

# **TOWN OF CUDWORTH**

**Auditor's Report**

**Financial Statements**

**December 31, 2020**

## MANAGEMENT'S RESPONSIBILITY

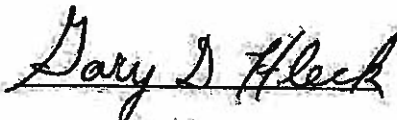
To the Ratepayers of  
Town of Cudworth :


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. The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments 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 Town. 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 Town's external auditors.

Jensen Stromberg Chartered Professional Accountants, 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 administration to discuss their audit findings.

  
Mayor

  
Administrator



CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, C.P.A. Prof. Corp.  
Jeff Stromberg, C.P.A. Prof. Corp.

### INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Town of Cudworth

#### *Report on the Financial Statements*

#### *Opinion*

We have audited the financial statements of Town of Cudworth, which comprise the statement of financial position as at December 31, 2020 and the statements of financial activities, changes in net financial assets, and changes in financial position 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 as at December 31, 2020 and its financial performance and 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 Town 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 these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### *Auditor's Responsibility for the Audit of the Financial Statements*

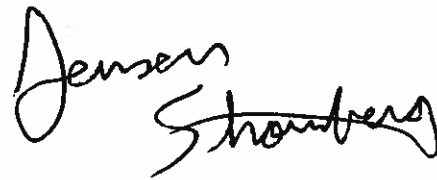
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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:

- 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 Town'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 Town'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 Town 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.

Saskatoon, Saskatchewan  
April 23, 2021



Chartered Professional Accountants

# TOWN OF CUDWORTH

Statement 1

## STATEMENT OF FINANCIAL POSITION

December 31, 2020  
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 358,992	384,943
Taxes Receivable - Municipal (Note 3)	45,705	73,896
Other accounts receivable (Note 4)	361,602	249,476
Land for re-sale (Note 5)	36,079	60,104
Long-term investments (Note 6)	55,196	55,196
Debt charges recoverable	-	-
Other	-	-
Total financial assets	<u>857,574</u>	<u>823,615</u>
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 7)	-	-
Accounts payable	41,183	43,714
Accrued liabilities payable	-	1,043
Deposits	29,890	28,115
Deferred revenue	230	1,595
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 8)	-	84,934
Lease obligations	-	-
Total liabilities	<u>71,303</u>	<u>159,401</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>786,271</b>	<b>664,214</b>
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	4,637,234	3,862,990
Prepaid and deferred charges	29,465	31,990
Stock and supplies	-	-
Total non-financial assets	<u>4,666,699</u>	<u>3,894,980</u>
Accumulated Surplus (Deficit) (Schedule 8)	<u>\$ 5,452,970</u>	<u>4,559,194</u>

**APPROVED ON BEHALF OF COUNCIL:**

\_\_\_\_\_ Mayor  
\_\_\_\_\_ Councillor

See accompanying notes to the financial statements.

# TOWN OF CUDWORTH

Statement 2

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2020  
with comparative figures for 2019

		<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Revenues:</b>				
Taxes and other unconditional revenue	(Schedule 1)	\$ 841,073	834,672	824,846
Fees and charges	(Schedule 4, 5)	691,430	741,611	732,505
Conditional grants	(Schedule 4, 5)	12,600	189,341	30,726
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	(19,807)	(2,952)
Land sales - gain	(Schedule 4, 5)	(10,000)	(3,391)	(9,499)
Investment income and commissions	(Schedule 4, 5)	6,000	3,492	7,250
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	-	-	-
<b>Total Revenues</b>		<u>1,541,103</u>	<u>1,745,918</u>	<u>1,582,876</u>
<b>Expenditures:</b>				
General government services	(Schedule 3)	351,704	364,804	330,141
Protective services	(Schedule 3)	104,514	109,721	99,719
Transportation services	(Schedule 3)	284,895	341,659	348,512
Environmental and public health services	(Schedule 3)	96,498	103,428	75,387
Planning and development services	(Schedule 3)	20,000	11,873	7,615
Recreation and cultural services	(Schedule 3)	151,915	260,124	341,870
Utility services	(Schedule 3)	444,338	460,902	542,373
Restructurings	(Schedule 3)	-	-	-
<b>Total Expenditures</b>		<u>1,453,864</u>	<u>1,652,511</u>	<u>1,745,617</u>
<b>Surplus (deficit) of revenues over expenditures before other capital contributions</b>		<u>87,239</u>	<u>93,407</u>	<u>(162,741)</u>
<b>Provincial/Federal capital grants and contributions</b>	(Schedule 4, 5)	<u>1,243,236</u>	<u>800,369</u>	<u>211,491</u>
<b>Surplus (deficit) of revenues over expenditures</b>		1,330,475	893,776	48,750
<b>Accumulated surplus (deficit), beginning of year</b>		<u>4,559,194</u>	<u>4,559,194</u>	<u>4,510,444</u>
<b>Accumulated surplus (deficit), end of year</b>		<u>\$ 5,889,669</u>	<u>5,452,970</u>	<u>4,559,194</u>

See accompanying notes to the financial statements.

