

City of Weyburn
Financial Statements
December 31, 2016

City of Weyburn

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For the year ended December 31, 2016

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Management's Responsibility

To the Councillors of the City of Weyburn:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 neither management nor employees of the City. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the councillors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and may meet periodically and separately with, both the Council and management to discuss their audit findings.

July 10, 2017

City Manager

Director of Finance

Auditors' Report

To the Councillors of the City of Weyburn:

We have audited the accompanying financial statements of the City of Weyburn, which comprises the statement of financial position as at December 31, 2016, and the statement of operations, change in net financial assets, cash flows, and related operating schedules 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City of Weyburn as at December 31, 2016 and the results of its operations, changes in net financial assets and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Weyburn, Saskatchewan

July 10, 2017

MNP LLP

Chartered Professional Accountants

City of Weyburn
Statement of Financial Position
As at December 31, 2016

Statement 1

	2016	2015
ASSETS		
Financial Assets		
Cash and Temporary investments (Note 3)	35,312,757	47,031,096
Taxes Receivable - Municipal (Note 4)	880,192	583,837
Other Accounts Receivable (Note 5)	2,923,409	2,295,877
Land for Resale (Note 6)	1,833,420	1,931,550
Long-Term Investments (Note 7)	10,000,000	-
Pension Plan Asset (Note 9)	1,703,000	1,196,000
Total Financial Assets	52,652,778	53,038,360
LIABILITIES		
Accounts Payable	1,672,402	1,559,273
Accrued Liabilities Payable	654,459	629,313
Overpaid taxes	32,718	80,791
Deposits	66,950	61,875
Current portion of Long-Term Debt (Note 12)	-	5,000,000
Deferred Revenue (Note 10)	537,428	1,431,748
Accrued Landfill Costs (Note 11)	446,934	395,600
Other Liabilities (Note 13)	3,242,959	2,550,384
Total Liabilities	6,653,850	11,708,984
NET FINANCIAL ASSETS	45,998,928	41,329,376
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	64,240,230	65,299,451
Prepayments and Deferred Charges	301,438	455,147
Stock and Supplies	110,562	78,810
Patronage Equity	1,088	1,088
Total Non-Financial Assets	64,653,318	65,834,496
Accumulated Surplus (Schedule 8)	110,652,246	107,163,872

Commitments (Note 13)

Subsequent Events (Note 15)

Mayor

Councillor

City of Weyburn
Statement of Operations
For the year ended December 31, 2016

Statement 2

	2016 (Budget - Note 2)	2016	2015
Revenue			
Taxes and Other Unconditional Revenue (Schedule 1)	12,581,348	12,831,990	12,436,713
Fees and Charges (Schedule 4, 5)	6,286,616	5,929,319	5,942,364
Conditional Grants (Schedule 4, 5)	1,114,176	1,297,345	1,109,395
Tangible Capital Asset Sales - Loss (Schedule 4, 5)	-	(17,015)	(38,704)
Land Sales (Schedule 4, 5)	340,000	879,316	792,887
Investment Income and Commissions (Schedule 4, 5)	791,000	807,813	710,003
Other Revenue (Schedule 4, 5)	35,000	366,607	268,214
Total Revenue	21,148,140	22,095,375	21,220,872
Expenses			
General Government Services (Schedule 3)	2,245,343	1,991,819	1,934,553
Protective Services (Schedule 3)	4,007,138	4,049,269	3,908,939
Transportation Services (Schedule 3)	3,378,955	3,898,240	3,855,505
Environmental and Public Health Services (Schedule 3)	750,130	601,043	539,124
Planning and Development Services (Schedule 3)	885,200	1,186,800	650,213
Recreation and Cultural Services (Schedule 3)	4,480,500	4,445,887	4,114,059
Utility Services (Schedule 3)	3,373,830	3,183,954	2,915,435
Total Expenses	19,121,096	19,357,012	17,917,827
Surplus of Revenue over Expenses before Other Capital Contributions	2,027,044	2,738,363	3,303,045
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	767,000	750,011	770,955
Surplus of Revenue over Expenses	2,794,044	3,488,374	4,074,000
Accumulated Surplus, Beginning of Year	107,163,872	107,163,872	103,089,872
Accumulated Surplus, End of Year	109,957,916	110,652,246	107,163,872

City of Weyburn
Statement of Change in Net Financial Assets
For the year ended December 31, 2016

Statement 3

	2016 (Budget - Note 2)	2016	2015
Surplus	2,794,044	3,488,374	4,074,000
(Acquisition) of tangible capital assets (Schedule 6)	(452,600)	(1,636,373)	(3,882,738)
Amortization of tangible capital assets (Schedule 6)	-	2,658,078	2,624,546
Proceeds on disposal of tangible capital assets	-	20,500	28,150
Loss on disposal of tangible capital assets	-	17,015	38,704
Surplus (Deficit) of capital expenses over expenditures	(452,600)	1,059,220	(1,191,338)
Acquisition of stock and supplies	-	(110,562)	(78,810)
Acquisition of prepayments and deferred charges	-	(301,438)	(455,147)
Consumption of stock and supplies	-	78,810	131,642
Use of prepayments and deferred charges	-	455,147	253,370
Surplus (Deficit) of expenses of other non-financial over expenditures	-	121,957	(148,945)
Increase in Net Financial Assets	2,341,444	4,669,551	2,733,717
Net Financial Assets - Beginning of Year	41,329,376	41,329,376	38,595,659
Net Financial Assets - End of Year	43,670,820	45,998,928	41,329,376

