

RURAL MUNICIPALITY OF ARM RIVER NO. 252
Financial Statements
December 31, 2023

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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 policies 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 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.

Dudley & Company 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 is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Reeve and Councillors
Rural Municipality of Arm River No. 252

Opinion

We have audited the financial statements of the **RURAL MUNICIPALITY OF ARM RIVER NO. 252**, which comprise the statement of financial position as at December 31, 2023 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the 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 intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality's financial reporting process.

Auditors' Responsibilities for the Audit of the 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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.

Independent Auditors' Report (continued)

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 over-ride 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.

Dudley & Company

Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
February 13, 2024

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Statement of Financial Position

As at December 31, 2023

Statement 1

	2023	2022
FINANCIAL ASSETS		
Cash & Cash Equivalents (Note 2)	\$ 911,127	\$ 881,223
Investments	-	-
Taxes Receivable - Municipal (Note 3)	17,149	16,414
Other Accounts Receivable (Note 4)	109,528	44,215
Assets Held for Sale (Note 5)	-	-
Long-Term Receivable	-	-
SARM and Other Long-Term Investments (Note 6)	1,647,855	1,537,922
Debt Charges Recoverable	-	-
Derivative Assets	-	-
Total Financial Assets	2,685,659	2,479,774
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 8)	72,220	144,055
Accrued Liabilities Payable	-	-
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue (Note 9)	560	503
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 10)	-	-
Lease Obligations	-	-
Total Liabilities	72,780	144,558
NET FINANCIAL ASSETS	2,612,879	2,335,216
Non-Financial Assets		
Tangible Capital Assets (Schedules 6, 7)	4,422,042	4,012,436
Prepayment and Deferred Charges	100,000	51,171
Stock and Supplies	193,811	315,486
Other	-	-
Total Non-Financial Assets	4,715,853	4,379,093
Accumulated Surplus (Deficit) (Schedule 8)	\$ 7,328,732	\$ 6,714,309

Accumulated surplus (deficit) is comprised of:

Accumulated surplus (deficit) excluding remeasurement gains (losses)	\$ 7,328,732	\$ 6,714,309
Accumulated remeasurement gains (losses) (Statement 5)	\$ -	\$ -

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Statement of Operations

For the year ended December 31, 2023

Statement 2

	2023 Budget	2023	2022
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Revenues

Tax Revenue	(Schedule 1)	\$ 1,320,331	\$ 1,305,190	\$ 1,189,015
Other Unconditional Revenue	(Schedule 1)	214,293	244,704	214,419
Fees and Charges	(Schedule 4, 5)	41,600	48,901	43,952
Conditional Grants	(Schedule 4, 5)	29,000	30,070	30,315
Tangible Capital Assets - Gain(Loss)	(Schedule 4, 5)	14,470	(183)	6,098
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	35,000	96,307	37,050
Other Revenues	(Schedule 4, 5)	-	11,500	5,528
Restructurings	(Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants	(Schedule 4, 5)	399,891	300,078	7,725

Total Revenues

2,054,585	2,036,567	1,534,102
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Expenses

General Government Services	(Schedule 3)	302,463	276,576	261,502
Protective Services	(Schedule 3)	19,700	22,252	14,765
Transportation Services	(Schedule 3)	1,277,902	1,077,017	1,111,772
Environmental and Public Health Services	(Schedule 3)	17,475	18,374	20,146
Planning and Development Services	(Schedule 3)	1,000	5,725	80
Recreation and Cultural Services	(Schedule 3)	17,200	16,778	16,462
Utility Services	(Schedule 3)	7,841	5,422	3,463

Total Expenses

1,643,581	1,422,144	1,428,190
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Surplus (Deficit) of Revenues over Expenses

411,004	614,423	105,912
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Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year

6,714,309	6,714,309	6,608,397
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Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year

\$ 7,125,313	\$ 7,328,732	\$ 6,714,309
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The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF ARM RIVER NO. 252
Statement of Changes in Net Financial Assets
For the year ended December 31, 2023

