

Management's Responsibility

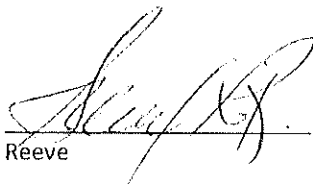
To the Ratepayers of Rural Municipality of Mervin No. 499

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated 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 consolidated 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 consolidated 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 consolidated 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.


Reeve


Administrator



Vantage
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Council of
Rural Municipality of Mervin No. 499
Turtleford, Saskatchewan

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of Mervin No. 499, which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Mervin No. 499 as at December 31, 2023, 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 Consolidated Financial Statements* section of our report. We are independent of the Rural Municipality of Mervin No. 499 in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Rural Municipality of Mervin No. 499'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.

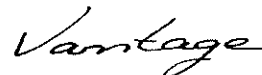
Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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.

The logo for Vantage Chartered Professional Accountants, featuring the word "Vantage" in a stylized, cursive script font.

Chartered Professional Accountants

North Battleford, Saskatchewan
August 13, 2024

Rural Municipality of Mervin No. 499
Statement of Consolidated Financial Position
As at December 31, 2023

Statement 1

	2023	2022
FINANCIAL ASSETS		(Restated)
Cash and Cash Equivalents (Note 2)	14,130,164	13,366,783
Investments (Note 3)	233,023	208,936
Taxes Receivable - Municipal (Note 4)	462,101	420,195
Other Accounts Receivable (Note 5)	153,376	217,574
Assets Held for Sale (Note 6)	52,536	45,257
Long-Term Receivable		
Debt Charges Recoverable		
Derivative Assets		
Other		
Total Financial Assets	15,031,200	14,258,745
LIABILITIES		
Bank Indebtedness (Note 8)		
Accounts Payable	374,408	448,267
Accrued Liabilities Payable		
Derivative Liabilities		
Deposits		109,682
Deferred Revenue		9,112
Accrued Landfill Costs (Note 7)	257,925	202,216
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 9)		
Lease Obligations		
Total Liabilities	632,333	769,277
NET FINANCIAL ASSETS (DEBT)	14,398,867	13,489,468
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	28,231,799	28,372,691
Prepayments and Deferred Charges	7,299	6,826
Stock and Supplies	953,582	1,247,608
Other		
Total Non-Financial Assets	29,192,680	29,627,125
ACCUMULATED SURPLUS (DEFICIT)	43,591,547	43,116,593
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 8)	43,591,547	43,116,593
Accumulated remeasurement gains (losses)		

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Mervin No. 499
Statement of Consolidated Operations
For the year ended December 31, 2023

Statement 2

	2023 Budget	2023	2022 (Restated)
REVENUES			
Tax Revenue (Schedule 1)	5,934,020	6,332,704	5,936,918
Other Unconditional Revenue (Schedule 1)	484,540	558,477	484,984
Fees and Charges (Schedule 4, 5)	608,590	1,173,187	1,110,669
Conditional Grants (Schedule 4, 5)	4,500	7,963	16,295
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	(11,000)	36,371	(160,245)
Land Sales - Gain (Schedule 4, 5)			(20,503)
Investment Income (Schedule 4, 5)	161,000	329,506	217,351
Commissions (Schedule 4, 5)			
Restructurings (Schedule 4,5)			
Other Revenues (Schedule 4, 5)	662,000	385,792	323,934
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	572,740	119,398	55,750
Total Revenues	8,416,390	8,943,398	7,965,153
EXPENSES			
General Government Services (Schedule 3)	1,998,480	1,597,424	1,139,730
Protective Services (Schedule 3)	582,920	551,241	368,082
Transportation Services (Schedule 3)	4,395,640	4,893,428	3,813,976
Environmental and Public Health Services (Schedule 3)	809,280	502,560	436,260
Planning and Development Services (Schedule 3)	276,400	284,488	294,957
Recreation and Cultural Services (Schedule 3)	47,040	181,912	83,091
Utility Services (Schedule 3)		457,391	323,075
Restructurings (Schedule 3)			
Total Expenses	8,109,760	8,468,444	6,459,171
Annual Surplus (Deficit) of Revenues over Expenses	306,630	474,954	1,505,982
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	43,116,593	43,116,593	41,610,611
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	43,423,223	43,591,547	43,116,593

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Mervin No. 499
Statement of Change in Consolidated Net Financial Assets
For the year ended December 31, 2023

Statement 3

	2023 Budget	2023	2022 (Restated)
Annual Surplus (Deficit) of Revenues over Expenses	306,630	474,954	1,505,982
(Acquisition) of tangible capital assets		(1,454,459)	(2,509,604)
Amortization of tangible capital assets		1,548,722	1,502,350
Proceeds on disposal of tangible capital assets		83,000	234,100
Loss (gain) on the disposal of tangible capital assets		(36,371)	160,245
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures		140,892	(612,909)
(Acquisition) of supplies inventories			(435,310)
(Acquisition) of prepaid expense			
Consumption of supplies inventory		294,026	
Use of prepaid expense		(473)	(70)
Surplus (Deficit) of expenses of other non-financial over expenditures		293,553	(435,380)
Unrealized remeasurement gains (losses)			
Increase/Decrease in Net Financial Assets	306,630	909,399	457,693
Net Financial Assets (Debt) - Beginning of Year	13,489,468	13,489,468	13,031,775
Net Financial Assets (Debt) - End of Year	13,796,098	14,398,867	13,489,468

