

Annual Financial Statements

And Supporting Schedules

For The

Town of Macklin

As at December 31, 2018

Management's Responsibility

To the Ratepayers of the Town of Macklin:


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 Accountants 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.

June 3, 2019
Date



Mayor



Administrator

INDEPENDENT AUDITOR'S REPORT

To the Members of Town of Macklin

Opinion

We have audited the financial statements of Town of Macklin (the Organization), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net financial debt, changes in accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(continues)

Independent Auditor's Report to the Members of Town of Macklin *(continued)*

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

North Battleford, Saskatchewan
June 3, 2019

Holm Raiche Oberg

Chartered Professional Accountants

Town of Macklin
Statement of Financial Position
As at December 31, 2018

Statement 1

	2018	2017
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 1,326,737	\$ 290,842
Taxes Receivable - Municipal (Note 3)	157,752	128,685
Other Accounts Receivable (Note 4)	138,716	143,672
Land for Resale (Note 5)	677,202	691,099
Long-term Investments		
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	2,300,407	1,254,298

LIABILITIES

Bank Indebtedness (Note 6)		42,903
Accounts Payable	458,540	152,563
Accrued Liabilities Payable	68,542	20,729
Deposits	50,259	50,910
Deferred Revenue (Note 7)	20,856	
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 8)	4,975,165	1,552,363
Lease Obligations		
Total Liabilities	5,573,362	1,819,468

NET FINANCIAL ASSETS (DEBT)	(3,272,955)	(565,170)
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NON-FINANCIAL ASSETS

Tangible Capital Assets (Schedule 6, 7)	16,057,996	13,169,668
Prepayments and Deferred Charges	2,163	3,251
Stock and Supplies		
Other		
Total Non-Financial Assets	16,060,159	13,172,919

Accumulated Surplus (Deficit) (Schedule 8)	\$ 12,787,204	\$ 12,607,749
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Town of Macklin
Statement of Operations
As at December 31, 2018

Statement 2

	2018 Budget	2018	2017
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,543,019	\$ 1,540,469	\$ 1,529,464
Fees and Charges (Schedule 4, 5)	912,465	907,723	865,202
Conditional Grants (Schedule 4, 5)	22,560	24,704	150,548
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)			(49,021)
Land Sales - Gain (Loss) (Schedule 4, 5)		5,958	36,397
Investment Income and Commissions (Schedule 4, 5)	2,000	11,932	2,660
Other Revenues (Schedule 4, 5)			1,051
Total Revenues	2,480,044	2,490,786	2,536,301
Expenses			
General Government Services (Schedule 3)	401,586	384,860	381,335
Protective Services (Schedule 3)	126,041	127,974	124,969
Transportation Services (Schedule 3)	1,133,850	695,455	614,975
Environmental and Public Health Services (Schedule 3)	200,484	220,830	193,028
Planning and Development Services (Schedule 3)	26,992	20,581	41,642
Recreation and Cultural Services (Schedule 3)	395,467	486,433	496,582
Utility Services (Schedule 3)	451,500	509,476	471,612
Total Expenses	2,735,920	2,445,609	2,324,143
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(255,876)	45,177	212,158
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	92,350	134,278	105,810
Surplus (Deficit) of Revenues over Expenses	\$ (163,526)	179,455	317,968
Accumulated Surplus (Deficit), Beginning of Year		12,607,749	12,289,781
Accumulated Surplus (Deficit), End of Year		\$ 12,787,204	\$ 12,607,749

Town of Macklin
Statement of Change in Net Financial Debt
As at December 31, 2018

Statement 3

	2018 Budget	2018	2017
Surplus (Deficit)	\$ (163,526)	\$ 179,455	\$ 317,968
(Acquisition) of tangible capital assets	(375,000)	(3,453,555)	(735,199)
Amortization of tangible capital assets	555,568	565,227	552,889
Proceeds on disposal of tangible capital assets			37,380
Loss (gain) on the disposal of tangible capital assets			49,021
Surplus (Deficit) of capital revenue over expenditures	180,568	(2,888,328)	(95,909)
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			(2,888)
Consumption of supplies inventories			
Use of prepaid expense		1,088	
Surplus (Deficit) of expenses of other non-financial over expenditures		1,088	(2,888)
Increase (Decrease) in Net Financial Assets	\$ 17,042	(2,707,785)	219,171
Net Financial Assets (Debt) - Beginning of Year		(565,170)	(784,341)
Net Financial Assets (Debt) - End of Year		\$ (3,272,955)	\$ (565,170)

