

FINANCIAL STATEMENTS

Year Ended December 31, 2024

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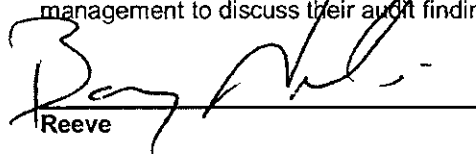
Management's Responsibility

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.

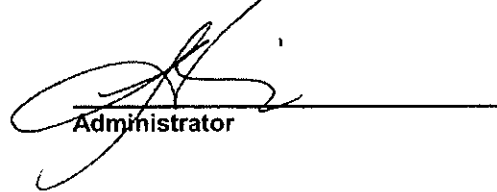
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately 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.

Baker Tilly SK LLP, 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.



Reeve



Administrator

Independent Auditors' Report

To the Council
R. M. of Wallace No. 243

Qualified Opinion

We have audited the financial statements of R. M. of Wallace No. 243, (the municipality), which comprise the Statement of Financial Position as at December 31, 2024 and the Statements of Operations, Change in Net Financial Assets and Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2024, and results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

PS 3280 Asset Retirement Obligations, requires the municipality to recognize a liability at the reporting date for future costs that the municipality is legally obligated to incur for the retirement of a tangible capital asset. The municipality has not attempted to identify buildings which may contain asbestos and require remediation upon the retirement of the building. A liability has not been recognized for these costs. As insufficient information is available with regards to the extent and expected costs of the likely remediation activities, we are unable to determine the asset retirement obligation liability that would have been recognized on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the 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 opinion.

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

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

In preparing the financial statements, management is responsible for assessing the 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.

Council is responsible for overseeing the municipality's financial reporting process.

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Baker Tilly SK LLP


Baker Tilly SK LLP

Yorkton, SK
April 11, 2025

Other accounts receivable - note 4	110,119	93,023
Total Financial Assets	<u>2,052,668</u>	<u>2,294,623</u>
Liabilities		
Accounts payable	167,231	646,967
Deferred revenue - note 8		100
Total Liabilities	<u>167,231</u>	<u>647,067</u>
Net Financial Assets	<u>1,885,437</u>	<u>1,647,556</u>
Non-Financial Assets		
Tangible capital assets - schedules 6 and 7	4,735,232	4,625,831
Stock and supplies	130,046	121,439
Assets held for sale - note 5	3,517	3,517
Total Non-Financial Assets	<u>4,868,795</u>	<u>4,750,787</u>
Accumulated Surplus	<u>\$ 6,754,232</u>	<u>\$ 6,398,343</u>
Accumulated surplus is comprised of:		
Accumulated surplus - schedule 8	6,754,232	6,398,343

Approved on behalf of the council:


Reeve


Councillor

Fees and charges - schedules 4 and 5	33,700	33,740	42,103
Conditional grants - schedules 4 and 5	35,640	49,480	34,055
Tangible capital asset sales - gain (loss) - schedules 4 and 5		(8,161)	(87,737)
Investment income - schedules 4 and 5	41,200	53,262	59,437
Total Revenues	<u>2,878,720</u>	<u>2,950,664</u>	<u>2,605,508</u>
Expenses - schedule 3			
General government services	568,350	420,759	406,179
Protective services	128,340	147,437	133,791
Transportation services	2,238,140	1,954,920	1,699,303
Environmental and public health services	101,040	101,175	121,382
Planning and development services		2,030	1,500
Recreation and cultural services	19,390	19,223	14,923
Utilities services	35,000	3,451	752
Total Expenses	<u>3,090,260</u>	<u>2,648,995</u>	<u>2,377,830</u>
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(211,540)	301,669	227,678
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	57,400	54,220	156,754
Surplus (Deficit) of Revenue over Expenses	(154,140)	355,889	384,432
Accumulated Surplus, Beginning of Year	<u>6,398,343</u>	<u>6,398,343</u>	<u>6,013,911</u>
Accumulated Surplus, End of Year	<u>\$ 6,244,203</u>	<u>\$ 6,754,232</u>	<u>\$ 6,398,343</u>

