

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
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## STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Rural Municipality of Spiritwood #496:

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 consolidated financial 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 are required.

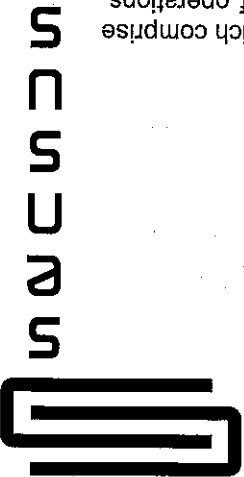
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls, to provide reasonable assurance that transactions are appropriately authorized and accurately 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 fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Sensus Chartered Professional Accountants Ltd., 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 administration to discuss their audit findings.

Reeve

Administrator



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# INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of:  
Rural Municipality of Spiritwood #496  
Spiritwood, Saskatchewan

## Qualified Opinion

We have audited the consolidated financial statements of the Rural Municipality of Spiritwood #496, which comprise the consolidated statement of financial position as at December 31, 2023, consolidated statement of operations, consolidated statement of changes in net financial assets, consolidated statement of cash flows, consolidated statement of remeasurement gains (losses) for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis of Qualified Opinion paragraphs, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Spiritwood #496 as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Qualified Opinion

The Public Sector Accounting Board has introduced section PS 3280 which is a new standard establishing guidance on the accounting and reporting on the retirement of tangible capital assets controlled by the Rural Municipality of Spiritwood #496. The Rural Municipality of Spiritwood #496 has not provided a reasonable estimate for the asset retirement costs associated with buildings containing asbestos to determine the asset retirement obligation. As such, we have qualified our audit opinion due to the departure from Canadian public sector accounting standards. The effects of this departure on the consolidated financial statements for the year ended December 31, 2023 have not been determined, as there is insufficient information available to do so.

The Rural Municipality of Spiritwood #496 has control of a municipal partnership as noted in the significant account policies note whereby the Rural Municipality of Spiritwood #496's pro-rata share of each of the assets, liabilities, revenues, expenses and surplus are combined on a line-by-line basis in the consolidated financial statements of the Rural Municipality of Spiritwood #496. The financial statements and information to support the completeness, existence, accuracy and valuation of their financial data of the Shell Lake Regional Fire Department were not subject to audit in 2023 in accordance with Canadian public sector accounting standards. Accordingly, we were not able to determine whether any adjustments might be necessary to the financial data of the Shell Lake Regional Fire Department.

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 consolidated financial statements section of our report. We are independent of the Rural Municipality of Spiritwood #496 in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we 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 qualified 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 Spiritwood #496'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 Rural Municipality of Spiritwood #496 or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Rural Municipality of Spiritwood #496's financial reporting process.

**Auditor's 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 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 consolidated financial statements.

As part of an audit in accordance with Canadian auditing standards, we exercise our professional judgment 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 Rural Municipality of Spiritwood #496's internal control.

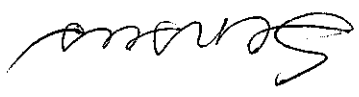
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Rural Municipality of Spiritwood #496'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 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 auditor's report. However, future events or conditions may cause the Rural Municipality of Spiritwood #496 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the directions, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.



Yorkton, Saskatchewan  
June 12, 2024

Chartered Professional Accountants Ltd.

**RURAL MUNICIPALITY OF SPIRITWOOD #496  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As at December 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 2,478,907	\$ 2,305,267
Taxes receivable - municipal (Note 3)	178,235	217,698
Other accounts receivable (Note 4)	128,995	119,041
Long-term receivables (Note 6)	129,982	114,153
Patronage equity	100	100
<b>TOTAL FINANCIAL ASSETS</b>	<b>2,916,219</b>	<b>2,756,259</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	49,725	65,745
Deposits	1,000	1,000
Long-term debt (Note 7)	456,215	486,698
<b>TOTAL LIABILITIES</b>	<b>506,940</b>	<b>553,443</b>
<b>NET FINANCIAL ASSETS</b>	<b>2,409,279</b>	<b>2,202,816</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedules 6 and 7)	8,842,213	8,496,789
Inventories	306,798	394,433
Prepaid expenses	20,487	37,130
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>9,169,498</b>	<b>8,928,352</b>
<b>ACCUMULATED SURPLUS</b>		
Accumulated surplus is comprised of:		
Accumulated surplus excluding remeasurement gains (losses) (Schedule 8)	\$ 11,578,777	\$ 11,131,168
Accumulated remeasurement gains (losses)	\$ 11,578,777	\$ 11,131,168
<b>CONTINGENCIES (Note 8)</b>		

