

## Management's Responsibility

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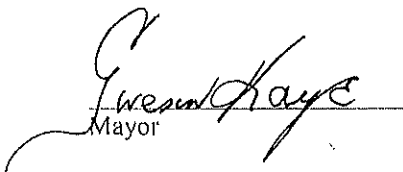
To the Ratepayers of Town of Cut Knife

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgements and estimates by management is required.

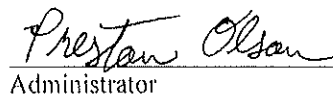
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Vantage, an independent firm of Chartered Professional Accountants, is appointed by the 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 management to discuss their audit findings.



Eileen Hays  
Mayor



Preston Olson  
Administrator

June 8, 2020



## INDEPENDENT AUDITORS' REPORT

Mayor and Council  
Town of Cut Knife  
Cut Knife, Saskatchewan

### ***Opinion***

We have audited the accompanying financial statements of the Town of Cut Knife, which comprise the statement of financial position as at December 31, 2019, the statements of operations, change in net financial assets and cash flow 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 Town of Cut Knife as at December 31, 2019, and its financial performance 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Town of Cut Knife 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 these 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 Town of Cut Knife's ability to continue as a going concern, disclosing, as applicable, matters related 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.

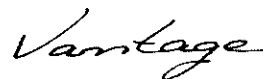
### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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 auditors' 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 judgement and maintain professional skepticism throughout the audit. We also:

- 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 auditors' 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 auditors' 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.



Chartered Professional Accountants

North Battleford, Saskatchewan  
June 8, 2020

**Town of Cut Knife**  
**Statement of Financial Position**  
**As at December 31, 2019**

Statement 1

	2019	2018
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	925,713	749,952
Taxes Receivable - Municipal (Note 3)	147,598	143,381
Other Accounts Receivable (Note 4)	152,128	149,946
Land for Resale (Note 5)	157,616	157,616
Long-Term Investments (Note 6)	3,780	2,998
Debt Charges Recoverable		
Other (Specify)		
<b>Total Financial Assets</b>	<b>1,386,835</b>	<b>1,203,893</b>
<b>LIABILITIES</b>		
Credit Union Indebtedness (Note 7)		
Accounts Payable	22,273	50,099
Accrued Liabilities Payable		
Deposits	10,500	9,250
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 8)		
Lease Obligations (Note 9)	496,107	544,814
<b>Total Liabilities</b>	<b>528,880</b>	<b>604,163</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>857,955</b>	<b>599,730</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	2,772,302	2,820,869
Prepayments and Deferred Charges		
Stock and Supplies		
Other (Note 10)	5,852	503
<b>Total Non-Financial Assets</b>	<b>2,778,154</b>	<b>2,821,372</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>3,636,109</b>	<b>3,421,102</b>

Town of Cut Knife  
Statement of Operations  
For the year ended December 31, 2019

Statement 2

	2019 Budget	2019	2018
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	856,860	850,604	804,680
Fees and Charges (Schedule 4, 5)	585,430	625,747	634,812
Conditional Grants (Schedule 4, 5)	1,500	2,229	1,316
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)		4,156	(7,158)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	17,500	19,223	17,407
Restructurings (Schedule 4,5)			
Other Revenues (Schedule 4, 5)	3,520	75	102,664
<b>Total Revenues</b>	<b>1,464,810</b>	<b>1,502,034</b>	<b>1,553,721</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	340,880	301,262	305,158
Protective Services (Schedule 3)	71,800	78,652	222,440
Transportation Services (Schedule 3)	435,420	382,523	382,573
Environmental and Public Health Services (Schedule 3)	140,365	135,862	139,628
Planning and Development Services (Schedule 3)	1,410	1,665	1,250
Recreation and Cultural Services (Schedule 3)	41,370	45,809	29,706
Utility Services (Schedule 3)	506,075	407,930	395,166
Restructurings (Schedule 3)			
<b>Total Expenses</b>	<b>1,537,320</b>	<b>1,353,703</b>	<b>1,475,921</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(72,510)</b>	<b>148,331</b>	<b>77,800</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	32,459	66,676	31,652
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>(40,051)</b>	<b>215,007</b>	<b>109,452</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>3,421,102</b>	<b>3,421,102</b>	<b>3,311,650</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>3,381,051</b>	<b>3,636,109</b>	<b>3,421,102</b>