Statement 3

	2023 Budget	2023	2022
Annual Surplus (Deficit)	\$ 411,004	\$ 614,423	\$ 105,912
(Acquisition) of tangible capital assets	-	(616,099)	(659,360)
Amortization of tangible capital assets	182,451	206,310	206,722
Proceeds of disposal of tangible capital assets	-	-	16,000
Loss (gain) on disposal of tangible capital assets	(14,470)	183	(6,098)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	167,981	(409,606)	(442,736)
(Acquisition) of supplies inventories	-	-	(281,079)
(Acquisition) of prepaid expense	-	(48,830)	(42,237)
(Increase) to other non-financial assets	-	-	-
Consumption of supplies inventory	-	121,676	-
Use of prepaid expense	-	-	-
Decrease to other non-financial assets	-	-	-
Surplus (Deficit) of other non-financial expenses over expenditures	-	72,846	(323,316)
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	578,985	277,663	(660,140)
Net Financial Assets - Beginning of Year	2,335,216	2,335,216	2,995,356
Net Financial Assets - End of Year	\$ 2,914,201	\$ 2,612,879	\$ 2,335,216

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Statement of Cash Flows

For the year ended December 31, 2023

Statement 4

	2023	2022
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 614,423	\$ 105,912
Amortization	206,310	206,722
Loss (gain) on disposal of tangible capital assets	183	(6,098)
	<u>820,916</u>	<u>306,536</u>
Changes in assets / liabilities		
Taxes Receivable - Municipal	(735)	1,321
Other Receivables	(65,313)	31,954
Assets Held for Sale	-	-
Accounts and Accrued Liabilities Payable	(71,835)	122,568
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue	57	35
Other Liabilities	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Stock and Supplies for Use	121,675	(281,078)
Prepayments and Deferred Charges	(48,829)	(42,238)
Other Non-Financial Assets	-	-
Net cash from (used for) operations	755,936	139,098
Capital:		
Cash Used to Acquire Tangible Capital Assets	(616,099)	(659,360)
Proceeds on Sale of Tangible Capital Assets	-	16,000
Net cash from (used for) capital	(616,099)	(643,360)
Investing:		
Proceeds on Disposal (Acquisition) of Investments	(109,933)	406,871
Other Investments	-	-
Net cash from (used for) investing	(109,933)	406,871
Financing:		
Debt Charges Recovered	-	-
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	-	-
Other Financing	-	-
Net cash from (used for) financing	-	-
Increase (Decrease) in cash resources	29,904	(97,391)
Cash and Cash Equivalents - Beginning of Year	881,223	978,614
Cash and Cash Equivalents - End of Year	\$ 911,127	\$ 881,223

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements
For the year ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada).

Significant aspects of the accounting policies adopted by the municipality are as follows:

Basis of Accounting:

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

(a) Reporting Entity:

The financial statements report 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.

A partnership represents a contractual arrangement between the municipality and a party 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 operation of the partnership.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school boards and municipal hail are collected and remitted in accordance with relevant legislation.

(c) Government Transfers:

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as either expenses or revenues in the period that the events giving rise to the transfer occur, providing:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

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

(d) Other (Non-Government Transfer) Contributions:

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

(e) Deferred Revenue:

Fees and charges: Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(f) Local Improvement Charges:

Local improvement projects financed by frontage taxes recognize the taxes as capital revenue in the period the project is undertaken and the prepayments are accepted. Any frontage taxes not prepaid are reported as a long-term asset to be reduced by the principle portion of each annual frontage tax levy.

(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 municipality because they can be used to provide municipal services in future periods. These assets do not normally provide resources to discharge the liabilities of the municipality unless they are sold.