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
 For the year ended December 31, 2023

	2023	2022
	Budget	Actual
	Unaudited	Actual
	(Note 1)	
<b>REVENUE</b>		
Taxes revenue (Schedule 1)	\$ 2,557,410	\$ 2,462,349
Other unconditional revenue (Schedule 1)	724,130	646,831
Fees and charges (Schedules 4 and 5)	245,200	322,995
Conditional grants (Schedules 4 and 5)	17,400	16,840
Tangible capital asset sales - gain (loss) (Schedules 4 and 5)	(11,200)	
Land sales - gain (loss) (Schedules 4 and 5)	1,498	
Investment income (Schedules 4 and 5)	60,800	47,491
Commissions (Schedules 4 and 5)	1,350	1,334
Other revenues (Schedules 4 and 5)	12,000	25,386
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	106,420	63,255
	<b>3,724,710</b>	<b>3,586,481</b>
<b>EXPENSES</b>		
General government services (Schedule 3)	411,970	417,373
Protective services (Schedule 3)	183,187	137,183
Transportation services (Schedule 3)	2,915,277	2,735,669
Environmental and public health services (Schedule 3)	56,990	69,173
Planning and development services (Schedule 3)	34,000	39,154
Recreation and cultural services (Schedule 3)	136,874	160,021
Utility services (Schedule 3)	14,789	12,243
	<b>3,753,087</b>	<b>3,570,816</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(28,377)</b>	<b>15,665</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>11,131,168</b>	<b>11,115,503</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 11,102,791</b>	<b>\$ 11,131,168</b>

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
 For the year ended December 31, 2023

	2023	2022
	Budget	Actual
	Unaudited	Actual
	(Note 1)	
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ (28,377)	\$ 447,609
Acquisition of tangible capital assets	(445,000)	(1,107,087)
Amortization of tangible capital assets	559,737	560,462
Loss on disposal of tangible capital assets	11,200	11,200
Proceeds on disposal of tangible capital assets	190,001	190,001
Acquisition of assets held for sale	(931)	(931)
Gain on sale of assets held for sale	(1,498)	(1,498)
Proceeds on sale of assets held for sale	2,429	2,429
Decrease in inventories	87,635	87,635
Decrease (increase) in prepaid expenses	16,643	16,643
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>114,737</b>	<b>(241,146)</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 86,360</b>	<b>206,463</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>2,202,816</b>	<b>2,047,716</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 2,409,279</b>	<b>\$ 2,202,816</b>



**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2023

	2023	2022
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 447,609	\$ 15,665
Changes in non-cash items:		
Taxes receivable - municipal	39,463	(67,109)
Other accounts receivable	(9,954)	149,372
Long-term receivables	(15,829)	30,306
Inventories	87,635	64,019
Prepaid expenses	16,643	(36,987)
Accounts payable and accrued liabilities	(16,020)	(37,239)
Deferred revenue		(6,689)
Deposits		500
Loss on disposal of tangible capital assets	11,200	
Gain on sale of assets held for sale	(1,498)	
Amortization	560,462	596,238
Cash provided by operating transactions	1,119,711	708,076
<b>CAPITAL TRANSACTIONS</b>		
Proceeds from the disposal of tangible capital assets	190,001	(483,835)
Acquisition of tangible capital assets	(1,107,087)	(483,835)
Cash applied to capital transactions	(917,086)	(483,835)
<b>INVESTING TRANSACTIONS</b>		
Proceeds on sale of assets held for sale	2,429	
Acquisition of real estate properties	(931)	
Cash provided by investing transactions	1,498	
<b>FINANCING TRANSACTIONS</b>		
Debt repayment	(30,483)	(35,513)
Cash applied to financing transactions	(30,483)	(35,513)
<b>CHANGE IN CASH</b>	173,640	188,728
<b>CASH, BEGINNING OF YEAR</b>	2,305,267	2,116,539
<b>CASH, END OF YEAR</b>	\$ 2,478,907	\$ 2,305,267