City of Weyburn
Statement of Cash Flows
For the year ended December 31, 2016

Statement 4

	2016	2015
Cash provided by (used for) the following activities		
Operating:		
Surplus of Revenue over Expenses	3,488,374	4,074,000
Amortization	2,658,078	2,624,546
Loss on disposal of tangible capital assets	17,015	38,704
	<u>6,163,467</u>	<u>6,737,250</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(296,355)	(196,016)
Other Accounts Receivable	(627,532)	266,993
Land for Resale	98,130	68,606
Pension Plan Asset	(507,000)	(403,000)
Accounts and Accrued Liabilities Payable	138,275	370,342
Deposits	5,075	7,225
Deferred Revenue	(894,320)	(117,439)
Other Liabilities	695,836	714,351
Stock and Supplies	(31,752)	52,832
Prepayments and Deferred Charges	153,709	(201,777)
Net cash from operations	4,897,533	7,299,367
Capital:		
Acquisition of tangible capital assets	(1,636,373)	(3,882,738)
Proceeds from the disposal of tangible capital assets	20,500	28,150
Net cash used for capital	(1,615,873)	(3,854,588)
Investing:		
Purchase of Long-Term Investments	(10,000,000)	
Redemption of Long-Term Investments	-	10,000,000
Net cash (used for) from investing	(10,000,000)	10,000,000
Financing:		
Short-term Debt Repaid	(5,000,000)	-
Net cash used for financing	(5,000,000)	-
(Decrease) increase in cash resources	(11,718,340)	13,444,779
Cash - Beginning of Year	<u>47,031,096</u>	<u>33,586,317</u>
Cash - End of Year	<u>35,312,757</u>	<u>47,031,096</u>

1. Significant accounting policies

The City of Weyburn ("the City") is a municipality in the Province of Saskatchewan and operates under provisions of the Municipal Government Act. The financial statements of the City are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies are as follows:

- a) **Basis of accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.
- b) **Fund accounting:** The City's financial transactions are segmented into various self balancing funds. Transfers between funds are recorded as adjustments to appropriate surplus accounts. Each fund is operated under regulations and policies prescribed by Provincial Acts, City bylaws and municipal accounting guidelines.
- c) **Reporting entity:** The financial statements present the assets, liabilities and flow of resources of the City. There are no other organizations that are owned or controlled by the City and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Interdepartmental transactions and balances have been eliminated.
- d) **Revenue recognition:**

Government transfers

The City recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the City recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Externally restricted revenue

The City recognizes externally restricted inflows as revenue in the period the resources are used for the purposes specified in accordance with an agreement. Until this time, the City records externally restricted inflows in deferred revenue.

Tax revenue

The City recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred. Taxes related to unreported taxable events or unidentified economic events that would be taxable events if disclosed or known to the government are recognized when such events are known, the related taxes are quantifiable, and amounts are collectible. Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the City evaluates the tax receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

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.

Local improvement charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed. Any uncollected balance at the end of the year is recorded as a receivable and is applied on the annual tax roll.

1. Significant accounting policies - continued

- e) **Expenditure recognition:** Expenditures are recognized in the period the goods and services are acquired and a liability is incurred. They also include grants and contributions made when no direct goods or services were acquired. Expenditures include amounts for interest on debt outstanding but do not include any amounts for principal repayment.
- f) **Collection of funds for other authorities:** Collection of funds by the City for the school board are collected and remitted in accordance with relevant legislation. There are no amounts receivable for amounts owing from School Boards relating to overpayments.
- g) **Asset classification:** Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, prepayments and deferred charges, stock and supplies and patronage equity.
- h) **Net financial assets:** The City's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the City are determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.
- i) **Appropriated reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment, and market. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.
- k) **Inventories:** Inventories of materials and supplies expected to be used by the City are valued at the lower of cost or replacement cost.

Land inventory, comprising land held for future development and resale, is valued at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing. Land is available for resale when approved for sale by the engineering department and when all municipal services have been completed.

Grain inventory, comprising of the City's crop share on leased out farmland, is recorded at its net realizable value at year end.

1. Significant accounting policies - continued

- l) **Tangible capital assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The City's tangible capital asset useful lives are estimated as follows:

<i>General Assets</i>	<u><i>Useful Life</i></u>	<i>Infrastructure Assets</i>	<u><i>Useful Life</i></u>
Land Improvements	15 to 45 Yrs	Road Network Assets	10 to 65 Yrs
Buildings	20 to 50 Yrs	Water & Sewer	45 to 75 Yrs
Vehicles, Machinery & Equipment	5 to 40 Yrs		

- m) **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.
- n) **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.
- o) **Capitalization of interest:** The municipality does not capitalize interest incurred while a tangible capital asset is under construction.
- p) **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 lease are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.
- q) **Landfill liability:** The Saskatchewan Environmental Protection Acts sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is being provided for over the estimated remaining life of the landfill site based on usage.
- r) **Liability for contaminated sites:** A liability for remediation of contaminated sites is recognised at the best estimate of the amount required to remediate the sites when contamination exceeding an environmental standard exists, the City is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected recoveries based on information available at end of reporting period.

At each financial reporting date, the City reviews the carrying amount of the liability. Any revisions required to the amount previously recognised is accounted for in the period revisions are made. The City continues to recognise the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

1. Significant accounting policies - continued

s) **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 stock and supplies are based on estimates of volume and quality.
- Amortization is based on the estimated useful lives of tangible capital assets.
- The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available
- Accrued landfill liability is based on estimates of future costs, usage and capacity.
- Pension plan asset/obligation is based on actuarial estimates.

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

t) **Employee future benefits:** The City's employees future benefit programs consists of a defined benefit plan.

The estimated future cost of providing defined benefit pension is actuarially determined using the projected benefits method prorated on service, as future salary levels affect the amount of employee future benefits. The attribution period for such cost begins the date of enrollment into the plan as per plan text regulations to the date the employee becomes fully eligible to receive the benefits. The City determines its discount rates by reference to its plan asset earnings.

The expected return on plan assets is determined by applying the assumed rate of return on plan assets to the average market-related value of assets for the period. Actuarial gains and losses are amortized on a straight-line basis over the average remaining service life of the related employee group. Prior period employee service costs resulting from plan amendments are expensed in the period of the plan amendment.

u) **Basis of segmentation/Segment report:** The City 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: The general government segment provides for the administration of the City.

Protective services: Protective services is comprised of expenses for police and fire protection.