Town of Cut Knife

Statement of Change in Net Financial Assets

For the year ended December 31, 2019

Statement 3

	2019 Budget	2019	2018
<b>Surplus (Deficit)</b>	(40,051)	215,007	109,452
(Acquisition) of tangible capital assets		(133,586)	(694,453)
Amortization of tangible capital assets		121,845	107,456
Proceeds on disposal of tangible capital assets		64,464	53,170
Loss (gain) on the disposal of tangible capital assets		(4,156)	7,158
Transfer of assets/liabilities in restructuring transactions			
<b>Surplus (Deficit) of capital expenses over expenditures</b>		<b>48,567</b>	<b>(526,669)</b>
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(5,349)	
Consumption of supplies inventory			
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>(5,349)</b>	
<b>Increase/Decrease in Net Financial Assets</b>	<b>(40,051)</b>	<b>258,225</b>	<b>(417,217)</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>599,730</b>	<b>599,730</b>	<b>1,016,947</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>559,679</b>	<b>857,955</b>	<b>599,730</b>

Town of Cut Knife  
Statement of Cash Flow  
For the year ended December 31, 2019

Statement 4

	2019	2018
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	215,007	109,452
Amortization	121,845	107,456
Loss (gain) on disposal of tangible capital assets	(4,156)	7,158
	332,696	224,066
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(4,217)	(24,991)
Other Receivables	(2,182)	(37,779)
Land for Resale		
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(27,826)	(7,951)
Deposits	1,250	300
Deferred Revenue		
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies		
Prepayments and Deferred Charges		
Other (Specify)	(5,349)	
<b>Cash provided by operating transactions</b>	<b>294,372</b>	<b>153,645</b>
<b>Capital:</b>		
Acquisition of capital assets	(133,586)	(694,453)
Proceeds from the disposal of capital assets	64,464	53,170
Other capital		
<b>Cash applied to capital transactions</b>	<b>(69,122)</b>	<b>(641,283)</b>
<b>Investing:</b>		
Long-term investments	(782)	(760)
Other investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>(782)</b>	<b>(760)</b>
<b>Financing:</b>		
Debt charges recovered		(23,682)
Long-term debt issued		568,496
Long-term debt repaid	(48,707)	
Other financing		
<b>Cash provided by (applied to) financing transactions</b>	<b>(48,707)</b>	<b>544,814</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>175,761</b>	<b>56,416</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>749,952</b>	<b>693,536</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>925,713</b>	<b>749,952</b>

**Town of Cut Knife**  
**Notes to the Financial Statements**  
**For the year ended 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:

**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.

- a) **Reporting Entity:** The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **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 estimates of the amounts 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.

- d) **Deferred Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the 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.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **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.
- j) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

Town of Cut Knife  
Notes to the Financial Statements  
For the year ended December 31, 2019

1. Significant Accounting Policies - continued

- k) **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.
- l) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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. 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>
<b>General Assets</b>	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
<b>Vehicles and Equipment</b>	
Vehicles	10 Yrs
Machinery and Equipment	3 to 20 Yrs
<b>Infrastructure Assets</b>	
<b>Infrastructure Assets</b>	
Water and Sewer	40 to 75 Yrs
Road Network Assets	15 to 40 Yrs

*[If method other than straight line used the method must be separately disclosed]*

**Government Contributions:** Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

**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.

- m) **Landfill Liability:** The Town of Cut Knife maintains a waste disposal site.
- n) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- o) **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:
- an environmental standard exists;
  - contamination exceeds the environmental standard;
  - the municipality:
    - is directly responsible; or
    - accepts responsibility;
  - it is expected that future economic benefits will be given up; and
  - a reasonable estimate of the amount can be made.

Town of Cut Knife  
Notes to the Financial Statements  
For the year ended December 31, 2019

1. Significant Accounting Policies - continued

- p) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies is 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.

