

Annual Financial Statements

And Supporting Schedules

For The

Town of Unity

For the year ended December 31, 2017

Management's Responsibility

To the Ratepayers of the Town of Unity:

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

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

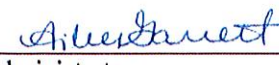
The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the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

Holm Raiche Oberg, Chartered Professional Accounts P.C. Ltd., an independent firm of chartered professional accountants, is appointed by Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

October 9, 2018
Date



Mayor



Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Town of Unity

Report on the Financial Statements

We have audited the accompanying financial statements of Town of Unity, which comprise the statement of financial position as at December 31, 2017, and the 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 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 auditor's 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, the financial statements present fairly, in all material respects, the financial position of Town of Unity as at December 31, 2017, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The current year's supplementary information included in the schedules and appendices is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

North Battleford, Saskatchewan
October 9, 2018


Chartered Professional Accountants

Town of Unity
Statement of Financial Position
As at December 31, 2017

Statement 1

	2017	2016
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 2,089,907	\$ 2,648,159
Taxes Receivable - Municipal (Note 3)	43,185	78,715
Other Accounts Receivable (Note 4)	294,056	548,162
Land for Resale (Note 5)	651,118	288,638
Long-term Investments (Note 6)	22,111	21,188
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	3,100,377	3,584,862

LIABILITIES		
Bank Indebtedness (Note 7)		
Accounts Payable	609,881	980,917
Accrued Liabilities Payable		
Deposits	25,530	25,580
Deferred Revenue		
Accrued Landfill Costs (Note 8)	319,630	309,276
Liability for Contaminated Sites (Note 9)	195,743	192,850
Other Liabilities		
Long-term Debt (Note 10)	1,741,666	2,291,667
Lease Obligations (Note 11)	71,631	49,868
Total Liabilities	2,964,081	3,850,158

NET FINANCIAL ASSETS (DEBT)	136,296	(265,296)
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	14,241,977	13,480,408
Prepayments and Deferred Charges	25,066	11,354
Stock and Supplies	6,900	7,078
Other		
Total Non-Financial Assets	14,273,943	13,498,840

Accumulated Surplus (Deficit) (Schedule 8)	\$ 14,410,239	\$ 13,233,544
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Town of Unity

Statement of Operations

For the year ended December 31, 2017

Statement 2

	2017 Budget	2017	2016
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 2,871,080	\$ 2,991,663	\$ 2,884,229
Fees and Charges (Schedule 4, 5)	1,528,660	1,695,053	1,859,044
Conditional Grants (Schedule 4, 5)	52,300	83,914	66,884
Tangible Capital Asset Sales - (Loss) gain (Schedule 4, 5)		(5,029)	(44,869)
Land Sales - Gain (Schedule 4, 5)		41,479	21,279
Investment Income and Commissions (Schedule 4, 5)	11,500	23,071	12,789
Other Revenues (Schedule 4, 5)	37,800	45,708	52,863
Total Revenues	4,501,340	4,875,859	4,852,219
Expenses			
General Government Services (Schedule 3)	524,160	534,978	563,759
Protective Services (Schedule 3)	312,680	347,246	323,559
Transportation Services (Schedule 3)	910,279	1,081,247	1,009,983
Environmental and Public Health Services (Schedule 3)	213,025	290,908	342,390
Planning and Development Services (Schedule 3)	159,695	142,460	180,810
Recreation and Cultural Services (Schedule 3)	825,885	851,609	930,881
Utility Services (Schedule 3)	582,360	616,945	550,514
Total Expenses	3,528,084	3,865,393	3,901,896
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	973,256	1,010,466	950,323
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	166,000	166,229	150,607
Surplus (Deficit) of Revenues over Expenses	\$ 1,139,256	1,176,695	1,100,930
Accumulated Surplus (Deficit), Beginning of Year		13,233,544	12,132,614
Accumulated Surplus (Deficit), End of Year		\$ 14,410,239	\$ 13,233,544

Town of Unity
Statement of Change in Net Financial Assets
For the year ended December 31, 2017