*The notes to financial statements are an integral
part of these financial statements.*

(Acquisition) of tangible capital assets	(425,289)	(695,361)
Amortization of tangible capital assets		217,847		187,163
Proceeds on disposal of tangible capital assets		89,880		159,000
Loss on the disposal of tangible capital assets		<u>8,161</u>		<u>87,737</u>
Surplus (Deficit) of Capital Expenses over Expenditures		<u>0</u>	(<u>109,401</u>)
(Acquisition) of supplies inventories	(183,471)	(180,221)
Consumption of supplies inventory		174,864		155,643
Use of prepaid expense		<u></u>		<u>1,754</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures		<u>0</u>	(<u>8,607</u>)
Increase (Decrease) in Net Financial Assets	(154,140)		237,881
Net Financial Assets, beginning of year		<u>1,647,556</u>		<u>1,647,556</u>
Net Financial Assets, End of Year	\$	<u>1,493,416</u>	\$	<u>1,885,437</u>
			\$	<u>1,647,556</u>

The notes to financial statements are an integral part of these financial statements.

Loss on disposal of tangible capital assets	8,161	87,131
	<u>581,896</u>	<u>659,332</u>
Change in Assets/Liabilities		
Taxes receivable - municipal	21,405	39,777
Other receivables	(22,293)	(4,846)
Accounts payable	(479,736)	555,267
Other liabilities	(100)	(99,500)
Stock and supplies for use	(8,607)	(24,577)
Prepayments and deferred charges		1,754
Cash Provided by Operating Transactions	<u>92,565</u>	<u>1,127,207</u>
Capital:		
Acquisition of capital assets	(425,289)	(695,361)
Proceeds on sale of tangible capital assets	89,880	159,000
Cash Applied to Capital Transactions	<u>(335,409)</u>	<u>(536,361)</u>
Change in Cash and Cash Equivalents During the Year	(242,844)	590,846
Cash and cash equivalents, beginning of year	<u>2,060,002</u>	<u>1,469,156</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,817,158</u>	<u>\$ 2,060,002</u>

*The notes to financial statements are an integral
part of these financial statements.*

(a) 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.

(b) 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.

The municipality has determined that there are no entities requiring consolidation.

(c) 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.

(d) Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or are 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:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a reasonable estimate of the amount 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.

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 to the extent that they would be paid for on the normal operations of the municipality's activities and the fair value can be reasonably estimated.

(f) 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.

(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.

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. If there are any unrealized gains and losses, they 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 municipality's financial assets and liabilities are measured as follows:

<u>Financial statement line item</u>	<u>Measurement</u>
Cash and cash equivalents	Cost/Amortized Cost
Other accounts receivable	Cost/Amortized Cost
Accounts payable and accrued liabilities	Cost

lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

(l) Tangible capital assets

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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 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. The municipality's tangible capital assets useful lives are estimated as follows:

General Assets

Land	Indefinite
Land improvements	15 years
Buildings	40 years
Vehicles	10 years
Mobile equipment	10-20 years

Infrastructure Assets

Linear assets	15-40 years
Paving, sidewalks and roadways	15-40 years

(m) 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.

(n) Capitalization of interest

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

(o) Leases

All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risks associated with the leased asset is classified as capital leases and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the present value of the minimum lease payments, excluding executory costs. 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.

contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

(q) Revenue

Revenue from transactions with no performance obligations are recognized as received or as the municipality becomes aware of, provided collection is reasonably assured.

Investment income is recognized as earned.

For revenue items with related performance obligations:

Fees and charges are transactions with performance obligations. A performance obligation is a promise to provide a distinct good or service, or services, or distinct goods or services to a payor for consideration. The municipality recognizes revenue when the performance obligations are satisfied and the payor obtains control of the asset or benefits from the service provided.