The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Mervin No. 499
Statement of Consolidated Cash Flow
For the year ended December 31, 2023

Statement 4

	2023	2022 (Restated)
Cash provided by (used for) the following activities		
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	474,954	1,505,982
Amortization	1,548,722	1,502,350
Loss (gain) on disposal of tangible capital assets	(36,371)	160,245
	1,987,305	3,168,577
Change in assets/liabilities		
Taxes Receivable - Municipal	(41,906)	(27,967)
Other Receivables	64,198	(129,085)
Assets Held for Sale	(7,279)	10,123
Other Financial Assets		
Accounts and Accrued Liabilities Payable	(73,859)	57,853
Derivative Liabilities <i>[if applicable]</i>		
Deposits	(109,682)	54,682
Deferred Revenue	(9,112)	(2,260)
Asset Retirement Obligation	55,709	53,566
Liability for Contaminated Sites		
Other Liabilities		
Stock and Supplies	294,026	(435,310)
Prepayments and Deferred Charges	(473)	(70)
Other (Specify)		
Cash provided by operating transactions	2,158,927	2,750,109
Capital:		
Acquisition of capital assets	(1,454,459)	(2,509,604)
Proceeds from the disposal of capital assets	83,000	234,100
Cash applied to capital transactions	(1,371,459)	(2,275,504)
Investing:		
Decrease (increase) in restricted cash or cash equivalents		
Proceeds from disposal of investments		
Decrease (increase) in investments	(24,087)	(36,363)
Cash provided by (applied to) investing transactions	(24,087)	(36,363)
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid		
Other financing		
Cash provided by (applied to) financing transactions		
Change in Cash and Cash Equivalents during the year	763,381	438,242
Cash and Cash Equivalents - Beginning of Year	13,366,783	12,928,541
Cash and Cash Equivalents - End of Year	14,130,164	13,366,783

The accompanying notes and schedules are an integral part of these statements.

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.

Entity

North Saskatchewan River Municipal Health Holdings Inc.
Town of Turtleford and R.M. of Mervin Fire Association
St. Walburg and District Fire and Rescue Association
Sunset View Public Utility Board
Clover Lake Public Utility Board
Crystal Lake Sunset Public Utility Board

Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These consolidated financial statements contain the following partnerships:

North Saskatchewan River Municipal Health Holdings Inc. - 9% government partnership accounted for under proportionate consolidation
Town of Turtleford and R.M. of Mervin Fire Association - 50% government partnership accounted for under proportionate consolidation
St. Walburg and District Fire and Rescue Association - 33% government partnership accounted for under proportionate consolidation
Sunset View Public Utility Board - 100% consolidation
Clover Lake Public Utility Board - 100% consolidation
Crystal Lake Sunset Public Utility Board - 100% consolidation

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 and stipulations have been met; and
 - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

- d) **Other (Non-Government Transfer) Contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.
- e) **Deferred Revenue:** Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council. 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.

1. Significant Accounting Policies - continued

- k) **Financial Instruments:** Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

Interest and dividends attributable to financial instruments are reported in the statement of operations. Unrealized gains and losses are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of operations.

Long-term debt: Long-term debt is initially recognized net of premiums, discounts, and transaction costs and is measured at amortized cost with interest expense recognized using the effective interest rate method.

Long-term receivables: Receivables with terms longer than one year have been classified as other long-term receivables.

Measurement of Financial Instruments:

The municipalities financial assets and liabilities are measured as follows:

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash and Cash Equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other Accounts Receivable	Cost and amortized cost
Long-Term Receivables	Amortized cost
Debt Charges Recoverable	Amortized cost
Bank Indebtedness	Amortized cost
Accounts Payable and Accrued Liabilities	Cost
Deposit Liabilities	Cost
Long-Term Debt	Amortized cost
Derivative Assets and Liabilities	Fair value

- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials, and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs.
Buildings	10 to 50 Yrs.
Vehicles and Equipment	
Vehicles	5 to 10 Yrs.
Machinery and Equipment	5 to 10 Yrs.
Leased Capital Assets	Lease term
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs.

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

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

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

1. Significant Accounting Policies - continued

- n) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality.
- o) **Employee Benefit Plans:** Contributions to the municipality's multiemployer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- q) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

Measurement uncertainty impacts the following financial statement areas:

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.

The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.

Measurement financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

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

- r) **Basis of Segmentation/Segment Report:** The municipality 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.

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 9, 2023.

- t) **Assets Held for Sale:** The municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset, and the sale is reasonably anticipated to be completed within one year of the financial statement date.

1. Significant Accounting Policies - continued

- u) **Asset Retirement Obligation:** Asset Retirement Obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible assets include but are not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the municipality to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

The municipality does not maintain a waste disposal site.

- v) **New Standards and Amendments to Standards:**
Effective for Fiscal Years Beginning On or After April 1, 2023:

PS 3160, Public private partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard applies to fiscal years beginning on or after April 1, 2023.

PS 3400, Revenue, 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 standard is mandatory for fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted. The standard may be adopted retroactively or prospectively.