Statement 3

	2017 Budget	2017	2016
Surplus (Deficit)	\$ 1,139,256	\$ 1,176,695	\$ 1,100,930
(Acquisition) of tangible capital assets	(3,690,630)	(1,365,014)	(2,542,810)
Amortization of tangible capital assets		597,273	572,095
Proceeds on disposal of tangible capital assets		1,143	2,381
Loss (gain) on the disposal of tangible capital assets		5,029	44,869
Surplus (Deficit) of capital revenue over expenditures	(3,690,630)	(761,569)	(1,923,465)
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(13,712)	(6,813)
Consumption of supplies inventories		178	431
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures		(13,534)	(6,382)
Increase (Decrease) in Net Financial Assets	\$ (2,551,374)	401,592	(828,917)
Net Financial Assets - Beginning of Year		(265,296)	563,621
Net Financial Assets (Debt) - End of Year		\$ 136,296	\$ (265,296)

Town of Unity
Statement of Cash Flow
For the year ended December 31, 2017

Statement 4

	2017	2016
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 1,176,695	\$ 1,100,930
Amortization	597,273	572,095
Loss (gain) on disposal of tangible capital assets	5,029	44,869
	<u>1,778,997</u>	<u>1,717,894</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	35,530	(22,614)
Other Receivables	254,106	(43,626)
Land for Resale	(362,480)	(12,977)
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(371,036)	542,915
Deposits	(50)	3,880
Deferred Revenue		
Accrued Landfill costs	10,354	9,008
Liability for Contaminated Sites	2,893	2,850
Other Liabilities		
Stock and Supplies for Use	178	431
Prepayments and Deferred Charges	(13,712)	(6,813)
Other (Specify)		
Net cash provided by (used for) operations	1,334,780	2,190,948
Capital:		
Acquisition of Tangible Capital Assets	(1,733,914)	(2,542,810)
Proceeds From the Disposal of Tangible Capital Assets	1,143	2,381
Other Capital (Transfer to land for resale)	368,900	
Net cash provided by (used for) capital	(1,363,871)	(2,540,429)
Investing:		
Long-term Investments	(923)	(290)
Other Investments		
Net cash provided by (used for) investing	(923)	(290)
Financing:		
Debt Charges Recovered		
Long-term Debt Issued		2,750,000
Long-term Debt Repaid	(550,001)	(727,594)
Other Financing	21,763	(12,867)
Cash provided by (used for) financing transactions	(528,238)	2,009,539
Change in Cash and Temporary Investments during the year	(558,252)	1,659,768
Cash and Temporary Investments - Beginning of Year	2,648,159	988,391
Cash and Temporary Investments - End of Year	\$ 2,089,907	\$ 2,648,159

Town of Unity

Notes to the Financial Statements

For the year ended December 31, 2017

1. Significant Accounting Policies

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the 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 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.
- b) **Reporting Entity:** The financial statements consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity

Town of Unity

- c) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- d) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occurred, as long as:
 - a) the transfer is authorized;
 - b) any eligibility criteria have been met; 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 account receivable.

- e) **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.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **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.
- h) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

Town of Unity
Notes to the Financial Statements
For the year ended December 31, 2017

1. Significant Accounting Policies - continued

- 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) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **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. The long-term investments in the Delta Co-operative Association Ltd. is accounted for on the equity basis. The long-term investment in North West Terminal Ltd. is recorded at cost.
- l) **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.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles and Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
<i>Infrastructure Assets</i>	
Water and 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 does not capitalize interest incurred while a tangible capital asset is under construction.

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

Town of Unity

Notes to the Financial Statements

For the year ended December 31, 2017

1. Significant Accounting Policies - continued

- o) **Landfill Liability:** The municipality maintains a waste disposal site. Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Act and include final covering and landscaping of the landfill, pumping of ground, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance.
- p) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity.
- q) **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.
- r) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
 - a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- s) **Measurement Uncertainty:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Taxes receivable and accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Allowances are determined through an annual review of outstanding amounts.

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

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

- t) **Basis of Segmentation:** The municipality has adopted the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

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

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

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

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

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

Recreation and Cultural: The recreation and cultural 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.

- u) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.
- v) **Land for Resale:** Land for resale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and utility service connections. The land is considered available for sale when all the land preparation is completed.
- w) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

Town of Unity

Notes to the Financial Statements

For the year ended December 31, 2017

1. Significant Accounting Policies - continued

x) **Recent accounting pronouncements**

PS 3450 Financial Instruments (New and Amendment)

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 Financial Instruments to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The municipality does not expect the adoption of these new standards to have a material impact on its financial statements.