Town of Macklin
Statement of Cash Flow
As at December 31, 2018

Statement 4

	2018	2017
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 179,455	\$ 317,968
Amortization	565,227	552,889
Loss (gain) on disposal of tangible capital assets		49,021
	<u>744,682</u>	<u>919,878</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(29,067)	34,520
Other Receivables	4,956	184,900
Land for Resale	13,897	10,699
Other Financial Assets		
Accounts and Accrued Liabilities Payable	353,790	63,691
Deposits	(651)	(220)
Deferred Revenue	20,856	
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use		
Prepayments and Deferred Charges	1,088	(2,888)
Other (Specify)		
Cash provided by (applied to) operating transactions	1,109,551	1,210,580
Capital:		
Acquisition of Tangible Capital Assets	(3,453,555)	(735,199)
Proceeds From the Disposal of Tangible Capital Assets		37,380
Other Capital		
Cash provided by (applied to) capital transactions	(3,453,555)	(697,819)
Investing:		
Long-term Investments		
Other Investments		
Cash provided by (applied to) investing transactions		
Financing:		
Debt Charges Recovered		
Long-term Debt Issued	3,550,000	
Long-term Debt Repaid	(127,198)	(307,328)
Other Financing		
Cash provided by (applied to) financing transactions	3,422,802	(307,328)
Change in Cash and Temporary Investments during the year	1,078,798	205,433
Cash and Temporary Investments - Beginning of Year	247,939	42,506
Cash and Temporary Investments - End of Year	\$ 1,326,737	\$ 247,939
Cash and cash equivalents		
Cash and cash equivalents consist of cash on hand, balances and loans with financial institutions. Cash and cash equivalents are		
Cash and Temporary Investments	\$ 1,326,737	\$ 290,842
Bank Indebtedness		(42,903)
	<u>\$ 1,326,737</u>	<u>\$ 247,939</u>

Town of Macklin

Notes to the Financial Statements

As at December 31, 2018

1. Significant Accounting Policies

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

- a) **Basis of Accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and 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 Macklin

- c) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for the school board are collected and remitted in accordance with relevant legislation.
- 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 occur, providing:
 - a) the transfers are authorized;
 - b) any eligibility criteria have been met; and
 - c) 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.

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.
- 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 deflation 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>
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	20 to 50 Yrs
Vehicles and Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
Infrastructure Assets	
Water and Sewer	75 Yrs
Road Network Assets	10 to 40 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 and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital assets. 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 an operating lease and rental payments are expensed as incurred.

1. Significant Accounting Policies - continued

- n) **Landfill Liability:** The municipality maintains a waste disposal transfer site. The municipality expenses annual monitoring costs when incurred. No amount has been recorded as an asset or a liability.
- o) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
 - a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) The municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- q) **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. 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.

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

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

- r) **Basis of Segmentation/Segment Report:** The municipality 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: Provides for the administration of the municipality.

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

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

Planning and Development: Provides for neighborhood development and sustainability.

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

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

- s) **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.
- t) **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.
- u) **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 Macklin

Notes to the Financial Statements

As at December 31, 2018

1. Significant Accounting Policies - continued

- v) **Budget Information:** Budget figures are reported for information purposes only and are not included in the scope of the external audit. The budget was approved by Council on April 23, 2018.
- w) **New Accounting Standards:** Effective January 1, 2018, the municipality adopted the following Canadian public sector accounting standards. The description of these changes and their impact on the consolidated financial statements is summarized:

PS 2200 Related Party Disclosures defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the consolidated financial statements.

The adoption of this standard has not resulted in any disclosure change.

PS 3210 Assets provides additional guidance for applying the definition of assets and establishing disclosure requirements for assets. Disclosure about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate cannot be made, the reason(s) for this should be disclosed. The adoption of this standard has no impact on the consolidated financial statements.

PS 3320 Contingent Assets defines and establishes disclosure standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. Disclosure is required when the occurrence of the confirming future event is likely.

The municipality does not have any reportable contingent assets.