- q) **Basis of Segmentation/Segment Report:** The municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: 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 neighbourhood development and sustainability.

Recreation and Culture: 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.

- r) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 13, 2019.

**New Accounting Standards:**

- s) **Effective January 1, 2019,** the municipality adopted the following standard 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 and has no impact on these financial statements.

**Future Accounting 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.

**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 Cut Knife  
Notes to the Financial Statements  
For the year ended December 31, 2019

2. Cash and Temporary Investments

	2019	2018
Cash on Hand	250	250
Cash	863,721	687,960
Restricted Cash	61,742	61,742
<b>Total Cash and Temporary Investments</b>	<b>925,713</b>	<b>749,952</b>

Cash and temporary investments include balances with banks, 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.]

3. Taxes Receivable - Municipal

	2019	2018
Municipal - Current	91,570	93,339
- Arrears	121,028	90,042
	212,598	183,381
- Less Allowance for Uncollectible	(65,000)	(40,000)
<b>Total municipal taxes receivable</b>	<b>147,598</b>	<b>143,381</b>
School - Current	15,305	17,653
- Arrears	17,938	14,062
<b>Total school taxes receivable</b>	<b>33,243</b>	<b>31,715</b>
Other		
<b>Total taxes and grants in lieu receivable</b>	<b>180,841</b>	<b>175,096</b>
Deduct taxes receivable to be collected on behalf of other organizations	(33,243)	(31,715)
<b>Total Taxes Receivable - Municipal</b>	<b>147,598</b>	<b>143,381</b>

4. Other Accounts Receivable

	2019	2018
Federal Government	13,575	24,325
Provincial Government		
Local Government		2,426
Utility	126,112	119,094
Trade	11,886	3,547
Other (Specify)	3,458	3,457
<b>Total Other Accounts Receivable</b>	<b>155,031</b>	<b>152,849</b>
Less: Allowance for Uncollectible	(2,903)	(2,903)
<b>Net Other Accounts Receivable</b>	<b>152,128</b>	<b>149,946</b>

Town of Cut Knife  
Notes to the Financial Statements  
For the year ended December 31, 2019

5. Land for Resale

	2019	2018
Tax Title Property	89,140	89,140
Allowance for market value adjustment	(44,192)	(44,192)
Net Tax Title Property	44,948	44,948
Other Land	267,067	267,067
Allowance for market value adjustment	(154,399)	(154,399)
Net Other Land	112,668	112,668
<b>Total Land for Resale</b>	<b>157,616</b>	<b>157,616</b>

6. Long-Term Investments

	2019	2018
Co-op shares and credit union equity	3,780	2,998
<b>Total Long-Term Investments</b>	<b>3,780</b>	<b>2,998</b>

7. Credit Union Indebtedness

Credit Arrangements

At December 31, 2019, the Municipality had a line of credit totaling \$100,000, none of which was drawn.

8. Long-Term Debt

The debt limit of the municipality is \$1,222,778. 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)).

9. Lease Obligations

The Royal Bank lease is payable at \$34,361 semi-annually plus applicable taxes, with a termination date of August 28, 2028 and a purchase option of \$1.

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

Year	Payment Amount
2020	68,722
2021	68,722
2022	68,722
2023	68,722
2024	68,722
Thereafter	240,527
Total future minimum lease payments	584,137
Amounts representing interest at a weighted average rate of 3.76%	(88,030)
<b>Capital Lease Liability</b>	<b>496,107</b>

10. Other Non-financial Assets

	2019	2018
Deposits and prepaid expenses	5,852	503

**Town of Cut Knife**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2019**

**11. 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 \$22,026. 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.

