,575
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(37,340)	(43,081)
Municipal Taxes and Grants in Lieu Receivable	170,538	136,494
	2013	2012
4. Other Accounts Receivable		
Federal Government	102,622	85,720
Provincial Government	-	-
Local Government	-	-
Utility	40,825	86,847
Trade	300,809	900,584
Other	-	-
Total Other Accounts Receivable	444,256	1,073,151
Less Allowance for Uncollectibles	(2,500)	(2,500)
Net Other Accounts Receivable	441,756	1,070,651
	2013	2012
5. Land for Resale		
Tax Title Property	-	-
Allowance for Market Value Adjustment	-	-
Net Tax Title Property	-	-
Other Land	1,160,517	1,092,163
Allowance for Market Value Adjustment	-	-
Net Other Land	1,160,517	1,092,163
Total Land for Resale	1,160,517	1,092,163

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2013**

6. Long-term Investments

The municipality has no long-term investments

	2013	2012
	-	-

7. Bank Indebtedness

The municipality has no bank indebtedness.

8. Deferred Revenue

Deposits on Land
Funds to improve street in front of hospital

Total Deferred Revenue

	2013	2012
	-	3,100
	168,813	-
	168,813	3,100

9. Accrued Landfill Costs

Environmental liabilities

The municipality owns a transfer station. Closure and post-closure care expenses have not been estimated. No amount has been recorded as a liability..

	2013	2012
	-	-

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2013**

10. Long-term Debt

The debt limit of the municipality is \$2,480,874. 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).

Bank loan is repayable to Canada Mortgage and Housing Corporation in annual payments of \$263,262 plus interest at 3.65 %. The loan matures in 2026.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year
2014	161,567	101,695	263,262	
2015	167,518	95,744	263,262	
2016	173,689	89,573	263,262	
2017	180,086	83,176	263,262	
2018	186,719	76,543	263,262	
	1,891,383	342,256	2,233,639	
Balance	2,760,962	788,987	3,549,949	2,924,731

11. Lease Obligations

The municipality has no lease obligations.

**Town of Shellbrook
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2013**

12. Other Non-financial Assets

<u>2013</u>	<u>2012</u>
-	-

The municipality has no other non-financial assets.

13. Contingent Liabilities

The municipality has no contingent liabilities.

14. Pension Plan

The Town of Shellbrook 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 Shellbrook pension expense in 2013 was \$103,006. The benefits accrued to the Town of Shellbrook employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

15. Comparative Figures

No comparative figures have been restated.

16. Trusts Administered by the Municipality

The municipality does not administer any trusts.

17. Budget Figures

The 2013 budget figures are provided for informative purposes only and were not covered by the scope of the external audit.

**Town of Shellbrook
Schedule of Taxes and Other Unconditional Revenue
For the Year Ended December 31, 2013**

Schedule 1

	<i>2013 Budget</i>	2013	2012
TAXES			
General Municipal Tax Levy	1,329,590	1,385,422	1,171,723
Abatements and Adjustments	-	(12,270)	-
Discount on Current Year Taxes	(95,000)	(94,392)	(128,183)
Net Municipal Taxes	1,234,590	1,278,760	1,043,540
Potash Tax Share	-	-	-
Trailer Licence Fees	-	-	-
Penalties on Tax Arrears	30,000	32,388	30,680
Special Tax Levy	-	-	-
Other	-	-	-
Total Taxes	1,264,590	1,311,148	1,074,220
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	321,830	321,833	288,614
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	321,830	321,833	288,614
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
SPC Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	-
SPMC - Municipal Share	-	-	-
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
CPR Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
SPC Surcharge	66,900	81,766	66,983
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	66,900	81,766	66,983
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	1,653,320	1,714,747	1,429,817

