

Annual Financial Statements

And Supporting Schedules

For The

Town of Macklin

As at December 31, 2019

Management's Responsibility

To the Ratepayers of the Town of Macklin:

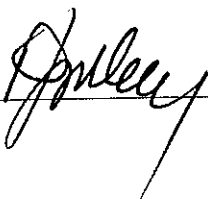
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is 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.

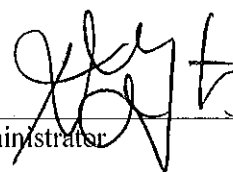
Mayor



Date

May 11, 2020

Administrator





HRO *Holm Raiche Oberg*
Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Ratepayers of Town of Macklin

Opinion

We have audited the financial statements of Town of Macklin (the municipality), which comprise the statement of financial position as at December 31, 2019, 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 municipality as at December 31, 2019, 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 municipality 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 municipality'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 municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality'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)

Graham K. Holm, CPA, CA* (Retired) Loralie A. Raiche, CPA, CA, CFP* Dallan D. Oberg, CPA, CA*

*Denotes a professional corporation



Independent Auditor's Report to the Ratepayers 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 municipality'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 municipality'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 municipality 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
May 11, 2020

Holm Raiche Oberg

Chartered Professional Accountants

Town of Macklin
Statement of Financial Position
As at December 31, 2019

Statement 1

	2019	2018
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 493,059	\$ 1,326,737
Taxes Receivable - Municipal (Note 3)	373,325	157,752
Other Accounts Receivable (Note 4)	112,796	138,716
Land for Resale (Note 5)	673,363	677,202
Long-term Investments		
Debt Charges Recoverable		
Other (Specify)		
Total Financial Assets	1,652,543	2,300,407

LIABILITIES		
Bank Indebtedness (Note 6)	70,938	
Accounts Payable	99,694	458,540
Accrued Liabilities Payable	64,686	68,542
Deposits	50,857	50,259
Deferred Revenue (Note 7)	17,105	20,856
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-term Debt (Note 8)	4,700,067	4,975,165
Lease Obligations		
Total Liabilities	5,003,347	5,573,362

NET FINANCIAL DEBT	(3,350,804)	(3,272,955)
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	16,987,423	16,057,996
Prepayments and Deferred Charges	3,024	2,163
Stock and Supplies		
Other		
Total Non-Financial Assets	16,990,447	16,060,159

Accumulated Surplus (Schedule 8)	\$ 13,639,643	\$ 12,787,204
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Town of Macklin
Statement of Operations
As at December 31, 2019

Statement 2

	2019 Budget	2019	2018
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,618,020	\$ 1,629,776	\$ 1,540,469
Fees and Charges (Schedule 4, 5)	1,005,915	1,395,486	907,723
Conditional Grants (Schedule 4, 5)	30,560	34,292	24,704
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)		(5,293)	
Land Sales - Gain (Schedule 4, 5)		24,050	5,958
Investment Income and Commissions (Schedule 4, 5)	5,000	5,833	11,932
Restructurings (Schedule 4, 5)		29,451	
Other Revenues (Schedule 4, 5)		4,436	
Total Revenues	2,659,495	3,118,031	2,490,786

Expenses			
General Government Services (Schedule 3)	406,836	427,036	384,860
Protective Services (Schedule 3)	133,916	134,936	127,974
Transportation Services (Schedule 3)	655,355	687,229	695,455
Environmental and Public Health Services (Schedule 3)	251,284	269,948	220,830
Planning and Development Services (Schedule 3)	26,992	32,169	20,581
Recreation and Cultural Services (Schedule 3)	390,070	459,973	486,433
Utility Services (Schedule 3)	532,080	516,567	509,476
Restructurings (Schedule 3)			
Total Expenses	2,396,533	2,527,858	2,445,609

Surplus of Revenues over Expenses before Other Capital Contributions	262,962	590,173	45,177
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Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	106,806	262,266	134,278
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Surplus of Revenues over Expenses	\$ 369,768	852,439	179,455
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Accumulated Surplus, Beginning of Year		12,787,204	12,607,749
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Accumulated Surplus, End of Year		\$ 13,639,643	\$ 12,787,204
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Town of Macklin
Statement of Change in Net Financial Debt
As at December 31, 2019