**12. Comparative Figures**

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

Town of Cut Knife

Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2019

Schedule 1

	2019 Budget	2019	2018
<b>TAXES</b>			
General municipal tax levy	623,720	622,513	584,479
Abatements and adjustments	(4,400)	(5,803)	(778)
Discount on current year taxes	(17,000)	(20,000)	(15,806)
<b>Net Municipal Taxes</b>	<b>602,320</b>	<b>596,710</b>	<b>567,895</b>
Potash tax share			
Trailer license fees			
Penalties on tax arrears	20,050	33,253	22,035
Special tax levy			
Other ( <i>Specify</i> )			
<b>Total Taxes</b>	<b>622,370</b>	<b>629,963</b>	<b>589,930</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing (Organized Hamlet)	118,940	118,939	115,627
<b>Total Unconditional Grants</b>	<b>118,940</b>	<b>118,939</b>	<b>115,627</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	39,000	27,763	38,895
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	1,350	1,405	1,305
Other ( <i>Specify</i> )	7,750	8,337	7,737
Local/Other			
Housing Authority	9,450	9,521	9,421
C.P.R. Mainline			
Treaty Land Entitlement			
Other ( <i>Specify</i> )			
Other Government Transfers			
S.P.C. Surcharge	39,000	39,237	38,972
Sask Energy Surcharge	19,000	15,439	2,793
Other ( <i>Specify</i> )			
<b>Total Grants in Lieu of Taxes</b>	<b>115,550</b>	<b>101,702</b>	<b>99,123</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>856,860</b>	<b>850,604</b>	<b>804,680</b>

Town of Cut Knife  
Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2019

Schedule 2 - 1

	2019 Budget	2019	2018
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies	150	100	
- Other ( <i>Specify</i> )	19,610	19,744	29,600
Total Fees and Charges	19,760	19,844	29,600
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income and commissions	17,500	19,223	17,407
- Other ( <i>Specify</i> )	3,520	75	102,664
Total Other Segmented Revenue	40,780	39,142	149,671
Conditional Grants			
- Student Employment			
- Other ( <i>Specify</i> )			
Total Conditional Grants			
<b>Total Operating</b>	<b>40,780</b>	<b>39,142</b>	<b>149,671</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>			
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total General Government Services</b>	<b>40,780</b>	<b>39,142</b>	<b>149,671</b>

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other ( <i>Specify</i> )	10,000	7,504	
Total Fees and Charges	10,000	7,504	
- Tangible capital asset sales - gain (loss)			
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue	10,000	7,504	
Conditional Grants			
- Student Employment			
- Local government			
- Other ( <i>Specify</i> )			
Total Conditional Grants			
<b>Total Operating</b>	<b>10,000</b>	<b>7,504</b>	

**Capital**

Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>			
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total Protective Services</b>	<b>10,000</b>	<b>7,504</b>	

Town of Cut Knife  
Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2019

Schedule 2 - 2

	2019 Budget	2019	2018
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	2,020	5,270	1,881
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other ( <i>Specify</i> )			
Total Fees and Charges	2,020	5,270	1,881
- Tangible capital asset sales - gain (loss)		4,156	(7,158)
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue	2,020	9,426	(5,277)
Conditional Grants			
- MREP (CTP)			
- Student Employment			
- Other ( <i>Specify</i> )			
Total Conditional Grants			
<b>Total Operating</b>	<b>2,020</b>	<b>9,426</b>	<b>(5,277)</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- MREP (Heavy Haul, CTP, Municipal Bridges)			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>			
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total Transportation Services</b>	<b>2,020</b>	<b>9,426</b>	<b>(5,277)</b>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	50,500	50,461	50,221
- Other ( <i>Specify</i> )	33,200	66,993	88,600
Total Fees and Charges	83,700	117,454	138,821
- Tangible capital asset sales - gain (loss)			
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue	83,700	117,454	138,821
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- Other ( <i>Specify</i> )			
Total Conditional Grants			
<b>Total Operating</b>	<b>83,700</b>	<b>117,454</b>	<b>138,821</b>
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- TAPD			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )	709	709	63
<b>Total Capital</b>	<b>709</b>	<b>709</b>	<b>63</b>
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total Environmental and Public Health Services</b>	<b>84,409</b>	<b>118,163</b>	<b>138,884</b>

Town of Cut Knife  
Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2019

Schedule 2 - 3

	2019 Budget	2019	2018
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Other ( <i>Specify</i> )			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment			
- Other ( <i>Specify</i> )			
Total Conditional Grants			
<b>Total Operating</b>			
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>			
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total Planning and Development Services</b>			