For each performance obligation, the municipality must ascertain whether the obligation is satisfied over a period of time, or at a point in time. In order to do this, the characteristics of the underlying goods and/or services must be considered in order to determine when the ultimate performance obligations will be satisfied. If any of the below criteria are met, the revenue must be recognized over a period of time; otherwise, corresponding amounts are to be recognized at a point in time.

- a) The payor simultaneously receives and consumes the benefits provided by the municipality's performance as they fulfill the performance obligation.
- b) The municipality's performance creates or enhances an asset (for example, work in progress) that the payor controls or uses as the asset is created or enhanced.
- c) The municipality's performance does not create an asset with an alternative use to itself, and the municipality has an enforceable right to payment for performance completed to date.
- d) The municipality is expected to continually maintain or support the transferred good or service under the terms of the agreement.

When determining the amounts of revenue to recognize at various stages along the point of time, determinants vary but often include percentage complete.

Non-exchange transactions are transactions or events where there is no direct transfer of goods or services to a payor. The municipality receives an increase in economic resources for which the payor does not receive any direct goods or services in return. Revenue for non-exchange transactions is recognized when the municipality has the authority and identifies a past transaction or event that gives rise to an asset.

Revenue from product sales is recognized when the significant rewards of ownership of the products have passed to the buyer, usually on the delivery of products.

Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

Use of estimates impacts the following financial statement areas:

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 liabilities 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.

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.

(t) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 12, 2024.

(u) 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.

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 and 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.

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. This section may be applied retroactively or prospectively; there was no impact to these financial statements. This section has been applied prospectively. There was no impact to these financial statements.

PSG-8, Purchased intangibles, provides guidance on accounting for and reporting on purchased intangible capital assets. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. Application may be made either retroactively or prospectively in accordance with PS 2120, Accounting changes. This section has been applied prospectively. There was no impact to these financial statements.

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 may be applied either retroactively (with or without prior period restatement) or prospectively. This section has been applied prospectively. There was no impact to these financial statements.

	2024	2023
3. Taxes and Grants In Lieu Receivable		
Municipal - current	109,730	74,939
Municipal - arrears	13,506	69,702
	<u>123,236</u>	<u>144,641</u>
Less: Allowance for uncollectibles	3,845	3,845
Total municipal taxes receivable	<u>119,391</u>	<u>140,796</u>
School - current	25,609	25,141
School - arrears	4,099	20,322
Total school taxes receivable	<u>29,708</u>	<u>45,463</u>
Other	<u>270</u>	<u>1,152</u>
Total taxes and grants in lieu receivable	149,369	187,411
Less: Taxes receivable to be collected on behalf of other organizations	<u>29,978</u>	<u>46,615</u>
Municipal and Grants In Lieu Taxes Receivable	<u>\$ 119,391</u>	<u>\$ 140,796</u>
4. Other Accounts Receivable		
Federal government	76,208	86,180
Provincial government	11,139	7,645
Trade	27,245	
Other	<u>1,527</u>	<u></u>
Net Other Accounts Receivable	<u>\$ 116,119</u>	<u>\$ 93,825</u>
5. Assets Held for Resale		
Tax title property	4,912	4,912
Less: Allowance for market value adjustment	<u>1,395</u>	<u>1,395</u>
Total Assets Held for Resale	<u>\$ 3,517</u>	<u>\$ 3,517</u>

Tax title property has been classified as a non-financial asset as there is no active market for these assets, nor are they reasonably estimated to be sold within a year.

6. Financial Instruments - Fair Value Disclosures

For those instruments measured at cost/amortized cost the carrying value approximates the fair value.

Following has been collateralized in connection with this line-of-credit:

- all accounts, intangibles, indebtedness and claims for or rights to money, both present and future of every nature and kind including, without limitation, all taxes and arrears of taxes owing to the municipality, including taxes raised by way of special levy.
- proceeds including but not limited to goods, chattel paper, investment property, documents of title, instruments, money, intangibles and all other proceeds arising directly or indirectly from the disposition, exchange, loss, replacement, renewal, destruction of or dealing with the collateral.

8. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Other	\$ 100	\$ 0	\$ 100	\$ 0

9. Long-Term Debt

(a) The debt limit of the municipality for 2025 is \$2,376,510. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161(1)).

10. Employee Benefits 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 municipality's employees from MEPP are calculated using the following: Pensionable years of service, highest average salary, and the plan accrual rate.

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

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2024	2023
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 34,324	\$ 30,999
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As per the most recently audited financial statements dated December 31, 2023, the plan surplus is \$1,161,337.

12. **Commitments**

In January 2021, the municipality signed a five-year operating lease agreement for a Toshiba multi-function copier at a cost of \$114/month.

13. **Statement of Remeasurement Gains and Losses**

There are no remeasurement gains or losses during the periods presented, therefore no statement of remeasurement gains or losses has been included in these financial statements.

14. **Risk Management**

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in so doing, cause a loss for the other party. The financial instruments that potentially subject the municipality to credit risk consist of taxes receivable and other accounts receivable.

The municipality has mitigated its exposure to credit risk on financial instruments through the ability to pursue tax enforcement under The Municipal Act.

Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. It is management's opinion that the municipality is not exposed to any significant liquidity risk.

Market risk

Market risk is the risk that the fair value of 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. It is management's opinion that the municipality is not exposed to any significant market risk.

Discount on current year taxes	<u>(100,090)</u>	<u>(100,440)</u>	<u>(90,713)</u>
Net municipal taxes	2,362,180	2,345,973	2,149,436
Penalties on tax arrears	17,100	17,461	22,228
Special tax levy	<u>49,820</u>	<u>53,626</u>	<u>48,846</u>
Total Taxes	<u>2,429,100</u>	<u>2,417,060</u>	<u>2,220,510</u>
Unconditional Grants			
Equalization (revenue sharing)	<u>334,580</u>	<u>380,793</u>	<u>334,579</u>
Total Unconditional Grants	<u>334,580</u>	<u>380,793</u>	<u>334,579</u>
Grants In Lieu of Taxes			
Provincial			
Transgas	140		136
SaskTel	1,650	1,777	1,652
SERM	<u>710</u>	<u>713</u>	<u>713</u>
Total Grants In Lieu of Taxes	<u>2,500</u>	<u>2,490</u>	<u>2,501</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 2,766,180</u>	<u>\$ 2,800,343</u>	<u>\$ 2,557,590</u>

*The notes to financial statements are an integral
part of these financial statements.*

Sale of supplies	3,860	3,160	3,282
Licenses and permits		129	
Other		25	1,685
Total Fees and Charges	3,860	3,314	4,967
Tangible capital asset sales - gain (loss)		(1,504)	(754)
Investment income	41,200	53,262	59,437
Total Other Segmented Revenue	45,060	55,072	63,650
Total General Government Services	\$ 45,060	\$ 55,072	\$ 63,650
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees		9,900	3,729
Total Other Segmented Revenue	0	9,900	3,729
Total Protective Services	\$ 0	\$ 9,900	\$ 3,729
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work		300	
Licenses and permits	17,500	19,880	17,590
Other		7,928	
Road maintenance and restoration agreements	940	1,518	921
Total Fees and Charges	18,440	29,626	18,511
Tangible capital asset sales - gain (loss)		(6,657)	(86,983)
Total Other Segmented Revenue	18,440	22,969	(68,472)
Conditional Grants			
Other		4,384	
CTP primary weight	18,650	24,245	18,650
Total Conditional Grants	18,650	28,629	18,650
Total Operating	37,090	51,598	(49,822)
Capital			
Conditional Grants			
Canada Community Building Fund	57,400	54,220	156,754
Total Capital	57,400	54,220	156,754
Total Transportation Services	\$ 94,490	\$ 105,818	\$ 106,932

The notes to financial statements are an integral part of these financial statements.

