

**RURAL MUNICIPALITY OF MCLEOD NO. 185  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2023**

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## Management's Responsibility

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

Prairie Strong, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

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Reeve

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Administrator

March 20, 2024

## INDEPENDENT AUDITOR'S REPORT

To: The Reeve and Council  
Rural Municipality of McLeod No. 185

### ***Opinion***

We have audited the financial statements of Rural Municipality of McLeod No. 185 (the Municipality) which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets, cash flows and remeasurement gains and losses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2023, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters 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.

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

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

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

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

*Prairie Strong*

PRAIRIE STRONG  
Chartered Professional Accountants

Melville, Saskatchewan  
March 20, 2024

**Rural Municipality of McLeod No. 185**  
**Statement of Financial Position**  
**As at December 31, 2023**

	2023	Statement 1 2022
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents (Note 2)	2,197,393	1,815,911
Investments	-	-
Taxes Receivable - Municipal (Note 3)	34,409	45,452
Other Accounts Receivable (Note 4)	14,806	51,580
Assets Held for Sale	-	-
Long-Term Receivable (Note 5)	15,622	12,257
Debt Charges Recoverable	-	-
Derivative Assets	-	-
Other	-	-
<b>Total Financial Assets</b>	<b>2,262,230</b>	<b>1,925,200</b>
<b>LIABILITIES</b>		
Bank Indebtedness	-	-
Accounts Payable	16,679	45,233
Accrued Liabilities Payable	-	-
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 6)	-	-
Lease Obligations	-	-
<b>Total Liabilities</b>	<b>16,679</b>	<b>45,233</b>
<b>NET FINANCIAL ASSETS</b>	<b>2,245,551</b>	<b>1,879,967</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	2,858,013	2,517,031
Prepayments and Deferred Charges	23,212	18,977
Stock and Supplies	-	-
Other	-	-
<b>Total Non-Financial Assets</b>	<b>2,881,225</b>	<b>2,536,008</b>
<b>ACCUMULATED SURPLUS (Schedule 8)</b>	<b>5,126,776</b>	<b>4,415,975</b>
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 8)	5,126,776	4,415,975
Accumulated remeasurement gains (losses) (Statement 5)	-	-

Contingent Liabilities (Note 7)

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

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Statement of Operations**  
**As at December 31, 2023**

Statement 2

	2023 Budget	2023	2022
<b>REVENUES</b>			
Tax Revenue (Schedule 1)	1,053,290	1,046,521	970,024
Other Unconditional Revenue (Schedule 1)	475,210	476,359	421,344
Fees and Charges (Schedule 4, 5)	32,010	39,873	38,004
Conditional Grants (Schedule 4, 5)	5,890	5,537	50,718
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	251,000	262,135	120,426
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Schedule 4, 5)	35,100	74,786	35,100
Commissions (Schedule 4, 5)	-	4,077	-
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	248,400	63,501	296,059
<b>Total Revenues</b>	<b>2,100,900</b>	<b>1,972,789</b>	<b>1,931,675</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	245,650	235,588	220,036
Protective Services (Schedule 3)	73,790	75,138	43,021
Transportation Services (Schedule 3)	1,332,980	901,555	1,279,111
Environmental and Public Health Services (Schedule 3)	22,120	32,048	21,619
Planning and Development Services (Schedule 3)	100	2,704	-
Recreation and Cultural Services (Schedule 3)	5,510	14,955	5,509
Utility Services (Schedule 3)	-	-	-
Restructurings (Schedule 3)	-	-	-
<b>Total Expenses</b>	<b>1,680,150</b>	<b>1,261,988</b>	<b>1,569,296</b>
<b>Annual Surplus (Deficit) of Revenues over Expenses</b>	<b>420,750</b>	<b>710,801</b>	<b>362,379</b>
<b>Accumulated Surplus excluding remeasurement gains (losses), Beginning of Year</b>	<b>4,415,975</b>	<b>4,415,975</b>	<b>4,053,596</b>
<b>Accumulated Surplus excluding remeasurement gains (losses), End of Year</b>	<b>4,836,725</b>	<b>5,126,776</b>	<b>4,415,975</b>