# TOWN OF CUDWORTH

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ <u>1,330,475</u>	<u>893,776</u>	<u>48,750</u>
(Acquisition) of tangible capital assets	-	(1,023,884)	(144,118)
Amortization of tangible capital assets	-	218,833	211,912
Proceeds on disposal of tangible capital assets	-	11,000	32,000
Loss (gain) on disposal of tangible capital assets	-	19,807	2,952
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>-</u>	<u>(774,244)</u>	<u>102,746</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	2,525	(6,418)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>-</u>	<u>7,076</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>2,525</u>	<u>658</u>
<b>Increase (decrease) in Net Financial Assets</b>	1,330,475	122,057	152,154
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>664,214</u>	<u>664,214</u>	<u>512,060</u>
<b>Net Financial Assets (Debt)- End of year</b>	\$ <u>1,994,689</u>	<u>786,271</u>	<u>664,214</u>

See accompanying notes to the financial statements.

# TOWN OF CUDWORTH

Statement 4

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u>	<u>2019</u>
<b>Cash provided by (used in) the following activities:</b>		
Operating:		
Surplus (deficit)	\$ 893,776	48,750
Amortization	218,833	211,912
Loss (gain) on disposal of tangible capital assets	<u>19,807</u>	<u>2,952</u>
	1,132,416	263,614
Change in assets/liabilities		
Taxes receivable - Municipal	28,191	13,778
Other accounts receivable	(112,125)	(52,976)
Land for re-sale	24,024	(12,542)
Other financial assets	-	-
Accounts and accrued liabilities payable	(3,574)	(2,934)
Deposits	1,775	(705)
Deferred revenue	(1,365)	(605)
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	-	-
Prepayments and deferred charges	2,525	657
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>1,071,867</u>	<u>208,287</u>
Capital:		
Acquisition of capital assets	(1,023,884)	(144,118)
Proceeds from the disposal of capital assets	11,000	32,000
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(1,012,884)</u>	<u>(112,118)</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(84,934)	(81,379)
Other financing	<u>-</u>	<u>-</u>
Net cash used for financing	<u>(84,934)</u>	<u>(81,379)</u>
Increase (decrease) in cash resources	(25,951)	14,790
Cash and temporary investments, beginning of year	<u>384,943</u>	<u>370,153</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 358,992</u>	<u>384,943</u>

See accompanying notes to the financial statements.



**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

**(a) Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

**(b) Reporting Entity**

The financial statements consolidate the assets, liabilities and flow of resources of the Town. The entity is comprised of all organizations owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

**(c) Collection of funds for other authorities**

Collection of funds by the municipality for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

**(d) Government Transfers**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an 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.

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2020

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Net-Financial Assets**

Net-financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

**(h) Non-Financial Assets**

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

**(i) Appropriated Reserves**

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts 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 of the inventory in the ordinary course of business.

# TOWN OF CUDWORTH

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) **Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs 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 Town'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 years
	Buildings	40 years
	Vehicles and equipment	
	Vehicles	10 years
	Machinery & Equipment	5 to 20 years
<i>Infrastructure Assets</i>		
	Water and sewer	40 years
	Road network assets	15 to 40 years

**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.

**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 Town does not capitalize interest incurred while a tangible capital asset is under construction.

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

#### (n) **Landfill liability**

The Town of Cudworth does not maintain a waste disposal site. No amount has been recorded as an asset or liability.

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(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:

- 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.

The Town does not have any contaminated sites.

**(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 its contributions.

**(q) Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts 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 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 period in which they become known.

**(r) Basis of Segmentation/Segment Report**

The Town follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Town 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 borrowing.

These segments (functions) are as follows:

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

**Protective Services:** Protective services is comprised of expenses for Police and Fire protection.

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

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

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

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

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

**2. CASH AND TEMPORARY INVESTMENTS**

	<u>2020</u>	<u>2019</u>
Cash	\$ 311,534	337,978
Temporary investments	<u>47,458</u>	<u>46,965</u>
	<u>\$ 358,992</u>	<u>384,943</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2020

**3. TAXES AND GRANTS IN LIEU RECEIVABLE**

	<u>2020</u>	<u>2019</u>
Municipal: - Current	\$ 21,894	34,820
- Arrears	<u>36,125</u>	<u>39,076</u>
	58,019	73,896
Less: allowance for uncollectibles	<u>(12,314)</u>	<u>-</u>
Total municipal taxes receivable	<u>45,705</u>	<u>73,896</u>
School: - Current	4,802	8,351
- Arrears	<u>3,590</u>	<u>3,489</u>
Total school taxes receivable	<u>8,392</u>	<u>11,840</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable	54,097	85,736
Deduct taxes receivable to be collected on behalf of other organizations	<u>(8,392)</u>	<u>(11,840)</u>
Total taxes receivable - Municipal	<u>\$ 45,705</u>	<u>73,896</u>