PS 3380 Contractual Rights defines and establishes disclosure standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

The municipality does not have any reportable contractual rights.

PS 3420 Inter-Entity Transactions establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standard has no impact on the consolidated financial statements.

Town of Macklin

Notes to the Financial Statements

As at December 31, 2018

1. Significant Accounting Policies - continued

- x) **Recent Accounting Pronouncements:** A number of new and amended standards have been issued and may impact the municipality as summarized below:

Standards Effective on or After April 1, 2018

PS 3430 Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operations responsibilities. Earlier adoption is permitted.

Standards Effective on or After April 1, 2019

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Earlier adoption is permitted when adopting sections PS 2601 and PS 3450.

PS 2601 Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses. Earlier adoption is permitted when adopting sections PS 1201 and PS 3450.

PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments will no longer apply. Earlier adoption is permitted when adopting sections PS 1201, PS 2601 and PS 3450.

PS 3450 Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities. Earlier adoption is permitted when adopting Sections PS 1201 and PS 2601.

The municipality continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

Town of Macklin
Notes to the Financial Statements
As at December 31, 2018

	2018	2017
2. Cash and Temporary Investments		
Cash	\$ 1,024,402	\$ 455
Temporary Investments		
Restricted Cash	302,335	290,387
Total Cash and Temporary Investments	\$ 1,326,737	\$ 290,842

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 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 \$249,014 and \$117,363 as of December 31, 2018 and 2017, respectively.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 82,805	\$ 57,901
- Arrears	100,053	86,342
	182,858	144,243
- Less Allowance for Uncollectibles	(29,402)	(29,402)
Total Municipal Taxes Receivable	153,456	114,841
School - Current	27,235	15,026
- Arrears	20,300	17,571
Total School Taxes Receivable	47,535	32,597
Other - Local improvement	4,296	13,844
Total Taxes and Grants in Lieu Receivable	205,287	161,282
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(47,535)	(32,597)
Total Taxes Receivable - Municipal	\$ 157,752	\$ 128,685

4. Other Accounts Receivable

Federal government	\$ 48,748	\$ 23,608
Provincial government	3,022	47,147
Local government		
Utility	57,585	51,644
Trade	33,389	25,301
Other (Specify)		
Total Other Accounts Receivable	142,744	147,700
Less Allowance for Uncollectibles	(4,028)	(4,028)
Net Other Accounts Receivable	\$ 138,716	\$ 143,672

5. Land for Resale

Tax Title Property	\$ 25,257	\$ 28,718
Allowance for Market Value Adjustment	(6,578)	(6,578)
Net Tax Title Property	18,679	22,140
Other Land	662,006	672,442
Allowance for Market Value Adjustment	(3,483)	(3,483)
Net Other Land	658,523	668,959
Total Land for Resale	\$ 677,202	\$ 691,099

Town of Macklin

Notes to the Financial Statements

As at December 31, 2018

6. Bank Indebtedness

The municipality has a credit facility agreement with its financial institution that covers its long-term debt facilities referred to in Note 13 and a revolving operating line of credit in the amount of \$800,000.

Interest on the line of credit is prime less 0.5%. Security for the line of credit is the assignment of the municipality's municipal taxes receivable. The balance owing at year end under this line of credit was \$0.

7. Deferred Revenue

	2018	2017
Prepaid local improvements	\$ 20,856	
Total Deferred Revenue	\$ 20,856	

8. Long-term Debt

a) The debt limit of the municipality is \$1,979,508. 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)).

The municipality has exceeded its debt limit by \$2,995,657 as at December 31, 2018 (2016 - \$Nil). The municipality has been authorized to exceed its debt limit.