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2013**

Schedule 2-1

	2013 Budget	2013	2012
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	2,700	3,023	3,455
- Custom Work	-	-	-
- Sales of Supplies	250	1,867	7,311
- Other - Rentals/Other	64,200	101,514	87,514
Total Fees and Charges	67,150	106,404	98,280
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Land Sales - Gain	101,050	37,109	370,740
- Investment Income and Commissions	25,000	8,689	31,796
- Other	-	-	-
Total Other Segmented Revenue	193,200	152,202	500,816
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	193,200	152,202	500,816
Capital			
Conditional Grants	-	-	-
- Gas Tax	19,110	19,170	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	19,110	19,170	-
Total General Government Services	212,310	171,372	500,816
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	21,500	22,916	20,077
- Other	-	-	-
Total Fees and Charges	21,500	22,916	20,077
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	21,500	22,916	20,077
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	21,500	22,916	20,077
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Protective Services	21,500	22,916	20,077

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2013**

Schedule 2-2

	2013 Budget	2013	2012
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Custom Work	8,800	6,973	6,305
- Sales of Supplies	1,425	1,350	1,425
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	65,100	68,452	67,909
- Other - Rentals	1,400	1,400	1,410
Total Fees and Charges	76,725	78,175	77,049
- Tangible Capital Asset Sales - Gain (Loss)	6,000	-	-
- Other	-	408	70
Total Other Segmented Revenue	82,725	78,583	77,119
Conditional Grants	-	-	-
- Primary Weight Corridor	-	-	-
- Student Employment	-	-	-
- Other (Airport)	-	66,824	-
Total Conditional Grants	-	66,824	-
Total Operating	82,725	145,407	77,119
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	82,725	145,407	77,119

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue	-	-	-
Fees and Charges	750	2,050	825
- Waste and Disposal Fees	-	1,000	-
- Other	126,000	255,227	164,111
Total Fees and Charges	126,750	258,277	164,936
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	126,750	258,277	164,936
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Local Government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	126,750	258,277	164,936

Capital

Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Canada/Sask Municipal Rural Infrastructure Fund	-	-	-
- Transit for Disabled	3,060	58,060	3,065
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	3,060	58,060	3,065
Total Environmental and Public Health Services	129,810	316,337	168,001

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2013**

Schedule 2-3

	2013 Budget	2013	2012
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Maintenance and Development Charges	-	-	-
- Other - Licences and Permits	18,550	17,132	15,424
Total Fees and Charges	18,550	17,132	15,424
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	18,550	17,132	15,424
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	18,550	17,132	15,424
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	18,550	17,132	15,424

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	71,190	82,752	79,920
- Other	-	-	-
Total Fees and Charges	71,190	82,752	79,920
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	71,190	82,752	79,920
Conditional Grants	-	-	-
- Student Employment	5,780	8,568	5,533
- Local Government	12,000	8,623	19,544
- Donations	-	-	-
- Other - SPRA	15,380	18,456	25,376
Total Conditional Grants	33,160	35,647	50,453
Total Operating	104,350	118,399	130,373
Capital			
Conditional Grants	-	-	-
- Gas Tax	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	104,350	118,399	130,373

**Town of Shellbrook
Schedule of Operating and Capital Revenue by Function
For the Year Ended December 31, 2013**

Schedule 2-4

	2013 Budget	2013	2012
UTILITY SERVICES			
Operating			
Other Segmented Revenue	-	-	-
Fees and Charges	-	-	-
- Water	413,020	377,622	410,500
- Sewer	144,750	144,657	137,932
- Other	-	-	-
Total Fees and Charges	557,770	522,279	548,432
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	557,770	522,279	548,432
Conditional Grants	-	-	-
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	557,770	522,279	548,432
Capital			
Conditional Grants	-	-	-
- Gas Tax	62,000	61,938	77,125
- SaskWater Corporation	-	-	-
- Provincial Disaster Assistance	38,320	108,232	-
- Other - MRIF/BCF	39,360	39,362	728,294
Total Capital	139,680	209,532	805,419
Total Utility Services	697,450	731,811	1,353,851
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,266,695	1,523,374	2,265,661
SUMMARY			
Total Other Segmented Revenue	1,071,685	1,134,141	1,406,724
Total Conditional Grants	33,160	102,471	50,453
Total Capital Grants and Contributions	161,850	286,762	808,484
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,266,695	1,523,374	2,265,661