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

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

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

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

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

1. Significant accounting policies - continued
v) Recent accounting pronouncements

PS 3450 Financial Instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued new PS 3450 *Financial Instruments*. The new standard establishes requirements for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. The main features of the new standards are:

- Financial instruments are classified into two measurement categories: fair value, or cost or amortized cost.
- Almost all derivatives, including embedded derivatives not closely related to the host contract, are measured at fair value.
- Other financial assets and financial liabilities are generally measured at cost or amortized cost.
- An entity may elect to measure any group of financial assets or financial liabilities (or both) at fair value when the entity has a risk management or investment strategy to manage those items on a fair value basis.
- Remeasurement gains and losses on financial instruments measured at fair value are reported in the statement of Remeasurement gains and losses until the financial instrument is derecognized.
- Budget to actual comparisons are not required within the statement of remeasurement gains and losses.
- Financial liabilities are derecognized when, and only when, they are extinguished.
- Financial assets and financial liabilities are only offset and reported on a net basis if a legally enforceable right to set off the recognized amounts exist, and the entity intends to settle on a net basis or realize/settle the amounts simultaneously.

In May 2012, the transitional provisions for this Section were amended, effective at the time the standard is initially applied, to clarify that the measurement provisions are applied prospectively. Adjustments to previous carrying amounts are recognized in opening accumulated remeasurement gains or losses. Additionally, a new transitional provision has been added that applies to government organizations transitioning from the standards in Part V of the CPA Canada Handbook - Accounting with items classified as available for sale. Accumulated other comprehensive income (OCI) from items classified as available for sale is recognized in accumulated remeasurement gains or losses on transition. In September 2015, the effective date for governments was extended by three years. PS 3450 is effective for fiscal years beginning on or after April 1, 2019. In the period that a public sector entity applies PS 3450, it also applies PS 1201, PS 2601 and PS 3041. Early adoption is permitted.

PS 3210 Assets (New)

In June 2015, new PS 3210 Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section provides guidance for applying the definition of assets set out in PS 1000 Financial Statement Concepts. The main features of this standard are as follows:

- Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.
- Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions.
- The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services.
- A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset, if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits.
- A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries.
- An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes. The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

1. Significant accounting policies - continued
v) Recent accounting pronouncements - continued

PS 3320 Contingent Assets

In June 2015, new PS 3320 Contingent Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this standard are as follows:

- Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.
- Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date.
- Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date.
- Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made.
- When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome. The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

PS 3380 Contractual Rights

In June 2015, new PS 3380 Contractual Rights was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.
- Disclosures should include descriptions about nature, extent, and timing.
- The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

The City does not expect the adoption of these standards to have a material impact on its financial statements.

2. Budget Information

The disclosed budget information was approved by Mayor and Council of the City of Weyburn at the Council meeting held February 22, 2016. The City budgeted a \$50 operating deficit for 2016 and \$452,600 in their capital budget for purchases in the current year.

Budgeted surplus of revenues over expenses per financial statements (Statement 2)	2,794,044
Interfund transfers included in City budget (not included in financial statements)	(2,794,094)
Actual Operating Budgeted Deficit	<u><u>(50)</u></u>

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

3. Cash and Temporary Investments

	2016	2015
Cash	10,312,757	36,831,096
Temporary investments	25,000,000	10,200,000
Total cash and temporary investments	35,312,757	47,031,096

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of one year or less. Market value of temporary investments at December 31, 2016 is \$25,260,863 (2015 - \$10,278,247) and includes accrued interest at 1.65%-2% (2015 - 2%).

4. Taxes Receivable

	2016	2015
Municipal - Current	852,344	561,397
- Arrears	27,848	22,440
	880,192	583,837
- Less Allowance for Uncollectibles	-	-
Municipal Taxes Receivable	880,192	583,837

5. Other Accounts Receivable

	2016	2015
Federal government	415,432	452,080
Provincial government	1,067,766	776,503
Local government	-	-
Utility	130,485	104,324
Trade	489,115	474,051
Other	820,611	488,919
Total Other Accounts Receivable	2,923,409	2,295,877
Less Allowance for uncollectibles	-	-
Net Other Accounts Receivable	2,923,409	2,295,877

Included in other receivables are local improvements that were paid in full by the City and will be repaid at cost plus interest at 6.25% (2015 - 6.25%) by the rate payers from 2017 to 2024.

6. Land for Resale

	2016	2015
Developed property	1,833,420	1,931,550
Allowance for market value adjustment	-	-
Total Land for Resale	1,833,420	1,931,550

7. Long-Term Investments

Long-term investments are valued at the lower of cost and market value. Market value at December 31, 2016 was \$10,153,424 (2015 - \$nil). Investments are held in flexible GIC's with interest rates of 1.75% (2015 - nil), maturing February 2018. They have been classified as long-term investments in accordance with the nature and intent of the investment.

8. Intergovernmental Transactions

Intergovernmental transactions were conducted in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	<u>2016</u>	<u>2015</u>
SERVICES PROVIDED TO OTHER GOVERNMENTS:		
RM of Brokenshell	315	315
RM of Griffin	7,164	3,582
RM of Lomond	11,836	10,909
RM of Wellington	6,408	3,204
RM of Weyburn	94,922	77,643
Village of McTaggart	2,250	1,125
	<u>122,895</u>	<u>96,778</u>
 CAPITAL GRANTS		
Government of Saskatchewan		
GTF (Gas Tax Program)	624,846	595,491
Saskatchewan Infrastructure Growth Initiative (SIGI)	120,000	120,000
Tatagwa Parkway Funding	5,165	55,464
	<u>750,011</u>	<u>770,955</u>
 OPERATING GRANTS: Unconditional		
Municipal Government Revenue Sharing	<u>2,289,565</u>	<u>2,238,428</u>
 OPERATING GRANTS: Conditional		
Government of Saskatchewan		
Department of Environment of Saskatchewan		
West Nile Virus	825	1,125
Sask. Highways & Transportation		
Urban Connector	44,269	44,269
Sask. Justice		
Funded Police Officer	165,000	165,000
Prisoner Detention	27,594	19,132
Provincial Court - Share of Fines	168,584	76,379
	<u>406,272</u>	<u>305,905</u>