b) The debenture debt #2 is repayable at \$128,852 annually to the Municipal Finance Corporation and bears interest at 3.35%. The debenture matures in June, 2027.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2018				\$ 92,680
2019	\$ 95,785	\$ 33,067	\$ 128,852	95,785
2020	98,994	29,858	128,852	98,994
2021	102,310	26,542	128,852	102,310
2022	105,737	23,115	128,852	105,737
2023	109,280	19,572	128,852	109,280
Thereafter	474,974	40,435	515,409	474,974
Balance	987,080	172,589	1,159,669	1,079,760

c) The debenture debt #3 is repayable at \$42,797 annually to the Municipal Finance Corporation and bears interest at 3.3%. The debenture matures in November, 2027.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2018				30,932
2019	31,953	10,844	42,797	31,953
2020	33,008	9,790	42,798	33,008
2021	34,097	8,700	42,797	34,097
2022	35,222	7,575	42,797	35,222
2023	36,384	6,413	42,797	36,384
Thereafter	157,948	13,243	171,191	157,948
Balance	328,612	56,565	385,177	359,544

d) The debenture debt #4 is repayable at \$35,624 annually to the Macklin Credit Union and bears interest at 3.25%. The debenture matures in June, 2028.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2019	25,874	9,750	35,624	
2020	26,690	8,933	35,623	
2021	27,582	8,042	35,624	
2022	28,478	7,145	35,623	
2023	29,404	6,220	35,624	
Thereafter	161,972	16,147	178,119	
Balance	300,000	56,237	356,237	

Town of Macklin

Notes to the Financial Statements

As at December 31, 2018

8. Long-term Debt - continued

e) The debenture debt #5 is repayable at \$68,794 annually to the Macklin Credit Union and bears interest at 3.25%. The debenture matures in August, 2038.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2019	36,294	32,500	68,794	
2020	37,387	31,406	68,793	
2021	38,688	30,105	68,793	
2022	39,946	28,848	68,794	
2023	41,244	27,550	68,794	
Thereafter	806,441	225,463	1,031,904	
Balance	1,000,000	375,872	1,375,872	

f) The debenture debt #6 is repayable at \$154,752 annually to the Municipal Finance Corporation and bears interest at 3.25%. The debenture matures in August, 2038.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2019	81,627	73,125	154,752	
2020	84,280	70,472	154,752	
2021	87,020	67,733	154,753	
2022	89,848	64,905	154,753	
2023	92,768	61,985	154,753	
Thereafter	1,814,457	506,830	2,321,287	
Balance	2,250,000	845,050	3,095,050	

g) The Macklin Credit Union Ltd. (Macklin & District Health Foundation - Doctor Residence) loan is secured by a first mortgage on specific property. Monthly payments are \$666 including interest at 4.1%. The mortgage is due February, 2020.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2018				3,586
2019	3,565	4,422	7,987	109,473
2020	105,908	724	106,632	
Balance	109,473	5,146	114,619	113,059

Total Long-term Debt	\$ 4,975,165	\$ 1,511,459	\$ 6,486,624	\$ 1,552,363
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9. Contingent Liabilities

The municipality is contingently liable for its proportionate share of Golden Twilight Lodge Inc.'s loan with the Macklin Credit Union Ltd. The total loan balance outstanding at December 31, 2018 is \$613,497 (2017 - \$647,532), of which the municipality has guaranteed its 21.69% share of the loan which is \$133,067 (2017 - \$140,450). The loan is in good standing as at December 31, 2018.

The municipality, along with the Rural Municipality of Eye Hill No. 382 and the Rural Municipality of Heart's Hill No. 352, is contingently liable for the entire outstanding loan balance for the Macklin & District Health Foundation - Doctor Residence loan with the Macklin Credit Union Ltd. Ownership of the property is as follows: Town of Macklin - 45%, Rural Municipality of Eye Hill No. 382 - 45% and Rural Municipality of Heart's Hill No. 352 - 10%. The municipality has reported 45% of the related tangible capital assets and long-term debt in the financial statements. The total loan balance outstanding at December 31, 2018 is \$243,273 (2017 - \$251,242). The loan is in good standing as at December 31, 2018.

Town of Macklin
Notes to the Financial Statements
As at December 31, 2018

10. 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 2018 was \$28,527 (2017 - \$26,684). 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.