**Town of Shellbrook
Schedule of Total Expenses by Function
For the Year Ended December 31, 2013**

Schedule 3-1

	2013 Budget	2013	2012
GENERAL GOVERNMENT SERVICES			
Council Remuneration and Travel	27,500	33,249	28,049
Wages and Benefits	219,500	201,287	199,795
Professional/Contractual Services	100,550	53,420	62,793
Utilities	12,900	7,833	9,150
Maintenance, Materials, and Supplies	117,400	102,024	58,275
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Amortization	-	3,209	3,209
Interest	-	-	-
Allowance for Uncollectibles	-	25,320	1,985
Other	-	-	-
Total Government Services	477,850	426,342	363,256

PROTECTIVE SERVICES

Police Protection

Wages and Benefits	-	-	-
Professional/Contractual Services	88,200	87,671	79,675
Utilities	-	-	-
Maintenance, Material, and Supplies	2,800	4,803	100
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Other	-	-	-

Fire Protection

Wages and Benefits	6,750	7,162	4,934
Professional/Contractual Services	19,900	11,495	11,447
Utilities	3,500	4,268	3,187
Maintenance, Material, and Supplies	6,000	8,069	2,914
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Amortization	-	10,851	10,851
Interest	-	-	-
Other	-	-	-
Total Protective Services	127,150	134,319	113,108

TRANSPORTATION SERVICES

Wages and Benefits	208,100	187,272	168,008
Professional/Contractual Services	181,000	157,460	183,084
Utilities	59,000	64,402	52,030
Maintenance, Materials, and Supplies	101,430	100,812	158,901
Gravel	20,000	31,483	17,850
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Amortization	-	155,073	142,974
Interest	-	-	-
Other	-	-	-
Total Transportation Services	569,530	696,502	722,847

Town of Shellbrook
 Schedule of Total Expenses by Function
 For the Year Ended December 31, 2013

Schedule 3-2

2013 Budget 2013 2012

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Wages and Benefits	180,590	318,697	218,930
Professional/Contractual Services	157,170	233,407	149,750
Utilities	-	-	-
Maintenance, Materials, and Supplies	-	57	135
Grants and Contributions - Operating	1,230	4,246	3,065
- Waste Disposal	-	-	-
- Public Health	-	-	-
- Capital	-	-	-
- Waste Disposal	-	-	-
- Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	4,350	-	2,163
Total Environmental and Public Health Services	343,340	556,407	374,043

PLANNING AND DEVELOPMENT SERVICES

Wages and Benefits	-	-	-
Professional/Contractual Services	35,900	18,214	25,620
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	50,653	-
Total Planning and Development Services	35,900	68,867	25,620

RECREATION AND CULTURAL SERVICES

Wages and Benefits	116,200	125,320	128,581
Professional/Contractual Services	79,650	67,074	81,653
Utilities	49,220	39,569	36,191
Maintenance, Materials, and Supplies	63,250	48,421	54,563
Grants and Contributions - Operating	27,400	28,169	24,541
- Capital	-	-	-
Amortization	-	38,376	34,423
Interest	-	-	-
Allowance for Uncollectibles	-	-	-
Other	500	-	76
Total Recreation and Cultural Services	336,220	346,929	360,028

**Town of Shellbrook
Schedule of Total Expenses by Function
For the Year Ended December 31, 2013**

Schedule 3-3

	<i>2013 Budget</i>	2013	2012
UTILITY SERVICES			
Wages and Benefits	123,550	119,337	111,319
Professional/Contractual Services	231,950	180,966	310,608
Utilities	71,000	83,989	63,173
Maintenance, Materials, and Supplies	137,950	226,041	115,863
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Amortization	-	146,426	39,329
Interest	265,000	99,493	114,385
Allowance for Uncollectibles	-	-	-
Other	-	-	-
Total Utility Services	829,450	856,252	754,677
 TOTAL EXPENSES BY FUNCTION	 <i>2,719,440</i>	 3,085,618	 2,713,579