PS 3320 Contingent Assets (New)

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 nondisclosure 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. The municipality does not expect the adoption of this new standard to have a material impact on its financial statements.

PS 3380 Contractual Rights (New)

In June 2016, 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 standards 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.

Town of Unity
Notes to the Financial Statements
For the year ended December 31, 2017

	2017	2016
2. Cash and Temporary Investments		
Cash	\$ 189,907	\$ 748,159
Temporary Investments		
Restricted Cash	1,900,000	1,900,000
Total Cash and Temporary Investments	\$ 2,089,907	\$ 2,648,159

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

The municipality has not set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are underfunded by \$3,046,732 as of December 31, 2017 and \$3,246,732 as of December 31, 2016. Restricted cash of \$1,700,000 (2016 - \$0) is funds set aside in a letter of credit relating to a capital project.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 44,818	\$ 51,654
- Arrears	16,318	26,976
	61,136	78,630
- Less Allowance for Uncollectibles	(17,951)	(17,951)
Total Municipal Taxes Receivable	43,185	60,679

School - Current	(714)	15,958
- Arrears	4,066	8,658
Total School Taxes Receivable	3,352	24,616

Other		
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Total Taxes and Grants in Lieu Receivable 46,537 85,295

Deduct taxes receivable to be collected on behalf of other organizations (3,352) (6,580)

Total Taxes Receivable - Municipal **\$ 43,185** **\$ 78,715**

4. Other Accounts Receivable

Federal government	\$ 37,850	\$ 101,237
Provincial government		19,518
Local government		
Utility	214,938	188,864
Trade	43,912	241,187
Other		
Total Other Accounts Receivable	296,700	550,806

Less Allowance for Uncollectibles (2,644) (2,644)

Net Other Accounts Receivable **\$ 294,056** **\$ 548,162**

5. Land for Resale

Tax Title Property	\$ 88,677	\$ 72,781
Allowance for Market Value Adjustment		
Net Tax Title Property	88,677	72,781

Other Land	562,441	215,857
Allowance for Market Value Adjustment		
Net Other Land	562,441	215,857

Total Land for Resale **\$ 651,118** **\$ 288,638**

Town of Unity

Notes to the Financial Statements

For the year ended December 31, 2017

	2017	2016
6. Long-term Investments		
Delta Co-operative Association Limited - equity	\$ 12,111	\$ 11,188
North West Terminal Ltd. - shares	10,000	10,000
Total Long-term Investments	\$ 22,111	\$ 21,188

7. Credit Facility Agreement

The municipality has a credit facility agreement with its financial institution that covers its long-term debt facilities referred to in Note 10, credit cards in the amount of \$10,000, and a revolving operating line of credit in the amount of \$250,000.

Interest on the line of credit is prime. Security for the line of credit is the assignment of the municipality's municipal taxes receivable and unconditional grants. There was no balance owing under this line of credit as of December 31, 2017 and 2016.

8. Accrued Landfill Costs

Accrued landfill costs	\$ 319,630	\$ 309,276
Accrued landfill costs	\$ 319,630	\$ 309,276

Included in total accrued landfill costs is \$319,630 (2016 - \$309,276) of estimated total landfill closure and post-closure expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 3% (2016 - 3%). By its nature, this estimate is subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Act and include final covering and landscaping of the landfill, pumping of ground, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 25 year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

9. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of \$195,743 (2016 - \$192,850) for remediation of site 199, 1st Avenue East (former Pool's Auto). It is believed that this site may have been contaminated due to the fact that this site was previously occupied by a fuel and service station. The assessment figure is based on the findings of McElhanney Project Engineers after a Phase II Environmental Site Assessment (ESA) was conducted. It is estimated that approximately 950 cubic metres (1,900 metric tonnes) of petroleum hydrocarbon impacted soil exceeding the applicable regulatory guidelines will require remediation. The recommended remediation methodology will be in the form of excavation, transportation to an approved facility and replacement with clean, imported fill material. Groundwater is assumed to naturally attenuate over time as the contaminated material is replaced. As such, no active groundwater cleanup costs are included since such costs are not deemed necessary at the current time.