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

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Statement of Change in Net Financial Assets**  
**As at December 31, 2023**

	2023 Budget	2023	Statement 3 2022
<b>Annual Surplus (Deficit) of Revenues over Expenses</b>	420,750	710,801	362,379
(Acquisition) of tangible capital assets	(600,000)	(630,987)	(745,471)
Amortization of tangible capital assets	-	290,005	227,982
Proceeds on disposal of tangible capital assets	-	262,135	189,290
Loss (gain) on the disposal of tangible capital assets	-	(262,135)	(120,426)
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>(600,000)</b>	<b>(340,982)</b>	<b>(448,625)</b>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(23,212)	(18,977)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	18,977	18,838
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>(4,235)</b>	<b>(139)</b>
Unrealized remeasurement gains (losses)	-	-	-
<b>Increase/Decrease in Net Financial Assets</b>	<b>(179,250)</b>	<b>365,584</b>	<b>(86,385)</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>1,879,967</b>	<b>1,879,967</b>	<b>1,966,352</b>
<b>Net Financial Assets - End of Year</b>	<b>1,700,717</b>	<b>2,245,551</b>	<b>1,879,967</b>

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

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Statement of Cash Flow**  
**As at December 31, 2023**

Statement 4

	2023	2022
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Annual Surplus (Deficit) of Revenues over Expenses	710,801	362,379
Amortization	290,005	227,982
Loss (gain) on disposal of tangible capital assets	(262,135)	(120,426)
	738,671	469,935
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	11,043	5,384
Other Receivables	36,774	33,755
Assets Held for Sale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(28,554)	10,946
Deposits	-	-
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	-
Prepayments and Deferred Charges	(4,235)	(139)
Other	-	-
<b>Cash provided by operating transactions</b>	<b>753,699</b>	<b>519,881</b>
<b>Capital:</b>		
Acquisition of capital assets	(630,987)	(745,471)
Proceeds from the disposal of capital assets	262,135	189,290
<b>Cash applied to capital transactions</b>	<b>(368,852)</b>	<b>(556,181)</b>
<b>Investing:</b>		
Decrease (increase) in restricted cash or cash equivalents	(3,365)	12,960
Proceeds from disposal of investments	-	-
Decrease (increase) in investments	-	-
<b>Cash provided by (applied to) investing transactions</b>	<b>(3,365)</b>	<b>12,960</b>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
<b>Cash provided by (applied to) financing transactions</b>	<b>-</b>	<b>-</b>
<b>Change in Cash and Cash Equivalents during the year</b>	<b>381,482</b>	<b>(23,340)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>1,815,911</b>	<b>1,839,251</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>2,197,393</b>	<b>1,815,911</b>

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

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Statement of Remeasurement Gains and Losses**  
**As at December 31, 2023**

Statement 5

**2023**                      **2022**

**Accumulated remeasurement gains (losses) at the beginning of the year:**                      -                      -

**Unrealized gains (losses) attributable to:**

Derivatives		
Equity Investments measured at fair value		
Foreign exchange		
	-	-

**Amounts reclassified to the Statement of Operations:**

Derivatives		
Equity Investments measured at fair value		
Foreign exchange		
	-	-

**Net remeasurement gains (losses) for the year**                      -                      -

**Accumulated remeasurement gains (losses) at end of year**                      -                      -

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

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Notes to the Financial Statements**  
**As at December 31, 2023**

**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. No organizations have been into these financial statements.

**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 no partnerships:

- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
  - b) any eligibility criteria have been met; and
  - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue 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 realized.
- e) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-Financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- 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.