(i) Appropriated Reserves:

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

(j) Property Tax Revenue:

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

(k) Investments:

Portfolio investments are valued at cost, less any provision for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

The long term investments in the Saskatchewan Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

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Notes to the Financial Statements

For the year ended December 31, 2023

(l) Financial Instruments:

Derivative and equity investments 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 methods. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

The municipality has elected to measure other specific instruments at fair value, to correspond with how they are evaluated and managed. As follows:

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

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: 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
Investments	Cost
Other accounts receivable	Amortized cost
Other long term investments	Amortized cost
Bank indebtedness	Cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long term debt	Amortized cost
SARM investment	Modified equity

(m) 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 and net realizable value. Cost is determined by the actual cost. Net realizable value is the estimated selling price in the ordinary course of business.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

(n) Assets Held for Sale:

Assets held for sale are recognized as a financial asset when the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset can be publicly seen to be for sale, there is a 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. Assets held for sale that don't meet all of the above criteria are instead recognized as non-financial assets.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

(o) Tangible Capital Assets:

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

<u>Assets</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 years
Buildings	40 years
Vehicles and Equipment	
Vehicles	10 years
Machinery and Equipment	10 to 20 years
Other Furniture and Equipment	5 to 10 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	40 years
Road Network Assets	15 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.

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as 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 lease are amortized on a straight line basis, over their estimated useful lives (or over their lease term if the asset ownership isn't passing, or likely to pass, to the municipality at the end of its term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

(p) 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 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.

(q) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

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Notes to the Financial Statements
For the year ended December 31, 2023

(r) Measurement Uncertainty:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

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 stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets Costs" of tangible capital assets have been estimated where actual costs were not available.

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.

Amortization is based on the estimated useful lives of tangible capital assets.

Measurement financial instruments at the 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.

(s) Basis of Segmentation / Segment Report:

The municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment is comprised of items for Police and Fire protection.

Transportation Services: The Transportation Services segment 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: The Environmental segment provides waste disposal and other environmental services. The Public Health segment provides for items relating to public health services in the municipality.

Planning and Development: The Planning and Development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The Recreation and Culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The Utility Services segment provides for delivery of water.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements
For the year ended December 31, 2023

(t) Budget Information:

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on March 7, 2023.

(u) 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.

(v) 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 instruments 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 municipality. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks 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 municipality or municipal 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.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

2. Cash and Cash Equivalents

	2023	2022
Affinity Credit Union - operating	\$ 897,480	\$ 867,905
Affinity Credit Union - savings	13,592	13,263
Petty cash	50	50
Affinity Credit Union - member share	5	5
Total Cash and Temporary Investments	\$ 911,127	\$ 881,223

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

3. Taxes Receivable

	2023	2022
Municipal - Current	\$ 16,407	\$ 16,403
Municipal - Arrears	742	11
	17,149	16,414
- Less Allowance for Uncollectables	-	-
Total Municipal Taxes Receivable	17,149	16,414
School - Current	3,351	3,105
School - Arrears	209	3
Total School Taxes Receivable	3,560	3,108
Other	594	-
Total Taxes Receivable	21,303	19,522
Deduct taxes to be collected on behalf of other organizations	(4,154)	(3,108)
Total Taxes Receivable - Municipal	\$ 17,149	\$ 16,414

4. Other Accounts Receivable

	2023	2022
Trade receivables	\$ -	\$ 295
Federal government	8,442	36,069
Provincial government	94,892	2,000
Local government	274	5,851
Other	5,920	-
Total Other Accounts Receivable	109,528	44,215
Less Allowance for Uncollectables	-	-
Net Other Accounts Receivable	\$ 109,528	\$ 44,215

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements
For the year ended December 31, 2023

5. Assets Held for Sale	2023	2022
Tax title property (municipal share)	\$ 36,202	\$ 36,202
Allowance for market value adjustment	(36,202)	(36,202)
Net Tax Title Property	-	-
Other land for resale	-	-
Allowance for market value adjustment	-	-
Net Other Land for Resale	-	-
Total Land for Resale	-	-
Other Assets Held for Sale	-	-
Total Assets Held for Sale	\$ -	\$ -