Waste disposal fees	8,900	8,700	8,972
Total Other Segmented Revenue	<u>8,900</u>	<u>8,700</u>	<u>8,972</u>
Conditional Grants			
Well Decommissioning program	2,350	4,500	2,350
Pest control	<u>7,640</u>	<u>9,347</u>	<u>7,645</u>
Total Conditional Grants	<u>9,990</u>	<u>13,847</u>	<u>9,995</u>
Total Environmental and Public Health Services	<u>\$ 18,890</u>	<u>\$ 22,547</u>	<u>\$ 18,967</u>
Planning and Development Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Maintenance and development charges			2,984
Total Other Segmented Revenue	<u>0</u>	<u>0</u>	<u>2,984</u>
Total Planning and Development Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,984</u>
Recreation and Cultural Services			
Conditional Grants			
Saskatchewan Lotteries	<u>7,000</u>	<u>7,004</u>	<u>5,410</u>
Total Conditional Grants	<u>7,000</u>	<u>7,004</u>	<u>5,410</u>
Total Recreation and Cultural Services	<u>\$ 7,000</u>	<u>\$ 7,004</u>	<u>\$ 5,410</u>
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sewer	<u>4,500</u>	<u>4,200</u>	<u>3,000</u>
Total Other Segmented Revenue	<u>4,500</u>	<u>4,200</u>	<u>3,000</u>
Total Utility Services	<u>\$ 4,500</u>	<u>\$ 4,200</u>	<u>\$ 3,000</u>

The notes to financial statements are an integral part of these financial statements.

Total Other Segmented Revenue	76,900	100,841	13,863
Total Conditional Grants	35,640	49,480	34,055
Total Capital Grants and Contributions	<u>57,400</u>	<u>54,220</u>	<u>156,754</u>
Total Operating and Capital Revenue by Function	<u>\$ 169,940</u>	<u>\$ 204,541</u>	<u>\$ 204,672</u>

The notes to financial statements are an integral part of these financial statements.

Professional/Contractual services	167,350	33,459	18,277
Utilities	16,170	14,175	15,938
Maintenance, materials and supplies	20,050	9,449	16,120
Amortization		10,856	11,281
Insurance	1,010	462	994
Interest	650	503	593
Other	100,000		
Total General Government Services	\$ 568,350	\$ 420,759	\$ 406,179
Protective Services			
Police protection			
Professional/Contractual services	51,670	52,118	50,653
Fire protection			
Professional/Contractual services	47,570	65,178	54,038
Grants and contributions - operating	29,100	30,141	29,100
Total Protective Services	\$ 128,340	\$ 147,437	\$ 133,791
Transportation Services			
Wages and benefits	362,700	375,284	333,379
Professional/Contractual services	747,430	312,669	423,893
Utilities	15,170	12,715	14,870
Maintenance, materials and supplies	211,440	204,937	195,900
Gravel	810,400	622,137	520,189
Machinery costs/fuel/blades	4,000	4,792	1,739
Culverts/drainage	87,000	218,847	36,493
Amortization		203,539	172,840
Total Transportation Services	\$ 2,238,140	\$ 1,954,920	\$ 1,699,303

The notes to financial statements are an integral part of these financial statements.

Maintenance, materials and supplies	8,110	8,020	8,010
Grants and contributions - operating	56,600	62,588	84,900
Amortization			2,290
Total Environmental and Public Health Services	\$ 101,040	\$ 101,175	\$ 121,382
Planning and Development Services			
Professional/Contractual services	\$ 0	\$ 2,030	\$ 1,500
Recreation and Cultural Services			
Maintenance, materials and supplies	100	25	100
Grants and contributions - operating	5,500	5,410	2,665
Libraries	13,790	13,788	12,158
Total Recreation and Cultural Services	\$ 19,390	\$ 19,223	\$ 14,923
Utility Services			
Maintenance, materials and supplies	35,000		
Amortization		3,451	752
Total Utility Services	\$ 35,000	\$ 3,451	\$ 752
Total Expenses by Function	\$ 3,090,260	\$ 2,648,995	\$ 2,377,830

The notes to financial statements are an integral part of these financial statements.