**Town of Shellbrook
Consolidated Schedule of Segment Disclosure by Function
For the Year Ended December 31, 2013**

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	106,404	22,916	78,175	258,277	17,132	82,752	522,279	1,087,935
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	37,109	-	-	-	-	-	-	37,109
Investment Income and Commissions	8,689	-	-	-	-	-	-	8,689
Other Revenues	-	-	408	-	-	-	-	408
Grants - Conditional	-	-	66,824	-	-	35,647	-	102,471
- Capital	19,170	-	-	58,060	-	-	209,532	286,762
Total Revenues	171,372	22,916	145,407	316,337	17,132	118,399	731,811	1,523,374

Expenses (Schedule 3)								
Wages and Benefits	234,536	7,162	187,272	318,697	-	125,320	119,337	992,324
Professional/Contractual Services	53,420	99,166	157,460	233,407	18,214	67,074	180,966	809,707
Utilities	7,833	4,268	64,402	-	-	39,569	83,989	200,061
Maintenance, Materials, and Supplies	102,024	12,872	132,295	57	-	48,421	226,041	521,710
Grants and Contributions	-	-	-	4,246	-	28,169	-	32,415
Amortization	3,209	10,851	155,073	-	-	38,376	146,426	353,935
Interest	-	-	-	-	-	-	99,493	99,493
Allowance for Uncollectibles	25,320	-	-	-	-	-	-	25,320
Other	-	-	-	-	50,653	-	-	50,653
Total Expenses	426,342	134,319	696,502	556,407	68,867	346,929	856,252	3,085,618

Surplus (Deficit) by Function	(254,970)	(111,403)	(551,095)	(240,070)	(51,735)	(228,530)	(124,441)	(1,562,244)
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Taxation and Other Unconditional Revenue (Schedule 1)

1,714,747

Net Surplus (Deficit)

152,503

**Town of Shellbrook
Consolidated Schedule of Segment Disclosure by Function
For the Year Ended December 31, 2012**

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	98,280	20,077	77,049	164,936	15,424	79,920	548,432	1,004,118
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	370,740	-	-	-	-	-	-	370,740
Investment Income and Commissions	31,796	-	-	-	-	-	-	31,796
Other Revenues	-	-	70	-	-	-	-	70
Grants - Conditional	-	-	-	-	-	50,453	-	50,453
- Capital	-	-	-	3,065	-	-	805,419	808,484
Total Revenues	500,816	20,077	77,119	168,001	15,424	130,373	1,353,851	2,265,661

Expenses (Schedule 3)								
Wages and Benefits	227,844	4,934	168,008	218,930	-	128,581	111,319	859,616
Professional/Contractual Services	62,793	91,122	183,084	149,750	25,620	81,653	310,608	904,630
Utilities	9,150	3,187	52,030	-	-	36,191	63,173	163,731
Maintenance, Materials, and Supplies	58,275	3,014	176,751	135	-	54,563	115,863	408,601
Grants and Contributions	-	-	-	3,065	-	24,541	-	27,606
Amortization	3,209	10,851	142,974	-	-	34,423	39,329	230,786
Interest	-	-	-	-	-	-	114,385	114,385
Allowance for Uncollectibles	1,985	-	-	-	-	-	-	1,985
Other	-	-	-	2,163	-	76	-	2,239
Total Expenses	363,256	113,108	722,847	374,043	25,620	360,028	754,677	2,713,579

Surplus (Deficit) by Function	137,560	(93,031)	(645,728)	(206,042)	(10,196)	(229,655)	599,174	(447,918)
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Taxation and Other Unconditional Revenue (Schedule 1)

1,429,817

Net Surplus (Deficit)

981,899

**Town of Shellbrook
Consolidated Schedule of Tangible Capital Assets by Object
For the Year Ended December 31, 2013**

Schedule 6

	2013						2012		
	General Assets						Infrastructure Assets	General / Infrastructure Assets Under Construction	
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear Assets	Total	Total	
Opening Asset Costs	512,900	121,175	1,668,045	86,506	822,265	13,483,138	2,000	16,696,029	16,246,407
Additions During the Year	146,419	100,716	43,780	-	198,315	-	138,463	627,693	449,622
Disposals and Write-downs During the Year	-	-	-	-	-	-	-	-	-
Transfers (From) Assets Under Construction	-	-	-	-	-	-	-	-	-
Closing Asset Costs	659,319	221,891	1,711,825	86,506	1,020,580	13,483,138	140,463	17,323,722	16,696,029