**4. OTHER ACCOUNTS RECEIVABLE**

	<u>2020</u>	<u>2019</u>
Federal government	\$ 77,918	65,930
Provincial government	147,344	57,007
Local government	15,904	15,286
Utility	105,797	92,803
Trade	14,581	18,350
Other	<u>58</u>	<u>100</u>
Total other accounts receivable	361,602	249,476
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>
Net other accounts receivable	<u>\$ 361,602</u>	<u>249,476</u>

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

**5. LAND FOR RESALE**

	<u>2020</u>	<u>2019</u>
Tax title property	\$ 26,509	35,939
Less: - allowance for market value adjustment	(12,470)	(5,007)
Less: due to other taxing authorities	(2,660)	(3,432)
Net tax title Property	11,379	27,500
Other land	32,604	32,604
Less: - allowance for market value adjustment	(7,904)	-
Net other land	24,700	32,604
Total land for resale	\$ 36,079	60,104

**6. LONG-TERM INVESTMENTS**

	<u>2020</u>	<u>2019</u>
Wheatland Rail shares	\$ 55,196	\$ 55,196

**7. BANK INDEBTEDNESS**

**Credit Arrangements**

At December 31, 2020, the Town had a line of credit totaling \$100,000, none of which was drawn.

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

**8. LONG-TERM DEBT**

a) The authorized debt limit for the Town is \$1,291,864. The authorized debt limit for a Town is the total amount of the Town's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

b) Debenture debt:

	<u>2020</u>	<u>2019</u>
Sask Finance debenture, repayable in annual payments of \$51,565 including interest at 4.6%	\$ -	49,298
Sask Finance debenture, repayable in annual payments of \$37,079 including interest at 4.05%	-	35,636
	<u>\$ -</u>	<u>84,934</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2020	\$ -	-	-	\$ 88,645
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
Thereafter	-	-	-	-
Balance	\$ -	-	-	\$ 88,645



# TOWN OF CUDWORTH

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

### 9. CONTINGENT LIABILITIES

The Town, together with a number of other rural and urban municipalities, is a member of the Regional Authority of Carlton Trail - Waste Management District ("REACT"). REACT is governed by the Department of Saskatchewan Environment and Resource Management and is responsible for the waste collection, landfill operations and future revenues as incurred. Future site restoration costs are recognized based on assumptions, engineering studies and estimates to the costs of future removal and site restoration. Changes to the underlying assumptions or legislative changes in the future could have a material impact on the statements. As these costs are not readily determinable, the Town has not provided for future site restoration costs.

### 10. LANDFILL COMMITMENT

The Town has agreed to participate in the construction of a regional landfill through REACT Waste Management. The Town has committed to contributing \$126,170, payable through 5 annual installments of \$25,234. The Town has contributed \$100,936 to date for the initial construction.

### 11. PENSION PLAN

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer 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 pension expense in 2020 was \$26,513 (2019 - \$25,855). 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.

Based on the latest information available (December 31, 2019 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$658,468,000. This is based on the most recent actuarial valuation, completed December 31, 2018. The Town's portion of this is not readily determinable.

### 12. BUDGET

The Financial Plan (Budget) adopted by Council on May 21, 2020 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus does not include amounts budgeted for capital purchases, transfers from reserves, or principle repayments of debt. As a result, the budget figures presented in the statements of operations and change in net financial assets include the following adjustments:

	<u>2020</u>
Budget net surplus	\$ 4,841
Add:	
Expenditures - capital projects	1,385,700
Debt - principal repayments	84,934
Less:	
Transfer from reserves	<u>(145,000)</u>
Budget surplus per statement of operations	<u>\$ 1,330,475</u>

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2020

**13. RECENT ACCOUNTING PRONOUNCEMENTS**

A number of new and amended standards have been issued that may impact the Town:

**Standards Effective On Or After April 1, 2022:**

**PS 1201 Financial Statement Presentation** replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. 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. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

**PS 3041 Portfolio Investments** replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

**PS 3450 Financial Instruments** is a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

**PS 3280 Asset Retirement Obligations** is a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. 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, 2023:**

**PS 3400 Revenue** is a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

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

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

**5. LAND FOR RESALE**

	<u>2020</u>	<u>2019</u>
Tax title property	\$ 26,509	35,939
Less: - allowance for market value adjustment	(12,470)	(5,007)
Less: due to other taxing authorities	(2,660)	(3,432)
Net tax title Property	11,379	27,500
Other land	32,604	32,604
Less: - allowance for market value adjustment	(7,904)	-
Net other land	24,700	32,604
Total land for resale	\$ 36,079	60,104

**6. LONG-TERM INVESTMENTS**

	<u>2020</u>	<u>2019</u>
Wheatland Rail shares	\$ 55,196	\$ 55,196

**7. BANK INDEBTEDNESS**

**Credit Arrangements**

At December 31, 2020, the Town had a line of credit totaling \$100,000, none of which was drawn.

