RURAL MUNICIPALITY OF PRAIRIE COULEE NO. 999

FINANCIAL STATEMENTS

For the year ended December 31, 2025

MANAGEMENT'S RESPONSIBILITY

The municipality's management is responsible for preparing the accompanying financial statements in accordance with Canadian public sector accounting standards. Management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are authorized and recorded, and financial information is reliable.

Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and has reviewed and approved these financial statements. The financial statements have been audited by Tallgrass & Ashdown LLP, Chartered Professional Accountants, the independent auditors appointed by council. Their report follows.

Colleen Harstad, Administrator

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of the Rural Municipality of Prairie Coulee No. 999

Opinion

We have audited the financial statements of the Rural Municipality of Prairie Coulee No. 999 (the municipality), which comprise the statement of financial position as at December 31, 2025, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2025, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Tallgrass & Ashdown LLP, Chartered Professional Accountants

Coulee Flats, Saskatchewan

April 21, 2026

STATEMENT 1 – STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

Financial Assets	
Cash and temporary investments	1,214,500.00
Taxes receivable – municipal	182,330.00
Long-term investments	600,000.00
Total financial assets	**1,996,830.00**
Liabilities	
Accounts payable and accrued liabilities	234,100.00
Long-term debt (Note 4)	425,000.00
Total liabilities	**659,100.00**
Net financial assets	**1,337,730.00**
Non-Financial Assets	
Tangible capital assets (Schedule 6)	12,845,000.00
Inventory of gravel and supplies	412,200.00
Accumulated surplus (Schedule 8)	**14,594,930.00**

STATEMENT 2 – STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2025

Revenues	
Taxes and other unconditional revenue	3,318,450.00
Fees and charges	142,880.00
Conditional grants	218,300.00
Investment income	58,215.00
Other revenue	21,640.00
Provincial and federal capital grants	206,000.00
Total revenues	**3,965,485.00**
Expenses	
General government services	612,410.00
Protective services	184,300.00
Transportation services	2,618,775.00
Environmental and public health services	146,220.00
Planning and development services	38,900.00
Recreation and cultural services	96,540.00
Total expenses	**3,697,145.00**
Annual surplus (deficit)	**268,340.00**
Accumulated surplus, beginning of year	14,326,590.00
Accumulated surplus, end of year	14,594,930.00

STATEMENT 3 – CHANGE IN NET FINANCIAL ASSETS

Annual surplus	268,340.00
Acquisition of tangible capital assets	(770,700.00)
Amortization of tangible capital assets	578,025.00
Change in inventory	(22,700.00)

STATEMENT 4 – STATEMENT OF CASH FLOW

Cash provided by operating transactions	846,365.00
Cash applied to capital transactions	(770,700.00)
Cash applied to financing transactions	(85,000.00)

NOTES TO THE FINANCIAL STATEMENTS

1. Significant accounting policies

The financial statements are prepared by management in accordance with Canadian public sector accounting standards. The reporting entity comprises all organizations accountable to council. Revenues are recorded on the accrual basis. Tangible capital assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives: roads 20 to 40 years; bridges and culverts 25 to 50 years; machinery and equipment 5 to 15 years; buildings 25 to 40 years.

2. Cash and temporary investments

Cash consists of deposits with a Saskatchewan credit union. Temporary investments are guaranteed investment certificates maturing within one year.

3. Taxes receivable

Taxes receivable are shown net of an allowance for uncollectible taxes. Properties with arrears are subject to The Tax Enforcement Act.

4. Long-term debt

Long-term debt is a loan for the purchase of a motor grader, repayable in annual instalments of $85,000.00 with interest at 4.1%, maturing in 2030. The debt limit of the municipality is $3,400,000.00, being the total own-source revenue for the preceding year, as set under The Municipalities Act. Debt at December 31, 2025 was $425,000.00.

5. Pension plan

Employees participate in the Municipal Employees' Pension Plan, a multi-employer defined benefit plan. The municipality's contributions are expensed as incurred.

6. Contingent liabilities

The municipality has no known contingent liabilities at year end.

7. Trust funds

The municipality holds no trust funds for others.

8. Comparative figures

Some prior-year figures have been reclassified to conform to the current year's presentation.

SCHEDULE 1 – TAXES AND OTHER UNCONDITIONAL REVENUE – 2025

General municipal tax levy	2,721,129.00
Abatements and adjustments	(13,273.80)
Discount on current year taxes	(39,821.40)
Penalties on tax arrears	19,910.70
Special tax levy – roads	298,660.50
Municipal revenue sharing grant	331,845.00
Total	**3,318,450.00**

See accompanying notes to the financial statements.

SCHEDULE 2 – OPERATING AND CAPITAL REVENUE BY FUNCTION – 2025

General government services	42,864.00
Transportation services	502,884.00
Environmental and public health services	14,288.00
Recreation and cultural services	7,144.00
Total	**567,180.00**

See accompanying notes to the financial statements.

SCHEDULE 3 – TOTAL EXPENSES BY OBJECT – 2025

Wages and benefits	1,146,114.95
Professional and contractual services	887,314.80
Utilities	110,914.35
Maintenance, materials and supplies	665,486.10
Grants and contributions	184,857.25
Amortization	578,025.00
Interest	17,425.00
Total	**3,590,137.45**

See accompanying notes to the financial statements.

SCHEDULE 4 – TRANSPORTATION SERVICES – 2025

Road maintenance – wages	733,257.00
Gravel crushing and hauling	811,820.25
Equipment fuel and repairs	366,628.50
Culverts and bridges	209,502.00
Snow removal	157,126.50
Amortization – roads and equipment	340,440.75
Total	**2,618,775.00**

See accompanying notes to the financial statements.

SCHEDULE 5 – GENERAL GOVERNMENT SERVICES – 2025

Council remuneration and expenses	168,400.00
Administration wages and benefits	271,150.00
Office, insurance and professional fees	172,860.00
Total	**612,410.00**

See accompanying notes to the financial statements.

SCHEDULE 6 – TANGIBLE CAPITAL ASSETS – 2025

Land	185,000.00
Buildings	612,000.00
Machinery and equipment	2,124,500.00
Roads, bridges and culverts	9,923,500.00
Total	**12,845,000.00**

See accompanying notes to the financial statements.

SCHEDULE 7 – COUNCIL REMUNERATION – 2025

Reeve	18,100.00
Councillor – Division 1	22,150.00
Councillor – Division 2	23,800.00
Councillor – Division 3	20,450.00
Councillor – Division 4	26,100.00
Deputy Reeve – Division 5	28,900.00
Councillor – Division 6	28,900.00
Total	**168,400.00**

See accompanying notes to the financial statements.

SCHEDULE 8 – ACCUMULATED SURPLUS – 2025

Unappropriated surplus	1,162,730.00
Equipment replacement reserve	420,000.00
Road reserve	180,000.00
Equity in tangible capital assets	12,420,000.00
Inventory	412,200.00
Total	**14,594,930.00**

See accompanying notes to the financial statements.