6. SARM and Other Long-Term Investments	2023	2022
ACU term #27 @1.25%, matured November 2023	\$ -	\$ 200,308
ACU term #28 @1.25%, matured November 2023	-	44,633
ACU term #33 @ 2.00%, matured August 2023	-	232,570
ACU term #34 @ 2.00%, matures September 2024	97,348	96,991
ACU term #35 @ 3.50%, matures September 2024	62,642	62,413
ACU term #36 @ 4.45%, matured September 2023	-	50,579
ACU term #37 @ 4.95%, matured December 2023	-	258,525
ACU term #38 @ 2.75%, matured December 2023	-	300,339
ACU term #39 @ 4.95%, matured December 2023	-	250,373
ACU term #40 @ 5.15%, matures August 2024	101,919	-
ACU term #41 @ 3.40%, matures August 2024	132,660	-
ACU term #42 @ 3.50%, matures September 2024	50,456	-
ACU term #43 @ 5.00%, matures September 2024	303,822	-
ACU term #44 @ 5.35%, matures November 2025	201,172	-
ACU term #45 @ 5.35%, matures November 2025	44,835	-
ACU term #46 @ 5.20%, matures December 2027	258,551	-
ACU term #47 @ 5.15%, matures December 2028	250,388	-
ACU term #48 @ 5.35%, matures December 2025	100,162	-
SARM - Liability Self Insurance Plan (LSIP)	43,400	40,691
Davidson Co-operative Ltd. - Equity	500	500
Total SARM and Other Long-Term Investments	\$ 1,647,855	\$ 1,537,922

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

Affinity Credit Union (ACU) term deposits are shown at acquisition cost plus accrued interest. All interest rates are per annum.

7. Credit Arrangements

At December 31, 2023, the municipality had lines of credit totaling \$500,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement,

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

8. Accounts Payable

	2023	2022
Trade payables	\$ 818	\$ 12,830
Gravel royalties	71,402	120,224
Local government	-	10,500
PST payable	-	501
Total Accounts Payable	\$ 72,220	\$ 144,055

9. Deferred Revenue

	2023	2022
Prepaid municipal taxes	\$ 560	\$ 503
Total Deferred Revenue	\$ 560	\$ 503

10. Long-Term Debt

a) The debt limit of the municipality is \$1,228,860. 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)).

11. Contingent Liabilities

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

12. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2023 was \$28,609 (2022 - \$28,391). 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$3,275,495,000, plan liabilities, including pension obligations, of \$2,254,194,000, and a resulting surplus of \$1,021,301,000.

13. Related Parties

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Notes to the Financial Statements

For the year ended December 31, 2023

14. Contractual Obligations and Commitments

The municipality has entered into a contract to buy 100,000 cubic yards of gravel for a total consideration of \$300,000, payable in 6 annual payments of \$50,000 each starting January 31, 2022. As of December 31, 2023, the municipality has paid 2 instalments, leaving a balance of \$200,000. These amounts will be added to gravel inventory cost once the gravel is extracted and crushed. The total amount paid to date is included in prepaid expenses as no gravel had been extracted as of year end and thus no gravel was available for use.

Year	Future royalties payable
2024	\$ 50,000
2025	50,000
2026	50,000
2027	50,000
2028	-
Thereafter	-
Total Contractual Obligations and Commitments	\$ 200,000

15. 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 doing so, cause a loss for the other party. The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity.

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2023

Schedule 1

	2023 Budget	2023	2022
TAXES			
General municipal tax levy	\$ 1,363,331	\$ 1,362,622	\$ 1,239,446
Abatements and adjustments	-	-	-
Discount on current year taxes	(50,000)	(58,772)	(51,973)
Net Municipal Taxes	1,313,331	1,303,850	1,187,473
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,000	535	850
Special tax levy	-	-	-
Other - Tax enforcement costs	5,000	805	692
Total Taxes	1,320,331	1,305,190	1,189,015
UNCONDITIONAL GRANTS			
Revenue Sharing	214,218	244,620	214,342
Organized Hamlet	-	-	-
Other -	-	-	-
Total Unconditional Grants	214,218	244,620	214,342
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	75	84	77
Other -	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-
Total Grants in Lieu of Taxes	75	84	77
TOTAL OTHER UNCONDITIONAL REVENUE	214,293	244,704	214,419
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,534,624	\$ 1,549,894	\$ 1,403,434