R. M. of Wallace No. 243

Schedule of Segment Disclosure by Function
For the year ended December 31, 2024

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture
Revenues - schedule 2						
Fees and charges	3,314	9,900	29,626	8,700		
Tangible capital asset sales - gain (loss)	(1,504)	(6,657)				
Investment income	53,262		28,629	13,847		7,004
Grants - conditional			54,220			
Grants - capital			105,818	22,547	0	7,004
Total Revenues	55,072	9,900				
Expenses - schedule 3						
Wages and benefits	193,634		375,284			
Professional/contractual services	191,680	117,296	312,669	30,870	2,030	
Utilities	14,175		12,715	1,694		
Maintenance, materials and supplies	9,449		827,074	6,023		25
Machinery costs/fuel/blades			4,792			
Culverts/drainage			218,847			
Grants and contributions		30,141		62,588		5,410
Amortization	10,856		203,539			
Insurance	462					
Libraries						
Interest	503					
Total Expenses	420,759	147,437	1,954,920	101,175	2,030	19,223
Surplus (Deficit) by Function	\$ (365,687)	\$ (137,537)	\$ (1,849,102)	\$ (78,628)	\$ (2,030)	\$ (12,219)

Taxation and other unconditional revenue
- schedule 1

Net Surplus

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of Wallace No. 243
Schedule of Segment Disclosure by Function
For the year ended December 31, 2023

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture
Revenues - schedule 2						
Fees and charges	4,967	3,729	18,511	8,972	2,984	
Tangible capital asset sales - gain (loss)	(754)	(86,983)				
Investment income	59,437					
Grants - conditional			18,650	9,995		5,410
Grants - capital			156,754			
Total Revenues	63,650	3,729	106,932	18,967	2,984	5,410
Expenses - schedule 3						
Wages and benefits	175,039		333,379			
Professional/contractual services	186,214	104,691	423,893	26,053	1,500	
Utilities	15,938		14,870	2,121		
Maintenance, materials and supplies	16,120		716,089	6,018		100
Machinery costs/fuel/blades			1,739			
Culverts/drainage			36,493			
Grants and contributions		29,100		84,900		2,665
Amortization	11,281		172,840	2,290		
Insurance	994					
Libraries						
Interest	593					
Total Expenses	406,179	133,791	1,699,303	121,382	1,500	14,923
Surplus (Deficit) by Function	\$(342,529)	\$(130,062)	\$(1,592,371)	\$(102,415)	\$ 1,484	\$(9,513)
Taxation and other unconditional revenue - schedule 1						
Net Surplus						

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of Wallace No. 243
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2024

	General Assets					Infrastruc Assets
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets
Asset Cost						
Opening Asset Cost	2,362	6,280	456,243	0	1,497,833	7,517.7
Additions during the year	7,450		27,007		187,723	203.1
Disposals and write-down during the year					(159,543)	
Closing Asset Costs	9,812	6,280	483,250	0	1,526,013	7,720.8
Accumulated Amortization Cost						
Opening Accumulated Amortization Costs	0	6,280	82,806	0	257,860	4,507.6
Add: Amortization taken			10,437		63,204	144.2
Less: Accumulated amortization on disposals	0	6,280	93,243	0	61,502	
Closing Accumulated Amortization Costs					259,562	4,651.8
Net Book Value	\$ 9,812 \$	0 \$	390,007 \$	0 \$	1,266,451 \$	3,068.9

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of Wallace No. 243
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2023