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

8. Intergovernmental Transactions (continued)	<u>2016</u>	<u>2015</u>
OPERATING GRANTS: Conditional (continued)	406,272	305,905
Government of Saskatchewan (continued)		
Sask. Municipal Affairs		
Transit for the Disabled - Bus Subsidy	13,691	15,708
Sask. Housing		
Rental Housing Initiative	100,000	-
Sask. Student Summer Works		
Summer Student	4,000	3,000
F.I.T.S	6,489	4,000
Sask. Urban Municipalities Association (SUMA)		
Recycling Program	37,938	1,829
Sask. Culture		
Operating	7,000	7,000
Culture Days	4,000	3,293
Soo Line Museum	9,800	-
Organization of Saskatchewan Arts Council (OSAC)		
Weyburn Arts Council	1,450	700
Sask. Parks, Recreation & Culture Association		
Rink Affordability	1,000	5,000
Celecration Initiative Grant - Trails Days	500	500
Association Sask Urban Parks & Conservation Agencies (ASUPCA)		
Sask Art Board	10,898	10,898
Sask Sports Hall of Fame	1,666	2,075
James Weir People's Choice		
SaskEnergy	250	250
	<u>604,954</u>	<u>360,158</u>

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

8. Intergovernmental Transactions (continued)	<u>2016</u>	<u>2015</u>
OPERATING GRANTS: Conditional (continued)	604,954	360,158
Government of Saskatchewan (continued)		
Community Initiatives Fund (CIF)		
Place & Spaces	5,000	20,000
Leisure Programming	10,000	9,000
Saskatchewan Lotteries		
Lotteries received to be distributed	72,549	72,549
Lotteries received for City programming	26,629	33,740
Saskatchewan Diving Association		
Diving Clinic	700	700
Saskatchewan Government Insurance		
Police	188,056	288,084
Fire	11,612	7,966
Southeast Connection for Sport, Culture and Recreation		
Culture Days	-	500
Special Programming	-	1,503
Saskatchewan Crown Corporations		
SaskTel - Heritage Village Days	500	500
SaskEnergy - Heritage Village Days	-	500
SaskEnergy - Soo Line Museum	724	-
Saskatchewan Association of Rural Municipalities (SARM)		
Clear the Path (CTP)	440	-
Saskatchewan Heritage Foundation		
Soo Line Museum	13,000	-
Government of Canada		
Canada Day Grant	8,391	5,440
Leisure Summer Jobs	10,735	2,499
Police Prisoner Lodging	18,256	29,606
Canadian Museums Association		
Leisure Services Programming	15,632	10,032
	<u>987,178</u>	<u>842,777</u>

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

9. Pension Plan

The City sponsors a contributory defined benefit pension plan for substantially all of its employees. The plan provides pensions based on length of service and final average earnings of the member while in the plan. The plan does not provide for inflation variations. At December 31, 2015 there were 104 active employees. During 2016, there were 8 entrants and 9 exits from the plan, leaving 103 active employees remaining at December 31, 2016. There are 15 (2015 - 11) former employees who are entitled to deferred pension benefits. At present, the plan provides for 50 (2015 - 50) retirees.

Employees make contributions equal to the following percentages of their salary:

Regular employees	9.2% (2015 - 9.2%)
Management employees	9.7% (2015 - 9.7%)
Emergency employees	11.0% (2015 - 11.0%)

and the City contributes an equal amount. While the City is required to contribute equal amounts into the pension fund, the City retains the full risk of the accrued benefit obligation. In 2016, total employer and member contributions for current year's service were \$1,727,695 (2015 - \$1,625,330). Total benefit payments to retirees during the year were \$1,011,110 (2015 - \$942,694). Total termination and death payments during the year were \$260,352 (2015 - \$245,422).

The pension asset at December 31, 2016 and 2015 includes the following components:

	<u>2016</u>	<u>2015</u>
Accrued benefit obligation	24,096,000	20,616,000
Fair value of plan assets	22,044,000	20,159,000
Funded status - plan deficit	2,052,000	457,000
Unamortized actuarial losses	3,755,000	1,653,000
Accrued benefit asset	1,703,000	1,196,000
Valuation allowance	-	-
Accrued benefit asset, net of valuation allowance	<u>1,703,000</u>	<u>1,196,000</u>

Actuarial valuations for accounting purposes are performed triennially using the projected benefit method prorated on services. The most recent actuarial report was prepared at December 31, 2015 by AON Consulting. The accrued benefit obligation shown for 2016 is based on an extrapolation of that December 31, 2015 valuation. There is a net unamortized actuarial gain/loss to be amortized on a straight-line basis over the expected average remaining service life of the related employee groups (11.5 years).

The actuarial valuation was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect the City's best estimates. The expected inflation rate is 2.25% (2015 - 2.5%). The discount rate used to determine the accrued benefit obligation is 5.65% (2015 - 6%). The rate of compensation increase is 2.75% (2015 - 3.0%).

The City has a commitment to fund the unamortized net actuarial losses at the amount of 6.8% (2015 - 6.8%) of pensionable salaries for 10 years or until the fund becomes fully funded.

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

9. Pension Plan (continued)

The following table presents information about accrued benefit obligations, the change in the fair value of plan assets, and the funded status of the plans at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Change in benefit obligation		
Benefit obligation, beginning of year	20,616,000	19,728,000
Service costs	961,000	901,000
Interest cost	1,228,000	1,175,000
Benefits paid	(1,271,000)	(1,188,000)
Actuarial loss	2,562,000	-
Benefit obligation, end of year	<u>24,096,000</u>	<u>20,616,000</u>
Change in fair value of plan assets		
Fair value of plan assets, beginning of year	20,159,000	18,459,000
Return on plan assets	1,223,000	1,121,000
Employer contributions	1,085,000	1,022,000
Employee contributions	643,000	603,000
Benefits paid	(1,271,000)	(1,188,000)
Unamortized net actuarial gain (loss)	205,000	142,000
Fair value of plan assets, end of year	<u>22,044,000</u>	<u>20,159,000</u>

Pension fund assets are valued at market values. The expected rate of return on plan assets was 5.65% (2015 - 6.0%). The actual return on plan assets was 5.12% (2015 - 3.78%). The market value of plan assets at December 31, 2016 is \$22,044,076 (2015 - \$20,158,663).

The City uses a measurement date of the date of the financial statements to value the plan assets and accrued benefit obligation.