PSG-8, Purchased intangibles, provides guidance on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. The standard may be adopted retroactively or prospectively.

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

- w) **New Accounting Policies Adopted During the Year:**

PS 3450 Financial Instruments, 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.

These measurements are to be applied prospectively with any difference between the fair value and the prior carrying value being recognized as an adjustment to accumulated remeasurement gains and losses at the beginning of the fiscal year. This standard was adopted in conjunction with PS 1201 - Financial Statement Presentation, PS 2601 - Foreign Currency Translation and PS 3041 - Portfolio Investments.

Prospective application: During the year, the municipality adopted a new accounting policy with respect to PS 3450 Financial Instruments. The adoption of accounting policy has not impacted the municipality's consolidated financial statements.

PS 3280 Asset Retirement Obligations, 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.

Prospective application: During the year, the municipality adopted a new accounting policy with respect to PS 3280 Asset Retirement Obligations. The adoption of accounting policy has not impacted the municipality's consolidated financial statements.

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

2. Cash and Cash Equivalents

	2023	2022 (Restated)
Cash	9,656,312	5,496,622
Short-term investments	107,851	106,872
Restricted Cash	4,366,001	7,763,289
Total Cash and Cash Equivalents	14,130,164	13,366,783

Cash and cash equivalents includes balances with banks and short-term deposits with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Investments

	2023	2022 (Restated)
Investments carried at fair value:		
Equity instruments quoted in an active market		
Portfolio investments		
Derivatives		
Investments carried at amortized cost:		
Sask Association of Rural Municipalities - Self Insurance Fund	153,426	129,339
Co-op Equity	75,497	75,497
Other credit union shares	4,100	4,100
Total investments	233,023	208,936

4. Taxes Receivable - Municipal

	2023	2022
Municipal - Current	364,235	334,150
- Arrears	97,866	86,045
	462,101	420,195
- Less Allowance for Uncollectible		
Total municipal taxes receivable	462,101	420,195
School - Current	182,442	208,798
- Arrears	29,722	34,551
Total taxes to be collected on behalf of School Divisions	212,164	243,349
Other - Regional Park	3333	4,107
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	677,598	667,651
Deduct taxes to be collected on behalf of other organizations	(215,497)	(247,456)
Total Taxes Receivable - Municipal	462,101	420,195

5. Other Accounts Receivable

	2023	2022 (Restated)
Federal Government	41,857	109,141
Provincial Government		
Local Government		
Utility		
Trade	111,519	108,433
Other (Accrued interest)		
Total Other Accounts Receivable	153,376	217,574
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	153,376	217,574

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

	2023	2022
6. Assets Held for Sale		
Tax Title Property	56,956	49,663
Allowance for market value adjustment	(4,420)	(4,406)
Net Tax Title Property	52,536	45,257
Other Land		
Allowance for market value adjustment		
Net Other Land		
Other		
Total Assets Held for Sale	52,536	45,257

	2023	2022
7. Accrued Landfill Costs		
Total Cost	257,925	202,216

In 2023 the municipality has accrued an overall liability for environmental matters in the amount of \$257,925 (2021 - \$202,216) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$257,925 (prior year - \$202,216) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2023 based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 4% (prior year - 4%).

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 32-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

8. Bank Indebtedness

The municipality has an approved \$1 million line of credit with a balance drawn of Nil (2022 - Nil) secured by municipal borrowing resolution.

9. Long-Term Debt

a) The debt limit of the municipality is \$7,508,739. 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)).

10. Contractual Rights

The municipality is a beneficiary of the Rural Municipal Tax Loss Compensation Trust Fund and is entitled to on-going annual payments from the trust under terms of the Rural Municipal Tax Loss Compensation Agreement dated October 6, 1993. The municipality's revenue from this fund in 2023 was \$11,632 (2022 - \$11,626) with an entitlement balance of \$181,752 remaining at December 31, 2023 (2022 - \$182,064).

11. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

12. 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 2023 was \$163,830 (2022 - \$140,019). 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.

At December 31, 2022, the MEPP disclosed an actuarial surplus of \$704,877,000.

13. Comparative Figures

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

14. Risk Management

Through its financial assets and liabilities, the municipality is exposed to various risks.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in so doing, cause a loss for the other party. The financial instruments that potentially subject the municipality to credit risk consist of the allowance for doubtful taxes receivable which administration monitors and reports to council as well as working with legal council on collections.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency and other price risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of any potential debt as well as short term investments.

15. Government Partnerships

a) **North Saskatchewan River Municipal Health Holdings Inc.**

The municipality has entered into an agreement representing a government partnership with several other municipalities regarding the "North Saskatchewan River Municipal Health Holdings Inc..". The mandate of the agreement is to provide improved health care for the benefit of the residents of the Rural Municipality of Mervin No. 499 and the associated municipalities. The partnership is reported on a proportionate consolidation basis with the municipality's share being 9%.

During the year, the municipality paid \$482,122 in net fees to the organization (2022 - \$418,455). The transactions were measured at the exchange amount.