Statement 3

	2019 Budget	2019	2018
Surplus	\$ 369,768	\$ 852,439	\$ 179,455
(Acquisition) of tangible capital assets	(685,400)	(1,534,829)	(3,453,555)
Amortization of tangible capital assets	555,568	600,109	565,227
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets		5,293	
Transfer of Assets/Liabilities in Restructuring Transactions			
Surplus (Deficit) of capital revenue over expenditures	(129,832)	(929,427)	(2,888,328)
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(861)	
Consumption of supplies inventories			
Use of prepaid expense			1,088
Surplus (Deficit) of expenses of other non-financial over expenditures		(861)	1,088
Increase (Decrease) in Net Financial Assets	\$ 239,936	(77,849)	(2,707,785)
Net Financial Debt - Beginning of Year		(3,272,955)	(565,170)
Net Financial Debt - End of Year		\$ (3,350,804)	\$ (3,272,955)

Town of Macklin
Statement of Cash Flow
As at December 31, 2019

Statement 4

	2019	2018
Cash provided by (used for) the following activities		
Operating:		
Surplus	\$ 852,439	\$ 179,455
Amortization	600,109	565,227
Loss (gain) on disposal of tangible capital assets	5,293	
	<u>1,457,841</u>	<u>744,682</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(215,573)	(29,067)
Other Receivables	25,920	4,956
Land for Resale	3,839	13,897
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(362,702)	353,790
Deposits	598	(651)
Deferred Revenue	(3,751)	20,856
Accrued Landfill costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies for Use		
Prepayments and Deferred Charges	(861)	1,088
Other (Specify)		
Cash provided by (applied to) operating transactions	905,311	1,109,551
Capital:		
Acquisition of Tangible Capital Assets	(1,534,829)	(3,453,555)
Proceeds From the Disposal of Tangible Capital Assets		
Other Capital		
Cash provided by (applied to) capital transactions	(1,534,829)	(3,453,555)
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	(275,098)	(127,198)
Other Financing		
Cash provided by (applied to) financing transactions	(275,098)	3,422,802
Change in Cash and Temporary Investments during the year	(904,616)	1,078,798
Cash and Temporary Investments - Beginning of Year	1,326,737	247,939
Cash and Temporary Investments - End of Year	\$ 422,121	\$ 1,326,737

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and loans with financial institutions. Cash and cash equivalents are comprised of the following statement of financial position amounts:

Cash and Temporary Investments	\$ 493,059	\$ 1,326,737
Bank Indebtedness	(70,938)	
	<u>\$ 422,121</u>	<u>\$ 1,326,737</u>

Town of Macklin
Notes to the Financial Statements
As at December 31, 2019

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 will be recorded as deferred revenue.

Earned government transfer amounts not received will be recorded as an amount 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 Debt:** Net financial debt at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial debt 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 Macklin
Notes to the Financial Statements
As at December 31, 2019

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>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	20 to 50 Yrs
<i>Vehicles and Equipment</i>	
Vehicles	10 Yrs
Machinery and Equipment	5 to 20 Yrs
<i>Infrastructure Assets</i>	
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 consolidated 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 leases 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.

Town of Macklin

Notes to the Financial Statements

As at December 31, 2019

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) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. The municipality does not have funds held in trust for others.
- p) **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.
- q) **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.
- r) **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.

- s) **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.

- t) **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.
- u) **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.

Town of Macklin

Notes to the Financial Statements

As at December 31, 2019

1. Significant Accounting Policies - continued

- v) **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.
- w) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *April 8, 2019*.
- x) **New Accounting Standards:** Effective January 1, 2019, the municipality adopted the following standards to comply with Public Sector Accounting Standards (PSAS). This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgement to comply with the disclosure requirements of each standard.

PS 3430 Restructuring Transactions provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis.

For more information refer to Note 13.

- y) **Future Accounting Standards:** 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, 2021:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. As this standard includes solid waste landfill sites active and post-closing obligations upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Standards Effective on or After April 1, 2022:

PS 3400, Revenue, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

The extent of the impact on adoption of these future standards is not known at this time.

Town of Macklin
Notes to the Financial Statements
As at December 31, 2019

	2019	2018
2. Cash and Temporary Investments		
Cash	\$ 455	\$ 1,024,402
Temporary Investments		
Restricted Cash	492,604	302,335
Total Cash and Temporary Investments	\$ 493,059	\$ 1,326,737

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 \$58,745 and \$249,014 as of December 31, 2019 and 2018, respectively.