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS (LOSSES)**  
**For the year ended December 31, 2023**

	2023 Actual	2022 Actual
<b>ACCUMULATED REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR</b>	\$	\$
Unrealized gains (losses) attributable to:		
Derivatives		
Equity instruments measured at fair value		
Foreign exchange		
Amounts reclassified to the statement of operations:		
Derivatives		
Equity instruments measured at fair value		
Foreign exchange		
<b>NET REMEASUREMENT GAINS (LOSSES) FOR THE YEAR</b>		
<b>ACCUMULATED REMEASUREMENT GAINS (LOSSES), END OF YEAR</b>	\$	\$

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Municipality are 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 are as follows:

**Basis of Accounting**

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

**Reporting Entity**

The consolidated 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 Council for the administration of their financial affairs and resources. These consolidated financial statements do not contain any entities.

**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. Partnerships included in these consolidated financial statements are as follows:

Shell Lake Regional Fire Department - 10% (2022 - 10%)

All inter-organizational transactions and balances have been eliminated.

**Collection of Funds for Other Authorities**

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

**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.

**RURAL MUNICIPALITY OF SPIRITWOOD #496  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government Transfers (Continued)**

Unearned government transfer amounts received but not earned 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 eligible criteria have been met.

**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.

**Deferred Revenue and Deposits**

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.

**Local Improvement Charges**

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

**Net Financial Assets**

Net financial assets at the end of the 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.

**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.

**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.

**RURAL MUNICIPALITY OF SPIRITWOOD #496  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Tax Revenue**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

**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 consolidated statement of operations when there is an other than temporary decline in value.

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

When investment income and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as liabilities until the external restrictions are satisfied.

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

Measurement of Financial Instruments:

The Municipality's financial assets and liabilities are measured as follows:

<p>Financial statement line item</p> <p>Cash and cash equivalents</p> <p>Investments</p> <p>Other accounts receivable</p> <p>Long-term receivables</p> <p>Debt charges recoverable</p> <p>Bank indebtedness</p> <p>Accounts payable and accrued liabilities</p> <p>Deposit liabilities</p> <p>Long-term debt</p> <p>Derivative assets and liabilities</p>	<p>Cost and amortized cost</p> <p>Fair value and cost/amortized cost</p> <p>Cost and amortized cost</p> <p>Amortized cost</p> <p>Amortized cost</p> <p>Amortized cost</p> <p>Amortized cost</p> <p>Cost</p> <p>Cost</p> <p>Amortized cost</p> <p>Amortized cost</p> <p>Amortized cost</p> <p>Fair value</p>
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**RURAL MUNICIPALITY OF SPIRITWOOD #496  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**Tangible Capital Assets**

All tangible capital asset acquisitions or betterment made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The Municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
--------------	--------------------

<b>General Assets</b>	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	5 to 10 years
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Leased capital assets	Lease term
<b>Infrastructure Assets</b>	
Infrastructure assets	30 to 75 years
Water & sewer	25 years
Road network assets	20 to 40 years

**Government Contributions**

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

**Works of Art and Other Unrecognized Assets**

Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 the majority of benefits and risk associated with the leased asset is classified as a capital lease and recorded as a 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 (lease term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

**Trust Funds**

Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the Municipality.

**Employee Benefit Plans**

Contributions to the Municipality's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to their contributions.

**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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Uncertainty**

The preparation of the consolidated 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 consolidated 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 of 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.

**Basis of Segmentation/Segment Report**

The Municipality has adopted the new 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 attributable 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 administration of the Municipality.

**Protective services:** Is comprised of expenses for police and fire protection.

**Transportation services:** Is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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



**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Planning and development:** Provides for neighbourhood development and sustainability.

**Recreation and culture:** Provides for community services through provision of recreation and leisure services.

**Utility:** Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

**Budget Information**

Budget information is presented on a basis consistent with that used for the actual results. The budget was approved by Council on April 24, 2023.

**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.

**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.

**RURAL MUNICIPALITY OF SPIRITWOOD #496  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the year ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Asset Retirement Obligation (Continued)**

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 consolidated statement of operations.

**Loan Guarantees**

The Municipality has not provided loan guarantees for any organizations.