Town of Unity

Notes to the Financial Statements

For the year ended December 31, 2017

10. Long-term Debt

a) The debt limit of the municipality is \$3,605,302. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

b) The Bank of Montreal loan is secured by a general assignment of property taxes receivable and grants receivable. The loan is repayable in monthly principal payments of \$45,834 plus interest at 1.95%. The loan is due February, 2019.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2017				\$ 550,000
2018	\$ 550,000	\$ 29,024	\$ 579,024	550,000
2019	1,191,666	7,272	1,198,938	1,191,667
Balance	1,741,666	36,296	1,777,962	2,291,667

Total Long-term Debt	\$ 1,741,666	\$ 36,296	\$ 1,777,962	\$ 2,291,667
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11. Lease Obligations

a) Brandt Tractor Ltd.

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2018	\$ 15,576
2019	15,576
2020	7,789
<hr/>	
Total future minimum lease payments	38,941
Amounts representing interest at a weighted average rate of 4.75%	(2,162)
<hr/>	
Capital Lease Liability	\$ 36,779

b) Jim Pattison

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2018	\$ 9,067
2019	9,067
2020	9,067
2021	9,067
2022	3,023
<hr/>	
Total future minimum lease payments	39,291
Amounts representing interest at a weighted average rate of 4.5%	(4,439)
<hr/>	
Capital Lease Liability	\$ 34,852

Town of Unity

Notes to the Financial Statements

For the year ended December 31, 2017

12. Contingent Liabilities

The municipality is contingently liable for the entire outstanding loan balance for the Unity Daycare Centre with the Unity Credit Union. The total loan balance outstanding at December 31, 2017 is \$37,366 (2016 - \$62,707). The loan is in good standing as of December 31, 2017.

The municipality is also contingently liable for an amount of \$1,700,000 to Soneera Water Canada Ltd. relating to the purchase of a water treatment system. The municipality has set aside the funds as restricted cash in an irrevocable letter of credit, due to be paid upon approval of the water treatment system by the Water Security Agency.

The municipality has been named as defendant in a claim seeking compensation for damages. The plaintiff alleges that the municipality diverted storm water into the lagoon which resulted in the flooding of adjacent land rendering it unusable for cattle operation. The amount of damages and the likelihood of loss, if any, is not determinable as of the date of the financial statements.

13. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2017 was \$83,382 (2016 - \$79,781). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

14. Comparative Figures

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

15. Budget Figures

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

16. Related Party Transactions

During the year, Professional/Contractual Services expense includes \$6,178 (2016 - \$9,525) paid to a company owned by a councillor.

Related party transactions are recorded at the exchange amount, which is the amount considered established and agreed to by the related parties.

Town of Unity

Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2017

Schedule 1

	2017 Budget	2017	2016
TAXES			
General municipal tax levy	\$ 2,163,080	\$ 2,163,554	\$ 2,017,270
Abatements and adjustments			
Discount on current year taxes	(40,000)	(44,656)	(41,437)
Net Municipal Taxes	2,123,080	2,118,898	1,975,833
Potash tax share			
Trailer license fees	10,000	11,744	11,961
Penalties on tax arrears	16,500	17,984	18,522
Special tax levy	100,000	115,508	115,093
Other (Specify)			
Total Taxes	2,249,580	2,264,134	2,121,409

UNCONDITIONAL GRANTS

Revenue Sharing	500,000	549,389	550,183
Organized Hamlet			
Total Unconditional Grants	500,000	549,389	550,183

GRANTS IN LIEU OF TAXES

Federal	20,000	23,410	23,385
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel		4,872	
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Local municipalities)	11,500	6,112	12,182
Other Government Transfers			
S.P.C. Surcharge	80,000	116,789	118,943
Sask Energy Surcharge	10,000	26,957	58,127
Other (Specify)			
Total Grants in Lieu of Taxes	121,500	178,140	212,637

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,871,080	\$ 2,991,663	\$ 2,884,229
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Town of Unity
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2017