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

**8. LONG-TERM DEBT**

a) The authorized debt limit for the Town is \$1,291,864. The authorized debt limit for a Town is the total amount of the Town's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

b) Debenture debt:

	<u>2020</u>	<u>2019</u>
Sask Finance debenture, repayable in annual payments of \$51,565 including interest at 4.6%	\$ -	49,298
Sask Finance debenture, repayable in annual payments of \$37,079 including interest at 4.05%	-	35,636
	<u>\$ -</u>	<u>84,934</u>

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2020	\$ -	-	-	\$ 88,645
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 88,645</u>

**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2020**

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**TOWN OF CUDWORTH**  
**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2020**

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## TOWN OF CUDWORTH

## SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>TAXES</b>			
General municipal tax levy	\$ 632,748	632,748	634,798
Abatements and adjustments	(25,000)	(27,272)	(25,503)
Discount on current year taxes	(26,000)	(25,798)	(24,741)
<b>Net municipal taxes</b>	<u>581,748</u>	<u>579,678</u>	<u>584,554</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	14,000	11,240	13,956
Special tax levy	-	-	-
Other	-	-	-
<b>Total Taxes</b>	<u>595,748</u>	<u>590,918</u>	<u>598,510</u>
<b>UNCONDITIONAL GRANTS</b>			
Revenue sharing	186,310	186,310	168,113
Organized Hamlet	-	-	-
Other	-	-	-
<b>Total Unconditional Grants</b>	<u>186,310</u>	<u>186,310</u>	<u>168,113</u>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
Sask. Energy Gas	21,000	18,849	19,783
TransGas	-	-	-
Central Services	-	-	-
Sasktel	2,015	2,015	2,015
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	36,000	36,580	36,425
Sask Energy Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<u>59,015</u>	<u>57,444</u>	<u>58,223</u>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<u>\$ 841,073</u>	<u>834,672</u>	<u>824,846</u>

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ -	-	-
Sales of supplies	430	197	440
Other (rental income and licenses & permits)	<u>7,100</u>	<u>14,190</u>	<u>12,371</u>
Total Fees and Charges	7,530	14,387	12,811
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain	(10,000)	(3,391)	(9,499)
Investment income and commissions	6,000	3,492	7,250
Other Segmented Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>3,530</u>	<u>14,488</u>	<u>10,562</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Other (Safe Restart)	<u>-</u>	<u>48,558</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>48,558</u>	<u>-</u>
<b>Total Operating</b>	<u>3,530</u>	<u>63,046</u>	<u>10,562</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total General Government Services</b>	<u>3,530</u>	<u>63,046</u>	<u>10,562</u>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (equipment storage)	<u>13,000</u>	<u>12,993</u>	<u>12,441</u>
Total Fees and Charges	13,000	12,993	12,441
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total other segmented revenue	<u>13,000</u>	<u>12,993</u>	<u>12,441</u>
Conditional Grants			
Federal - Student Employment	-	-	-
Local government-Operating	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>13,000</u>	<u>12,993</u>	<u>12,441</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Local Government-Capital	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Protective Services</b>	<u>13,000</u>	<u>12,993</u>	<u>12,441</u>

See accompanying notes to the financial statements.



## TOWN OF CUDWORTH

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 500	-	-
TS - Sale of gravel and supplies	-	-	-
Road maintenance and restoration agreements	7,700	7,700	7,700
Other	-	-	-
Total Fees and Charges	<u>8,200</u>	<u>7,700</u>	<u>7,700</u>
Tangible capital asset sales - gain (loss)	-	(19,807)	(2,952)
Other Segmented Revenue	-	-	-
Total other segmented revenue	<u>8,200</u>	<u>(12,107)</u>	<u>4,748</u>
Conditional Grants			
Primary Weight Corridor	-	-	-
Federal - Student Employment	-	-	-
Other (Municipal Economic Enhancement Program)	-	116,995	-
Total Conditional Grants	<u>-</u>	<u>116,995</u>	<u>-</u>
<b>Total Operating</b>	<u>8,200</u>	<u>104,888</u>	<u>4,748</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
MREP (Heavy Haul, CTP, Municipal Bridges)	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Transportation Services</b>	<u>8,200</u>	<u>104,888</u>	<u>4,748</u>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Charges	18,000	23,170	17,872
Other	-	-	-
Total Fees and Charges	<u>18,000</u>	<u>23,170</u>	<u>17,872</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	<u>18,000</u>	<u>23,170</u>	<u>17,872</u>
Conditional Grants			
Federal - Student Employment	-	-	-
TAPD	-	-	-
Local government-Operating	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>18,000</u>	<u>23,170</u>	<u>17,872</u>
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
TAPD	2,600	-	2,657
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	<u>2,600</u>	<u>-</u>	<u>2,657</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Environmental and Public Health Services Services</b>	<u>20,600</u>	<u>23,170</u>	<u>20,529</u>