## I. 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 & Cash Equivalents	Cost
Investments	Cost
Other Accounts Receivable	Cost
Long term receivables	Cost
Bank Indebtedness	Cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-Term Debt	Amortized cost

- 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>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Leased Capital Assets	Lease term
<i>Infrastructure Assets</i>	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	30 to 75 Yrs
Road Network 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 financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital asset. 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.

- n) **Trust Funds:** Funds held in trust for others 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.



1. Significant Accounting Policies - continued

- 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 April 27, 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.

- v) **New Standards and Amendments to Standards:**

**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.

**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 changed its accounting policy with respect to Asset Retirement Obligations. The municipality now accounts for such transactions as a liability for a retirement obligation. Prior to this, the municipality accounted for these transactions as a landfill liability. The change in accounting policy has not impacted the municipality's consolidated financial statements.

**Rural Municipality of McLeod No. 185**  
**Notes to the Financial Statements**  
**As at December 31, 2023**

**2. Cash and Cash Equivalents**

	2023	2022
Cash	2,197,393	1,815,911
Short-term investments - amortized cost	-	-
Restricted cash	-	-
<b>Total Cash and Cash Equivalents</b>	<b>2,197,393</b>	<b>1,815,911</b>

Cash and cash equivalents include balances with banks and short-term deposits with maturities of three months or less.

**3. Taxes Receivable - Municipal**

	2023	2022
Municipal - Current	30,111	25,224
- Arrears	14,298	30,228
	44,409	55,452
- Less Allowance for Uncollectible	(10,000)	(10,000)
Total municipal taxes receivable	34,409	45,452
School - Current	9,564	9,913
- Arrears	2,500	9,906
Total taxes to be collected on behalf of School Divisions	12,064	19,819
Other - Hail Insurance, C & D Levy	109	16,462
Total taxes receivable to be collected on behalf of other organizations	46,582	81,733
Deduct taxes receivable to be collected on behalf of other organizations	(12,173)	(36,281)
<b>Total Taxes Receivable - Municipal</b>	<b>34,409</b>	<b>45,452</b>

**4. Other Accounts Receivable**

	2023	2022
Federal Government	11,587	48,066
Provincial Government	-	-
Local Government	-	-
Utility	-	-
Trade	3,219	3,514
Other	-	-
Total Other Accounts Receivable	14,806	51,580
Less: Allowance for Uncollectible	-	-
<b>Net Other Accounts Receivable</b>	<b>14,806</b>	<b>51,580</b>

**5. Long-Term Receivable**

	2023	2022
Sask Assoc. of Rural Municipalities - Self Insurance Fund	15,622	12,257
Total Long-Term Receivable	15,622	12,257

The long term receivable in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis.

**Rural Municipality of McLeod No. 185**  
**Notes to the Financial Statements**  
**As at December 31, 2023**

**6. Long-Term Debt**

The debt limit of the municipality is \$ 1,005,378. 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)).

**7. 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.

**8. 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 benefits accrued to the employees from MEPP are calculated using the Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The municipality's contributions are expensed when due.

Details of the MEPP are as follows:

	2023	2022
Member contribution rate (percentage of salary)	9.00%	9.00%
Municipal contribution rate (percentage of salary)	9.00%	9.00%
Member contributions for the year	\$26,073	\$23,048
Municipal contributions for the year	\$26,073	\$23,048
Actuarial extrapolation date	Dec-31-2022	Dec-31-2021
Plan Assets (in thousands)	\$3,275,495	\$3,568,400
Plan Liabilities (in thousands)	\$2,254,194	\$2,424,014
Plan Surplus (in thousands)	\$1,021,301	\$1,144,386

**9. Risk Management**

The municipality is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk.

**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 taxes, other & long-term receivables.

Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect any impairment in collectability.