The total expenses related to pensions include the following components:	<u>2016</u>	<u>2015</u>
Current period benefit cost	961,000	901,000
Amortization of actuarial losses	255,000	267,000
Employee contributions	(643,000)	(603,000)
Pension expense	<u>573,000</u>	<u>565,000</u>
Interest cost on the accrued benefit obligation	1,228,000	1,175,000
Return on plan assets	(1,223,000)	(1,121,000)
Pension interest expense	<u>5,000</u>	<u>54,000</u>
Total expenses related to pension	<u>578,000</u>	<u>619,000</u>

The pension expense less employer contributions is included in the statement of operations as part of the the general government function. The pension interest expense is included as part of general government interest expense.

The City also provides a retiring allowance for eligible employees based on specific criteria. An employee does not qualify for the retiring allowance if they receive any form of bridge benefit or termination pay. A liability of \$15,000 (2015 - \$15,000) has been accrued for these benefits as of December 31, 2016.

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

10. Deferred Revenue

	2016	2015
Property Sales	514,313	1,411,934
Other	23,115	19,814
Total deferred revenue	537,428	1,431,748

11. Accrued landfill costs

	2016	2015
Environmental liabilities	446,934	395,600

Environmental liabilities consist of the estimated total future landfill closure and post closure care costs of \$3,785,000. The estimated liability of these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2016, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at 4.5%, which is the City's estimated average long-term borrowing rate.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a one hundred year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The landfill has 88% (2015 - 90%) of its total estimated capacity remaining and its estimated remaining life is 90-100 years. The period for post closure care is estimated to be 50 years.

City of Weyburn
Notes to the Financial Statements
For the year ended December 31, 2016

12. Long-term debt

a) The debt limit of the city is \$16,300,000 (2015 - \$16,300,000) of which nil (2015 - 31%) has been utilized as of December 31, 2016.

	2016	2015
Payable to the Municipal Financing Corporation bearing interest at 2.4% payable on October 25th annually, principal due in full on October 25th, 2016. Interest of 2.4% is reimbursed from the Saskatchewan Infrastructure Growth Initiative (SIGI) Program.	-	5,000,000
Total debt	-	5,000,000
Less: Current portion of long-term debt	-	(5,000,000)
	-	-

13. Commitments

The City implemented a \$140 per dwelling unit levy in 2012 for a 15 year period. This levy is to be provided as support to the Weyburn Hospital Foundation as part of the Community Contribution for a new hospital in Weyburn. This levy has been included in other liabilities in the amount of \$3,217,129 (2015 - \$2,542,049). No disbursements have been made to date.

On December 12, 2016, Council committed to providing Weyburn Minor Football with a \$60,000 interest free loan, repayable over seven years. The loan was advanced on May 30, 2017.

14. Comparative figures

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

15. Subsequent events

Subsequent to year end, the City approved a transfer of their current pension plan to the Municipal Employee Pension Plan effective January 1, 2018. The estimated cost to complete the transfer is five to six million dollars, to be paid in April 2018.

City of Weyburn
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2016

Schedule 1

	2016	2016	2015
	(Budget - Note 2)		
TAXES			
General municipal tax levy	8,376,100	8,361,211	8,199,297
Abatements and adjustments	(392,000)	(320,616)	(396,363)
Net Municipal Taxes	7,984,100	8,040,595	7,802,934
Penalties on tax arrears	35,000	88,292	56,862
Special tax levy	-	220,948	-
Total Taxes	8,019,100	8,349,835	7,859,796
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	2,238,428	2,289,565	2,238,428
Total Unconditional Grants	2,238,428	2,289,565	2,238,428
GRANTS IN LIEU OF TAXES			
Federal	8,500	8,555	8,330
Provincial			
S.P.C. Electrical	1,230,000	1,236,628	1,254,495
SaskEnergy Gas	350,000	257,699	320,510
Other	93,320	93,718	104,916
Local/Other			
Housing Authority	117,000	120,135	116,989
Other Government Transfers			
S.P.C. Surcharge	525,000	475,855	533,249
Total Grants in Lieu of Taxes	2,323,820	2,192,590	2,338,489
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	12,581,348	12,831,990	12,436,713

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

Schedule 2 - 1

	2016	2016	2015
	(Budget - Note 2)		
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Rentals	146,511	149,002	200,526
- Licences and fees	94,500	90,300	93,291
Total Fees and Charges	241,011	239,302	293,817
- Investment income and commissions	769,000	796,822	684,175
- Other	15,200	341,373	177,742
Total Other Segmented Revenue	1,025,211	1,377,497	1,155,734
Conditional Grants			
- Community contributions	11,250	9,650	65,595
- Provincial (Transit for Disabled)	15,600	13,691	15,708
- Provincial (Duck Derby)	-	849	-
Total Conditional Grants	26,850	24,190	81,303
Total Operating	1,052,061	1,401,687	1,237,037
Capital			
Conditional Grants			
- Gas Tax	595,500	624,846	595,491
Total Capital	595,500	624,846	595,491
Total General Government Services	1,647,561	2,026,533	1,832,528

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Administration and services	94,000	136,012	82,403
Total Fees and Charges	94,000	136,012	82,403
- Tangible capital asset sales - loss	-	(17,015)	-
- Other	16,000	11,843	19,844
Total Other Segmented Revenue	110,000	130,840	102,247
Conditional Grants			
- Community contributions	-	10,000	9,900
- Provincial (Funded Officer)	511,400	492,072	503,479
- RM of Weyburn (Fire Protection)	30,726	36,837	18,567
- Provincial (Prisoner Detention)	12,000	27,594	19,132
- Provincial (Fine Sharing)	-	29,568	25,984
- Provincial (Fire Protection)	40,000	11,612	7,966
- Federal (Prisoner Detention)	21,000	18,255	29,606
Total Conditional Grants	615,126	625,938	614,634
Total Operating	725,126	756,778	716,881
Total Protective Services	725,126	756,778	716,881

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

Schedule 2 - 2

	2016	2016	2015
	(Budget - Note 2)		
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	27,500	3,235	(5,995)
- Rentals	21,273	18,976	21,746
Total Fees and Charges	48,773	22,211	15,751
- Tangible capital asset sales - loss	-	-	(38,704)
- Investment income	22,000	10,240	21,780
- Other	100	1,134	35,441
Total Other Segmented Revenue	70,873	33,585	34,268
Conditional Grants			
- Community contributions	-	4,000	-
- RM of Weyburn (Airport)	5,000	5,801	-
- Provincial (Urban Connectors)	45,000	44,269	44,269
Total Conditional Grants	50,000	54,070	44,269
Total Operating	120,873	87,655	78,537
Total Transportation Services	120,873	87,655	78,537