Guarantees represent potential financial commitments for the Municipality. These amounts are considered as contingent liabilities and not formally recognized as liabilities until the Municipality considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The Municipality monitors the status of the organization(s), loans, and lines of credit annually and in the event that payment by the Municipality is likely to occur, a provision will be recognized in the consolidated financial statements.

**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.

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 consolidated 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.

Information presented for comparative purposes should be restated unless the necessary financial data is not reasonably determinable.

**Prospective application:**

During the year, the Municipality adopted a new accounting policy with respect to PS 3280, Asset Retirement Obligations. The Municipality now accounts for such transactions in line with that standard. Prior to this, the Municipality accounted for these transactions under PS 3270, Solid Waste Landfill Closure and Post-Closure Liability. The adoption of the accounting policy has impacted the Municipality's consolidated financial statements. At this time the Municipality is not in compliance with the policy and has no asset retirement obligations recorded in the consolidated financial statements.

**2. CASH**

The Rural Municipality of Spiritwood #496 banks with Prairie Centre Credit Union Ltd. where they have an authorized overdraft limit of \$249,000 (2022 - \$249,000) at an interest rate of 7.20% (2022 - 6.00%) (unauthorized overdraft interest rate of 17.20% (2022 - 16.50%)).

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**3. TAXES RECEIVABLE - MUNICIPAL**

	2023	2022
Municipal	\$ 77,316	\$ 133,685
- Current		
- Arrears	100,919	84,013
Total municipal taxes receivable	178,235	217,698
School	25,526	47,638
- Current		
- Arrears	37,735	32,991
Total taxes to be collected on behalf of School Divisions	63,261	80,629
Municipal hail insurance		1,638
Total taxes and grants-in-lieu receivable	241,496	299,965
Deduct taxes to be collected on behalf of other organizations	(63,261)	(82,267)
Total taxes receivable - municipal	\$ 178,235	\$ 217,698

**4. OTHER ACCOUNTS RECEIVABLE**

	2023	2022
Federal government	\$ 83,917	\$ 44,207
Organizations and individuals	42,901	73,626
Utility	2,177	1,208
Total other accounts receivable	\$ 128,995	\$ 119,041

**5. ASSETS HELD FOR SALE**

	2023	2022
Tax title property	\$ 4,085	\$ 4,088
Allowance for market value adjustment	(4,085)	(4,088)
Total assets held for sale	\$	\$

**6. LONG-TERM RECEIVABLES**

	2023	2022
Saskatchewan Association of Rural Municipalities - Self-Insurance Fund	\$ 129,982	\$ 114,153

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 For the year ended December 31, 2023

**7. LONG-TERM DEBT**

The debt limit of the Municipality is \$2,824,282. 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)).

Prairie Centre Credit Union Ltd. loan bearing interest 5.68% per annum, payable in blended semi-annual payments of \$27,356, maturing May 2035. Secured by a general security agreement.

2023	\$ 456,215
2022	\$ 486,698

Future principal and interest payments are as follows:

2024	\$ 29,207	\$ 25,505	
2025	30,890	23,822	54,712
2026	32,670	22,042	54,712
2027	34,551	20,161	54,712
2028	36,542	18,170	54,712
Thereafter	292,355	61,008	353,363
Balance	\$ 456,215	\$ 170,708	\$ 626,923

**8. CONTINGENCIES**

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.

**9. RELATED PARTIES**

During the year the Municipality had transactions with businesses owned by council members whom are considered to be related parties. Included in expenditures of the Municipality were transactions totalling \$14,689 (2022 - \$63,364) for general contracting work (road maintenance and hauling) within the Municipality. These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximates the arm's length equivalent value.

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

**10. 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 benefits. The Municipality's pension expense in 2023 was \$69,421 (2022 - \$65,124). 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. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS 3250.

Total current service contributions by the Municipality to the MEPP in 2023 were \$69,421 (2022 - \$65,124). Total current service contributions by the employees of the Municipality to the MEPP in 2023 were \$69,421 (2022 - \$65,124).

As of the audit report date, the December 31, 2023 MEPP actuarial deficiency/surplus has not yet been released. As of December 31, 2022, the actuarial valuation of the financial position of the plan shows MEPP is 126.4 percent funded, with an actuarial surplus of \$704,877,000.

For further information of the amount of MEPP deficiency/surplus information see: <https://mcpp.peba.ca/fund-information/plan-reporting>.