The municipalities maximum exposure to credit risk as at December 31 is as follows:

	2023
Taxes Receivable - Municipal	34,409
Other Accounts Receivable	14,806
Long-Term Receivables	15,622
<b>Maximum credit risk exposure</b>	<b>64,837</b>

At December 31 the following financial instruments were past due but not impaired:

	30 days	60 days	90 days	Over 120
Taxes Receivable - Municipal	30,111	-	-	14,298
Other Accounts Receivable	14,806	-	-	-
Long-Term Receivables	15,622	-	-	-
Total Receivables	60,539	-	-	14,298
Allowance for Doubtful accounts	-	-	-	10,000
<b>Net total</b>	<b>60,539</b>	<b>-</b>	<b>-</b>	<b>4,298</b>

**Liquidity Risk**

Liquidity risk is the risk that the municipality will encounter difficulty in meeting financial obligations as they fall due. The municipality manages liquidity risk by monitoring budgets and maintaining adequate cash balances. The following table sets out the contractual maturities of the municipality's financial liabilities.

	Total	2023	2024	2025	Post 2025
Accounts payable and accrued liabilities	16,679	16,679	-	-	-
Long-term debt	-	-	-	-	-
<b>Net total</b>	<b>16,679</b>	<b>16,679</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Rural Municipality of McLeod No. 185**  
**Notes to the Financial Statements**  
**As at December 31, 2023**

**9. Risk Management continued**

**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. The municipality is not exposed to currency or other price risk.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality's interest rate exposure relates to cash and cash equivalents. The municipality minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- managing cash flows to minimize utilization of its bank line of credit

**Currency Risk**

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The municipality has no exposure to currency risk.

**Other Price Risk**

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity investments. The municipality has no exposure to other price risk.

**10. Budget Figures**

The budget was approved by Council on April 27, 2023. The budget figures, which have not been audited, presented in these financial statements have been adjusted to conform to Public Sector Accounting Standards, as follows:

	<u>2023</u>
Budgeted surplus approved by council	25,750
Add: Capital expenditures	600,000
Subtract: Transfer from Reserve	<u>(205,000)</u>
Budgeted surplus per Statement of Operations	<u><u>420,750</u></u>

**Rural Municipality of McLeod No. 185**  
**Schedule of Taxes and Other Unconditional Revenue**  
**As at December 31, 2023**

	2023 Budget	2023	Schedule 1 2022
<b>TAXES</b>			
General municipal tax levy	1,105,000	1,106,204	1,021,310
Abatements and adjustments	(2,740)	(2,387)	(2,739)
Discount on current year taxes	(57,470)	(63,815)	(57,474)
<b>Net Municipal Taxes</b>	<b>1,044,790</b>	<b>1,040,002</b>	<b>961,097</b>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	8,500	6,519	8,927
Special tax levy	-	-	-
Other	-	-	-
<b>Total Taxes</b>	<b>1,053,290</b>	<b>1,046,521</b>	<b>970,024</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	471,000	471,794	417,130
Other	-	-	-
<b>Total Unconditional Grants</b>	<b>471,000</b>	<b>471,794</b>	<b>417,130</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	4,210	4,565	4,214
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
<b>Total Grants in Lieu of Taxes</b>	<b>4,210</b>	<b>4,565</b>	<b>4,214</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>1,528,500</b>	<b>1,522,880</b>	<b>1,391,368</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2023**

Schedule 2 - 1

**GENERAL GOVERNMENT SERVICES**

**Operating**

	2023 Budget	2023	2022
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	-	-
- Sales of supplies	4,150	7,815	4,148
- Other	110	10	10
Total Fees and Charges	4,260	7,825	4,158
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income	35,100	74,786	35,100
- Commissions	-	4,077	-
- Other	-	-	-
Total Other Segmented Revenue	39,360	86,688	39,258
Conditional Grants			
- Student Employment	-	-	-
- Other (Asset Mgmt., Governance Training)	-	-	44,838
Total Conditional Grants	-	-	44,838
<b>Total Operating</b>	<b>39,360</b>	<b>86,688</b>	<b>84,096</b>

**Capital**

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Investing in Canada Infrastructure Program	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>39,360</b>	<b>86,688</b>	<b>84,096</b>