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2023

Schedule 2-1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 800	\$ 2,550	\$ 1,189
- Sales of supplies	300	797	758
- Other - Rent	18,000	17,888	17,405
Total Fees and Charges	19,100	21,235	19,352
- Tangible capital asset sales - gain (loss)	-	(183)	-
- Land sales - gain	-	-	-
- Investment income and commissions	35,000	96,307	37,050
- Other - Allowance recovery	-	10,500	3,848
Total Other Segmented Revenue	54,100	127,859	60,250
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	54,100	127,859	60,250
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total General Government Services	\$ 54,100	\$ 127,859	\$ 60,250

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other - Fire calls	\$ -	\$ 5,920	\$ -
Total Fees and Charges	-	5,920	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	5,920	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	5,920	-

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Protective Services	\$ -	\$ 5,920	\$ -

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2023

Schedule 2-2

	2023 Budget	2023	2022
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 2,500	\$ 272	\$ 272
- Sales of supplies	10,000	11,537	7,920
- Road maintenance, restoration agreements	6,000	4,920	7,324
- Frontage	-	-	-
- Other - Gravel extraction permits	-	657	759
- Other - DBP Foreman	-	-	3,682
Total Fees and Charges	18,500	17,386	19,957
- Tangible capital asset sales - gain (loss)	14,470	-	6,098
- Other - SGI rebates	-	-	650
Total Other Segmented Revenue	32,970	17,386	26,705
Conditional Grants			
- RIRG (CTP)	28,000	27,720	27,720
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	28,000	27,720	27,720
Total Operating	60,970	45,106	54,425
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	22,125	16,850	7,725
- ICIP	-	-	-
- RIRG (CTP, Bridge/ Large Culvert, Rd Const)	377,766	283,228	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	399,891	300,078	7,725
Restructuring Revenues/Expenses	-	-	-
Total Transportation Services	\$ 460,861	\$ 345,184	\$ 62,150

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ -	\$ -	\$ -
- Other - Sale of pest supplies	-	150	-
- Other - Oil recovery center	4,000	3,960	4,078
Total Fees and Charges	4,000	4,110	4,078
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Cemetery donation	-	1,000	-
- Other - Rebate (District 15 ADD Board)	-	-	1,030
Total Other Segmented Revenue	4,000	5,110	5,108
Conditional Grants			
- Recycling	-	-	-
- Pest Control	1,000	2,350	2,595
- TAPD	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	1,000	2,350	2,595
Total Operating	5,000	7,460	7,703

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Environmental and Public Health Services	\$ 5,000	\$ 7,460	\$ 7,703

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2-3

	2023 Budget	2023	2022
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ 250	\$ -
- Other - Municipal Reserve Cash in Lieu	-	-	565
Total Fees and Charges	-	250	565
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	250	565
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	250	565
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Planning and Development Services	\$ -	\$ 250	\$ 565

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Canada Day	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other - Community Initiative Fund	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Recreation and Cultural Services	\$ -	\$ -	\$ -

RURAL MUNICIPALITY OF ARM RIVER NO. 252
 Schedule of Operating and Capital Revenue by Function
 For the year ended December 31, 2023

Schedule 2-4

	2023 Budget	2023	2022
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ -	\$ -	\$ -
- Sewer	-	-	-
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Utility Services	\$ -	\$ -	\$ -

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 519,961	\$ 486,673	\$ 130,668
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SUMMARY

Total Other Segmented Revenue	\$ 91,070	\$ 156,525	\$ 92,628
Total Conditional Grants	29,000	30,070	30,315
Total Capital Grants and Contributions	399,891	300,078	7,725
Restructuring Revenue	-	-	-

TOTAL REVENUE BY FUNCTION	\$ 519,961	\$ 486,673	\$ 130,668
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RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Total Expenses by Function
For the year ended December 31, 2023