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other ( <i>Specify</i> )			
Total Fees and Charges			
- Tangible capital asset sales - gain (loss)			
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue			
Conditional Grants			
- Student Employment	1,500	2,229	1,316
- Local government			
- Other ( <i>Specify</i> )			
Total Conditional Grants	1,500	2,229	1,316
<b>Total Operating</b>	1,500	2,229	1,316
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>			
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total Recreation and Cultural Services</b>	1,500	2,229	1,316

Town of Cut Knife  
Schedule of Operating and Capital Revenue by Function  
For the year ended December 31, 2019

Schedule 2 - 4

	2019 Budget	2019	2018
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	281,950	291,481	277,140
- Sewer	93,500	89,880	93,054
- Other ( <i>Specify</i> )	94,500	94,314	94,316
Total Fees and Charges	469,950	475,675	464,510
- Tangible capital asset sales - gain (loss)			
- Other ( <i>Specify</i> )			
Total Other Segmented Revenue	469,950	475,675	464,510
Conditional Grants			
- Student Employment			
- Other ( <i>Specify</i> )			
Total Conditional Grants			
<b>Total Operating</b>	469,950	475,675	464,510
<b>Capital</b>			
Conditional Grants			
- Federal Gas Tax			
- New Building Canada Fund (SCF, NRP)	31,750	65,967	31,589
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- Other ( <i>Specify</i> )			
<b>Total Capital</b>	31,750	65,967	31,589
<b>Restructuring Revenue (<i>Specify, if any</i>)</b>			
<b>Total Utility Services</b>	501,700	541,642	496,099
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>640,409</b>	<b>718,106</b>	<b>780,693</b>

**SUMMARY**

Total Other Segmented Revenue	606,450	649,201	747,725
Total Conditional Grants	1,500	2,229	1,316
Total Capital Grants and Contributions	32,459	66,676	31,652
Restructuring Revenue			
<b>TOTAL REVENUE BY FUNCTION</b>	<b>640,409</b>	<b>718,106</b>	<b>780,693</b>

Town of Cut Knife

Total Expenses by Function

For the year ended December 31, 2019

Schedule 3 - 1

	2019 Budget	2019	2018
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	20,000	14,647	19,555
Wages and benefits	99,430	101,576	93,641
Professional/Contractual services	177,450	124,053	112,502
Utilities	11,400	8,664	10,817
Maintenance, materials and supplies	20,100	13,000	35,490
Grants and contributions - operating - capital			
Amortization	12,000	14,156	13,265
Interest			
Allowance for uncollectible		25,000	15,000
Other (Specify )	500	166	4,888
<b>General Government Services</b>	<b>340,880</b>	<b>301,262</b>	<b>305,158</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total General Government Services</b>	<b>340,880</b>	<b>301,262</b>	<b>305,158</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits			
Professional/Contractual services	43,000	43,063	42,275
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating - capital			
Other (Specify )			

**Fire protection**

Wages and benefits			
Professional/Contractual services	28,800	27,316	24,503
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating - capital		8,273	155,662
Amortization			
Interest			
Other (Specify )			

<b>Protective Services</b>	<b>71,800</b>	<b>78,652</b>	<b>222,440</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Protective Services</b>	<b>71,800</b>	<b>78,652</b>	<b>222,440</b>

**TRANSPORTATION SERVICES**

Wages and benefits	150,090	145,361	134,821
Professional/Contractual Services	77,050	50,308	21,355
Utilities	32,520	27,665	31,156
Maintenance, materials, and supplies	135,760	94,591	133,212
Gravel	30,000	25,645	16,346
Grants and contributions - operating - capital			
Amortization	10,000	38,953	45,683
Interest			
Other (Specify )			

<b>Transportation Services</b>	<b>435,420</b>	<b>382,523</b>	<b>382,573</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Transportation Services</b>	<b>435,420</b>	<b>382,523</b>	<b>382,573</b>