The following schedule details balances and transactions of the North Saskatchewan River Municipal Health Holdings Inc. government partnership.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	164,004	181,000
Total Liabilities	1,257	3,804
NET FINANCIAL ASSETS	162,747	177,196
Total Non-Financial Assets	_____	_____
ACCUMULATED SURPLUS	<u>162,747</u>	<u>177,196</u>
Total Revenue	527,553	515,610
Total Expense	542,002	503,880
SURPLUS	<u>(14,449)</u>	<u>11,730</u>

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

15. Government Partnerships - continued

b) Town of Turtleford and R.M. of Mervin No. 499 Fire Association

The municipality has entered into an agreement representing a government partnership with the Town of Turtleford regarding the "Town of Turtleford and R.M. of Mervin No. 499 Fire Association." The mandate of the agreement is to provide fire suppression services for the benefit of the residents of the Rural Municipality of Mervin No. 499 and the associated municipality. The partnership is reported on a proportionate consolidation basis with the municipality's share being 50%.

During the year, the municipality paid \$131,580 in fees to the organization (2022 - \$127,235). The transactions were measured at the exchange amount.

The following schedule details balances and transactions of the Town of Turtleford and R.M. of Mervin No. 499 Fire Association government partnership.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	269,489	388,909
Total Liabilities	<u>5,661</u>	<u></u>
NET FINANCIAL ASSETS	263,828	388,909
Total Non-Financial Assets	<u>275,809</u>	<u>90,447</u>
ACCUMULATED SURPLUS	<u>539,637</u>	<u>479,356</u>
Total Revenue	270,605	224,171
Total Expense	<u>210,324</u>	<u>200,978</u>
SURPLUS	<u>60,281</u>	<u>23,193</u>

c) St. Walburg and District Fire and Rescue Association

The municipality has entered into an agreement representing a government partnership with the Town of St. Walburg regarding the "St. Walburg and District Fire and Rescue Association." The mandate of the agreement is to provide fire suppression services for the benefit of the residents of the Rural Municipality of Mervin No. 499 and the associated municipality. The partnership is reported on a proportionate consolidation basis with the municipality's share being 33%.

During the year, the municipality paid \$30,000 in net fees to the organization (2022 - \$30,000). The transactions were measured at the exchange amount.

The following schedule details balances and transactions of the St. Walburg and District Fire and Rescue Association government partnership.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	168,186	143,260
Total Liabilities	<u>3,142</u>	<u>11,512</u>
NET FINANCIAL ASSETS	165,044	131,748
Total Non-Financial Assets	<u>592,146</u>	<u>627,696</u>
ACCUMULATED SURPLUS	<u>757,190</u>	<u>759,444</u>
Total Revenue	189,936	159,493
Total Expense	<u>192,189</u>	<u>171,556</u>
SURPLUS	<u>(2,253)</u>	<u>(12,063)</u>

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

15. Government Partnerships - continued

d) **Sunset View Public Utility Board**

The municipality controls the "Sunset View Public Utility Board." The mandate of the agreement is to provide treated water services for the benefit of the residents of the Rural Municipality of Mervin No. 499. The partnership is reported on a full consolidation basis with the municipality's share being 100%.

During the year, the municipality paid \$NIL in fees to the organization (2022 - \$25,000). The transactions were measured at the exchange amount.

The following schedule details balances and transactions of the Sunset View Public Utility Board government partnership.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	86,674	121,509
Total Liabilities	<u>2,635</u>	<u>17,110</u>
NET FINANCIAL ASSETS	84,039	104,399
Total Non-Financial Assets	<u>929,237</u>	<u>935,419</u>
ACCUMULATED SURPLUS	<u><u>1,013,276</u></u>	<u><u>1,039,818</u></u>
Total Revenue	133,172	157,941
Total Expense	<u>159,714</u>	<u>140,684</u>
SURPLUS	<u><u>(26,542)</u></u>	<u><u>17,257</u></u>

e) **Clover Lake Public Utility Board**

The municipality controls the "Clover Lake Public Utility Board." The mandate of the agreement is to provide treated water services for the benefit of the residents of the Rural Municipality of Mervin No. 499. The partnership is reported on a full consolidation basis with the municipality's share being 100%.

During the year, the municipality paid \$NIL in fees to the organization (2022 - \$NIL). The transactions were measured at the exchange amount.

The following schedule details balances and transactions of the Clover Lake Public Utility Board government partnership.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	9,934	11,817
Total Liabilities	<u> </u>	<u> </u>
NET FINANCIAL ASSETS	9,934	11,817
Total Non-Financial Assets	<u>76,164</u>	<u>79,358</u>
ACCUMULATED SURPLUS	<u><u>86,098</u></u>	<u><u>91,175</u></u>
Total Revenue	15,335	13,434
Total Expense	<u>20,412</u>	<u>18,303</u>
SURPLUS	<u><u>(5,077)</u></u>	<u><u>(4,869)</u></u>

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

15. Government Partnerships - continued

f) Crystal Bay Sunset Public Utility Board

The municipality controls the "Crystal Bay Sunset Public Utility Board." The mandate of the agreement is to provide treated water services for the benefit of the residents of the Rural Municipality of Mervin No. 499. The partnership is reported on a full consolidation basis with the municipality's share being 100%.

During the year, the municipality paid \$NIL in fees to the organization (2022 - \$5,000). The transactions were measured at the exchange amount.