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Maintenance and development charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	-	-	-
Conditional Grants			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Provincial - Disaster Assistance	-	-	-
Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Planning and Development Services</b>	-	-	-
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Other (recreation fees)	49,900	75,979	107,426
Total Fees and Charges	49,900	75,979	107,426
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue (Insurance proceeds)	-	-	-
Total other segmented revenue	49,900	75,979	107,426
Conditional Grants			
Student Employment	5,000	12,678	6,136
Local government-Operating	-	-	-
Donations	7,600	11,110	24,590
Other	-	-	-
Total Conditional Grants	12,600	23,788	30,726
<b>Total Operating</b>	62,500	99,767	138,152
<b>Capital</b>			
Conditional Grants			
Federal Gas Tax	-	-	-
Local Government-Capital	-	-	-
Provincial - Disaster Assistance	-	-	-
Other (donations)	1,192,610	15,696	62,819
<b>Total Capital</b>	1,192,610	15,696	62,819
<b>Restructuring Revenue</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	1,255,110	115,463	200,971

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 360,000	371,381	350,169
Sewer	234,000	235,121	223,202
Other (connection fees)	800	880	884
Total Fees and Charges	<u>594,800</u>	<u>607,382</u>	<u>574,255</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other Segmented Revenue	-	-	-
Total other segmented revenue	<u>594,800</u>	<u>607,382</u>	<u>574,255</u>
<b>Conditional Grants</b>			
Federal - Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Operating</b>	<u>594,800</u>	<u>607,382</u>	<u>574,255</u>
<b>Capital</b>			
<b>Conditional Grants</b>			
Federal Gas Tax	48,026	48,026	96,998
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial - Disaster Assistance	-	736,647	49,017
Other	-	-	-
<b>Total Capital</b>	<u>48,026</u>	<u>784,673</u>	<u>146,015</u>
<b>Restructuring Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Utility Services</b>	<u>642,826</u>	<u>1,392,055</u>	<u>720,270</u>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<u>\$ 1,943,266</u>	<u>1,711,615</u>	<u>969,521</u>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 687,430	721,905	727,304
Total Conditional Grants	12,600	189,341	30,726
Total Capital Grants and Contributions	1,243,236	800,369	211,491
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<u>\$ 1,943,266</u>	<u>1,711,615</u>	<u>969,521</u>

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## TOWN OF CUDWORTH

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 54,422	46,377	54,296
Wages and benefits	152,567	153,062	146,854
Professional/Contractual services	113,465	107,200	98,838
Utilities	7,000	6,511	6,365
Maintenance, materials, and supplies	22,150	16,900	19,536
Grants and contributions	-	-	-
-operating	100	100	100
-capital	-	-	-
Amortization	-	2,714	4,152
Interest	-	-	-
Allowance for uncollectibles	-	30,187	-
Other (elections)	2,000	1,753	-
<b>General Government Services</b>	<u>351,704</u>	<u>364,804</u>	<u>330,141</u>
<b>Restructuring</b>	-	-	-
<b>Total General Government Services</b>	<u>351,704</u>	<u>364,804</u>	<u>330,141</u>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	49,200	47,603	45,583
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization - Protective services-Police	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Fire protection</b>			
Wages and benefits	-	-	-
Professional/Contractual services	22,450	17,900	20,979
Utilities	7,400	7,201	7,231
Maintenance, materials, and supplies	25,464	21,272	10,181
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization - Protective services-Fire	-	15,745	15,745
Interest	-	-	-
Other	-	-	-
<b>Protective Services</b>	<u>104,514</u>	<u>109,721</u>	<u>99,719</u>
<b>Restructuring</b>	-	-	-
<b>Total Protective Services</b>	<u>104,514</u>	<u>109,721</u>	<u>99,719</u>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	81,760	67,052	68,036
Professional/Contractual services	52,560	36,414	30,280
Utilities	28,100	27,179	27,246
Maintenance, materials, and supplies	111,500	73,355	97,321
Gravel	10,000	8,975	2,886
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization - Transportation services	-	127,709	121,768
Interest	-	-	-
Other (Wheatland Rail)	975	975	975
<b>Transportation Services</b>	<u>284,895</u>	<u>341,659</u>	<u>348,512</u>
<b>Restructuring</b>	-	-	-
<b>Total Transportation Services</b>	<u>284,895</u>	<u>341,659</u>	<u>348,512</u>