**11. RISK MANAGEMENT**

Through its financial assets and liabilities, the Municipality is exposed to various risks as outlined below.

**Price risk**

Price risk associated with investments in shares is the risk that their fair value will fluctuate because of changes in market prices. It is management's opinion the Municipality is not exposed to price risks arising from these financial instruments due to the Municipality not holding any investments in shares.

**Credit risk**

The Municipality provides credit to its ratepayers for taxes as taxes are not due until December 31 in the year they are levied. The Municipality does not perform credit checks and occasionally has had debt on taxes. For all other accounts receivable, the Municipality does not provide credit to its ratepayers and customers.

**Liquidity risk**

Liquidity risk is the risk that the Municipality 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.

Trade accounts payable and accrued liabilities are generally paid within 30 days.

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

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**11. RISK MANAGEMENT (CONTINUED)**

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 consists of: long-term debt. The risk associated with long-term debt is reduced as it is locked in at a fixed interest rate.

**12. RESTRUCTURING TRANSACTIONS**

On December 20, 2023, the Town of Spiritwood transferred the 1971 Pierre Thibault fire truck and the responsibility for the ongoing operation of the vehicle to the Rural Municipality of Spiritwood #496. The transfer was due to the Rural Municipality taking over full operations of the Spiritwood fire department. In lieu of the Town paying the annual fire levy of \$13,600, it was agreed upon by both parties to transfer title of the fire truck and fire equipment held by the Town.

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES**

For the year ended December 31, 2023

	2023	2022
	Budget	Actual
	Unaudited	Actual
	(Note 1)	
<b>TAXES</b>		
General municipal tax levy	\$ 2,619,710	\$ 2,525,422
Abatements and adjustments	(2,550)	(3,321)
Discount on current year taxes	(70,950)	(70,951)
<b>Net Municipal Taxes</b>	<b>2,546,210</b>	<b>2,451,150</b>
Penalties on tax arrears	11,200	11,199
<b>Total Taxes</b>	<b>2,557,410</b>	<b>2,462,349</b>
<b>UNCONDITIONAL GRANTS</b>		
Revenue Sharing	650,000	574,189
Organized Hamlet	3,120	3,129
<b>Total Unconditional Grants</b>	<b>653,120</b>	<b>577,318</b>
<b>GRANTS-IN-LIEU OF TAXES</b>		
Federal	600	576
Provincial		
S.P.C. Electrical	18,070	16,595
Local/Other		
Treaty Land Entitlement	52,340	52,342
<b>Total Grants-In-Lieu of Taxes</b>	<b>71,010</b>	<b>69,513</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 3,281,540</b>	<b>\$ 3,109,180</b>



**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
 For the year ended December 31, 2023

2023	2023	2022
Budget	Actual	Actual
Unaudited		
(Note 1)		
<b>GENERAL GOVERNMENT SERVICES</b>		
Operating		
Other Segmented Revenue	4,818	4,558
Fees and Charges		
- Sales of supplies		
- Tax enforcement and general office services	20,550	20,373
Total Fees and Charges	27,898	24,931
- Land sales - gain	1,498	
- Investment income	114,472	47,491
- Commissions	1,028	1,334
Total Other Segmented Revenue	144,896	73,756
Total Operating	144,896	73,756
Total General Government Services	144,896	73,756
<b>PROTECTIVE SERVICES</b>		
Operating		
Other Segmented Revenue	140,326	137,502
Fees and Charges		
- Fire fees		
Total Fees and Charges	140,326	137,502
- Tangible capital asset sales - gain (loss)	(11,200)	
Total Other Segmented Revenue	129,126	137,502
Total Operating	129,126	137,502
Total Protective Services	129,126	137,502

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
 For the year ended December 31, 2023

	2023	2023	2022
	Budget	Actual	Actual
	Unaudited		
	(Note 1)		
<b>TRANSPORTATION SERVICES</b>			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Road maintenance and restoration agreements			
Total Fees and Charges	54,600	97,663	42,723
Total Other Segmented Revenue	75,710	141,774	55,261
Conditional Grants			
- Traffic Safety Fund			
Total Conditional Grants	7,845	7,845	
Total Operating	75,710	149,619	55,261
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)			
- Rural Integrated Roads for Growth (RIRG)			
Total Capital	106,420	107,894	63,255
Total Transportation Services	182,130	257,513	118,516