The following schedule details balances and transactions of the Crystal Bay Sunset Public Utility Board government partnership.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	228,085	230,386
Total Liabilities	<u>1,525</u>	<u>9,972</u>
NET FINANCIAL ASSETS	226,560	220,414
Total Non-Financial Assets	<u>106,620</u>	<u>110,894</u>
ACCUMULATED SURPLUS	<u>333,180</u>	<u>331,308</u>
Total Revenue	55,437	65,143
Total Expense	<u>53,565</u>	<u>43,584</u>
SURPLUS	<u>1,872</u>	<u>21,559</u>

Rural Municipality of Mervin No. 499
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023

16. Prior Period Adjustment

During the current year, the municipality identified and proportionately consolidated the Town of Turtleford and R.M. of Mervin Fire Association and the St. Walburg and District Fire Association. The municipality identified and fully consolidated the Sunset View Public Utility Board, Clover Lake Public Utility Board, and Crystal Bay Sunset Public Utility Board. The 2022 comparative figures have been restated to reflect the municipality's share of these organizations.

	2022 Previously Reported	Adjustments	2022 Restated
Consolidated Statement of Financial Position			
FINANCIAL ASSETS			
Cash and Temporary Investments	12,832,704	534,079	13,366,783
Other Accounts Receivable	174,818	42,756	217,574
Long-Term Investments	204,856	4,080	208,936
LIABILITIES			
Accounts Payable	451,584	(3,317)	448,267
Deferred Revenue	240	8,872	9,112
Lease Obligations			
NON-FINANCIAL ASSETS			
Tangible Capital Assets	26,999,411	1,373,280	28,372,691
Prepayments and deferred charges		6,826	6,826
Stock and supplies			
Other non-financial assets			
Stock and supplies			
Consolidated Statement of Operations			
Total Revenues	7,720,626	244,527	7,965,153
Total Expenses	6,256,166	203,005	6,459,171
Accumulated Surplus - Beginning of Year	39,696,667	1,913,944	41,610,611
Accumulated Surplus - End of Year	41,161,127	1,955,466	43,116,593
Consolidated Statement of Change in Net Financial Assets			
Net Financial Assets - Beginning of Year	12,397,189	634,586	13,031,775
Net Financial Assets - End of Year	12,914,108	575,360	13,489,468
Consolidated Statement of Cash Flow			
Surplus	1,464,460	41,522	1,505,982
Cash and Temporary Investments - Beginning of year	12,292,532	636,009	12,928,541
Cash and Temporary Investments - End of year	12,832,704	534,079	13,366,783

Rural Municipality of Mervin No. 499
 Schedule of Taxes and Other Unconditional Revenue
 For the year ended December 31, 2023

Schedule 1

	2023 Budget	2023	2022
TAXES			
General municipal tax levy	6,041,170	6,869,664	8,536,819
Abatements and adjustments	(22,000)	(418,826)	(2,522,560)
Discount on current year taxes	(129,000)	(164,824)	(152,945)
Net Municipal Taxes	5,890,170	6,286,014	5,861,314
Potash tax share			
Trailer license fees			
Penalties on tax arrears		25,667	24,302
Special tax levy			
Other			
Total Taxes	5,890,170	6,311,681	5,885,616
UNCONDITIONAL GRANTS			
Revenue Sharing	379,540	440,683	379,538
(Organized Hamlet)	105,000	117,794	105,446
Safe Restart			
Other			
Total Unconditional Grants	484,540	558,477	484,984
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel	33,850	9,391	39,676
Other (Pasture)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	10,000	11,632	11,626
Other			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other			
Total Grants in Lieu of Taxes	43,850	21,023	51,302
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	6,418,560	6,891,181	6,421,902

Rural Municipality of Mervin No. 499
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2023

Schedule 2 - 1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies	1,500	2,797	2,163
- Other (Tax certificates, permits, leases)			75,498
Total Fees and Charges	1,500	2,797	77,661
- Tangible capital asset sales - gain (loss)	(11,000)	36,371	
- Land sales - gain			(20,503)
- Investment income	161,000	329,506	217,351
- Commissions			
- Other (Expense recovery)	662,000	338,312	323,934
Total Other Segmented Revenue	813,500	706,986	598,443
Conditional Grants			
- Student Employment			
- MEEP			
- Other			
Total Conditional Grants			
Total Operating	813,500	706,986	598,443
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other			
Total Capital			
Restructuring Revenue			
Total General Government Services	813,500	706,986	598,443

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other	1,000	37,028	8,009
Total Fees and Charges	1,000	37,028	8,009
- Tangible capital asset sales - gain (loss)			
- Investment income and commissions			
- Other			
Total Other Segmented Revenue	1,000	37,028	8,009
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other			
Total Conditional Grants			
Total Operating	1,000	37,028	8,009
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other			
Total Capital			
Restructuring Revenue			
Total Protective Services	1,000	37,028	8,009

Rural Municipality of Mervin No. 499
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2023