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>ENVIRONMENTAL SERVICES</b>			
Wages and benefits	-	-	-
Contractual services	75,498	81,200	72,716
Utilities	-	-	-
Maintenance, materials, and supplies	1,000	250	693
Grants and contributions			
-operating	-	-	-
Waste disposal	-	-	-
Public health	20,000	20,000	-
-capital	-	-	-
Waste disposal	-	-	-
Public health	-	-	-
Amortization	-	1,978	1,978
Interest	-	-	-
Other	-	-	-
<b>Environmental and Public Health Services</b>	<u>96,498</u>	<u>103,428</u>	<u>75,387</u>
<b>Restructuring</b>	-	-	-
<b>Total Environmental and Public Health Services</b>	<u>96,498</u>	<u>103,428</u>	<u>75,387</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	-	-	-
Contractual services	13,000	1,104	3,054
Maintenance, materials, and supplies	7,000	10,769	4,561
Grants and contributions			
-operating	-	-	-
-capital	-	-	-
Amortization - Planning and development services	-	-	-
Interest	-	-	-
Other	-	-	-
<b>Planning and Development Services</b>	<u>20,000</u>	<u>11,873</u>	<u>7,615</u>
<b>Restructuring</b>	-	-	-
<b>Total Planning and Development Services</b>	<u>20,000</u>	<u>11,873</u>	<u>7,615</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	6,500	44,414	57,798
Contractual services	37,000	32,090	35,550
Utilities	42,300	48,134	45,611
Maintenance, materials, and supplies	52,000	64,322	134,841
Grants and contributions			
-operating	14,115	14,115	13,439
-capital	-	-	-
Amortization - Recreation and cultural services	-	57,049	54,631
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<u>151,915</u>	<u>260,124</u>	<u>341,870</u>
<b>Restructuring</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	<u>151,915</u>	<u>260,124</u>	<u>341,870</u>

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>UTILITY SERVICES</b>			
Wages and benefits	137,427	137,666	133,392
Contractual services	258,500	264,252	308,474
Utilities	16,200	15,517	15,627
Maintenance, materials, and supplies	27,000	27,161	63,572
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization	-	13,638	13,638
Interest	3,711	2,668	6,266
Allowance for uncollectibles	-	-	-
Other (training)	1,500	-	1,404
Utility Services	<u>444,338</u>	<u>460,902</u>	<u>542,373</u>
Restructuring	-	-	-
Total Utility Services	<u>444,338</u>	<u>460,902</u>	<u>542,373</u>
<b>TOTAL EXPENDITURES BY FUNCTION</b>	<b>\$ <u>1,453,864</u></b>	<b><u>1,652,511</u></b>	<b><u>1,745,617</u></b>

See accompanying notes to the financial statements.

# TOWN OF CUDWORTH

Schedule 4

## SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 14,387	12,993	7,700	23,170	-	75,979	607,382	741,611
Tangible capital asset sales - Gain (loss)	-	-	(19,807)	-	-	-	-	(19,807)
Land sales - Gain (loss)	(3,391)	-	-	-	-	-	-	(3,391)
Investment income and commissions	3,492	-	-	-	-	-	-	3,492
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	48,558	-	116,995	-	-	23,788	-	189,341
Grants - Capital	-	-	-	-	-	15,696	784,673	800,369
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>63,046</u>	<u>12,993</u>	<u>104,888</u>	<u>23,170</u>	<u>-</u>	<u>115,463</u>	<u>1,392,055</u>	<u>1,711,615</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	199,439	-	67,052	-	-	44,414	137,666	448,571
Professional/Contractual Services	107,200	65,503	36,414	81,200	1,104	32,090	264,252	587,763
Utilities	6,511	7,201	27,179	-	-	48,134	15,517	104,542
Maintenance, materials and supplies	16,900	21,272	82,330	250	10,769	64,322	27,161	223,004
Grants and contributions	100	-	-	20,000	-	14,115	-	34,215
Amortization	2,714	15,745	127,709	1,978	-	57,049	13,638	218,833
Interest	-	-	-	-	-	-	2,668	2,668
Allowance for uncollectibles.	30,187	-	-	-	-	-	-	30,187
Other	1,753	-	975	-	-	-	-	2,728
Restructurings	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<u>364,804</u>	<u>109,721</u>	<u>341,659</u>	<u>103,428</u>	<u>11,873</u>	<u>260,124</u>	<u>460,902</u>	<u>1,652,511</u>
<b>Surplus (deficit) by function</b>	(301,758)	(96,728)	(236,771)	(80,258)	(11,873)	(144,661)	931,153	59,104
Taxation and other unconditional revenue (Schedule 1)								<u>834,672</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 893,776</u>

See accompanying notes to the financial statements.