Accumulated Amortization Cost

Opening Accumulated Amortization Costs	-	12,118	778,948	44,392	480,003	1,831,477	-	3,146,938	2,916,152
Add: Amortization Taken	-	6,059	40,734	10,320	107,388	189,434	-	353,935	230,786
Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	18,177	819,682	54,712	587,391	2,020,911	-	3,500,873	3,146,938

Net Book Value	659,319	203,714	892,143	31,794	433,189	11,462,227	140,463	13,822,849	13,549,091
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1. Total Contributed/Donated Assets Received in 2013: -
2. List of Assets Recognized at Nominal Value in 2013 are:
 - Infrastructure Assets 7
 - Vehicles -
 - Machinery and Equipment -
 - Amount of Interest Capitalized in 2013: -

**Town of Shellbrook
Consolidated Schedule of Tangible Capital Assets by Function
For the Year Ended December 31, 2013**

Schedule 7

	2013						2012	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Asset Cost								Total
Opening Asset Costs	180,086	116,307	4,225,274	-	-	961,082	11,213,280	16,696,029
Additions During the Year	-	-	478,027	-	-	149,666	-	627,693
Disposals and Write-downs During the Year	-	-	-	-	-	-	-	-
Closing Asset Costs	180,086	116,307	4,703,301	-	-	1,110,748	11,213,280	17,323,722
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	16,045	39,582	1,705,458	-	-	439,996	945,857	3,146,938
Add: Amortization Taken	3,209	10,851	155,073	-	-	38,376	146,426	353,935
Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	19,254	50,433	1,860,531	-	-	478,372	1,092,283	3,500,873
Net Book Value	160,832	65,874	2,842,770	-	-	632,376	10,120,997	13,822,849

Town of Shellbrook
 Consolidated Schedule of Accumulated Surplus
 For the Year Ended December 31, 2013

Schedule 8

	2012	Changes	2013
UNAPPROPRIATED SURPLUS	1,873,013	(21,886)	1,851,127
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust	-	-	-
Utility	-	-	-
Other	316,631	(263,138)	53,493
Total Appropriated	316,631	(263,138)	53,493
ORGANIZED HAMLETS			
	-	-	-
	-	-	-
	-	-	-
Total Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6)	13,549,091	273,758	13,822,849
Less: Related Debt	(2,924,731)	163,769	(2,760,962)
Net Investment in Tangible Capital Assets	10,624,360	437,527	11,061,887
Other	-	-	-
Total Accumulated Surplus	12,814,004	152,503	12,966,507

**Town of Shellbrook
 Schedule of Mill Rates and Assessments
 For the Year Ended December 31, 2013**

Schedule 9

	PROPERTY CLASS							Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)		
Taxable Assessment	132,550	74,495,260	-	-	9,568,200	-	-	84,196,010
Regional Park Assessment								
Total Assessment								84,196,010
Mill Rate Factor(s)	1.000	1.000	-	-	3.000			
Total Base/Minimum Tax (generated for each property class)	1,300	175,700	-	-	21,000			198,000
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,543	1,014,553	-	-	368,326			1,385,422

MILL RATES:

	MILLS
Average Municipal*	16.4547
Average School*	5.3956
Potash Mill Rate	-
Uniform Municipal Mill Rate	12.1000

* 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 Shellbrook
 Schedule of Council Remuneration
 For the Year Ended December 31, 2013**

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Lyle Banda	3,719	-	3,719
Bruce Clements	2,908	-	2,908
Lois Freeman	2,550	-	2,550
David Knight	2,465	-	2,465
Kathleen Nording	1,740	-	1,740
Amund Otterson	10,639	-	10,639
George Tomporowski	9,228	-	9,228
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	33,249	-	33,249