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	800,607	693,252	760,780
- Cemetery fees	48,300	32,320	54,290
Total Fees and Charges	848,907	725,572	815,070
- Other	-	-	-
Total Other Segmented Revenue	848,907	725,572	815,070
Conditional Grants			
- Provincial (Recycling Program)	-	37,938	1,829
- Provincial (West Nile)	1,100	825	1,125
Total Conditional Grants	1,100	38,763	2,954
Total Operating	850,007	764,335	818,024
Total Environmental and Public Health Services	850,007	764,335	818,024

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

Schedule 2 - 3

	2016 (Budget - Note 2)	2016	2015
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	35,700	61,404	74,613
- Concessions	105,000	117,874	24,206
Total Fees and Charges	140,700	179,278	98,819
- Investment income	-	-	1,830
- Land sales	340,000	879,316	792,887
- Other	-	929	-
Total Other Segmented Revenue	480,700	1,059,523	893,536
Conditional Grants			
- Provincial (Rental Housing Initiative)	105,000	100,000	-
Total Conditional Grants	105,000	100,000	-
Total Operating	585,700	1,159,523	893,536
Capital			
Conditional Grants			
- Provincial (SIGI)	120,000	120,000	120,000
Total Planning and Development Services	705,700	1,279,523	1,013,536

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Rentals	449,900	479,804	467,048
- Fees	389,825	389,450	381,794
Total Fees and Charges	839,725	869,254	848,842
- Investment income	1,000	751	2,218
- Other	3,700	10,474	2,291
Total Other Segmented Revenue	844,425	880,479	853,351
Conditional Grants			
- Community contributions	69,550	164,563	95,595
- RM of Weyburn (Recreation)	60,000	80,257	78,211
- Provincial (Recreation)	178,550	176,461	176,957
- Federal (Recreation)	8,000	33,104	15,472
Total Conditional Grants	316,100	454,385	366,235
Total Operating	1,160,525	1,334,864	1,219,586
Capital			
Conditional Grants			
- Provincial (Tatagwa Parkway)	51,500	5,165	55,464
Total Recreation and Cultural Services	1,212,025	1,340,029	1,275,050

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

Schedule 2 - 4

	2016	2016	2015
	(Budget - Note 2)		
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	2,821,000	2,601,711	2,614,381
- Sewer	1,252,500	1,155,979	1,173,281
Total Fees and Charges	4,073,500	3,757,690	3,787,662
- Other	-	854	32,896
Total Other Segmented Revenue	4,073,500	3,758,544	3,820,558
Total Operating	4,073,500	3,758,544	3,820,558
Total Utility Services	4,073,500	3,758,544	3,820,558
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	9,334,792	10,013,396	9,555,114
SUMMARY			
Total Other Segmented Revenue	7,453,616	7,966,040	7,674,764
Total Conditional Grants	1,114,176	1,297,345	1,109,395
Total Capital Grants and Contributions	767,000	750,011	770,955
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	9,334,792	10,013,396	9,555,114

City of Weyburn
Schedule of Expenses by Function
For the year ended December 31, 2016

Schedule 3 - 1

	2016 (Budget - Note 2)	2016	2015
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	251,085	237,331	202,829
Wages and benefits	847,915	1,072,154	861,921
Pension expense adjustment	-	(512,000)	(457,000)
Professional/Contractual services	390,525	364,148	405,975
Utilities	53,650	58,230	57,582
Maintenance, materials and supplies	390,475	429,907	310,830
Grants and contributions - operating	154,668	227,358	147,266
Amortization	-	51,537	53,257
Interest	17,200	23,203	71,237
Other	139,825	39,950	280,658
Total Government Services	2,245,343	1,991,819	1,934,553

PROTECTIVE SERVICES

Police protection

Wages and benefits	2,698,850	2,704,592	2,570,773
Professional/Contractual services	65,150	60,830	80,918
Utilities	44,200	46,695	53,235
Maintenance, material and supplies	202,750	179,333	219,825
Grants and contributions - operating	34,800	33,935	33,094
Amortization	-	102,648	92,275
Other	36,000	23,856	23,788

Fire protection

Wages and benefits	684,179	585,642	559,874
Professional/Contractual services	21,018	16,806	13,961
Utilities	37,852	41,343	40,812
Maintenance, material and supplies	167,124	108,127	122,814
Amortization	-	133,750	87,228
Allowance for uncollectibles	300	3,486	40
Other	14,915	8,226	10,302

Total Protective Services

4,007,138 **4,049,269** **3,908,939**

TRANSPORTATION SERVICES

Wages and benefits	1,522,038	1,368,169	1,321,710
Professional/Contractual Services	158,700	151,454	241,106
Utilities	368,250	338,053	342,616
Maintenance, materials, and supplies	1,323,467	999,204	888,306
Amortization	-	1,013,395	1,057,519
Allowance for uncollectibles	50	532	247
Other	6,450	27,435	4,001

Total Transportation Services

3,378,955 **3,898,240** **3,855,505**

City of Weyburn
Schedule of Expenses by Function
For the year ended December 31, 2016

Schedule 3 - 2

	2016	2016	2015
	(Budget - Note 2)		
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	328,080	339,835	329,175
Professional/Contractual services	205,300	30,408	2,720
Utilities	8,950	6,206	7,026
Maintenance, materials and supplies	177,000	165,027	155,933
Amortization	-	6,141	6,440
Allowance for uncollectibles	1,500	879	615
Other	29,300	52,547	37,213
Total Environmental and Public Health Services	750,130	601,043	539,124

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	200,950	205,430	188,383
Professional/Contractual Services	2,250	2,515	1,267
Utilities	2,900	2,738	2,720
Maintenance, materials and supplies	129,800	52,148	56,652
Cost of property sold / local improvement costs	215,000	424,828	92,837
Amortization	-	178,721	176,362
Interest	120,000	120,000	120,000
Grants and contributions	210,000	200,000	-
Allowance for uncollectibles	250	-	11,060
Other	4,050	421	933
Total Planning and Development Services	885,200	1,186,800	650,213