**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Capital**

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Investing in Canada Infrastructure Program	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>-</b>	<b>-</b>	<b>-</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2023**

Schedule 2 - 2

	2023 Budget	2023	2022
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	4,720	2,497	4,717
- Sales of supplies	2,940	8,435	2,936
- Road Maintenance and Restoration Agreements	15,000	14,109	21,102
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	22,660	25,041	28,755
- Tangible capital asset sales - gain (loss)	251,000	262,135	120,426
- Other	-	-	-
Total Other Segmented Revenue	273,660	287,176	149,181
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- Other	740	690	735
Total Conditional Grants	740	690	735
<b>Total Operating</b>	<b>274,400</b>	<b>287,866</b>	<b>149,916</b>
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	22,500	24,601	11,279
- Municipal Economic Enhancement Program	-	-	-
- RIRG (Heavy Haul, CTP, Municipal Bridges)	225,900	38,900	284,780
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>248,400</b>	<b>63,501</b>	<b>296,059</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Transportation Services</b>	<b>522,800</b>	<b>351,367</b>	<b>445,975</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	-	-	-
- Other	5,090	4,392	5,091
Total Fees and Charges	5,090	4,392	5,091
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	5,090	4,392	5,091
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local government	-	-	-
- SARM pest control grants	5,150	4,847	5,145
Total Conditional Grants	5,150	4,847	5,145
<b>Total Operating</b>	<b>10,240</b>	<b>9,239</b>	<b>10,236</b>

**Capital**

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- TAPD	-	-	-
- Investing in Canada Infrastructure Program	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Restructuring Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>10,240</b>	<b>9,239</b>	<b>10,236</b>

See Accompanying Notes



**Rural Municipality of McLeod No. 185**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2023**

Schedule 2 - 3

**PLANNING AND DEVELOPMENT SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	-	-	-
- Licenses and permits	-	2,615	-
Total Fees and Charges	-	2,615	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	2,615	-
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	2,615	-

**Capital**

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Investing in Canada Infrastructure Program	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Planning and Development Services</b>	-	2,615	-

**RECREATION AND CULTURAL SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-

**Capital**

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Investing in Canada Infrastructure Program	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Recreation and Cultural Services</b>	-	-	-

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2023**

Schedule 2 - 4

**UTILITY SERVICES**

**Operating**

	2023 Budget	2023	2022
Other Segmented Revenue			
Fees and Charges			
- Water	-	-	-
- Sewer	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
<b>Total Operating</b>	-	-	-

**Capital**

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Investing in Canada Infrastructure Program	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other	-	-	-
<b>Total Capital</b>	-	-	-
<b>Restructuring Revenue</b>	-	-	-
<b>Total Utility Services</b>	-	-	-

**TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION**

**572,400      449,909      540,307**

**SUMMARY**

Total Other Segmented Revenue	318,110	380,871	193,530
Total Conditional Grants	5,890	5,537	50,718
Total Capital Grants and Contributions	248,400	63,501	296,059
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<b>572,400</b>	<b>449,909</b>	<b>540,307</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Total Expenses by Function**  
**As at December 31, 2023**

Schedule 3 - 1

	2023 Budget	2023	2022
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	46,070	51,229	46,063
Wages and benefits	79,810	79,446	68,554
Professional/Contractual services	93,110	88,387	87,097
Utilities	6,290	5,691	6,292
Maintenance, materials and supplies	10,980	6,757	6,917
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectible	-	-	-
Other (Donations, Settlement)	9,390	4,078	5,113
<b>General Government Services</b>	<b>245,650</b>	<b>235,588</b>	<b>220,036</b>
<b>Restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Government Services</b>	<b>245,650</b>	<b>235,588</b>	<b>220,036</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits	-	-	-
Professional/Contractual services	21,090	23,056	21,641
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Accretion of asset retirement obligation	-	-	-
Other	-	-	-

