R. M. of Orkney No. 244

FINANCIAL STATEMENTS

Year Ended December 31, 2025

R. M. of Orkney No. 244
Yorkton, Saskatchewan
December 31, 2025

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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 Orkney No. 244

Opinion

We have audited the financial statements of R. M. of Orkney No. 244, (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 results of its operations and its cash flow 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 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.

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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 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
May 11, 2026

R. M. of Orkney No. 244

Yorkton, Saskatchewan

Statement 1

Statement of Financial Position as at December 31, 2025

	2025	2024 (Note 17)
Assets		
Financial Assets		
Cash and cash equivalents (note 2)	8,455,126	8,534,714
Investments (note 3)	253	253
Taxes receivable - municipal (note 4)	193,813	233,164
Other accounts receivable (note 5)	186,227	223,454
Total Financial Assets	8,835,419	8,991,585
Liabilities		
Accounts payable (note 10)	439,982	1,238,119
Deferred revenue (note 11)	-	233,732
Asset retirement obligation (note 12)	817,500	817,500
Total Liabilities	1,257,482	2,289,351
Net Financial Assets	7,577,937	6,702,234
Non-Financial Assets		
Tangible capital assets (schedules 6 and 7)	9,567,959	8,246,346
Prepayments and deferred charges	14,037	18,843
Stock and supplies (note 7)	2,194,921	1,166,005
Assets held for sale (note 6)	5,743	3,200
Total Non-Financial Assets	11,782,660	9,434,394
Accumulated Surplus	$ 19,360,597	$ 16,136,628

Approved on behalf of the council:

Reeve

Councillor

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

R. M. of Orkney No. 244

Statement of Operations

For the year ended December 31, 2025

Statement 2

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
Revenues			
Tax revenue (schedule 1)	4,926,567	4,890,704	4,264,928
Other unconditional revenue (schedule 1)	450,039	450,087	425,005
Fees and charges (schedules 4 and 5)	84,708	92,869	121,102
Conditional grants (schedules 4 and 5)	112,500	120,600	17,149
Tangible capital asset sales - gain (loss) (schedules 4 and 5)	-	(179,426)	(73,265)
Investment income (schedules 4 and 5)	262,900	167,288	284,504
Provincial/Federal capital grants and contributions (schedules 4 and 5)	825,600	932,567	162,125
Total Revenues	6,662,314	6,474,689	5,201,548
Expenses (schedule 3)			
General government services	662,698	540,694	582,764
Protective services	617,350	636,058	575,552
Transportation services	4,888,806	1,930,730	2,923,801
Environmental and public health services	87,127	76,222	77,646
Planning and development services	50,000	8,954	35,438
Recreation and cultural services	33,142	33,141	29,469
Utilities services	25,100	24,921	21,592
Total Expenses	6,364,223	3,250,720	4,246,262
Annual Surplus of Revenue over Expenses	298,091	3,223,969	955,286
Accumulated Surplus, Beginning of Year	16,136,628	16,136,628	15,181,342
Accumulated Surplus, End of Year	$ 16,434,719	$ 19,360,597	$ 16,136,628

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

R. M. of Orkney No. 244

Statement of Change in Net Financial Assets
For the year ended December 31, 2025

Statement 3

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
Surplus	298,091	3,223,969	955,286
(Acquisition) of tangible capital assets	(592,500)	(2,735,665)	(314,482)
Amortization of tangible capital assets	-	582,369	677,082
Proceeds on disposal of tangible capital assets	-	652,258	-
Loss on the disposal of tangible capital assets	-	179,426	73,265
Surplus (Deficit) of Capital Expenses over Expenditures	(592,500)	(1,321,612)	435,865
(Acquisition) of supplies inventories	-	(1,292,424)	(1,036,212)
(Acquisition) of prepaid expense	-	(14,037)	(18,849)
Consumption of supplies inventory	-	263,507	330,713
Use of prepaid expense	-	18,843	909
(Acquisition) of other non-financial assets	-	(2,543)	-
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	-	(1,026,654)	(723,439)
Increase (Decrease) in Net Financial Assets	(294,409)	875,703	667,712
Net Financial Assets, beginning of year	6,702,235	6,702,235	6,034,523
Net Financial Assets, End of Year	$ 6,407,826	$ 7,577,938	$ 6,702,235