Town of Cut Knife

Total Expenses by Function

For the year ended December 31, 2019

Schedule 3 - 2

	2019 Budget	2019	2018
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	27,505	20,936	26,885
Professional/Contractual services	106,300	109,336	107,803
Utilities			
Maintenance, materials and supplies	4,060	3,090	2,440
Grants and contributions - operating	2,500	2,500	2,500
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization			
Interest			
Other (Specify)			
<b>Environmental and Public Health Services</b>	<b>140,365</b>	<b>135,862</b>	<b>139,628</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Environmental and Public Health Services</b>	<b>140,365</b>	<b>135,862</b>	<b>139,628</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits			
Professional/Contractual Services	1,000	1,665	1,250
Grants and contributions - operating	330		
- capital			
Amortization			
Interest			
Other (Specify)	80		
<b>Planning and Development Services</b>	<b>1,410</b>	<b>1,665</b>	<b>1,250</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Planning and Development Services</b>	<b>1,410</b>	<b>1,665</b>	<b>1,250</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits			
Professional/Contractual services	9,520	9,391	3,705
Utilities	1,600	1,971	1,508
Maintenance, materials and supplies	250	1,197	352
Grants and contributions - operating	30,000	30,000	23,391
- capital			
Amortization		3,250	750
Interest			
Allowance for uncollectible			
Other (Specify)			
<b>Recreation and Cultural Services</b>	<b>41,370</b>	<b>45,809</b>	<b>29,706</b>
<b>Restructuring (Specify, if any)</b>			
<b>Total Recreation and Cultural Services</b>	<b>41,370</b>	<b>45,809</b>	<b>29,706</b>

Town of Cut Knife

Total Expenses by Function

For the year ended December 31, 2019

Schedule 3 - 3

	2019 Budget	2019	2018
<b>UTILITY SERVICES</b>			
Wages and benefits	79,350	66,229	7,876
Professional/Contractual services	273,450	189,113	222,134
Utilities	39,025	31,380	36,958
Maintenance, materials and supplies	94,250	35,707	64,604
Grants and contributions - operating			
- capital			
Amortization	20,000	65,486	47,758
Interest		20,015	10,679
Allowance for uncollectible			
Other ( <i>Specify</i> )			5,157
Utility Services	506,075	407,930	395,166
Restructuring (Specify, if any)			
Total Utility Services	506,075	407,930	395,166
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>1,537,320</b>	<b>1,353,703</b>	<b>1,475,921</b>

Town of Cut Knife  
Schedule of Segment Disclosure by Function  
For the year ended December 31, 2019

Schedule 4

		General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>									
Fees and Charges		19,844	7,504	5,270	117,454			475,675	625,747
Tangible Capital Asset Sales - Gain				4,156					4,156
Land Sales - Gain									
Investment Income and Commissions		19,223							19,223
Other Revenues		75					2,229		75
Grants - Conditional									2,229
- Capital					709			65,967	66,676
Restructurings									
<b>Total Revenues</b>		<b>39,142</b>	<b>7,504</b>	<b>9,426</b>	<b>118,163</b>		<b>2,229</b>	<b>541,642</b>	<b>718,106</b>
<b>Expenses (Schedule 3)</b>									
Wages and Benefits		116,223		145,361	20,936			66,229	348,749
Professional/Contractual Services		124,053	70,379	50,308	109,336	1,665	9,391	189,113	554,245
Utilities		8,664		27,665			1,971	31,380	69,680
Maintenance Materials and Supplies		13,000		120,236	3,090		1,197	35,707	173,230
Grants and Contributions			8,273		2,500		30,000		40,773
Amortization		14,156		38,953			3,250	65,486	121,845
Interest								20,015	20,015
Allowance for Uncollectible		25,000							25,000
Other		166							166
Restructurings									
<b>Total Expenses</b>		<b>301,262</b>	<b>78,652</b>	<b>382,523</b>	<b>135,862</b>	<b>1,665</b>	<b>45,809</b>	<b>407,930</b>	<b>1,353,703</b>
<b>Surplus (Deficit) by Function</b>									
		<b>(262,120)</b>	<b>(71,148)</b>	<b>(373,097)</b>	<b>(17,699)</b>	<b>(1,665)</b>	<b>(43,580)</b>	<b>133,712</b>	<b>(635,597)</b>