3. Taxes Receivable - Municipal

Municipal - Current	\$ 71,855	\$ 82,805
- Arrears	109,488	100,053
	181,343	182,858
- Less Allowance for Uncollectibles	(29,402)	(29,402)
Total Municipal Taxes Receivable	151,941	153,456
School - Current	23,903	27,235
- Arrears	23,646	20,300
Total School Taxes Receivable	47,549	47,535
Other - Local improvement	221,384	4,296
Total Taxes and Grants in Lieu Receivable	420,874	205,287
Deduct Taxes Receivable to be Collected on Behalf of Other Organizations	(47,549)	(47,535)
Total Taxes Receivable - Municipal	\$ 373,325	\$ 157,752

4. Other Accounts Receivable

Federal government	\$ 14,918	\$ 48,748
Provincial government	16,622	3,022
Local government		
Utility	35,711	57,585
Trade	49,573	33,389
Other (Specify)		
Total Other Accounts Receivable	116,824	142,744
Less Allowance for Uncollectibles	(4,028)	(4,028)
Net Other Accounts Receivable	\$ 112,796	\$ 138,716

5. Land for Resale

Tax Title Property	\$ 39,597	\$ 25,257
Allowance for Market Value Adjustment	(6,578)	(6,578)
Net Tax Title Property	33,019	18,679
Other Land	643,827	662,006
Allowance for Market Value Adjustment	(3,483)	(3,483)
Net Other Land	640,344	658,523
Total Land for Resale	\$ 673,363	\$ 677,202

Town of Macklin

Notes to the Financial Statements

As at December 31, 2019

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 8 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 \$70,938 (2018 - \$0).

7. Deferred Revenue

	2019	2018
Prepaid local improvements	\$ 17,105	\$ 20,856
Total Deferred Revenue	\$ 17,105	\$ 20,856

8. Long-term Debt

a) The debt limit of the municipality is \$2,056,111. 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 \$2,643,954 as at December 31, 2019 (2018 - \$2,995,657). The municipality has been authorized to exceed its debt limit.

b) The debenture debt #1 to finance the construction of a two stage lagoon system 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
2019				\$ 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
2024	112,940	15,912	128,852	112,940
Thereafter	362,034	24,523	386,557	362,034
Balance	891,295	139,522	1,030,817	987,080

c) The debenture debt #2 to finance the construction of a two stage lagoon system 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
2019				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
2024	37,585	5,212	42,797	37,585
Thereafter	120,363	8,031	128,394	120,363
Balance	296,659	45,721	342,380	328,612

Town of Macklin

Notes to the Financial Statements

As at December 31, 2019

8. Long-term Debt - continued

d) The debenture debt #3 to finance the construction of a municipal maintenance facility, 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 repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2019				25,874
2020	26,690	8,933	35,623	26,690
2021	27,582	8,042	35,624	27,582
2022	28,478	7,145	35,623	28,478
2023	29,404	6,220	35,624	29,404
2024	30,345	5,279	35,624	30,345
Thereafter	131,627	10,868	142,495	131,627
Balance	274,126	46,487	320,613	300,000

e) The debenture debt #4 to finance the construction of the Press Avenue sanitary sewer upgrade and water main replacement project 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
2020	37,387	31,406	68,793	37,387
2021	38,688	30,105	68,793	38,688
2022	39,946	28,848	68,794	39,946
2023	41,244	27,550	68,794	41,244
2024	42,512	26,281	68,793	42,512
Thereafter	763,929	199,182	963,111	763,929
Balance	963,706	343,372	1,307,078	1,000,000

f) The debenture debt #5 to finance the construction of the Press Avenue sanitary sewer upgrade and water main replacement project 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
2020	84,280	70,472	154,752	84,280
2021	87,020	67,733	154,753	87,020
2022	89,848	64,905	154,753	89,848
2023	92,768	61,985	154,753	92,768
2024	95,783	58,970	154,753	95,783
Thereafter	1,718,674	447,860	2,166,534	1,718,674
Balance	2,168,373	771,925	2,940,298	2,250,000

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
2019				3,565
2020	105,908	724	106,632	105,908
Balance	105,908	724	106,632	109,473