Schedule 3-1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 90,700	\$ 88,349	\$ 74,542
Wages and benefits	122,480	127,554	111,098
Professional/Contractual services	48,500	33,594	39,489
Utilities	4,800	4,738	4,596
Maintenance, materials, and supplies	17,700	10,194	13,667
Grants and contributions - operating	-	100	50
- capital	-	-	-
Amortization	4,583	3,228	4,514
Interest	-	-	-
Accretion of asset retirement obligations	-	-	-
Allowance for uncollectables	4,200	-	4,232
Other - Rural Service Center	9,500	8,819	9,314
Total General Government Services	\$ 302,463	\$ 276,576	\$ 261,502

PROTECTIVE SERVICES

Police Protection

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	13,800	14,834	13,760
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-

Fire Protection

Wages and benefits	-	-	-
Professional/Contractual services	400	6,372	375
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	5,500	1,046	630
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Protective Services	\$ 19,700	\$ 22,252	\$ 14,765
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TRANSPORTATION SERVICES

Wages and benefits	\$ 311,000	\$ 255,541	\$ 276,168
Council remuneration and travel	-	-	-
Professional/Contractual services	337,500	238,427	254,460
Utilities	18,000	15,506	16,827
Maintenance, materials, and supplies	300,500	245,190	244,414
Gravel	135,000	121,236	119,660
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	175,902	201,117	200,243
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Transportation Services	\$ 1,277,902	\$ 1,077,017	\$ 1,111,772
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RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Total Expenses by Function

For the year ended December 31, 2023

Schedule 3-2

	2023 Budget	2023	2022
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 150	\$ 400	\$ 450
Professional/Contractual services	12,100	11,909	13,220
Utilities	-	-	-
Maintenance, materials, and supplies	3,600	4,190	4,538
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	500	750	813
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	1,125	1,125	1,125
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Environmental and Public Health Services	\$ 17,475	\$ 18,374	\$ 20,146

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ -	\$ 2,046	\$ -
Professional/Contractual services	1,000	2,153	80
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other - Supplies	-	1,526	-
Total Planning and Development Services	\$ 1,000	\$ 5,725	\$ 80

RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	4,800	4,394	4,020
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	12,400	12,384	12,442
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Recreation and Cultural Services	\$ 17,200	\$ 16,778	\$ 16,462

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Total Expenses by Function

For the year ended December 31, 2023

Schedule 3-3

	2023 Budget	2023	2022
UTILITY SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	2,000	-	-
Utilities	3,500	2,176	2,623
Maintenance, materials, and supplies	1,500	2,406	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	841	840	840
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	\$ 7,841	\$ 5,422	\$ 3,463
TOTAL EXPENSES BY FUNCTION	\$ 1,643,581	\$ 1,422,144	\$ 1,428,190

RURAL MUNICIPALITY OF ARM RIVER NO. 252
Schedule of Segment Disclosure by Function
For the year ended December 31, 2023

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 21,235	\$ 5,920	\$ 17,386	\$ 4,110	\$ 250	\$ -	\$ -	\$ 48,901
Tangible Capital Asset Sales-Gain(Loss)	(183)	-	-	-	-	-	-	(183)
Investment Income and Commissions	96,307	-	-	-	-	-	-	96,307
Other Revenues	10,500	-	-	1,000	-	-	-	11,500
Grants - Conditional	-	-	27,720	2,350	-	-	-	30,070
- Capital	-	-	300,078	-	-	-	-	300,078
Total Revenues	127,859	5,920	345,184	7,460	250	-	-	486,673
Expenses (Schedule 3)								
Wages and Benefits	215,903	-	255,541	400	2,046	-	-	473,890
Professional / Contractual Services	33,594	21,206	238,427	11,909	2,153	4,394	-	311,683
Utilities	4,738	-	15,506	-	-	-	2,176	22,420
Maintenance, Materials, and Supplies	10,194	-	366,426	4,190	-	-	2,406	383,216
Grants and Contributions	100	1,046	-	750	-	12,384	-	14,280
Amortization	3,228	-	201,117	1,125	-	-	840	206,310
Other	8,819	-	-	-	1,526	-	-	10,345
Total Expenses	276,576	22,252	1,077,017	18,374	5,725	16,778	5,422	1,422,144
Surplus (Deficit) by Function	\$ (148,717)	\$ (16,332)	\$ (731,833)	\$ (10,914)	\$ (5,475)	\$ (16,778)	\$ (5,422)	\$ (935,471)