**Fire protection**

Wages and benefits	-	-	-
Professional/Contractual services	700	702	-
Utilities	-	-	-
Maintenance, material and supplies	-	-	-
Grants and contributions - operating	52,000	51,380	21,380
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other	-	-	-

<b>Protective Services</b>	<b>73,790</b>	<b>75,138</b>	<b>43,021</b>
<b>Restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>73,790</b>	<b>75,138</b>	<b>43,021</b>

**TRANSPORTATION SERVICES**

Wages and benefits	360,680	332,253	354,477
Professional/Contractual Services	410,840	33,535	252,108
Utilities	8,860	10,218	8,850
Maintenance, materials, and supplies	352,600	233,615	322,994
Gravel	200,000	1,929	112,700
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	290,005	227,982
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other	-	-	-

<b>Transportation Services</b>	<b>1,332,980</b>	<b>901,555</b>	<b>1,279,111</b>
<b>Restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Transportation Services</b>	<b>1,332,980</b>	<b>901,555</b>	<b>1,279,111</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Total Expenses by Function**  
**As at December 31, 2023**

Schedule 3 - 2

	2023 Budget	2023	2022
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	22,120	32,048	21,619
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	-	-	-
o Waste disposal	-	-	-
o Public Health	-	-	-
- capital	-	-	-
o Waste disposal	-	-	-
o Public Health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other	-	-	-
<b>Environmental and Public Health Services</b>	<b>22,120</b>	<b>32,048</b>	<b>21,619</b>
<b>Restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Environmental and Public Health Services</b>	<b>22,120</b>	<b>32,048</b>	<b>21,619</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	-	-	-
Professional/Contractual Services	100	2,704	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other	-	-	-
<b>Planning and Development Services</b>	<b>100</b>	<b>2,704</b>	<b>-</b>
<b>Restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Planning and Development Services</b>	<b>100</b>	<b>2,704</b>	<b>-</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	-	-	-
Professional/Contractual services	4,910	5,533	4,909
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	600	9,422	600
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectible	-	-	-
Other	-	-	-
<b>Recreation and Cultural Services</b>	<b>5,510</b>	<b>14,955</b>	<b>5,509</b>
<b>Restructuring</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Recreation and Cultural Services</b>	<b>5,510</b>	<b>14,955</b>	<b>5,509</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Total Expenses by Function**  
**As at December 31, 2023**

Schedule 3 - 3

	2023 Budget	2023	2022
<b>UTILITY SERVICES</b>			
Wages and benefits	-	-	-
Professional/Contractual services	-	-	-
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for Uncollectible	-	-	-
Other	-	-	-
Utility Services	-	-	-
Restructuring	-	-	-
Total Utility Services	-	-	-
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>1,680,150</b>	<b>1,261,988</b>	<b>1,569,296</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Segment Disclosure by Function**  
**As at December 31, 2023**

Schedule 4

	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	7,825	-	25,041	4,392	2,615	-	-	39,873
Tangible Capital Asset Sales - Gain	-	-	262,135	-	-	-	-	262,135
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	74,786	-	-	-	-	-	-	74,786
Commissions	4,077	-	-	-	-	-	-	4,077
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	690	4,847	-	-	-	5,537
- Capital	-	-	63,501	-	-	-	-	63,501
Restructurings	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>86,688</b>	<b>-</b>	<b>351,367</b>	<b>9,239</b>	<b>2,615</b>	<b>-</b>	<b>-</b>	<b>449,909</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	130,675	-	332,253	-	-	-	-	462,928
Professional/ Contractual Services	88,387	23,758	33,535	32,048	2,704	5,533	-	185,965
Utilities	5,691	-	10,218	-	-	-	-	15,909
Maintenance Materials and Supplies	6,757	-	235,544	-	-	-	-	242,301
Grants and Contributions	-	51,380	-	-	-	9,422	-	60,802
Amortization	-	-	290,005	-	-	-	-	290,005
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	4,078	-	-	-	-	-	-	4,078
<b>Total Expenses</b>	<b>235,588</b>	<b>75,138</b>	<b>901,555</b>	<b>32,048</b>	<b>2,704</b>	<b>14,955</b>	<b>-</b>	<b>1,261,988</b>
<b>Surplus (Deficit) by Function</b>								
	<b>(148,900)</b>	<b>(75,138)</b>	<b>(550,188)</b>	<b>(22,809)</b>	<b>(89)</b>	<b>(14,955)</b>	<b>-</b>	<b>(812,079)</b>
Taxes and other unconditional revenue (Schedule 1)								1,522,880
<b>Net Surplus (Deficit)</b>								<b>710,801</b>