Total Long-term Debt	\$ 4,700,067	\$ 1,347,751	\$ 6,047,818	\$ 4,975,165
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Town of Macklin

Notes to the Financial Statements

As at December 31, 2019

9. Contingent Liabilities

a) 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, 2019 is \$583,201 (2018 - \$613,497), of which the municipality has guaranteed 21.7% of the loan which is \$126,555 (2018 - \$133,067). The loan is due in January, 2020 and the guarantors have voted in favour of providing a contribution equal to each municipalities proportionate share of the loan guarantee to the Golden Twilight Lodge Inc. in January, 2020 to payout the outstanding loan balance. The loan is in good standing at December 31, 2019.

b) 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, 2019 is \$235,350 (2018 - \$243,273). The loan is in good standing as at December 31, 2019.

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 2019 was \$31,313 (2018 - \$28,527). 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 Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

The Town has received approval from Saskatchewan Municipal Board Local Government Committee to undertake certain works as local improvement projects. The projects include the installation, renewal or replacement of pavement, sidewalk, curb and gutter combined in various areas of the Town. The projects are expected to be completed between the years 2018 to 2026. The Town-to-property owner ratio of the costs to be specifically assessed against property owners for pavement is two-thirds Town and one-third property owner and for sidewalk is one-third Town to two-thirds property owner.

The estimated local improvement special assessment rates to be levied are based on the number of lineal metres of frontage of lands benefited:

- a) Pavement: \$150.00 per lineal metre of frontage if prepaid or \$34.65 per lineal metre of frontage if paid annually over five years with simple annual interest of 5.0% per annum included.
- b) Sidewalk: \$115.00 per lineal metre of frontage if prepaid or \$26.56 per lineal metre of frontage if paid annually over five years with simple annual interest of 5.0% per annum included.

Town of Macklin
Notes to the Financial Statements
As at December 31, 2019

12. Contractual Obligations and Commitments

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

a) Operating lease obligations, as follows:

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

Year	Payment Amount
2020	\$ 14,536
Total operating lease obligations	\$ 14,536

b) The Town of Macklin, the Rural Municipality of Eye Hill No. 382, the Rural Municipality of Heart's Hill No. 352, the Rural Municipality of Senlac No. 411, the Village of Senlac and the Macklin Lake Regional Park Authority have entered into an agreement to provide fire protection under the Macklin and District Fire Protection Board ("Board") within the designated fire protection area.

The parties have agreed to contribute funds to finance the annual operating expenses of the board based on a percentage of the total membership of the fire protection district. The agreement shall be in force for a 5 year period, effective January 1, 2019. The representation held by each member and member annual contribution percentage is as follows:

<u>Member</u>	<u>Board representation</u>	<u>Funding</u>
Town of Macklin	2 Board members	32.85%
Rural Municipality of Eye Hill No. 382	2 Board members	37.33%
Rural Municipality of Heart's Hill No. 352	1 Board member	13.73%
Rural Municipality of Senlac No. 411	1 Board member	14.13%
Village of Senlac	1 Board member	1.96%
Macklin Lake Regional Park Authority	1 Board member	Annual levy of \$2,441

During the year, the municipality paid \$38,894 (2018 - \$38,106) to the Board for annual fees. The transaction was measured at the exchange amount.

13. Restructuring Transactions

On May 12, 2019, the Town of Macklin received the transfer of the Macklin Lakeview Cemetery and the responsibility for the ongoing operation of the assets from Macklin Lakeview Cemetery. The transfer was due to a restructuring of the board composition and development of a permanent board representative structure and responsibilities.

The assets have been recorded as a cash donation being made to the Town of Macklin from the Macklin Lakeview Cemetery, totaling \$29,451. This amount has been recorded as revenue during the year. Under the transfer, the Town of Macklin also assumed responsibility for the administration of cemetery functions, (plot sales, internments, donations, etc.).

The Town of Macklin incurred no restructuring costs related to transferring of the administrative responsibilities of the Macklin Lakeview Cemetery.

From the date of transfer to December 31, 2019, revenues and expenses related to the operation of the Macklin Lakeview Cemetery were as follows: revenue of \$19,934 and expenses of \$40,475.