Schedule 2 - 2

	2023 Budget	2023	2022
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	50,000	301,422	55,727
- Sales of supplies	54,000	43,403	64,455
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Permits, drilling fees and surface leases)			
Total Fees and Charges	104,000	344,825	120,182
- Tangible capital asset sales - gain (loss)			(160,245)
- Other (Expense recoveries)			
Total Other Segmented Revenue	104,000	344,825	(40,063)
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (SGI radar sign)	1,000	1,100	28,616
Total Conditional Grants	1,000	1,100	28,616
Total Operating	105,000	345,925	(11,447)
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	500,000		
- ICIP	38,000	84,654	38,810
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Sask water)	34,740	34,744	16,940
Total Capital	572,740	119,398	55,750
Restructuring Revenue			
Total Transportation Services	677,740	465,323	44,303

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	220,000	294,226	300,451
- Other (Pest control, cemetery fees)	50,500	68,735	51,650
Total Fees and Charges	270,500	362,961	352,101
- Tangible capital asset sales - gain (loss)			
- Other (Expense recovery)		47,480	
Total Other Segmented Revenue	270,500	410,441	352,101
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other	3,500	6,863	(12,321)
Total Conditional Grants	3,500	6,863	(12,321)
Total Operating	274,000	417,304	339,780
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other			
Total Capital			
Restructuring Revenue			
Total Environmental and Public Health Services	274,000	417,304	339,780

Rural Municipality of Mervin No. 499
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2023

Schedule 2 - 3

	2023 Budget	2023	2022
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	103,150	99,515	105,466
- Other	15,000	1,610	101,010
Total Fees and Charges	118,150	101,125	206,476
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	118,150	101,125	206,476
Conditional Grants			
- Student Employment			
- MEEP			
- Other			
Total Conditional Grants			
Total Operating	118,150	101,125	206,476
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other			
Total Capital			
Restructuring Revenue			
Total Planning and Development Services	118,150	101,125	206,476

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Skating rink fees and arena advertising)		5,075	
Total Fees and Charges		5,075	
- Tangible capital asset sales - gain (loss)			
- Investment income and commissions			
- Other			
Total Other Segmented Revenue		5,075	
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Sask. Lottery, community rink affordability)			
Total Conditional Grants			
Total Operating		5,075	
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Credit union parking lot grant)			
Total Capital			
Restructuring Revenue			
Total Recreation and Cultural Services		5,075	

Rural Municipality of Mervin No. 499
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2023

Schedule 2 - 4

	2023 Budget	2023	2022
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	113,440	115,432	109,722
- Sewer		203,944	236,518
- Other			
Total Fees and Charges	113,440	319,376	346,240
- Tangible capital asset sales - gain (loss)			
- Other			
Total Other Segmented Revenue	113,440	319,376	346,240
Conditional Grants			
- Student Employment			
- MEEP			
- Other			
Total Conditional Grants			
Total Operating	113,440	319,376	346,240
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other			
Total Capital			
Restructuring Revenue			
Total Utility Services	113,440	319,376	346,240
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	1,997,830	2,052,217	1,543,251

SUMMARY

Total Other Segmented Revenue	1,420,590	1,924,856	1,471,206
Total Conditional Grants	4,500	7,963	16,295
Total Capital Grants and Contributions	572,740	119,398	55,750
Restructuring Revenue			
TOTAL REVENUE BY FUNCTION	1,997,830	2,052,217	1,543,251

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	88,700	94,557	78,677
Wages and benefits	542,000	641,237	391,763
Professional/Contractual services	385,790	514,617	409,269
Utilities	19,100	19,695	20,119
Maintenance, materials and supplies	106,000	193,213	118,297
Grants and contributions - operating			
- capital			
Amortization		13,447	19,793
Share of Hamlet Tax	751,000		
Purchase of Capital Assets	40,890		
Allowance for uncollectible			
Other (Car wash)	65,000	120,658	101,812
General Government Services	1,998,480	1,597,424	1,139,730
Restructuring			
Total General Government Services	1,998,480	1,597,424	1,139,730
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	106,650	93,583	26,399
Professional/Contractual services	89,920	103,749	86,456
Utilities	26,160	18,664	
Maintenance, material and supplies	73,950	72,942	22,344
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital	60,000	42,084	
Other			
Fire protection			
Wages and benefits			
Professional/Contractual services	173,240	169,695	169,638
Utilities			
Maintenance, material and supplies	53,000		
Grants and contributions - operating			
- capital			5,406
Amortization		50,524	57,839
Interest			
Accretion of asset retirement obligation			
Other (Capital)			
Protective Services	582,920	551,241	368,082
Restructuring			
Total Protective Services	582,920	551,241	368,082
TRANSPORTATION SERVICES			
Wages and benefits	1,026,690	1,071,010	924,495
Professional/Contractual services	1,252,750	779,480	512,116
Utilities	33,500	24,874	32,770
Maintenance, materials and supplies	1,822,700	964,171	634,339
Gravel	250,000	401,879	94,678
Grants and contributions - operating			
- capital			
Amortization		1,332,719	1,280,531
Interest			
Accretion of asset retirement obligation			
Other (Hamlets)	10,000	319,295	335,047
Transportation Services	4,395,640	4,893,428	3,813,976
Restructuring			
Total Transportation Services	4,395,640	4,893,428	3,813,976