Schedule 2 - 1

	2017 Budget	2017	2016
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,000	\$ 2,075	\$ 3,519
- Sales of supplies	100	757	175
- Other (Rentals, licenses, permits)	87,260	119,422	263,596
Total Fees and Charges	88,360	122,254	267,290
- Tangible capital asset sales - gain (loss)			
- Land sales - gain		41,479	21,279
- Investment income and commissions	11,500	23,071	12,789
- Other (Services cost sharing, WCB, refunds)		6,851	10,946
Total Other Segmented Revenue	99,860	193,655	312,304
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	99,860	193,655	312,304
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total General Government Services	99,860	193,655	312,304

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Pound fees, fire fees, tower usage fees)	31,000	39,075	32,322
Total Fees and Charges	31,000	40,382	39,817
- Tangible capital asset sales - gain (loss)		(5,029)	
- Other (Refunds, donations)		300	
Total Other Segmented Revenue	31,000	35,653	39,817
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating	31,000	35,653	39,817
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Total Protective Services	31,000	35,653	39,817

Town of Unity
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2017

Schedule 2 - 2

	2017 Budget	2017	2016
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Airport land lease, snow dumping fees)	8,100	11,268	8,898
Total Fees and Charges	8,100	11,268	8,898
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	8,100	11,268	8,898
Conditional Grants			
- MMRP	5,000	14,312	7,156
- Student Employment	500	4,039	7,420
- Other (Specify)			
Total Conditional Grants	5,500	18,351	14,576
Total Operating	13,600	29,619	23,474
Capital			
Conditional Grants			
- Federal Gas Tax	70,000	145,251	139,040
- Local government (airport)	6,000	6,000	6,000
- Provincial Disaster Assistance			
- Other (SIGI)			5,567
Total Capital	76,000	151,251	150,607
Total Transportation Services	89,600	180,870	174,081

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	217,100	267,034	271,456
- Other (Handi-van, cemetery, columbarium, pets)	10,500	28,178	27,044
Total Fees and Charges	227,600	295,212	298,500
- Tangible capital asset sales - gain (loss)			
- Other (Donations, SARRC, Columarium fees)	9,000	10,216	11,757
Total Other Segmented Revenue	236,600	305,428	310,257
Conditional Grants			
- Student Employment			
- TAPD		9,433	
- Local government	1,200	3,986	1,000
- Other (Specify)			
Total Conditional Grants	1,200	13,419	1,000
Total Operating	237,800	318,847	311,257
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Environmental and Public Health Services	237,800	318,847	311,257

Town of Unity
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2017

Schedule 2 - 3

	2017 Budget	2017	2016
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Economic Dev Fees)	8,000	13,133	10,352
Total Fees and Charges	8,000	13,133	10,352
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	8,000	13,133	10,352
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	8,000	13,133	10,352
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Planning and Development Services	8,000	13,133	10,352

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges	118,100	107,119	155,286
- Other (Custom Work)	1,500	5,493	4,150
Total Fees and Charges	119,600	112,612	159,436
- Tangible capital asset sales - gain (loss)			(44,869)
- Other (TIP, Grouplex, SPRA, SK Power Refund)	28,800	28,341	30,160
Total Other Segmented Revenue	148,400	140,953	144,727
Conditional Grants			
- Student Employment	3,000	3,000	
- Local government	12,600	11,513	12,853
- Donations	15,000	26,065	22,736
- Other (Library, CIF, Sask in Motion, Unity Interagency)	15,000	11,566	15,719
Total Conditional Grants	45,600	52,144	51,308
Total Operating	194,000	193,097	196,035
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (Canada 150 Grant)	90,000	14,978	
Total Capital	90,000	14,978	
Total Recreation and Cultural Services	284,000	208,075	196,035

Town of Unity
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2017

Schedule 2 - 4

	2017 Budget	2017	2016
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	425,500	461,512	444,218
- Sewer	106,000	109,515	108,123
- Other (Sewer infrastructure levy)	514,500	529,165	522,410
Total Fees and Charges	1,046,000	1,100,192	1,074,751
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	1,046,000	1,100,192	1,074,751
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	1,046,000	1,100,192	1,074,751
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Utility Services	1,046,000	1,100,192	1,074,751
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,796,260	\$ 2,050,425	\$ 2,118,597

SUMMARY

Total Other Segmented Revenue	\$ 1,577,960	\$ 1,800,282	\$ 1,901,106
Total Conditional Grants	52,300	83,914	66,884
Total Capital Grants and Contributions	166,000	166,229	150,607
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,796,260	\$ 2,050,425	\$ 2,118,597