14. Subsequent Events

The municipality has obtained a term loan with the Macklin Credit Union in the amount of \$126,555 to finance the contribution to Golden Twilight Lodge Inc. to payout the loan balance for the Villa Marie assisted living facility. The loan is due on demand with monthly payments of \$1,014 including interest at prime plus 0.5% (3.95%) commencing in February, 2020 until January, 2023 at which time the total amount owing is due.

Town of Macklin

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2019

Schedule 1

	2019 Budget	2019	2018
TAXES			
General municipal tax levy	\$ 1,300,000	\$ 1,300,799	\$ 1,237,626
Abatements and adjustments		(8,265)	(9,322)
Discount on current year taxes	(110,000)	(106,461)	(103,764)
Net Municipal Taxes	1,190,000	1,186,073	1,124,540
Potash tax share			
Trailer license fees	4,200	3,925	4,189
Penalties on tax arrears	17,250	22,235	17,223
Special tax levy			
Other (Specify)			
Total Taxes	1,211,450	1,212,233	1,145,952

UNCONDITIONAL GRANTS

Revenue Sharing	282,374	282,374	274,431
Organized Hamlet			
Total Unconditional Grants	282,374	282,374	274,431

GRANTS IN LIEU OF TAXES

Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	2,196		2,163
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	92,000	88,106	91,439
SaskEnergy Surcharge	30,000	47,063	26,484
Other (Specify)			
Total Grants in Lieu of Taxes	124,196	135,169	120,086

TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,618,020	\$ 1,629,776	\$ 1,540,469
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Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 1

	2019 Budget	2019	2018
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Other (Rentals, licenses and permits)	\$ 32,865	\$ 32,984	\$ 34,188
Total Fees and Charges	32,865	32,984	34,188
- Tangible capital asset sales - gain (loss)			
- Land sales - gain		24,050	5,958
- Investment income and commissions	5,000	5,833	11,932
- Other (Rural Development SBLA)		617	
Total Other Segmented Revenue	37,865	63,484	52,078
Conditional Grants			
- Student Employment			
- Other (Bunnock committee)	2,000	2,000	2,000
Total Conditional Grants	2,000	2,000	2,000
Total Operating	39,865	65,484	54,078
Capital			
Conditional Grants			
- Federal Gas Tax	86,456	174,817	86,456
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital	86,456	174,817	86,456
Restructuring Revenue (Specify, if any)			
Total General Government Services	126,321	240,301	140,534

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Policing, fire fees and fire hall rental)	19,600	16,443	20,289
Total Fees and Charges	19,600	16,443	20,289
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	19,600	16,443	20,289
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
Total Operating	19,600	16,443	20,289
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Protective Services	19,600	16,443	20,289

Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 2

	2019 Budget	2019	2018
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	2,000	1,402	2,285
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage	86,000	473,190	1,839
- Other (Specify)			
Total Fees and Charges	88,000	474,592	4,124
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	88,000	474,592	4,124
Conditional Grants			
- MREP (CTP)			
- Student Employment		1,548	1,315
- Other (Specify)			
Total Conditional Grants		1,548	1,315
Total Operating	88,000	476,140	5,439
Capital			
Conditional Grants			
- Federal Gas Tax			
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Transportation Services	88,000	476,140	5,439

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	55,000	51,466	48,689
- Other (Cemetery)		16,115	
- Other (Medical clinic)	22,000	38,285	34,140
Total Fees and Charges	77,000	105,866	82,829
- Tangible capital asset sales - gain (loss)			
- Other (Cemetery donations)		3,819	
Total Other Segmented Revenue	77,000	109,685	82,829
Conditional Grants			
- Student Employment			
- TAPD	1,200	1,292	1,319
- Local government			
- Other (Multi-Material Stewardship Western)	13,800	14,925	6,810
Total Conditional Grants	15,000	16,217	8,129
Total Operating	92,000	125,902	90,958
Capital			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Macklin Lakeview Cemetery)		29,451	
Total Environmental and Public Health Services	92,000	155,353	90,958

Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 3

	2019 Budget	2019	2018
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)		967	
Total Conditional Grants		967	
Total Operating		967	
Capital			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services		967	

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Skating rink fees and arena advertising)	158,650	166,156	155,389
Total Fees and Charges	158,650	166,156	155,389
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	158,650	166,156	155,389
Conditional Grants			
- Student Employment			
- Local government	12,760	12,760	12,760
- Other (Recreation grant)	800	800	500
Total Conditional Grants	13,560	13,560	13,260
Total Operating	172,210	179,716	168,649
Capital			
Conditional Grants			
- Federal Gas Tax			
- Local government	20,350	77,365	40,000
- Provincial Disaster Assistance			
- Other (Swimming pool and cemetery donations)		10,084	7,822
Total Capital	20,350	87,449	47,822
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	192,560	267,165	216,471