	General Assets					Infrastruc Assets
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets
Asset Cost						
Opening Asset Cost	2,362	6,280	443,145	0	1,193,460	7,493.4
Additions during the year			13,098		658,037	24.2
Disposals and write-down during the year					(353,664)	
Closing Asset Costs	2,362	6,280	456,243	0	1,497,833	7,517.7
Accumulated Amortization Cost						
Opening Accumulated Amortization Costs	0	6,280	73,091	0	321,125	4,373.8
Add: Amortization taken			9,715		43,662	133.7
Less: Accumulated amortization on disposals					106,927	
Closing Accumulated Amortization Costs	0	6,280	82,806	0	257,860	4,507.6
Net Book Value	\$ 2,362 \$	0 \$	373,437 \$	0 \$	1,239,973 \$	3,010.0

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of Wallace No. 243
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2024

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture
Asset Cost						
Opening Asset Cost	403,293	0	8,939,879	107,156	0	
Additions during the year			369,908			
Disposals and write-down during the year	(3,759)		(155,784)			
Closing Asset Costs	399,534	0	9,154,003	107,156	0	
Accumulated Amortization Cost						
Opening Accumulated Amortization Costs	64,044	0	4,724,293	36,155	0	
Add: Amortization taken	10,856		203,540			
Less: Accumulated amortization on disposals	2,255		59,247			
Closing Accumulated Amortization Costs	72,645	0	4,868,586	36,155	0	
Net Book Value	\$ 326,889	\$ 0	\$ 4,285,417	\$ 71,001	\$ 0	\$

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of Wallace No. 243
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2023

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Cultural
Asset Cost						
Opening Asset Cost	392,454	0	8,609,021	107,156	0	
Additions during the year	13,098		682,263			
Disposals and write-down during the year	(2,259)	(351,405)			
Closing Asset Costs	403,293	0	8,939,879	107,156	0	
Accumulated Amortization Cost						
Opening Accumulated Amortization Costs	54,268	0	4,656,875	33,865	0	
Add: Amortization taken	11,281		172,840	2,290		
Less: Accumulated amortization on disposal	1,505		105,422			
Closing Accumulated Amortization Costs	64,044	0	4,724,293	36,155	0	
Net Book Value	\$ 339,249 \$	0 \$	4,215,586 \$	71,001 \$	0 \$	

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Other			
Cash in lieu of dedicated reserve	24,173		24,173
Bridges	2,396		2,396
Annexation	180,624		180,624
	<u>207,193</u>	<u>0</u>	<u>207,193</u>
Total Appropriated	<u>564,693</u>	<u>0</u>	<u>564,693</u>
Net Investment in Tangible Capital Assets			
Tangible capital assets - schedule 6 and 7	<u>4,625,831</u>	<u>109,401</u>	<u>4,735,232</u>
Net Investment in Tangible Capital Assets	<u>4,625,831</u>	<u>109,401</u>	<u>4,735,232</u>
Accumulated Surplus	<u>\$ 6,398,343</u>	<u>\$ 355,889</u>	<u>\$ 6,754,232</u>

*The notes to financial statements are an integral
part of these financial statements.*

R. M. of Wallace No. 243
Schedule of Mill Rates and Assessments
For the year ended December 31, 2024

	Property Class			
	Agriculture	Residential	Seasonal Residential	Potash Mine(s)
Taxable Assessment	182,201,495	38,235,915		18,872,380
Regional Park Assessment				
Total Assessment				
Mill Rate Factor(s)	0.6000	0.5000		1.3000
Total Base/Minimum Tax (generated for each property class)	6,400	14,000		150
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,752,416	312,306		392,591
Mill Rates:				
Average Municipal*	Mills			
Average School*	10.2683			
Potash Mill Rate	2.3475			
Uniform Municipal Mill Rate	16.0000			

*Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing a

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part of these financial statements.*

Len Malinowski	14,700	8,926	23,626
Trent Guenther	16,175	9,915	26,090
Ervin Stricker	7,700	5,110	12,810
David Burym	<u>14,350</u>	<u>9,913</u>	<u>24,263</u>
	<u>\$ 109,847</u>	<u>\$ 68,606</u>	<u>\$ 178,453</u>

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.