Town of Unity

Total Expenses by Function

For the year ended December 31, 2017

Schedule 3 - 1

	2017 Budget	2017	2016
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 43,160	\$ 39,904	\$ 44,036
Wages and benefits	335,635	326,433	328,544
Professional/Contractual services	90,775	84,531	94,394
Utilities	7,400	7,351	8,176
Maintenance, materials and supplies	43,190	51,779	57,055
Grants and contributions - operating	2,000	1,466	
- capital			
Amortization		21,424	25,623
Interest	2,000	2,090	5,931
Allowance for uncollectibles			
Other (Specify)			
Total Government Services	524,160	534,978	563,759

PROTECTIVE SERVICES

Police protection

Wages and benefits	65,390	65,223	64,113
Professional/Contractual services	175,000	183,706	166,721
Utilities	3,100	3,220	3,100
Maintenance, materials and supplies	7,680	9,757	9,999
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protections

Wages and benefits	40,000	28,713	39,794
Professional/Contractual services	8,710	14,344	7,868
Utilities	4,300	4,120	4,193
Maintenance, material and supplies	8,500	14,187	5,724
Grants and contributions - operating			
- capital			
Amortization		23,976	22,047
Interest			
Other (Specify)			

Total Protective Services	312,680	347,246	323,559
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TRANSPORTATION SERVICES

Wages and benefits	380,324	392,507	424,594
Professional/Contractual Services	150,300	171,899	116,897
Utilities	74,500	69,784	67,112
Maintenance, materials and supplies	222,300	207,383	180,127
Gravel	70,000	51,858	57,302
Grants and contributions - operating	2,200	2,200	2,200
- capital			
Amortization		182,261	159,190
Interest	10,655	3,355	2,561
Other (Specify)			

Total Transportation Services	910,279	1,081,247	1,009,983
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Town of Unity

Total Expenses by Function

For the year ended December 31, 2017

Schedule 3 - 2

	2017 Budget	2017	2016
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	65,710	69,375	63,605
Professional/Contractual services	126,265	134,674	158,736
Utilities	2,350	1,170	1,776
Maintenance, materials and supplies	18,700	7,162	50,431
Grants and contributions - operating			
o Waste disposal			
o Public Health		9,297	
- capital			
o Waste disposal			
o Public Health			
Amortization		55,984	55,984
Interest			
Other (Landfill closure, contaminated sites)		13,246	11,858
Total Environmental and Public Health Services	213,025	290,908	342,390

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	81,795	81,627	80,190
Professional/Contractual Services	37,000	19,013	72,078
Utilities	4,300	4,168	4,175
Grants and contributions - operating			
- capital	16,000	17,522	12,000
Amortization			
Interest			
Other (Materials, supplies, travel, community events)	20,600	20,130	12,367
Total Planning and Development Services	159,695	142,460	180,810

RECREATION AND CULTURAL SERVICES

Wages and benefits	410,405	382,718	394,260
Professional/Contractual services	122,245	82,176	110,015
Utilities	116,235	108,807	106,407
Maintenance, materials and supplies	162,000	138,876	185,621
Grants and contributions - operating	15,000	15,050	15,000
- capital			
Amortization		123,982	119,578
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Recreation and Cultural Services	825,885	851,609	930,881

Town of Unity

Total Expenses by Function

For the year ended December 31, 2017

Schedule 3 - 3

	2017 Budget	2017	2016
UTILITY SERVICES			
Wages and benefits	72,560	83,703	81,378
Professional/Contractual services	235,600	146,849	129,510
Utilities	129,200	110,566	62,223
Maintenance, materials and supplies	71,500	42,618	50,149
Grants and contributions - operating			
- capital			
Amortization		189,646	189,673
Interest	73,500	43,563	37,581
Allowance for uncollectibles			
Other (Specify)			
Total Utility Services	582,360	616,945	550,514
TOTAL EXPENSES BY FUNCTION	\$ 3,528,084	\$ 3,865,393	\$ 3,901,896

Town of Unity
Schedule of Segment Disclosure by Function
For the year ended December 31, 2017