	2023 Budget	2023	2022
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	791,320	451,271	387,637
Utilities	2,000	1,644	1,535
Maintenance, materials and supplies	7,200	5,725	6,923
Grants and contributions - operating	8,760	12,102	8,422
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization		31,818	31,743
Interest			
Accretion of asset retirement obligation			
Other (GTL deficit)			
Environmental and Public Health Services	809,280	502,560	436,260
Restructuring			
Total Environmental and Public Health Services	809,280	502,560	436,260
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	75,000	75,110	43,262
Professional/Contractual services	200,000	208,148	250,828
Grants and contributions - operating	1,400	1,230	867
- capital			
Amortization			
Interest			
Accretion of asset retirement obligation			
Other			
Planning and Development Services	276,400	284,488	294,957
Restructuring			
Total Planning and Development Services	276,400	284,488	294,957
RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	15,840	121,557	11,640
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	31,200	30,000	30,000
- capital			
Amortization		30,355	41,451
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other			
Recreation and Cultural Services	47,040	181,912	83,091
Restructuring			
Total Recreation and Cultural Services	47,040	181,912	83,091

Rural Municipality of Mervin No. 499
 Total Expenses by Function
 For the year ended December 31, 2023

Schedule 3 - 3

	2023 Budget	2023	2022
UTILITY SERVICES			
Wages and benefits			
Professional/Contractual services			
Utilities			
Maintenance, materials and supplies		367,532	252,082
Grants and contributions - operating			
- capital			
Amortization		89,859	70,993
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other			
Utility Services		457,391	323,075
Restructuring			
Total Utility Services		457,391	323,075
TOTAL EXPENSES BY FUNCTION	8,109,760	8,468,444	6,459,171

Rural Municipality of Mervin No. 499
 Schedule of Segment Disclosure by Function
 For the year ended December 31, 2023

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	2,797	37,028	344,825	362,961	101,125	5,075	319,376	1,173,187
Tangible Capital Asset Sales - Gain	36,371							36,371
Land Sales - Gain								
Investment Income	329,506							329,506
Commissions								
Other Revenues	338,312			47,480				385,792
Grants - Conditional			1,100	6,863				7,963
- Capital			119,398					119,398
Restructurings								
Total Revenues	706,986	37,028	465,323	417,304	101,125	5,075	319,376	2,052,217
Expenses (Schedule 3)								
Wages and Benefits	735,794	93,583	1,071,010		75,110			1,975,497
Professional/Contractual Services	514,617	273,444	779,480	451,271	208,148	121,557		2,348,517
Utilities	19,695	18,664	24,874	1,644				64,877
Maintenance Materials and Supplies	193,213	72,942	1,366,050	5,725			367,532	2,005,462
Grants and Contributions		42,084		12,102	1,230	30,000		85,416
Amortization	13,447	50,524	1,332,719	31,818		30,355	89,859	1,548,722
Interest								
Accretion of Asset Retirement Obligation								
Allowance for Uncollectible								
Restructurings								
Other	120,658		319,295					439,953
Total Expenses	1,597,424	551,241	4,893,428	502,560	284,488	181,912	457,391	8,468,444
Surplus (Deficit) by Function	(890,438)	(514,213)	(4,428,105)	(85,256)	(183,363)	(176,837)	(138,015)	(6,416,227)
Taxes and other unconditional revenue (Schedule 1)								6,891,181
Net Surplus (Deficit)								474,954

Rural Municipality of Mervin No. 499
 Schedule of Segment Disclosure by Function
 For the year ended December 31, 2022

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	77,661	8,009	120,182	352,101	206,476		346,240	1,110,669
Tangible Capital Asset Sales - Gain	(20,503)		(160,245)					(160,245)
Land Sales - Gain	217,351							(20,503)
Investment Income								217,351
Commissions								
Other Revenues	323,934			(12,321)				323,934
Grants - Conditional			28,616					16,295
- Capital			55,750					55,750
Restructurings								
Total Revenues	598,443	8,009	44,303	339,780	206,476		346,240	1,543,251
Expenses (Schedule 3)								
Wages and Benefits	470,440	26,399	924,495		43,262			1,464,596
Professional/Contractual Services	409,269	256,094	512,116	387,637	250,828	1,1640		1,827,584
Utilities	20,119		32,770	1,535				54,424
Maintenance Materials and Supplies	118,257	22,344	729,017	6,923			252,082	1,128,663
Grants and Contributions		5,406		8,422	867	30,000		44,695
Amortization	19,793	57,839	1,280,531	31,743		41,451	70,993	1,502,350
Interest								
Accretion of Asset Retirement Obligation								
Allowance for Uncollectible								
Restructurings								
Other	101,812		335,047					436,859
Total Expenses	1,139,730	368,082	3,813,976	436,260	294,957	83,091	323,075	6,459,171
Surplus (Deficit) by Function	(541,287)	(360,073)	(3,769,673)	(96,480)	(88,481)	(83,091)	23,165	(4,915,920)
Taxes and other unconditional revenue (Schedule 1)								6,421,902
Net Surplus (Deficit)								1,505,982

Rural Municipality of Mervin No. 499
Schedule of Consolidated Tangible Capital Assets by Object
For the year ended December 31, 2023