Town of Macklin
Schedule of Operating and Capital Revenue by Function
As at December 31, 2019

Schedule 2 - 4

	2019 Budget	2019	2018
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	350,000	347,094	353,563
- Sewer	264,800	244,683	251,474
- Other (Interest)	15,000	7,668	5,867
Total Fees and Charges	629,800	599,445	610,904
- Tangible capital asset sales - gain (loss)		(5,293)	
- Other (Specify)			
Total Other Segmented Revenue	629,800	594,152	610,904
Conditional Grants			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
Total Operating	629,800	594,152	610,904
Capital			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other (Specify)			
Total Capital			
Restructuring Revenue (Specify, if any)			
Total Utility Services	629,800	594,152	610,904
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,148,281	\$ 1,750,521	\$ 1,084,595

SUMMARY

Total Other Segmented Revenue	\$ 1,010,915	\$ 1,424,512	\$ 925,613
Total Conditional Grants	30,560	34,292	24,704
Total Capital Grants and Contributions	106,806	262,266	134,278
Restructuring Revenue		29,451	
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,148,281	\$ 1,750,521	\$ 1,084,595

	2019 Budget	2019	2018
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 48,500	\$ 51,020	\$ 49,647
Wages and benefits	185,080	188,915	175,433
Professional/Contractual services	126,880	129,258	113,351
Utilities	8,550	7,894	7,603
Maintenance, materials and supplies	23,200	24,168	23,762
Grants and contributions - operating	5,200	14,823	3,166
- capital			
Amortization	7,926	7,926	7,926
Interest		1,457	2,468
Allowance for uncollectibles			
Other (Community events)	1,500	1,575	1,504
General Government Services	406,836	427,036	384,860
Restructuring (Specify, if any)			
Total General Government Services	406,836	427,036	384,860

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	72,200	72,167	70,981
Utilities	4,000	4,119	4,601
Maintenance, materials and supplies	6,000	6,972	1,502
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protections

Wages and benefits			
Professional/Contractual services	1,769	1,718	1,718
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	32,311	32,324	31,536
- capital	6,570	6,570	6,570
Amortization	11,066	11,066	11,066
Interest			
Other (Specify)			

Protective Services	133,916	134,936	127,974
Restructuring (Specify, if any)			
Total Protective Services	133,916	134,936	127,974

TRANSPORTATION SERVICES

Wages and benefits	187,000	195,032	194,706
Professional/Contractual Services	83,800	67,577	51,409
Utilities	35,850	40,289	36,047
Maintenance, materials and supplies	114,400	123,942	151,031
Gravel	35,000	9,398	46,489
Grants and contributions - operating			
- capital			
Amortization	190,000	241,686	210,459
Interest	9,305	9,305	5,314
Other (Specify)			

Transportation Services	655,355	687,229	695,455
Restructuring (Specify, if any)			
Total Transportation Services	655,355	687,229	695,455

Town of Macklin

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 2

	2019 Budget	2019	2018
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	20,500	23,460	22,401
Professional/Contractual services	94,100	123,526	94,833
Utilities	8,000	10,655	7,274
Maintenance, materials and supplies	15,100	25,673	22,333
Grants and contributions - operating			
o Waste disposal			
o Public Health	100,800	69,429	58,683
- capital			
o Waste disposal			
o Public Health			
Amortization	12,784	12,784	12,784
Interest		4,421	2,522
Other (Specify)			
Environmental and Public Health Services	251,284	269,948	220,830
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	251,284	269,948	220,830

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	3,800	4,188	
Professional/Contractual Services	12,500	17,192	10,003
Grants and contributions - operating			
- capital			
Amortization	9,792	9,792	9,792
Interest			
Other (Utilities and supplies)	900	997	786
Planning and Development Services	26,992	32,169	20,581
Restructuring (Specify, if any)			
Total Planning and Development Services	26,992	32,169	20,581