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
 For the year ended December 31, 2023

2022	2023	2023	
Actual	Actual	Budget	Unaudited (Note 1)
			<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>
			Operating
			Other Segmented Revenue
			Fees and Charges
			- Waste and disposal fees
			- Pest control
32,919	\$ 36,995	\$ 34,240	Total Fees and Charges
			- Donations and disability refunds
19,859	29,757	10,000	Total Other Segmented Revenue
			Conditional Grants
			- Other (Beaver Control Program, Provincial Rat Eradication Program and Targeted Sector Support)
16,840	17,690	17,400	Total Conditional Grants
16,840	17,690	17,400	Total Operating
70,932	84,442	61,640	Total Environmental and Public Health Services
			<b>PLANNING AND DEVELOPMENT SERVICES</b>
			Operating
			Other Segmented Revenue
			Fees and Charges
			- Maintenance and development charges
			- Public reserve and subdivision charges
55,871	27,007	15,000	Total Fees and Charges
9,936	9,798	7,700	Total Other Segmented Revenue
65,807	36,805	22,700	Total Operating
65,807	36,805	22,700	Total Planning and Development Services

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**  
 For the year ended December 31, 2023

	2023	2022
	Budget	Actual
	Unaudited	Actual
	(Note 1)	
<b>RECREATION AND CULTURAL SERVICES</b>		
Operating		
Other Segmented Revenue		
Fees and Charges		
- Campground and library fees		
Total Fees and Charges	5,420	5,261
Total Other Segmented Revenue	28,127	28,127
Total Operating	5,420	5,261
Total Recreation and Cultural Services	5,420	5,261
<b>UTILITY SERVICES</b>		
Operating		
Other Segmented Revenue		
- Lagoon and water levy		
Total Other Segmented Revenue	2,000	5,527
Total Operating	2,000	5,527
Total Utility Services	2,000	5,527
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>443,170 \$</b>	<b>443,170 \$</b>
<b>SUMMARY</b>		
Total Other Segmented Revenue	319,350 \$	397,206 \$
Total Conditional Grants	17,400	16,840
Total Capital Grants and Contributions	106,420	63,255
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>443,170 \$</b>	<b>477,301 \$</b>

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
**For the year ended December 31, 2023**

	2023	2022	
	Budget	Actual	Actual
	Unaudited		
	(Note 1)		
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 30,310	\$ 27,574	\$ 26,436
Wages and benefits	210,370	216,186	197,237
Professional/Contractual services	107,470	112,803	137,734
Utilities	9,680	9,659	9,187
Maintenance, materials, and supplies	52,040	50,427	42,785
Amortization	2,100	2,100	2,100
Allowance for uncollectibles			1,894
<b>Total General Government Services</b>	<b>411,970</b>	<b>418,749</b>	<b>417,373</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Professional/Contractual services	99,370	107,639	80,832
<b>Fire protection</b>			
Wages and benefits	37,410	19,769	13,172
Professional/Contractual services	15,430	14,026	13,009
Utilities	5,500	6,968	7,912
Maintenance, materials, and supplies	11,790	3,879	10,219
Amortization	12,107	12,107	10,464
Fire levy	1,580	1,575	1,575
<b>Total Protective Services</b>	<b>183,187</b>	<b>165,963</b>	<b>137,183</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	692,650	732,036	663,325
Professional/Contractual services	69,610	41,900	49,362
Utilities	23,150	18,481	22,255
Maintenance, materials, and supplies	1,036,460	704,040	942,646
Gravel	527,800	596,488	455,590
Amortization	543,607	544,332	581,751
Interest on long-term debt	22,000	27,857	20,740
<b>Total Transportation Services</b>	<b>2,915,277</b>	<b>2,665,134</b>	<b>2,735,669</b>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Professional/Contractual services	48,710	53,239	47,038
Maintenance, materials, and supplies	8,280	9,268	9,985
Grants and contributions			
- Operating			
• Waste disposal			
Environmental capacity study			400
<b>Total Environmental and Public Health Services</b>	<b>56,990</b>	<b>64,805</b>	<b>69,173</b>

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
 For the year ended December 31, 2023