Schedule 6

	2023										2022	
	General Assets					Infrastructure Assets		General/Infrastructure Assets Under Construction	Total		Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Linear assets						
Asset Cost												
Opening Asset Costs	232,219	8,703	4,055,154	1,016,643	4,691,504	46,083,464	112,758		56,200,445		54,273,288	
Additions during the year			109,942	153,973	684,684	496,238	9,622		1,454,459		2,509,604	
Disposals and write-downs during the year			(18,843)		(44,699)				(63,542)		(582,447)	
Transfers (from) assets under construction			97,113			13,570	(110,683)		Nil			
Transfer of Capital Assets related to restructuring (Schedule 11)												
Closing Asset Costs	232,219	8,703	4,243,366	1,170,616	5,331,489	46,593,272	11,697		57,591,362		56,200,445	
Accumulated Amortization Cost												
Opening Accumulated Amortization Costs		580	921,470	551,035	1,632,652	24,722,017			27,827,754		26,513,506	
Add: Amortization taken		580	95,881	68,084	276,342	1,107,835			1,548,722		1,502,350	
Less: Accumulated amortization on disposals			(523)		(16,390)				(16,913)		(188,102)	
Transfer of Capital Assets related to restructuring (Schedule 11)												
Closing Accumulated Amortization		1,160	1,016,828	619,119	1,892,604	25,829,852			29,359,563		27,827,754	
Net Book Value	232,219	7,543	3,226,538	551,497	3,438,885	20,763,420	11,697		28,231,799		28,372,691	

1. Total contributed/donated assets received in 2023 Nil
2. List of assets recognized at nominal value in 2023 are:
- Infrastructure Assets Nil
- Vehicles Nil
- Machinery and Equipment Nil
3. Amount of interest capitalized in Schedule 6 Nil

Rural Municipality of Mervin No. 499
Schedule of Consolidated Tangible Capital Assets by Function
For the year ended December 31, 2023

Schedule 7

	2023						2022	
	General Government	Protective Services	Transportation Services	Environmental and Public Health	Planning and Development	Recreation and Culture	Water and Sewer	Total
Asset Cost								
Opening Asset Costs	778,642	2,246,363	48,091,155	587,023		666,405	3,830,857	54,273,288
Additions during the year	87,230		838,657				528,572	2,509,604
Disposals and write-downs during the year	(18,843)		(44,699)					(582,447)
Transfer of Capital Assets related to restructuring (Schedule 11)								
Closing Asset Costs	847,029	2,246,363	48,885,113	587,023		666,405	4,359,429	56,200,445
Accumulated								
Opening Accumulated Amortization Costs	327,617	509,262	24,744,319	250,046		290,050	1,706,460	26,513,506
Add: Amortization taken	13,447	50,524	1,332,719	31,818		30,355	89,859	1,502,350
Less: Accumulated amortization on disposals	(523)		(16,390)					(188,102)
Transfer of Capital Assets related to restructuring (Schedule 11)								
Closing Accumulated Amortization Costs	340,541	559,786	26,060,648	281,864		320,405	1,796,319	27,827,754
Net Book Value	506,488	1,686,577	22,824,465	305,159		346,000	2,563,110	28,372,691

Assets

Amortization

Rural Municipality of Mervin No. 499
 Schedule of Consolidated Accumulated Surplus
 For the year ended December 31, 2023

Schedule 8

	2022	Changes	2023
	(Restated)		
UNAPPROPRIATED SURPLUS	6,014,060	(3,309,908)	2,704,152
APPROPRIATED RESERVES			
Machinery and Equipment	5,991,581		5,991,581
Public Reserve			
Capital Trust	106,872		106,872
NSMHH - Reserve	9,986	544	10,530
SWDFA - Reserve	3,833		3,833
Other	801,564	3,821,665	4,623,229
Total Appropriated	6,913,836	3,822,209	10,736,045
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlets	1,670,508	96,139	1,766,647
Un-Organized Hamlets	145,498	7,406	152,904
Total Organized Hamlets	1,816,006	103,545	1,919,551
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	28,372,691	(140,892)	28,231,799
Less: Related debt			
Net Investment in Tangible Capital Assets	28,372,691	(140,892)	28,231,799
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	43,116,593	474,954	43,591,547

Rural Municipality of Mervin No. 499
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2023

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial and Industrial	Potash Mine(s)	
Taxable Assessment	151,316,630	144,134,709		318,967,405	80,851,325		695,270,069
Regional Park Assessment							
Total Assessment							695,270,069
Mill Rate Factor(s)							
Total Base/Minimum Tax (generated for each property class)	243,500	1,015,000			1,433,100		2,691,600
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	916,188	1,434,935		739,752	3,778,789		6,869,664

MILL RATES:

MILLS	
Average Municipal*	9.8806
Average School*	4.4198
Potash Mill Rate	
Uniform Municipal Mill Rate	4.0000

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

Rural Municipality of Mervin No. 499
 Schedule of Council Remuneration
 For the year ended December 31, 2023

Schedule 10

Position	Name	Remuneration	Reimbursed	
			Costs	Total
Reeve	Gerry Ritz	18,302	7,855	26,157
Councillor	Robin Blais	770	162	932
Councillor	Victor Hamm	7,700	3,881	11,581
Councillor	Ken Hergott	10,577	5,691	16,268
Councillor	David Krywchuk	12,409	5,195	17,604
Councillor	James Range	5,500	1,175	6,675
Councillor	Gordon Spencer	8,094	1,317	9,411
Councillor	John Vinek	2,091	879	2,970
Total		65,443	26,155	91,598