RECREATION AND CULTURAL SERVICES

Wages and benefits	1,897,620	2,112,217	1,792,191
Professional/Contractual services	107,455	82,158	92,795
Utilities	370,225	383,893	413,207
Maintenance, materials and supplies	1,637,800	938,837	865,634
Grants and contributions - operating	442,250	438,096	488,596
Amortization	-	471,270	453,902
Interest	1,200	1,131	1,011
Other	23,950	18,285	6,722
Total Recreation and Cultural Services	4,480,500	4,445,887	4,114,059

City of Weyburn
 Schedule of Expenses by Function
 For the year ended December 31, 2016

Schedule 3 - 3

	2016 (Budget - Note 2)	2016	2015
UTILITY SERVICES			
Wages and benefits	1,081,930	1,064,760	971,813
Professional/Contractual services	130,400	64,356	44,389
Utilities	388,700	235,806	240,607
Maintenance, materials and supplies	1,747,700	1,111,767	952,887
Amortization	-	700,619	697,565
Allowance for uncollectibles	3,500	218	2,904
Other	21,600	6,428	5,269
Total Utility Services	3,373,830	3,183,954	2,915,435
TOTAL EXPENSES BY FUNCTION	19,121,096	19,357,012	17,917,827

City of Weyburn
Schedule of Segment Disclosure by Function
For the year ended December 31, 2016

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	239,302	136,012	22,211	725,572	179,278	869,254	3,757,690	5,929,319
Tangible Capital Asset Sales - Gain (Loss)	-	(17,015)	-	-	-	-	-	(17,015)
Land Sales	-	-	-	-	879,316	-	-	879,316
Investment Income and Commissions	796,822	-	10,240	-	-	751	-	807,813
Other Revenues	341,373	11,843	1,134	-	929	10,474	854	366,607
Grants - Conditional	24,190	625,938	54,070	38,763	100,000	454,385	-	1,297,345
- Capital	624,846	-	-	-	120,000	5,165	-	750,011
Total revenues	2,026,533	756,778	87,655	764,335	1,279,523	1,340,029	3,758,544	10,013,396
Expenses (Schedule 3)								
Wages & Benefits	1,309,485	3,290,234	1,368,169	339,835	205,430	2,112,217	1,064,760	9,690,129
Pension expense adjustment	(512,000)	-	-	-	-	-	-	(512,000)
Professional / Contractual Services	364,148	77,637	151,454	30,408	2,515	82,158	64,356	772,675
Utilities	58,230	88,038	338,053	6,206	2,738	383,893	235,806	1,112,964
Maintenance Materials and Supplies	429,907	287,460	999,204	165,027	52,148	938,837	1,111,767	3,984,350
Cost of Property Sold / Local Improvement Costs	-	-	-	-	424,828	-	-	424,828
Grants and Contributions	227,358	33,935	-	-	200,000	438,096	-	899,390
Amortization	51,537	236,397	1,013,395	6,141	178,721	471,270	700,619	2,658,080
Interest	23,203	-	-	879	120,000	1,131	-	145,213
Allowance for Uncollectibles (Recovery)	-	3,486	532	-	-	-	218	4,236
Other	39,950	32,082	27,435	52,547	421	18,285	6,428	177,147
Total expenses	1,991,819	4,049,269	3,898,240	601,043	1,186,800	4,445,887	3,183,954	19,357,012
Surplus (Deficit) by Function	34,714	(3,292,490)	(3,810,586)	163,292	92,723	(3,105,859)	574,590	(9,343,616)
Taxation and other unconditional revenue (Schedule 1)								12,831,990
Net Surplus								3,488,374

City of Weyburn
Schedule of Segment Disclosure by Function
For the year ended December 31, 2015

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	293,817	82,403	15,751	815,070	98,819	848,842	3,787,662	5,942,364
Tangible Capital Asset Sales - Loss	-	-	(38,704)	-	-	-	-	(38,704)
Land Sales	-	-	-	-	792,887	-	-	792,887
Investment Income and Commissions	684,175	-	21,780	-	1,830	2,218	-	710,003
Other Revenues	177,742	19,844	35,441	-	-	2,291	32,896	268,214
Grants - Conditional	81,303	614,634	44,269	2,954	-	366,235	-	1,109,395
- Capital	595,491	-	-	-	120,000	55,464	-	770,955
Total revenues	1,832,528	716,881	78,537	818,024	1,013,536	1,275,050	3,820,558	9,555,114
Expenses (Schedule 3)								
Wages & Benefits	1,064,750	3,130,647	1,321,710	329,175	188,383	1,792,191	971,813	8,798,670
Pension expense adjustment	(457,000)	-	-	-	-	-	-	(457,000)
Professional / Contractual Services	405,975	94,880	241,106	2,720	1,267	92,795	44,389	883,132
Utilities	57,582	94,047	342,616	7,026	2,720	413,207	240,607	1,157,805
Maintenance Materials and Supplies	310,830	342,639	888,305	155,933	56,652	865,634	952,887	3,572,880
Cost of Property Sold / Local Improvement Costs	-	-	-	-	92,837	-	-	92,837
Grants and Contributions	147,266	33,094	-	-	-	488,596	-	668,954
Amortization	53,257	179,503	1,057,519	6,440	176,362	453,902	697,565	2,624,548
Interest	71,237	-	-	615	120,000	1,011	-	192,863
Allowance for Uncollectibles (Recovery)	-	40	247	-	11,060	-	2,904	14,252
Other	280,658	34,090	4,001	37,213	933	6,722	5,269	368,886
Total expenses	1,934,556	3,908,939	3,855,504	539,124	650,213	4,114,059	2,915,435	17,917,827
Surplus (Deficit) by Function	(102,028)	(3,192,058)	(3,776,967)	278,900	363,323	(2,839,009)	905,124	(8,362,713)

Taxation and other unconditional revenue (Schedule 1)