# TOWN OF CUDWORTH

**Schedule 5**

## SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and charges	\$ 12,811	12,441	7,700	17,872	-	107,426	574,255	732,505
Tangible capital asset sales - Gain (loss)	-	-	(2,952)	-	-	-	-	(2,952)
Land sales - Gain (loss)	(9,499)	-	-	-	-	-	-	(9,499)
Investment income and commissions	7,250	-	-	-	-	-	-	7,250
Other revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	-	-	30,726	-	30,726
Grants - Capital	-	-	-	2,657	-	62,819	146,015	211,491
Restructurings	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>10,562</u>	<u>12,441</u>	<u>4,748</u>	<u>20,529</u>	<u>-</u>	<u>200,971</u>	<u>720,270</u>	<u>969,521</u>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	201,150	-	68,036	-	-	57,798	133,392	460,376
Professional/Contractual Services	98,838	66,562	30,280	72,716	3,054	35,550	308,474	615,474
Utilities	6,365	7,231	27,246	-	-	45,611	15,627	102,080
Maintenance, materials and supplies	19,536	10,181	100,207	693	4,561	134,841	63,572	333,591
Grants and contributions	100	-	-	-	-	13,439	-	13,539
Amortization	4,152	15,745	121,768	1,978	-	54,631	13,638	211,912
Interest	-	-	-	-	-	-	6,266	6,266
Allowance for uncollectibles	-	-	-	-	-	-	-	-
Other	-	-	975	-	-	-	-	-
Restructurings	-	-	-	-	-	-	1,404	2,379
<b>Total expenses</b>	<u>330,141</u>	<u>99,719</u>	<u>348,512</u>	<u>75,387</u>	<u>7,615</u>	<u>341,870</u>	<u>542,373</u>	<u>1,745,617</u>
<b>Surplus (deficit) by function</b>	(319,579)	(87,278)	(343,764)	(54,858)	(7,615)	(140,899)	177,897	(776,096)
Taxation and other unconditional revenue (Schedule 1)								<u>824,846</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 48,750</u>

See accompanying notes to the financial statements.



## TOWN OF CUDWORTH

## SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2020  
with comparative figures for 2019

	2020							2019	
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
<b>Asset cost</b>									
Opening asset costs	\$ 56	-	2,589,041	34,187	799,182	4,361,761	-	7,784,227	7,717,778
Additions during the year	-	-	161,126	-	72,560	790,198	-	1,023,884	144,118
Disposals and write-downs during the year	-	-	-	-	(51,345)	-	-	(51,345)	(77,668)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>56</u>	<u>-</u>	<u>2,750,167</u>	<u>34,187</u>	<u>820,397</u>	<u>5,151,959</u>	<u>-</u>	<u>8,756,766</u>	<u>7,784,228</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	-	-	1,109,135	34,184	388,604	2,389,314	-	3,921,237	3,752,048
Add: Amortization taken	-	-	62,961	-	56,149	99,723	-	218,833	211,918
Less: Accumulated amortization on disposals	-	-	-	-	(20,538)	-	-	(20,538)	(42,718)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>-</u>	<u>-</u>	<u>1,172,096</u>	<u>34,184</u>	<u>424,215</u>	<u>2,489,037</u>	<u>-</u>	<u>4,119,532</u>	<u>3,921,238</u>
<b>Net book value</b>	<u>\$ 56</u>	<u>-</u>	<u>1,578,071</u>	<u>3</u>	<u>396,182</u>	<u>2,662,922</u>	<u>-</u>	<u>4,637,234</u>	<u>3,862,990</u>
1. Total contributed/donated assets received in 2020:			\$ -						
2. List of assets recognized at nominal value in 2020 are:									
-Infrastructure Assets			\$ -						
-Vehicles			\$ -						
-Machinery and Equipment			\$ -						
3. Amount of interest capitalized in 2020:			\$ -						

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2020  
with comparative figures for 2019

	2020							2019	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
<b>Asset cost</b>									
Opening asset costs	\$ 79,573	244,012	4,478,638	182,986	-	1,886,145	912,873	7,784,227	7,717,778
Additions during the year	-	33,856	72,560	-	-	127,269	790,198	1,023,884	144,118
Disposals and write-downs during the year	-	-	(51,345)	-	-	-	-	(51,345)	(77,665)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing asset costs</b>	<u>79,573</u>	<u>277,868</u>	<u>4,499,853</u>	<u>182,986</u>	<u>-</u>	<u>2,013,414</u>	<u>1,703,071</u>	<u>8,756,766</u>	<u>7,784,227</u>
<b>Accumulated amortization cost</b>									
Opening accumulated amortization costs	41,008	110,495	2,351,480	114,725	-	764,925	538,604	3,921,237	3,752,042
Add: Amortization taken	2,714	15,745	127,709	1,978	-	57,049	13,638	218,833	211,912
Less: Accumulated amortization on disposals	-	-	(20,538)	-	-	-	-	(20,538)	(42,717)
Transfer of assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-	-
<b>Closing accumulated amortization costs</b>	<u>43,722</u>	<u>126,240</u>	<u>2,458,651</u>	<u>116,703</u>	<u>-</u>	<u>821,974</u>	<u>552,242</u>	<u>4,119,532</u>	<u>3,921,237</u>
<b>Net book value</b>	<u>\$ 35,851</u>	<u>151,628</u>	<u>2,041,202</u>	<u>66,283</u>	<u>-</u>	<u>1,191,440</u>	<u>1,150,829</u>	<u>4,637,234</u>	<u>3,862,990</u>

See accompanying notes to the financial statements.