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 122,254	\$ 40,382	\$ 11,268	\$ 295,212	\$ 13,133	\$ 112,612	\$ 1,100,192	\$ 1,695,053
Tangible Capital Asset Sales - Gain (loss)		(5,029)						(5,029)
Land Sales - Gain	41,479							41,479
Investment Income and Commissions	23,071							23,071
Other Revenues	6,851	300		10,216		28,341		45,708
Grants - Conditional			18,351	13,419		52,144		83,914
- Capital			151,251			14,978		166,229
Total Revenues	193,655	35,653	180,870	318,847	13,133	208,075	1,100,192	2,050,425
Expenses (Schedule 3)								
Wages & Benefits	366,337	93,936	392,507	69,375	81,627	382,718	83,703	1,470,203
Professional/ Contractual Services	84,531	198,050	171,899	134,674	19,013	82,176	146,849	837,192
Utilities	7,351	7,340	69,784	1,170	4,168	108,807	110,566	309,186
Maintenance, Materials and Supplies	51,779	23,944	259,241	7,162		138,876	42,618	523,620
Grants and Contributions	1,466		2,200	9,297	17,522	15,050		45,535
Amortization	21,424	23,976	182,261	55,984		123,982	189,646	597,273
Interest	2,090		3,355				43,563	49,008
Allowance for Uncollectibles								
Other				13,246	20,130			33,376
Total Expenses	534,978	347,246	1,081,247	290,908	142,460	851,609	616,945	3,865,393
Surplus (Deficit) by Function	\$ (341,323)	\$ (311,593)	\$ (900,377)	\$ 27,939	\$ (129,327)	\$ (643,534)	\$ 483,247	(1,814,968)

Taxation and Other Unconditional Revenue (Schedule 1)

2,991,663

Net Surplus (Deficit)

\$ 1,176,695

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

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Cultural	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 267,290	\$ 39,817	\$ 8,898	\$ 298,500	\$ 10,352	\$ 159,436	\$ 1,074,751	\$ 1,859,044
Tangible Capital Asset Sales - Gain (Loss)						(44,869)		(44,869)
Land Sales - Gain	21,279							21,279
Investment Income and Commissions	12,789							12,789
Other Revenues	10,946			11,757		30,160		52,863
Grants - Conditional			14,576	1,000		51,308		66,884
- Capital			150,607					150,607
Total Revenues	312,304	39,817	174,081	311,257	10,352	196,035	1,074,751	2,118,597
Expenses (Schedule 3)								
Wages & Benefits	372,580	103,907	424,594	63,605	80,190	394,260	81,378	1,520,514
Professional/ Contractual Services	94,394	174,589	116,897	158,736	72,078	110,015	129,510	856,219
Utilities	8,176	7,293	67,112	1,776	4,175	106,407	62,223	257,162
Maintenance, Materials and Supplies	57,055	15,723	237,429	50,431		185,621	50,149	596,408
Grants and Contributions			2,200		12,000	15,000		29,200
Amortization	25,623	22,047	159,190	55,984		119,578	189,673	572,095
Interest	5,931		2,561				37,581	46,073
Allowance for Uncollectibles								
Other				11,858	12,367			24,225
Total Expenses	563,759	323,559	1,009,983	342,390	180,810	930,881	550,514	3,901,896
Surplus (Deficit) by Function	\$ (251,455)	\$ (283,742)	\$ (835,902)	\$ (31,133)	\$ (170,458)	\$ (734,846)	\$ 524,237	(1,783,299)
Taxation and Other Unconditional Revenue (Schedule 1)								<u>2,884,229</u>
Net Surplus (Deficit)								<u>\$ 1,100,930</u>

Town of Unity
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2017

Schedule 6

		2017						2016		
		General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	Total
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets			
Assets	Asset Cost									
	Opening Asset costs	\$ 354,647	\$ 1,978,288	\$ 3,462,284	\$ 1,086,221	\$ 1,056,670	\$ 8,896,335	\$ 3,122,324	\$ 19,956,769	\$ 17,492,970
	Additions during the year			123,688	69,462	5,190	821,087	714,487	1,733,914	2,542,810
	Disposals and write-downs during the year				(10,286)			(368,900)	(379,186)	(79,011)
	Transfers (from) assets under construction						1,365,278	(1,365,278)		
	Closing Asset Costs	354,647	1,978,288	3,585,972	1,145,397	1,061,860	11,082,700	2,102,633	21,311,497	19,956,769
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs		713,804	1,587,450	847,187	657,764	2,670,156		6,476,361	5,936,027
	Add: Amortization taken		117,054	82,337	53,850	65,493	278,539		597,273	572,095
	Less: Accumulated amortization on disposals				(4,114)				(4,114)	(31,761)
		Closing Accumulated Amortization Costs		830,858	1,669,787	896,923	723,257	2,948,695		7,069,520
	Net Book Value	\$ 354,647	\$ 1,147,430	\$ 1,916,185	\$ 248,474	\$ 338,603	\$ 8,134,005	\$ 2,102,633	\$ 14,241,977	\$ 13,480,408