11. Contractual Obligations and Commitments

Significant contractual obligations and commitments of the municipality are as follows:

Operating lease obligations, as follows:

Future minimum lease payments under the grader operating lease are as follows:

Year	Payment Amount
2019	\$ 19,381
2020	14,536
Total operating lease obligations	\$ 33,917

12. Comparative Figures

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

Town of Macklin
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2018

Schedule 1

	2018 Budget	2018	2017
TAXES			
General municipal tax levy	\$ 1,240,000	\$ 1,237,626	\$ 1,243,987
Abatements and adjustments		(9,322)	(3,923)
Discount on current year taxes	(105,000)	(103,764)	(129,469)
Net Municipal Taxes	1,135,000	1,124,540	1,110,595
Potash tax share			
Trailer license fees	4,200	4,189	4,200
Penalties on tax arrears	17,250	17,223	18,274
Special tax levy			
Other (Specify)			
Total Taxes	1,156,450	1,145,952	1,133,069

UNCONDITIONAL GRANTS

Revenue Sharing	274,339	274,431	294,321
Organized Hamlet			
Total Unconditional Grants	274,339	274,431	294,321

GRANTS IN LIEU OF TAXES

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	2,230	2,163	2,230
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	90,000	91,439	92,208
SaskEnergy Surcharge	20,000	26,484	7,636
Other (Specify)			
Total Grants in Lieu of Taxes	112,230	120,086	102,074

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,543,019	\$ 1,540,469	\$ 1,529,464
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Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 1

	2018 Budget	2018	2017
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Other (Rentals, licenses and permits)	\$ 35,665	\$ 34,188	\$ 37,439
Total Fees and Charges	35,665	34,188	37,439
- Tangible capital asset sales - gain (loss)			
- Land sales - gain		5,958	36,397
- Investment income and commissions	2,000	11,932	2,660
- Other (Small business job credit)			1,051
Total Other Segmented Revenue	37,665	52,078	77,547
Conditional Grants			
- Student Employment			
- Other (Bunnock committee)	2,000	2,000	2,000
Total Conditional Grants	2,000	2,000	2,000
Total Operating	39,665	54,078	79,547
Capital			
Conditional Grants			
- Federal Gas Tax	82,350	86,456	86,032
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	82,350	86,456	86,032
Total General Government Services	122,015	140,534	165,579

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (Policing, fire fees and fire hall rental)	19,600	20,289	11,129
Total Fees and Charges	19,600	20,289	11,129
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	19,600	20,289	11,129
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating	19,600	20,289	11,129

Capital

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Total Protective Services	19,600	20,289	11,129

Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 2

	2018 Budget	2018	2017
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	2,000	2,285	900
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage	1,800	1,839	3,424
- Other (Specify)			
Total Fees and Charges	3,800	4,124	4,324
- Tangible capital asset sales - gain (loss)			(49,021)
- Other (Specify)			
Total Other Segmented Revenue	3,800	4,124	(44,697)
Conditional Grants			
- MREP (CTP)			
- Student Employment		1,315	
- Other (Specify)			
Total Conditional Grants		1,315	
Total Operating	3,800	5,439	(44,697)
Capital			
Conditional Grants			
- Federal Gas Tax			
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Transportation Services	3,800	5,439	(44,697)

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	55,000	48,689	53,063
- Other (Medical clinic)	18,500	34,140	18,115
Total Fees and Charges	73,500	82,829	71,178
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	73,500	82,829	71,178
Conditional Grants			
- Student Employment			
- TAPD	1,000	1,319	831
- Local government			
- Other (Multi-Material Stewardship Western)	6,800	6,810	6,810
- Other (Macklin & District Health)			37,681
Total Conditional Grants	7,800	8,129	45,322
Total Operating	81,300	90,958	116,500
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Environmental and Public Health Services	81,300	90,958	116,500

Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 3

	2018 Budget	2018	2017
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other (Specify)			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other (Bunnock committee)			8,000
Total Conditional Grants			8,000
Total Operating			8,000
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Planning and Development Services			8,000

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Skating rink fees and arena advertising)	150,100	155,389	134,232
Total Fees and Charges	150,100	155,389	134,232
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	150,100	155,389	134,232
Conditional Grants			
- Student Employment			
- Local government	12,760	12,760	12,760
- Donations			78,462
- Other (Recreation grant)		500	4,004
Total Conditional Grants	12,760	13,260	95,226
Total Operating	162,860	168,649	229,458
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government	10,000	40,000	10,000
- Provincial Disaster Assistance			
- Other (Swimming pool and cemetery donations)		7,822	9,778
Total Capital	10,000	47,822	19,778
Total Recreation and Cultural Services	172,860	216,471	249,236

Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2018

Schedule 2 - 4

	2018 Budget	2018	2017
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	360,000	353,563	352,700
- Sewer	264,800	251,474	249,439
- Other (Interest)	5,000	5,867	4,761
Total Fees and Charges	629,800	610,904	606,900
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	629,800	610,904	606,900
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	629,800	610,904	606,900
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Total Utility Services	629,800	610,904	606,900

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,029,375	\$ 1,084,595	\$ 1,112,647
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SUMMARY

Total Other Segmented Revenue	\$ 914,465	\$ 925,613	\$ 856,289
Total Conditional Grants	22,560	24,704	150,548
Total Capital Grants and Contributions	92,350	134,278	105,810
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,029,375	\$ 1,084,595	\$ 1,112,647

Town of Macklin

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 1

	2018 Budget	2018	2017
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 44,500	\$ 49,647	\$ 44,598
Wages and benefits	180,650	175,433	174,028
Professional/Contractual services	109,360	113,351	109,498
Utilities	8,550	7,603	8,450
Maintenance, materials and supplies	35,900	23,762	27,181
Grants and contributions - operating	10,200	3,166	4,505
- capital			
Amortization	7,926	7,926	7,926
Interest	4,500	2,468	4,129
Allowance for uncollectibles			
Other (Community events)		1,504	1,020
Total Government Services	401,586	384,860	381,335

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	70,100	70,981	68,793
Utilities	4,000	4,601	4,100
Maintenance, materials and supplies	1,000	1,502	1,135
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protections

Wages and benefits			
Professional/Contractual services	1,769	1,718	1,769
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	31,536	31,536	31,536
- capital	6,570	6,570	6,570
Amortization	11,066	11,066	11,066
Interest			
Other (Specify)			
Total Protective Services	126,041	127,974	124,969

TRANSPORTATION SERVICES

Wages and benefits	187,000	194,706	179,497
Professional/Contractual Services	83,800	51,409	42,982
Utilities	35,850	36,047	35,182
Maintenance, materials and supplies	272,500	151,031	87,881
Gravel	364,700	46,489	81,474
Grants and contributions - operating			
- capital			
Amortization	190,000	210,459	187,959
Interest		5,314	
Other (Specify)			
Total Transportation Services	1,133,850	695,455	614,975

Town of Macklin

Total Expenses by Function

As at December 31, 2018

Schedule 3 - 2

	2018 Budget	2018	2017
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	20,500	22,401	19,942
Professional/Contractual services	94,100	94,833	89,672
Utilities	10,100	7,274	6,853
Maintenance, materials and supplies	13,000	22,333	18,405
Grants and contributions - operating			
o Waste disposal			
o Public Health	50,000	58,683	43,408
- capital			
o Waste disposal			
o Public Health			
Amortization	12,784	12,784	12,784
Interest		2,522	1,964
Other (Specify)			
Total Environmental and Public Health Services	200,484	220,830	193,028

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	3,800		3,409
Professional/Contractual Services	13,400	10,003	25,853
Grants and contributions - operating			
- capital			
Amortization	9,792	9,792	9,792
Interest			
Other (Utilities and supplies)		786	2,588
Total Planning and Development Services	26,992	20,581	41,642

RECREATION AND CULTURAL SERVICES			
Wages and benefits	2,400	2,601	3,282
Professional/Contractual services	63,730	70,729	67,845
Utilities	55,500	60,223	61,965
Maintenance, materials and supplies	96,637	187,434	198,109
Grants and contributions - operating	58,200	57,291	47,066
- capital			
Amortization	119,000	108,155	118,315
Interest			
Allowance for uncollectibles			
Other (Specify)			
Total Recreation and Cultural Services	395,467	486,433	496,582

Town of Macklin
Total Expenses by Function
As at December 31, 2018

Schedule 3 - 3

	2018 Budget	2018	2017
UTILITY SERVICES			
Wages and benefits	45,000	34,179	43,189
Professional/Contractual services	34,500	47,251	63,444
Utilities	65,000	60,581	63,884
Maintenance, materials and supplies	52,000	71,886	44,313
Grants and contributions - operating - capital			
Amortization	205,000	205,045	205,047
Interest	50,000	90,534	51,735
Allowance for uncollectibles			
Other (Specify)			
Total Utility Services	451,500	509,476	471,612
TOTAL EXPENSES BY FUNCTION	\$ 2,735,920	\$ 2,445,609	\$ 2,324,143