RECREATION AND CULTURAL SERVICES

Wages and benefits	2,500	4,372	2,601
Professional/Contractual services	101,930	104,290	70,729
Utilities	61,800	63,460	60,223
Maintenance, materials and supplies	78,000	129,287	187,434
Grants and contributions - operating	26,840	46,444	57,291
- capital			
Amortization	119,000	112,120	108,155
Interest			
Allowance for uncollectibles			
Other (Specify)			
Recreation and Cultural Services	390,070	459,973	486,433
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	390,070	459,973	486,433

Town of Macklin

Total Expenses by Function

As at December 31, 2019

Schedule 3 - 3

	2019 Budget	2019	2018
UTILITY SERVICES			
Wages and benefits	45,000	32,671	34,179
Professional/Contractual services	34,500	15,813	47,251
Utilities	65,000	59,774	60,581
Maintenance, materials and supplies	52,000	52,256	71,886
Grants and contributions - operating			
- capital			
Amortization	205,000	204,735	205,045
Interest	130,580	146,125	90,534
Allowance for uncollectibles		5,193	
Other (Specify)			
Utility Services	532,080	516,567	509,476
Restructuring (Specify, if any)			
Total Utility Services	532,080	516,567	509,476
TOTAL EXPENSES BY FUNCTION	\$ 2,396,533	\$ 2,527,858	\$ 2,445,609

Town of Macklin
Schedule of Segment Disclosure by Function
As at December 31, 2019

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	\$ 32,984	\$ 16,443	\$ 474,592	\$ 105,866	\$	\$ 166,156	\$ 599,445	\$ 1,395,486
Tangible Capital Asset Sales - Gain (loss)							(5,293)	(5,293)
Land Sales - Gain	24,050							24,050
Investment Income and Commissions	5,833							5,833
Other Revenues	617			3,819				4,436
Grants - Conditional	2,000		1,548	16,217	967	13,560		34,292
- Capital	174,817					87,449		262,266
Restructurings				29,451				29,451
Total Revenues	240,301	16,443	476,140	155,353	967	267,165	594,152	1,750,521
Expenses (Schedule 3)								
Wages & Benefits	239,935		195,032	23,460	4,188	4,372	32,671	499,658
Professional/ Contractual Services	129,258	73,885	67,577	123,526	17,192	104,290	15,813	531,541
Utilities	7,894	4,119	40,289	10,655		63,460	59,774	186,191
Maintenance, Materials and Supplies	24,168	6,972	133,340	25,673		129,287	52,256	371,696
Grants and Contributions	14,823	38,894		69,429		46,444		169,590
Amortization	7,926	11,066	241,686	12,784	9,792	112,120	204,735	600,109
Interest	1,457		9,305	4,421			146,125	161,308
Allowance for Uncollectibles							5,193	5,193
Other	1,575				997			2,572
Restructurings								
Total Expenses	427,036	134,936	687,229	269,948	32,169	459,973	516,567	2,527,858
Surplus (Deficit) by Function	\$ (186,735)	\$ (118,493)	\$ (211,089)	\$ (114,595)	\$ (31,202)	\$ (192,808)	\$ 77,585	(777,337)

Taxation and Other Unconditional Revenue (Schedule 1)

1,629,776

Net Surplus (Deficit)

\$ 852,439

Town of Macklin
Schedule of Segment Disclosure by Function
For the year ended December 31, 2018

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	\$ 34,188	\$ 20,289	\$ 4,124	\$ 82,829	\$	\$ 155,389	\$ 610,904	\$ 907,723
Tangible Capital Asset Sales - Gain								5,958
Land Sales - Gain	5,958							11,932
Investment Income and Commissions	11,932							24,704
Other Revenues								134,278
Grants - Conditional	2,000		1,315	8,129		13,260		
- Capital	86,456					47,822		
Restructurings								
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
Restructurings								
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><u>\$ 179,455</u></u>

Town of Macklin
 Schedule of Tangible Capital Assets by Object
 As at December 31, 2019