Taxation and Other Unconditional Revenue (Schedule 1) \$ 1,549,894

Net Surplus (Deficit) \$ 614,423

RURAL MUNICIPALITY OF ARM RIVER NO. 252
Schedule of Segment Disclosure by Function
For the year ended December 31, 2022

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 19,352	\$ -	\$ 19,957	\$ 4,078	\$ 565	\$ -	\$ -	\$ 43,952
Tangible Capital Asset Sales-Gain(Loss)	-	-	6,098	-	-	-	-	6,098
Investment Income and Commissions	37,050	-	-	-	-	-	-	37,050
Other Revenues	3,848	-	650	1,030	-	-	-	5,528
Grants - Conditional	-	-	27,720	2,595	-	-	-	30,315
- Capital	-	-	7,725	-	-	-	-	7,725
Total Revenues	60,250	-	62,150	7,703	565	-	-	130,668
Expenses (Schedule 3)								
Wages and Benefits	185,640	-	276,168	450	-	-	-	462,258
Professional / Contractual Services	39,489	14,135	254,460	13,220	80	4,020	-	325,404
Utilities	4,596	-	16,827	-	-	-	2,623	24,046
Maintenance, Materials, and Supplies	13,667	-	364,074	4,538	-	-	-	382,279
Grants and Contributions	50	630	-	813	-	12,442	-	13,935
Amortization	4,514	-	200,243	1,125	-	-	840	206,722
Allowance for Uncollectables	4,232	-	-	-	-	-	-	4,232
Other	9,314	-	-	-	-	-	-	9,314
Total Expenses	261,502	14,765	1,111,772	20,146	80	16,462	3,463	1,428,190
Surplus (Deficit) by Function	\$ (201,252)	\$ (14,765)	\$ (1,049,622)	\$ (12,443)	\$ 485	\$ (16,462)	\$ (3,463)	\$ (1,297,522)

Taxation and Other Unconditional Revenue (Schedule 1) \$ 1,403,434

Net Surplus (Deficit) \$ 105,912

RURAL MUNICIPALITY OF ARM RIVER NO. 252
 Schedule of Tangible Capital Assets by Object
 For the year ended December 31, 2023

Schedule 6

	2023						2022		
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Costs	\$ 6,747	\$ -	\$ 350,359	\$ 107,958	\$ 1,641,989	\$ 5,802,019	\$ 30,009	\$ 7,939,081	\$ 7,306,323
Additions during the year	5,286	-	-	-	28,356	582,457	-	616,099	659,360
Disposals and write downs during the year	-	-	-	-	(1,829)	-	-	(1,829)	(26,602)
Transfers (from) assets under construction	-	-	-	-	-	30,009	(30,009)	-	-
Closing Asset Costs	\$ 12,033	\$ -	\$ 350,359	\$ 107,958	\$ 1,668,518	\$ 6,414,485	\$ -	\$ 8,553,351	\$ 7,939,081
Accumulated Amortization									
Opening Accum. Amort. Cost	\$ -	\$ -	\$ 171,857	\$ 49,701	\$ 520,812	\$ 3,184,275	\$ -	\$ 3,926,645	\$ 3,736,624
Add: Amortization taken	-	-	5,902	6,252	81,130	113,026	-	206,310	206,722
Less: Accum. Amort. on Disposals	-	-	-	-	(1,646)	-	-	(1,646)	(16,701)
Closing Accumulated Amort.	\$ -	\$ -	\$ 177,759	\$ 55,953	\$ 600,296	\$ 3,297,301	\$ -	\$ 4,131,309	\$ 3,926,645
Net Book Value	\$ 12,033	\$ -	\$ 172,600	\$ 52,005	\$ 1,068,220	\$ 3,117,184	\$ -	\$ 4,422,042	\$ 4,012,436

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

DUDLEY & COMPANY LLP

RURAL MUNICIPALITY OF ARM RIVER NO. 252
 Schedule of Tangible Capital Assets by Function
 For the year ended December 31, 2023