**TOWN OF CUDWORTH**  
**SCHEDULE OF ACCUMULATED SURPLUS**  
Year ended December 31, 2020

	<u>2019</u>	<u>Changes</u>	<u>2020</u>
<b>UNAPPROPRIATED SURPLUS</b>	\$ <u>210,338</u>	<u>(25,402)</u>	<u>184,936</u>
<b>APPROPRIATED RESERVES</b>			
Reserve for machinery and equipment	569,400	60,000	629,400
Public reserve	-	-	-
Capital trust fund	-	-	-
Utility reserve	-	-	-
Other reserves	<u>1,400</u>	<u>-</u>	<u>1,400</u>
<b>Total Appropriated</b>	<u>570,800</u>	<u>60,000</u>	<u>630,800</u>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	3,862,990	774,244	4,637,234
Less: Related debt	<u>(84,934)</u>	<u>84,934</u>	<u>-</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>3,778,056</u>	<u>859,178</u>	<u>4,637,234</u>
<b>Total Accumulated Surplus</b>	<u>\$ 4,559,194</u>	<u>893,776</u>	<u>5,452,970</u>

See accompanying notes to the financial statements.

**TOWN OF CUDWORTH**

**SCHEDULE OF MILL RATES AND ASSESSMENTS**

**Year ended December 31, 2020**  
with comparative figures for 2019

	<b>PROPERTY CLASS</b>						<b>Total</b>
	<b><u>Agriculture</u></b>	<b><u>Residential</u></b>	<b><u>Residential Condominium</u></b>	<b><u>Seasonal Residential</u></b>	<b><u>Commercial &amp; Industrial</u></b>	<b><u>Potash Mine(s)</u></b>	
<b>Taxable Assessment</b>	\$ 107,025	34,156,400	684,320	-	2,986,800	-	\$ 37,934,545
<b>Regional Park Assessment</b>							-
<b>Total Assessment</b>							\$ 37,934,545
<b>Mill Rate Factor(s)</b>	1.0000	0.9000	0.9000	-	1.7500		
<b>Total Base/Minimum Tax (generated for each property class)</b>	-	231,224	-	-	23,112		254,336
<b>Total Municipal Tax Levy (include base and/or minimum tax and special levies)</b>	\$ 1,459	540,636	8,393	-	82,260		632,748

<b><u>MILL RATES:</u></b>	<b><u>MILLS</u></b>
<b>Average Municipal*</b>	16.680
<b>Average School*</b>	4.277
<b>Potash Mill Rate</b>	-
<b>Uniform Municipal Mill Rate</b>	13.628

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

See accompanying notes to the financial statements.

## TOWN OF CUDWORTH

## SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2020  
with comparative figures for 2019

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Current				
Mayor	Gary Hleck	\$ 853	-	853
Councillor	Kelsey Eckel	562	-	562
Councillor	Roxanne Koenning	478	-	478
Councillor	Rick Wedewer	363	-	363
Councillor	Terry Medernach	478	-	478
Councillor	Scott Friesen	478	-	478
Councillor	Kyle Lingel	6,855	531	7,386
Former				
Mayor	Elaine Olexson	9,727	180	9,907
Councillor	Peggy Becker	4,132	293	4,425
Councillor	Sheldon Doetzel	2,992	86	3,078
Councillor	Bernadette Lange	5,548	320	5,868
Councillor	Kyle Slobodian	2,322	-	2,322
Councillor	Amanda Sosnowski	2,172	1,344	3,516
Total		<u>\$ 36,960</u>	<u>2,754</u>	<u>39,714</u>

See accompanying notes to the financial statements.

**TOWN OF CUDWORTH**  
**SCHEDULE OF RESTRUCTURING**  
**Year ended December 31, 2020**

**Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date**

Cash and temporary investments	\$ -
Taxes Receivable - Municipal	-
Other accounts receivable	-
Land for resale	-
Long-term investments	-
Debt charges recoverable	-
Bank indebtedness	-
Accounts payable	-
Accrued liabilities payable	-
Deposits	-
Deferred revenue	-
Accrued landfill costs	-
Liability for contaminated sites	-
Other liabilities	-
Long-term debt	-
Lease obligations	-
Tangible capital assets	-
Prepayments and deferred charges	-
Stock and supplies	-
Other	-
<b>Total Net Carrying Amount Received (Transferred)</b>	<b>\$ -</b>

See accompanying notes to the financial statements.