**Rural Municipality of McLeod No. 185**  
**Schedule of Segment Disclosure by Function**  
**As at December 31, 2022**

Schedule 5

	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	4,158	-	28,755	5,091	-	-	-	38,004
Tangible Capital Asset Sales - Gain	-	-	120,426	-	-	-	-	120,426
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	35,100	-	-	-	-	-	-	35,100
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	44,838	-	735	5,145	-	-	-	50,718
- Capital	-	-	296,059	-	-	-	-	296,059
Restructurings	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>84,096</b>	<b>-</b>	<b>445,975</b>	<b>10,236</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>540,307</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	114,617	-	354,477	-	-	-	-	469,094
Professional/ Contractual Services	87,097	21,641	252,108	21,619	-	4,909	-	387,374
Utilities	6,292	-	8,850	-	-	-	-	15,142
Maintenance Materials and Supplies	6,917	-	435,694	-	-	-	-	442,611
Grants and Contributions	-	21,380	-	-	-	600	-	21,980
Amortization	-	-	227,982	-	-	-	-	227,982
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	5,113	-	-	-	-	-	-	5,113
<b>Total Expenses</b>	<b>220,036</b>	<b>43,021</b>	<b>1,279,111</b>	<b>21,619</b>	<b>-</b>	<b>5,509</b>	<b>-</b>	<b>1,569,296</b>
<b>Surplus (Deficit) by Function</b>	<b>(135,940)</b>	<b>(43,021)</b>	<b>(833,136)</b>	<b>(11,383)</b>	<b>-</b>	<b>(5,509)</b>	<b>-</b>	<b>(1,028,989)</b>
Taxes and other unconditional revenue (Schedule 1)								1,391,368
<b>Net Surplus (Deficit)</b>								<b>362,379</b>

Rural Municipality of McLeod No. 185  
Schedule of Tangible Capital Assets by Object  
As at December 31, 2023

Schedule 6

2023										2022
	General Assets					Infrastructure Assets		General/ Infrastructure	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Infrastructure Assets		Assets Under Construction		
						Linear assets				
Asset cost										
Opening Asset costs	5,000	-	148,500	1,643,028	766,872	6,804,303	-	9,367,703	8,928,500	
Additions during the year	-	-	-	610,372	20,615	-	-	630,987	745,471	
Disposals and write-downs during the year	-	-	-	(399,842)	-	-	-	(399,842)	(306,268)	
Transfers (from) assets under construction										
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-		
Closing Asset Costs	5,000	-	148,500	1,853,558	787,487	6,804,303	-	9,598,848	9,367,703	
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs	-	-	101,594	946,402	522,314	5,280,362	-	6,850,672	6,860,094	
Add: Amortization taken	-	-	1,738	128,407	53,155	106,705	-	290,005	227,982	
Less: Accumulated amortization on disposals	-	-	-	(399,842)	-	-	-	(399,842)	(237,404)	
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-	
Closing Accumulated Amortization Costs	-	-	103,332	674,967	575,469	5,387,067	-	6,740,835	6,850,672	
Net Book Value	5,000	-	45,168	1,178,591	212,018	1,417,236	-	2,858,013	2,517,031	

Assets

Amortization



Rural Municipality of McLeod No. 185  
Schedule of Tangible Capital Assets by Function  
As at December 31, 2023