12,436,713

Net Surplus

4,074,000

City of Weyburn
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2016

Schedule 6

		2016						2015	
		General Assets				Infrastructure Assets	Work in process		
		Land	Land Improvements	Buildings	Vehicles, Machinery & Equipment	Linear assets & General	Assets Under Construction	Total	
		Land	Land Improvements	Buildings	Vehicles, Machinery & Equipment	Linear assets & General	Assets Under Construction	Total	
Assets	Asset cost								
	Opening Asset costs	162,555	2,666,750	38,042,870	9,715,812	64,140,354	3,814,416	118,542,757	114,791,586
	Additions during the year	-	40,860	830,142	595,561	134,916	34,894	1,636,373	3,882,738
	Disposals and write-downs during the year	-	-	-	(214,741)	-	-	(214,741)	(131,567)
	Closing Asset Costs	162,555	2,707,610	38,873,012	10,096,632	64,275,270	3,849,310	119,964,389	118,542,757
Amortization	Accumulated Amortization Cost								
	Opening Accumulated Amortization	-	1,910,420	14,934,554	4,525,000	31,873,332	-	53,243,306	50,683,473
	Add: Amortization taken	-	78,990	739,201	621,797	1,218,091	-	2,658,079	2,624,546
	Less: Accumulated amortization on disposals	-	-	-	(177,226)	-	-	(177,226)	(64,713)
	Closing Accumulated Amortization Costs	-	1,989,410	15,673,755	4,969,571	33,091,423	-	55,724,159	53,243,306
	Net Book Value	162,555	718,200	23,199,257	5,127,061	31,183,847	3,849,310	64,240,230	65,299,451

- (1) Tangible capital assets recognized at a nominal value include Land of \$305 (2015 - \$305), Utility building of \$1 (2015 - \$1) and Recreation buildings of \$18 (2015 - \$18).
- (2) Tangible capital assets fully amortized at year end include Land Improvements with a cost of \$909,767, Buildings with a cost of \$3,197,304, Vehicles, Machinery & Equipment with a cost of \$1,624,499 and Linear Assets & General with a cost of \$9,877,067.

City of Weyburn
 Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2016

Schedule 7

		2016							2015	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	2,466,078	4,373,720	38,250,864	126,645	4,843,344	23,535,579	44,946,527	118,542,757	114,791,586
	Additions during the year	3,318	72,779	431,215	-	95,169	871,002	162,890	1,636,373	3,882,738
	Disposals and write-downs during the year	-	(214,741)	-	-	-	-	-	(214,741)	(131,567)
	Closing Asset Costs	2,469,396	4,231,758	38,682,079	126,645	4,938,513	24,406,581	45,109,417	119,964,389	118,542,757
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization	943,182	1,703,935	25,629,418	61,795	506,358	8,195,874	16,202,744	53,243,306	50,683,473
	Add: Amortization taken	51,536	236,398	1,013,395	7,207	178,721	471,270	699,552	2,658,079	2,624,546
	Less: Accumulated amortization on disposals	-	(177,226)	-	-	-	-	-	(177,226)	(64,713)
	Closing Accumulated Amortization Costs	994,718	1,763,107	26,642,813	69,002	685,079	8,667,144	16,902,296	55,724,159	53,243,306
	Net Book Value	1,474,678	2,468,651	12,039,266	57,643	4,253,434	15,739,437	28,207,121	64,240,230	65,299,451

(1) Tangible capital assets fully amortized at year end include General Government assets with a cost of \$320,701, Protective Services assets with a cost of \$36,434, Transportation Services assets with a cost of \$11,373,331, Environmental & Public Health assets with a cost of \$27,907, Recreation & Culture assets with a cost of \$2,969,302 and Water & Sewer assets with a cost of \$880,962.

City of Weyburn
 Schedule of Accumulated Surplus
 For the year ended December 31, 2016

Schedule 8

	2015	Changes	2016
UNAPPROPRIATED RESERVE (DEFICIT)	731,384	2,759,107	3,490,491
APPROPRIATED RESERVES			
General government	2,460,350	(90,822)	2,369,528
Emergency	158,761	105,776	264,538
Engineering	11,454,485	136,313	11,590,799
Facilities	3,064,453	(40,000)	3,024,453
Oil Show	36,200	(36,200)	-
Infrastructure	1,184,318	(80,000)	1,104,318
Leisure	228,521	50,444	278,965
Municipal operating grant	2,238,428	624,850	2,863,278
Parks	479,624	20,600	500,224
Property sales	12,195,652	70,000	12,265,652
Internal loans	6,593,656	1,019,453	7,613,109
Pension plan	22,880	10,090	32,970
Taxation	1,000,000	-	1,000,000
Transit for disabled	15,708	(2,017)	13,691
Total Appropriated	41,133,037	1,788,488	42,921,524
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	65,299,451	(1,059,221)	64,240,230
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	65,299,451	(1,059,221)	64,240,230
Total Accumulated Surplus	107,163,872	3,488,374	110,652,246

City of Weyburn
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2016

Schedule 9

	PROPERTY CLASS				Total
	Agriculture (A)	Residential (R)	Multi-family/Nursing homes (R3, RH, RS & TR)	Commercial (AC, CO, E, ML, RW)	
Taxable Assessment	268,950	611,617,370	127,182,720	247,015,400	986,084,440
Regional Park Assessment	-	-	-	-	-
Total Assessment					986,084,440
Mill Rate Factor(s)	0.3983	0.4461	1.1235; 0.4461; 2.1207; 0.9073	0.9986; 1.4023; 2.8979	
Total Base Tax (generated for each property class)	-	2,096,100	435,000	-	2,531,100
Total Municipal Tax Levy (include base tax and supplementary adjustments)	895	4,353,989	1,132,931	2,873,396	8,361,211

MILL RATES:	MILLS
Average Municipal*	8.4792
Average School*	5.8519
Uniform Municipal Mill Rate	8.3490

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

City of Weyburn

Schedule of Council Remuneration - unaudited

For the year ended December 31, 2016

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Bailey, Winston	18,455	379	18,834
Button, Debra	46,970	1,782	48,752
Chessall, Jeffrey	1,775	89	1,863
Michel, Dick	18,455	805	19,260
Morrisette, Laura	18,042	2,229	20,271
Richards, Jeffery	1,775	496	2,270
Roy, Marcel	5,173	549	5,722
Stephanson, Rob	19,015	7,676	26,691
Styles, Nancy	18,496	2,736	21,232
Van Betuw, Mel	18,974	2,514	21,487
Wheeler, Brad	1,775	596	2,370
Total	168,904	19,848	188,752