Schedule 6

		2019						2018		
		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	\$	\$ 7,491,810	\$ 351,613	\$ 635,374	\$ 12,713,532	\$ 2,743,055	\$ 24,230,794	\$ 20,781,743
	Additions during the year					14,639	1,474,079	46,111	1,534,829	3,453,555
	Disposals and write-downs during the year						(40,027)		(40,027)	(4,504)
	Transfers (from) assets under construction						2,715,078	(2,715,078)		
	Transfer of Capital Assets related to restructuring									
	Closing Asset Costs	295,410		7,491,810	351,613	650,013	16,862,662	74,088	25,725,596	24,230,794
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs			3,856,282	240,593	309,018	3,766,905		8,172,798	7,612,075
	Add: Amortization taken			186,854	18,201	32,826	362,228		600,109	565,227
	Less: Accumulated amortization on disposals						(34,734)		(34,734)	(4,504)
	Transfer of Capital Assets related to restructuring									
	Closing Accumulated Amortization Costs			4,043,136	258,794	341,844	4,094,399		8,738,173	8,172,798
	Net Book Value	\$ 295,410	\$	\$ 3,448,674	\$ 92,819	\$ 308,169	\$ 12,768,263	\$ 74,088	\$ 16,987,423	\$ 16,057,996

1. Total contributed/donated assets received in 2019: \$ -

2. List of assets recognized at nominal value in 2019 are:

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

Town of Macklin
 Schedule of Tangible Capital Assets by Function
 As at December 31, 2019

Schedule 7

		2019							2018	
		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	\$ 6,182,721	\$ 405,857	\$ 195,846	\$ 4,533,341	\$ 12,394,062	\$ 24,230,794	\$ 20,781,743
	Additions during the year	8,385		1,379,153				147,291	1,534,829	3,453,555
	Disposals and write-downs during the year			(16,683)				(23,344)	(40,027)	(4,504)
	Transfer of Capital Assets related to restructuring									
	Closing Asset Costs	250,681	276,671	7,545,191	405,857	195,846	4,533,341	12,518,009	25,725,596	24,230,794
Amortization	Accumulated Amortization Cost									
	Opening 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
	Add: Amortization taken	7,926	11,066	241,686	12,784	9,792	112,120	204,735	600,109	565,227
	Less: Accumulated amortization on disposals			(16,683)				(18,051)	(34,734)	(4,504)
	Transfer of Capital Assets related to restructuring									
	Closing Accumulated Amortization Costs	207,707	160,745	2,041,078	225,563	68,545	2,839,123	3,195,412	8,738,173	8,172,798
	Net Book Value	\$ 42,974	\$ 115,926	\$ 5,504,113	\$ 180,294	\$ 127,301	\$ 1,694,218	\$ 9,322,597	\$ 16,987,423	\$ 16,057,996

Town of Macklin
Schedule of Accumulated Surplus
As at December 31, 2019

Schedule 8

	2018	Changes	2019
UNAPPROPRIATED SURPLUS	\$ 1,153,024	\$ (352,086)	\$ 800,938
APPROPRIATED RESERVES			
Machinery and Equipment	100,961		100,961
Public Reserve			
Capital Trust			
Utility	175,000		175,000
Other (Recreation, cemetery, future development)	275,388		275,388
Total Appropriated	551,349		551,349
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	16,057,996	929,427	16,987,423
Less: Related debt	(4,975,165)	275,098	(4,700,067)
Net Investment in Tangible Capital Assets	11,082,831	1,204,525	12,287,356
Total Accumulated Surplus	\$ 12,787,204	\$ 852,439	\$ 13,639,643

Town of Macklin
Schedule of Mill Rates and Assessments
As at December 31, 2019

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 132,440	\$ 80,755,520			\$ 33,233,700		\$ 114,121,660
Regional Park Assessment							
Total Assessment							114,121,660
Mill Rate Factor(s)	1.0	1.0			1.0		
Total Base/Minimum Tax (generated for each property class)	1,500	687,100			144,300		832,900
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 2,043	\$ 1,018,198			\$ 280,558		\$ 1,300,799

MILL RATES:	MILLS
Average Municipal*	11.3984
Average School*	4.7430
Potash Mill Rate	
Uniform Municipal Mill Rate	4.1000

* **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, 2019
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Patrick Doetzel	\$ 9,375	\$ 539	\$ 9,914
Councillor	Reni Ostlund	7,700	327	8,027
Councillor	William Scheck	5,550	68	5,618
Councillor	Eric Scherger	6,400	224	6,624
Councillor	Tom Degenstien	4,300		4,300
Councillor	Kevin Fischer	6,600		6,600
Councillor	Stephen Lowe	5,700		5,700
Total		\$ 45,625	\$ 1,158	\$ 46,783