Taxes and other unconditional revenue (Schedule 1)

850,604

**Net Surplus (Deficit)**

**215,007**

**Town of Cut Knife**  
**Schedule of Segment Disclosure by Function**  
**For the year ended December 31, 2018**

Schedule 5

**Revenues (Schedule 2)**

Fees and Charges  
Tangible Capital Asset Sales - Gain (Loss)  
Land Sales - Loss  
Investment Income and Commissions  
Other Revenues  
Grants - Conditional  
- Capital  
Restructurings  
**Total Revenues**

**Expenses (Schedule 3)**

Wages and Benefits  
Professional/Contractual Services  
Utilities  
Maintenance Materials and Supplies  
Grants and Contributions  
Amortization  
Interest  
Allowance for Uncollectible  
Other  
Restructurings  
**Total Expenses**

**Surplus (Deficit) by Function**

Taxes and other unconditional revenue (Schedule 1)

**Net Surplus (Deficit)**

General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
29,600		1,881 (7,158)	138,821			464,510	634,812 (7,158)
17,407							17,407
102,664					1,316		102,664
			63			31,589	1,316 31,652
<b>149,671</b>		<b>(5,277)</b>	<b>138,884</b>		<b>1,316</b>	<b>496,099</b>	<b>780,693</b>
113,196		134,821	26,885			7,876	282,778
112,502	66,778	21,355	107,803	1,250	3,705	222,134	535,527
10,817		31,156			1,508	36,958	80,439
35,490		149,558	2,440		352	64,604	252,444
	155,662		2,500		23,391		181,553
13,265		45,683			750	47,758	107,456
15,000						10,679	10,679
4,888						5,157	15,000 10,045
<b>305,158</b>	<b>222,440</b>	<b>382,573</b>	<b>139,628</b>	<b>1,250</b>	<b>29,706</b>	<b>395,166</b>	<b>1,475,921</b>
<b>(155,487)</b>	<b>(222,440)</b>	<b>(387,850)</b>	<b>(744)</b>	<b>(1,250)</b>	<b>(28,390)</b>	<b>100,933</b>	<b>(695,228)</b>

804,680

**109,452**

Town of Cut Knife  
Schedule of Tangible Capital Assets by Object  
For the year ended December 31, 2019

Schedule 6

2019

2018

	General Assets					Infrastructure Assets		General/ Infrastructure
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear assets	Assets Under Construction	
Asset costs								
Opening Asset Costs	82,500		1,013,800	59,510	226,129	3,673,593		
Additions during the year	15,560		49,712		67,529		785	
Disposals and write-downs during the year				(5,500)	(60,308)			
Transfers (from) assets under construction								
Transfer of capital assets related to restructuring (Schedule 11)								
Closing Asset Costs	98,060		1,063,512	54,010	233,350	3,673,593	785	
Accumulated Amortization Costs								
Opening Accumulated Amortization Costs			537,146	36,856	106,346	1,554,315		
Add: Amortization taken			34,332	6,401	6,312	74,800		
Less: Accumulated amortization on disposals				(5,500)				
Transfer of capital assets related to restructuring (Schedule 11)								
Closing Accumulated Amortization Costs			571,478	37,757	112,658	1,629,115		
Net Book Value	98,060		492,034	16,253	120,692	2,044,478	785	

	General Assets		Infrastructure Assets		Total
Asset costs					
Opening Asset Costs	82,500	1,013,800	59,510	226,129	5,055,532
Additions during the year	15,560	49,712		67,529	133,586
Disposals and write-downs during the year			(5,500)	(60,308)	(65,808)
Transfers (from) assets under construction					
Transfer of capital assets related to restructuring (Schedule 11)					
Closing Asset Costs	98,060	1,063,512	54,010	233,350	5,123,310
Accumulated Amortization Costs					
Opening Accumulated Amortization Costs		537,146	36,856	106,346	2,234,663
Add: Amortization taken		34,332	6,401	6,312	121,845
Less: Accumulated amortization on disposals			(5,500)		(5,500)
Transfer of capital assets related to restructuring (Schedule 11)					
Closing Accumulated Amortization Costs		571,478	37,757	112,658	2,351,008
Net Book Value	98,060	492,034	16,253	120,692	2,772,302