Schedule 7

	2023						2022	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
<b>Asset cost</b>								
Opening Asset costs	6,595	12,000	9,349,108	-	-	-	-	8,928,500
Additions during the year	-	-	630,987	-	-	-	-	745,471
Disposals and write-downs during the year	-	-	(399,842)	-	-	-	-	(306,268)
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-
<b>Closing Asset Costs</b>	<b>6,595</b>	<b>12,000</b>	<b>9,580,253</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,367,703</b>
<b>Accumulated Amortization Cost</b>								
Opening Accumulated Amortization Costs	1,590	12,000	6,837,082	-	-	-	-	6,860,094
Add: Amortization taken	-	-	290,005	-	-	-	-	227,982
Less: Accumulated amortization on disposals	-	-	(399,842)	-	-	-	-	(237,404)
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-
<b>Closing Accumulated Amortization Costs</b>	<b>1,590</b>	<b>12,000</b>	<b>6,727,245</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,850,672</b>
<b>Net Book Value</b>	<b>5,005</b>	<b>-</b>	<b>2,853,008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,517,031</b>

Amortization

Assets

**Rural Municipality of McLeod No. 185**  
**Schedule of Accumulated Surplus**  
**As at December 31, 2023**

	2022	Changes	Schedule 8 2023
<b>UNAPPROPRIATED SURPLUS</b>	<b>1,621,367</b>	<b>344,908</b>	<b>1,966,275</b>
<b>APPROPRIATED RESERVES</b>			
Machinery and Equipment	204,159	18,748	222,907
SARM Insurance	12,258	3,365	15,623
Bridge Repairs	61,160	2,798	63,958
Utility	-	-	-
Other	-	-	-
<b>Total Appropriated</b>	<b>277,577</b>	<b>24,911</b>	<b>302,488</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6, 7)	2,517,031	340,982	2,858,013
Less: Related debt	-	-	-
<b>Net Investment in Tangible Capital Assets</b>	<b>2,517,031</b>	<b>340,982</b>	<b>2,858,013</b>
<b>Accumulated Surplus (Deficit) excluding remeasurement gains (losses)</b>	<b>4,415,975</b>	<b>710,801</b>	<b>5,126,776</b>

See Accompanying Notes

**Rural Municipality of McLeod No. 185**  
**Schedule of Mill Rates and Assessments**  
**As at December 31, 2023**

Schedule 9

	PROPERTY CLASS					
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
<b>Taxable Assessment</b>	162,004,430	6,800,065	-	-	1,378,734	-
<b>Regional Park Assessment</b>						
<b>Total Assessment</b>						170,183,229
<b>Mill Rate Factor(s)</b>	-	-	-	-	-	-
<b>Total Base/Minimum Tax</b> (generated for each property class)	-	-	-	-	-	-
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	1,053,042	44,200	-	-	8,962	1,106,204

**MILL RATES:**

<b>Average Municipal*</b>	6.50
<b>Average School*</b>	1.59
<b>Uniform Municipal Mill Rate</b>	6.50

\* 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 McLeod No. 185**  
**Schedule of Council Remuneration**  
**As at December 31, 2023**

Schedule 10

<b>Position</b>	<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
<b>Reeve</b>	<b>Cliff Allen</b>	7,250	422	7,672
Councillor	Andrew Waldbauer	6,125	384	6,509
Councillor	Jay Wirth	6,125	1,127	7,252
Councillor	Dean Krupski	4,875	1,051	5,926
Councillor	Michael Loveridge	2,750	260	3,010
Councillor	Erik Ligtenberg	500	-	500
Councillor	Trevor Hauser	4,875	-	4,875
Councillor	Phillip Lingelbach	5,625	1,159	6,784
	Other council expenses	-	8,701	8,701
<b>Total</b>		<b>38,125</b>	<b>13,104</b>	<b>51,229</b>

See Accompanying Notes