	2023	2022
	Budget	Actual
	Unaudited	Actual
	(Note 1)	
<b>PLANNING AND DEVELOPMENT SERVICES</b>		
Professional/Contractual services	\$ 34,000	\$ 39,154
Total Planning and Development Services	34,000	39,154
<b>RECREATION AND CULTURAL SERVICES</b>		
Utilities	6,650	6,391
Maintenance, materials, and supplies	3,000	27,273
Grants and contributions	126,780	125,913
- Operating	444	444
Amortization	136,874	139,176
Total Recreation and Cultural Services	136,874	160,021
<b>UTILITY SERVICES</b>		
Professional/Contractual services	7,800	10,786
Maintenance, materials, and supplies	5,510	4,628
Amortization	1,479	1,479
Total Utility Services	14,789	16,893
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 3,753,087</b>	<b>\$ 3,570,816</b>

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2023**

	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	\$ 27,898	\$ 140,326	\$ 144,774	\$ 36,995	\$ 36,805	\$ 28,127	\$	\$ 441,925
Tangible Capital Asset Sale - Gain (Loss)	1,498	(11,200)						(11,200)
Land Sales - Gain (Loss)	114,472							1,498
Investment Income	1,028							114,472
Commissions								1,028
Other Revenues			7,845	29,757			6,914	36,671
Grants - Conditional			107,894	17,690				25,535
- Capital								107,894
<b>Total revenues</b>	<b>144,896</b>	<b>129,126</b>	<b>257,513</b>	<b>84,442</b>	<b>36,805</b>	<b>28,127</b>	<b>6,914</b>	<b>687,823</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	243,760	19,769	732,036	53,239	47,070	7,304	10,786	995,565
Professional/Contractual Services	112,803	121,665	41,900	18,481		6,232	4,628	387,463
Utilities	9,659	6,968	1,300,528	9,268		125,196	1,479	42,412
Maintenance, Materials, Supplies	50,427	3,879				444		1,374,962
Grants and Contributions								125,196
Amortization	2,100	12,107	544,332					560,462
Interest			27,857					27,857
Accretion of asset retirement obligation								
Allowance for Uncollectibles								
Other		1,575		2,298				
<b>Total expenses</b>	<b>418,749</b>	<b>165,963</b>	<b>2,665,134</b>	<b>64,805</b>	<b>47,070</b>	<b>139,176</b>	<b>16,893</b>	<b>3,517,790</b>
<b>Surplus (Deficit) by Function</b>	<b>(273,853)</b>	<b>(36,837)</b>	<b>(2,407,621)</b>	<b>19,637</b>	<b>(10,265)</b>	<b>(111,049)</b>	<b>(9,979)</b>	<b>(2,829,967)</b>
Taxation and other unconditional revenue (Schedule 1)								<u>3,277,576</u>
<b>Net Surplus (Deficit)</b>								<u>\$ 447,609</u>

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2022**

	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	\$	24,931	\$	137,502	\$	55,261	\$	34,233	\$	65,807	\$	5,261	\$	5,527	\$	322,995
Tangible Capital Asset Sale - Gain (Loss)																47,491
Land Sales - Gain (Loss)		47,491														1,334
Investment Income		1,334														25,386
Commissions																16,840
Other Revenues																63,255
Grants - Conditional																63,255
- Capital																
<b>Total revenues</b>		<b>73,756</b>		<b>137,502</b>		<b>118,516</b>		<b>70,932</b>		<b>65,807</b>		<b>5,261</b>		<b>5,527</b>		<b>477,301</b>
<b>Expenses (Schedule 3)</b>																
Wages & Benefits		223,673		13,172		663,325		47,038		39,154		6,391		5,464		900,170
Professional/Contractual Services		137,734		93,841		49,362		7,912		22,255		1,398,236		10,219		372,593
Utilities		9,187		7,912		22,255		9,985		400		27,273		5,300		45,745
Maintenance, Materials, Supplies		42,785		10,219		1,398,236		400		444		125,913		1,479		1,493,798
Grants and Contributions																126,313
Amortization		2,100		10,464		581,751		20,740								596,238
Interest																20,740
Accretion of asset retirement obligation																1,894
Allowance for Uncollectibles		1,894														13,325
Other				1,575				11,750								13,325
<b>Total expenses</b>		<b>417,373</b>		<b>137,183</b>		<b>2,735,689</b>		<b>69,173</b>		<b>39,154</b>		<b>160,021</b>		<b>12,243</b>		<b>3,570,816</b>
<b>Surplus (Deficit) by Function</b>		<b>(343,617)</b>		<b>319</b>		<b>(2,617,153)</b>		<b>1,759</b>		<b>26,653</b>		<b>(154,760)</b>		<b>(6,716)</b>		<b>(3,093,515)</b>
Taxation and other unconditional revenue (Schedule 1)																<b>3,109,180</b>
<b>Net Surplus (Deficit)</b>																<b>\$ 15,665</b>