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

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

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

Town of Unity
 Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2017

Schedule 7

		2017							2016	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total	Total
Assets	Asset Cost									
	Opening Asset costs	\$ 722,523	\$ 600,024	\$ 5,293,559	\$ 1,125,045	\$ 44,728	\$ 2,744,163	\$ 9,426,727	\$ 19,956,769	\$ 17,492,970
	Additions during the year	51,971	29,948	921,165			154,701	576,129	1,733,914	2,542,810
	Disposals and write-downs during the year		(10,286)	(7,968)	(232,434)	(44,728)		(83,770)	(379,186)	(79,011)
	Closing Asset Costs	774,494	619,686	6,206,756	892,611		2,898,864	9,919,086	21,311,497	19,956,769
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	251,554	365,158	2,175,709	608,916		824,203	2,250,821	6,476,361	5,936,027
	Add: Amortization taken	21,424	23,976	182,261	55,984		123,982	189,646	597,273	572,095
	Less: Accumulated amortization on disposals		(4,114)						(4,114)	(31,761)
	Closing Accumulated Amortization Costs	272,978	385,020	2,357,970	664,900		948,185	2,440,467	7,069,520	6,476,361
	Net Book Value	\$ 501,516	\$ 234,666	\$ 3,848,786	\$ 227,711	\$	\$ 1,950,679	\$ 7,478,619	\$ 14,241,977	\$ 13,480,408

Town of Unity
 Schedule of Accumulated Surplus
 For the year ended December 31, 2017

Schedule 8

	2016	Changes	2017
UNAPPROPRIATED SURPLUS	\$ (1,152,061)	\$ (113,112)	\$ (1,265,173)

APPROPRIATED RESERVES

Cemetery	69,525		69,525
Food Bank	7,310		7,310
General Reserve	2,914,310		2,914,310
Library Fund	244,386		244,386
Library Fund Canadian Purchase	9,815		9,815
Municipal Airport	1,386		1,386
Total Appropriated	3,246,732		3,246,732

NET INVESTMENT IN TANGIBLE CAPITAL ASSETS

Tangible capital assets (Schedule 6)	13,480,408	761,569	14,241,977
Less: Related debt	(2,341,535)	528,238	(1,813,297)
Net Investment in Tangible Capital Assets	11,138,873	1,289,807	12,428,680

Total Accumulated Surplus	\$ 13,233,544	\$ 1,176,695	\$ 14,410,239
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Town of Unity
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2017

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 1,344,090	\$ 160,606,640			\$ 37,361,700		\$ 199,312,430
Regional Park Assessment							
Total Assessment							199,312,430
Mill Rate Factor(s)	0.75	0.80			1.10		
Total Base/Minimum Tax (generated for each property class)		485,900			64,500		550,400
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 11,118	\$ 1,512,081			\$ 640,355		\$ 2,163,554

MILL RATES:	MILLS
Average Municipal*	10.8551
Average School*	4.1054
Potash Mill Rate	
Uniform Municipal Mill Rate	11.7500

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority.)

Town of Unity
Schedule of Council Remuneration
For the year ended December 31, 2017
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Ben Weber	\$ 4,800		\$ 4,800
Councillor	Brian Vanderlinde	4,800	\$ 582	5,382
Councillor	Brent Weber	4,800	782	5,582
Councillor	Robert Abel	4,800		4,800
Councillor	Doreen Bonogofski	4,800		4,800
Councillor	Richard Hill	4,800	570	5,370
Councillor	Curtis McLean	4,800	582	5,382
Total		\$ 33,600	\$ 2,516	\$ 36,116