Town of Macklin
Schedule of Segment Disclosure by Function
As at December 31, 2018

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	\$ 34,188	\$ 20,289	\$ 4,124	\$ 82,829	\$	\$ 155,389	\$ 610,904	\$ 907,723
Tangible Capital Asset Sales - Gain								
Land Sales - Gain	5,958							5,958
Investment Income and Commissions	11,932							11,932
Other Revenues								
Grants - Conditional	2,000		1,315	8,129		13,260		24,704
- Capital	86,456					47,822		134,278
Total Revenues	140,534	20,289	5,439	90,958		216,471	610,904	1,084,595
Expenses (Schedule 3)								
Wages & Benefits	225,080		194,706	22,401		2,601	34,179	478,967
Professional/ Contractual Services	113,351	72,699	51,409	94,833	10,003	70,729	47,251	460,275
Utilities	7,603	4,601	36,047	7,274		60,223	60,581	176,329
Maintenance, Materials and Supplies	23,762	1,502	197,520	22,333		187,434	71,886	504,437
Grants and Contributions	3,166	38,106		58,683		57,291		157,246
Amortization	7,926	11,066	210,459	12,784	9,792	108,155	205,045	565,227
Interest	2,468		5,314	2,522			90,534	100,838
Allowance for Uncollectibles								
Other	1,504				786			2,290
Total Expenses	384,860	127,974	695,455	220,830	20,581	486,433	509,476	2,445,609
Surplus (Deficit) by Function	\$ (244,326)	\$ (107,685)	\$ (690,016)	\$ (129,872)	\$ (20,581)	\$ (269,962)	\$ 101,428	(1,361,014)
Taxation and Other Unconditional Revenue (Schedule 1)								<u>1,540,469</u>
Net Surplus (Deficit)								<u>\$ 179,455</u>

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

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	\$ 37,439	\$ 11,129	\$ 4,324	\$ 71,178	\$	\$ 134,232	\$ 606,900	\$ 865,202
Tangible Capital Asset Sales - Gain (Loss)			(49,021)					(49,021)
Land Sales - Gain	36,397							36,397
Investment Income and Commissions	2,660							2,660
Other Revenues	1,051							1,051
Grants - Conditional	2,000			45,322	8,000	95,226		150,548
- Capital	86,032					19,778		105,810
Total Revenues	165,579	11,129	(44,697)	116,500	8,000	249,236	606,900	1,112,647
Expenses (Schedule 3)								
Wages & Benefits	218,626		179,497	19,942	3,409	3,282	43,189	467,945
Professional/ Contractual Services	109,498	70,562	42,982	89,672	25,853	67,845	63,444	469,856
Utilities	8,450	4,100	35,182	6,853		61,965	63,884	180,434
Maintenance, Materials and Supplies	27,181	1,135	169,355	18,405		198,109	44,313	458,498
Grants and Contributions	4,505	38,106		43,408		47,066		133,085
Amortization	7,926	11,066	187,959	12,784	9,792	118,315	205,047	552,889
Interest	4,129			1,964			51,735	57,828
Allowance for Uncollectibles								
Other	1,020				2,588			3,608
Total Expenses	381,335	124,969	614,975	193,028	41,642	496,582	471,612	2,324,143
Surplus (Deficit) by Function	\$ (215,756)	\$ (113,840)	\$ (659,672)	\$ (76,528)	\$ (33,642)	\$ (247,346)	\$ 135,288	(1,211,496)
Taxation and Other Unconditional Revenue (Schedule 1)								<u>1,529,464</u>
Net Surplus (Deficit)								<u><u>\$ 317,968</u></u>

Town of Macklin
 Schedule of Tangible Capital Assets by Object
 As at December 31, 2018