1. Total contributed/donated assets received in 2019

are:

• Infrastructure Assets

• Vehicles

• Machinery and Equipment

3. Amount of interest capitalized in Schedule 6

Town of Cut Knife  
Schedule of Tangible Capital Assets by Function  
For the year ended December 31, 2019

Schedule 7

	2019						2018	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total
<b>Assets</b>								
Asset costs								
Opening Asset Costs	257,338	9,000	1,266,583			398,079	3,124,532	4,431,857
Additions during the year			83,089				50,497	694,453
Disposals and write-downs during the year			(65,808)					(70,778)
Transfer of capital assets related to restructuring (Schedule 11)								
<b>Closing Asset Costs</b>	<b>257,338</b>	<b>9,000</b>	<b>1,283,864</b>			<b>398,079</b>	<b>3,175,029</b>	<b>5,055,532</b>
<b>Amortization</b>								
Accumulated Amortization Costs								
Opening Accumulated Amortization Costs	103,670	6,400	856,671			117,400	1,150,522	2,137,657
Add: Amortization taken	14,156		38,953			3,250	65,486	107,456
Less: Accumulated amortization on disposals			(5,500)					(10,450)
Transfer of capital assets related to restructuring (Schedule 11)								
<b>Closing Accumulated Amortization Costs</b>	<b>117,826</b>	<b>6,400</b>	<b>890,124</b>			<b>120,650</b>	<b>1,216,008</b>	<b>2,234,663</b>
<b>Net Book Value</b>	<b>139,512</b>	<b>2,600</b>	<b>393,740</b>			<b>277,429</b>	<b>1,959,021</b>	<b>2,820,869</b>

Town of Cut Knife  
Schedule of Accumulated Surplus  
For the year ended December 31, 2019

Schedule 8

	2018	Changes	2019
<b>UNAPPROPRIATED SURPLUS</b>	<b>319,116</b>	<b>63,574</b>	<b>382,690</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	16,040		16,040
Public Reserve	4,895		4,895
Capital Trust	50,000		50,000
Utility	15,328		15,328
Other (Specify)	194,854	200,000	394,854
<b>Total Appropriated</b>	<b>281,117</b>	<b>200,000</b>	<b>481,117</b>
<b>ORGANIZED HAMLETS (add lines if required)</b>			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
Organized Hamlet of (Name)			
<b>Total Organized Hamlets</b>			
<b>INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6, 7)	2,820,869	(48,567)	2,772,302
Less: Related debt			
<b>Net Investment in Tangible Capital Assets</b>	<b>2,820,869</b>	<b>(48,567)</b>	<b>2,772,302</b>
<b>Total Accumulated Surplus</b>	<b>3,421,102</b>	<b>215,007</b>	<b>3,636,109</b>

**Town of Cut Knife**

**Schedule of Mill Rates and Assessments**

**For the year ended December 31, 2019**

Schedule 9

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)
Taxable Assessment	88,880	20,763,760			8,357,700	29,210,340
Regional Park Assessment						
Total Assessment						29,210,340
Mill Rate Factor(s)	1.0000	1.0000			1.0000	
Total Base/Minimum Tax (generated for each property class)	1,200	156,000			33,600	190,800
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,515	463,304			156,694	622,513

**MILL RATES: MILLS**

Average Municipal*	21.3114
Average School*	4.7270
Potash Mill Rate	
Uniform Municipal Mill Rate	14.8000

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

**Town of Cut Knife**  
**Schedule of Council Remuneration**  
**For the year ended December 31, 2019**

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Mayor	Gwenn Kaye	5,775	234	6,009
Councillor	Lyle Cronk	1,213		1,213
Councillor	Lucinda Heupel	1,275		1,275
Councillor	Jason Lloyd	1,000		1,000
Councillor	Douglas Robertson	1,313		1,313
Councillor	Alfred Roschker	2,037		2,037
Councillor	Daryl Sperling	1,800		1,800
<b>Total</b>		<b>14,413</b>	<b>234</b>	<b>14,647</b>