Schedule 7

	2023							2022	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Costs	\$ 82,489	\$ -	\$ 7,740,421	\$ 65,209	\$ -	\$ -	\$ 50,962	\$ 7,939,081	\$ 7,306,323
Additions during the year	3,356	-	607,457	5,286	-	-	-	616,099	659,360
Disposals and write-downs during the year	(1,829)	-	-	-	-	-	-	(1,829)	(26,602)
Closing Asset Costs	\$ 84,016	\$ -	\$ 8,347,878	\$ 70,495	\$ -	\$ -	\$ 50,962	\$ 8,553,351	\$ 7,939,081
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ 67,602	\$ -	\$ 3,791,359	\$ 31,458	\$ -	\$ -	\$ 36,226	\$ 3,926,645	\$ 3,736,624
Add: Amortization taken	3,228	-	201,117	1,125	-	-	840	206,310	206,722
Less: Accum. Amort. on Disposals	(1,646)	-	-	-	-	-	-	(1,646)	(16,701)
Closing Accumulated Amortization	\$ 69,184	\$ -	\$ 3,992,476	\$ 32,583	\$ -	\$ -	\$ 37,066	\$ 4,131,309	\$ 3,926,645
Net Book Value	\$ 14,832	\$ -	\$ 4,355,402	\$ 37,912	\$ -	\$ -	\$ 13,896	\$ 4,422,042	\$ 4,012,436

RURAL MUNICIPALITY OF ARM RIVER NO. 252

Schedule of Accumulated Surplus
For the year ended December 31, 2023

Schedule 8

	2022	Changes	2023
UNAPPROPRIATED SURPLUS	\$ 1,199,838	\$ 104,817	\$ 1,304,655
APPROPRIATED RESERVES			
Machinery and Equipment	25,000	200,000	225,000
Public Reserve	665	-	665
Other - Office	150,000	-	150,000
Other - Roads	754,250	-	754,250
Other - Pavement	150,000	(50,000)	100,000
Other - Future uncollectible	25,000	-	25,000
Other - Waste management	15,000	-	15,000
Other - Doctor recruitment	15,000	-	15,000
Other - Fire truck	93,120	-	93,120
Other - Recreation/Economic development	24,000	-	24,000
Other - Gravel pre-buy	250,000	(50,000)	200,000
Total Appropriated	1,502,035	100,000	1,602,035
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	4,012,436	409,606	4,422,042
Net Investment in Tangible Capital Assets	4,012,436	409,606	4,422,042
OTHER	-	-	-
Total Accumulated Surplus	\$ 6,714,309	\$ 614,423	\$ 7,328,732

RURAL MUNICIPALITY OF ARM RIVER NO. 252
 Schedule of Mill Rates and Assessments
 For the year ended December 31, 2023

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 109,368,025	\$ 2,957,300	\$ -	\$ -	\$ 11,549,375	\$ -	\$ 123,874,700
Regional Park Assessment							-
Total Assessment							123,874,700
Mill Rate Factor(s)	1.000	1.000	-	-	1.000		
Total Minimum Tax	-	-	-	-	-		-
Total Municipal Tax Levy	\$ 1,203,049	\$ 32,530	\$ -	\$ -	\$ 127,043		\$ 1,362,622

MILL RATES:	MILLS
Average Municipal*	11.000
Average School*	2.002
Potash Mill Rate	-
Uniform Municipal Mill Rate	11.000

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

RURAL MUNICIPALITY OF ARM RIVER NO. 252
 Schedule of Council Remuneration
For the year ended December 31, 2023

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Wayne Obrigewitsch	\$ 17,830	\$ 2,136	\$ 19,966
David Gregor	11,551	1,410	12,961
Allan McNabb	9,280	817	10,097
Brian Schmidt	9,198	1,251	10,449
Blaine Smith	10,255	1,118	11,373
Brian Vibert	8,510	1,388	9,898
Kris Williams	8,140	470	8,610
Total	\$ 74,764	\$ 8,590	\$ 83,354