Schedule 6

		2018						2017		
		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	\$ 295,410		\$ 7,150,601	\$ 351,613	\$ 635,374	\$ 12,156,715	\$ 192,030	\$ 20,781,743	\$ 20,292,485
	Additions during the year			341,209			561,321	2,551,025	3,453,555	735,199
	Disposals and write-downs during the year						(4,504)		(4,504)	(245,941)
	Transfers (from) assets under construction									
	Closing Asset Costs	295,410		7,491,810	351,613	635,374	12,713,532	2,743,055	24,230,794	20,781,743
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs			3,681,921	218,370	275,930	3,435,854		7,612,075	7,218,726
	Add: Amortization taken			174,361	22,223	33,088	335,555		565,227	552,889
	Less: Accumulated amortization on disposals						(4,504)		(4,504)	(159,540)
		Closing Accumulated Amortization Costs			3,856,282	240,593	309,018	3,766,905		8,172,798
	Net Book Value	\$ 295,410		\$ 3,635,528	\$ 111,020	\$ 326,356	\$ 8,946,627	\$ 2,743,055	\$ 16,057,996	\$ 13,169,668

1. Total contributed/donated assets received in 2018: \$ -

2. List of assets recognized at nominal value in 2018 are:

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

Town of Macklin
 Schedule of Tangible Capital Assets by Function
 As at December 31, 2018

Schedule 7

		2018							2017	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Cultural	Water & Sewer	Total	Total
Assets	Asset Cost									
	Opening Asset costs	\$ 242,296	\$ 276,671	\$ 5,284,695	\$ 405,857	\$ 195,846	\$ 4,533,341	\$ 9,843,037	\$ 20,781,743	\$ 20,292,485
	Additions during the year			902,530				2,551,025	3,453,555	735,199
	Disposals and write-downs during the year			(4,504)					(4,504)	(245,941)
	Closing Asset Costs	242,296	276,671	6,182,721	405,857	195,846	4,533,341	12,394,062	24,230,794	20,781,743
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	191,855	138,613	1,610,120	199,995	48,961	2,618,848	2,803,683	7,612,075	7,218,726
	Add: Amortization taken	7,926	11,066	210,459	12,784	9,792	108,155	205,045	565,227	552,889
	Less: Accumulated amortization on disposals			(4,504)					(4,504)	(159,540)
	Closing Accumulated Amortization Costs	199,781	149,679	1,816,075	212,779	58,753	2,727,003	3,008,728	8,172,798	7,612,075
	Net Book Value	\$ 42,515	\$ 126,992	\$ 4,366,646	\$ 193,078	\$ 137,093	\$ 1,806,338	\$ 9,385,334	\$ 16,057,996	\$ 13,169,668

Town of Macklin
Schedule of Accumulated Surplus
As at December 31, 2018

Schedule 8

	2017	Changes	2018
UNAPPROPRIATED SURPLUS	\$ 469,635	\$ 683,389	\$ 1,153,024
APPROPRIATED RESERVES			
Machinery and Equipment	100,961		100,961
Public Reserve			
Capital Trust			
Utility		175,000	175,000
Other (Recreation, cemetery, future development)	306,789	(31,401)	275,388
Total Appropriated	407,750	143,599	551,349
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	13,169,668	2,888,328	16,057,996
Less: Related debt	(1,439,304)	(3,535,861)	(4,975,165)
Net Investment in Tangible Capital Assets	11,730,364	(647,533)	11,082,831
Total Accumulated Surplus	\$ 12,607,749	\$ 179,455	\$ 12,787,204

Town of Macklin
 Schedule of Mill Rates and Assessments
 As at December 31, 2018

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 132,440	\$ 79,697,440			\$ 29,910,300		\$ 109,740,180
Regional Park Assessment							
Total Assessment							109,740,180
Mill Rate Factor(s)	1.00	1.00			1.00		
Total Base/Minimum Tax (generated for each property class)	1,500	681,500			143,100		826,100
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 1,997	\$ 980,365			\$ 255,264		\$ 1,237,626

MILL RATES:	MILLS
Average Municipal*	11.2778
Average School*	4.7027
Potash Mill Rate	
Uniform Municipal Mill Rate	3.7500

* 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 Macklin
Schedule of Council Remuneration
As at December 31, 2018
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Patrick Doetzel	\$ 8,225		\$ 8,225
Councillor	Reni Ostlund	6,250		6,250
Councillor	William Scheck	5,075		5,075
Councillor	Eric Scherger	6,350		6,350
Councillor	Tom Degenstien	3,000		3,000
Councillor	Kevin Fischer	5,850		5,850
Councillor	Stephen Lowe	4,375		4,375
Total		\$ 39,125	\$	\$ 39,125