**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**For the year ended December 31, 2023**

Cost	General Government		Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
	2023	2022							2023	2022
Opening costs	\$ 125,068	\$ 288,411	\$ 17,165,971	\$ 8,053	\$	\$	\$ 17,750	\$ 36,986	\$17,642,239	\$ 17,158,404
Additions during the year		30,031	1,077,056						1,107,087	483,835
Disposals and write downs			(461,874)						(461,874)	
Closing costs	125,068	318,442	17,781,153	8,053			17,750	36,986	18,287,452	17,642,239
<b>Accumulated Amortization</b>										
Opening accumulated amortization	93,461	132,340	8,895,915	8,053			9,785	5,916	9,145,450	8,549,212
Amortization	2,100	12,107	544,332				444	1,479	560,462	596,238
Disposals and write downs			(260,673)						(260,673)	
Closing accumulated amortization	95,561	144,447	9,179,574	8,053			10,209	7,395	9,445,239	9,145,450
Net Book Value	\$ 29,507	\$ 173,995	\$ 8,601,579	\$	\$	\$	\$ 7,541	\$ 29,591	\$ 8,842,213	\$ 8,496,789

**RURAL MUNICIPALITY OF SPIRITWOOD #496  
 SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS  
 For the year ended December 31, 2023**

	2022	Changes	2023
<b>UNAPPROPRIATED SURPLUS</b>	\$ 2,195,787	\$ 26,018	\$ 2,221,805
<b>APPROPRIATED RESERVES</b>	795,818	32,011	827,829
Capital Trust Fund Reserve	8,073	28	8,101
Lagoon Infrastructure Reserve	803,891	32,039	835,930
<b>ORGANIZED HAMLETS</b>	121,399	13,645	135,044
Spruce Bay	121,399	13,645	135,044
Total Hamlets	121,399	13,645	135,044
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>	8,496,789	345,424	8,842,213
Tangible capital assets (Schedule 6)	(486,698)	30,483	(456,215)
Less: Related debt	8,010,091	375,907	8,385,998
Net investment in tangible capital assets	8,010,091	375,907	8,385,998
<b>ACCUMULATED SURPLUS (excluding      remeasurement gains (losses))</b>	\$ 11,131,168	\$ 447,609	\$ 11,578,777

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS**  
 For the year ended December 31, 2023

	PROPERTY CLASS					Total	
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial		Potash Mine(s)
Taxable assessment	202,837,615	90,941,514		20,171,280	8,001,475		321,951,884
Regional Park Assessment							
Total Assessment							321,951,884
Mill Rate Factor(s)	1.00	0.87		1.00	1.20		
Total Base/Minimum Tax	99,300	302,400		2,430	41,400		445,530
Total Municipal Tax Levy	1,661,002	811,826		40,499	103,129		2,616,456

**MILL RATES:**

Average Municipal	8.1269
Average School	2.6320
Potash Mill Rate	
Uniform Municipal Mill Rate	8.0000

**MILLS**

**RURAL MUNICIPALITY OF SPIRITWOOD #496**  
**SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION**  
**For the year ended December 31, 2023**

Position - Name	Remuneration	Reimbursed Costs	Total
Reeve - Shirley Dauvin	\$ 7,707	\$ 488	7,707
Councilor - Larry Vaagen	2,960	233	3,437
Councilor - Heather Warkentin	3,204	291	3,284
Councilor - Dale Wasden	2,993		3,279
Councilor - Bevra Fee	3,279		3,084
Councilor - Terry Wingerter	2,855	229	2,950
Councilor - Dennis Laventure	2,950		
	\$ 25,948	\$ 1,241	\$ 27,189