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

R. M. of Orkney No. 244

Statement of Cash Flow
For the year ended December 31, 2025

Statement 4

	2025	2024 (Note 17)
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	3,223,969	955,286
Amortization	582,369	677,082
Loss on disposal of tangible capital assets	179,426	73,265
	3,985,764	1,705,633
Change in Assets/Liabilities		
Taxes receivable - municipal	39,351	(99,372)
Other receivables	37,226	5,697
Land for resale	(2,543)	-
Accounts payable and accrued liabilities	(798,138)	624,818
Deferred revenue	(233,732)	(29,272)
Other liabilities	-	(400)
Stock and supplies for use	(1,028,915)	(705,503)
Prepayments and deferred charges	4,806	(17,938)
Cash Provided by Operating Transactions	2,003,819	1,483,663
Capital:		
Acquisition of capital assets	(2,735,665)	(314,482)
Proceeds from the disposal of capital assets	652,258	-
Cash Applied to Capital Transactions	(2,083,407)	(314,482)
Investing:		
Proceeds on disposal of investments	-	1,217,875
Change in Cash and Cash Equivalents During the Year	(79,588)	2,387,056
Cash and cash equivalents, beginning of year	8,534,714	6,147,658
Cash and Cash Equivalents, End of Year	$ 8,455,126	$ 8,534,714

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

1. Significant Accounting Policies

The financial statements of the municipality have been prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

(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 hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 4.

(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 and stipulations 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.

1. **Significant Accounting Policies** - continued

(e) 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 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) Local improvement charges

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

(h) 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.

(i) 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.

(j) 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.

(k) Property tax revenue

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

1. **Significant Accounting Policies** - continued

(l) Financial instruments

Derivative and equity instruments (or other portfolio 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 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:

Financial statement line item	Measurement
Cash and cash equivalents	Cost/amortized cost
Investments	Cost/amortized cost
Other accounts receivable	Cost/amortized cost
Accounts payable	Cost

(m) Stock and supplies

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

1. **Significant Accounting Policies** - continued

(n) Tangible capital assets

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

General Assets	
Land	Indefinite
Land improvements	15 years
Buildings	40 years
Machinery and equipment	10-20 years
Infrastructure Assets	
Linear assets	15- 40 years

Gravel represents a consumable material held for use in municipal operations. Gravel is obtained through extraction from municipally operated gravel pits or by purchase from external suppliers. Gravel obtained from municipal operated gravel pits is amortized using a depletion method based on the quantity consumed. Depletion is recognized when gravel is extracted for crushing. Depletion is calculated by applying the average cost per yard to the estimated quantity of gravel extracted during the period. These quantities are determined based on crushing records.

At each reporting period, gravel is reviewed for indicators of impairment. If gravel is impaired in value, it is written down to its net realizable value with the write-down recognized as an expense in the period.

(o) 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.

(p) 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.

(q) Capitalization of interest

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

1. **Significant Accounting Policies** - continued

(r) 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.

(s) Public private partnerships

Public private partnerships where the municipality procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the Statement of Financial Position and are initially recognized at cost. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset; and all costs directly attributable to the acquisition, construction, development or betterment of the infrastructure asset. Infrastructure assets are amortized over the asset's useful life and recognized as an expense in the Statement of Operations.

When the municipality has recognized an infrastructure asset in relation to a public private partnership arrangement and has an obligation to provide consideration to the private sector partner, the municipality recognizes a corresponding infrastructure liability on the Statement of Financial Position. Infrastructure liabilities are initially measured at the same amount as the related infrastructure asset, reduced for any consideration previously provided to the public sector partner. Other consideration attributable to the partnership agreement such as operating and maintenance payments are excluded from the measurement of the liability. Two common models used to measure infrastructure liabilities are the financial liability and user pay models. The financial liability model is utilized when the municipality designs, builds, finances, operates and/or maintains infrastructure in exchange for a contractual right to receive cash or another asset. The reason for this being that the corresponding liability constitutes a financial liability. The user pay model is applicable when the private sector partner designs, builds, finances, operates and/or maintains the infrastructure in exchange for a right to charge the ultimate end users. This compensation granted by the municipality is facilitated via the granting of rights to earn revenue from a third party. Due to such, the corresponding liability should be classified as a performance obligation.

(t) Employee benefit plans

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

1. **Significant Accounting Policies** - continued

(u) 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.

When a single transaction requires the delivery of more than one performance obligation, the revenue recognition criteria are applied to the separately identifiable performance obligations. A performance obligation is considered to be separately identified if the product or service recognized as revenue for each performance obligation is its fair value in relation to the fair value of the contract as a whole.

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.

1. **Significant Accounting Policies** - continued

(v) Use of estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

Use of estimates impacts the following financial statement areas:

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The opening asset costs of tangible capital assets have been estimated where actual costs were not available.

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

The liability associated with asset retirement obligations is 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.

The values associated with the initial recognition and impairment tests of intangible capital assets involve significant estimates and assumptions, including those with respect to future cash inflows and outflows, discount rates and asset lives.

These determinations will affect the amount of amortization expense on intangible capital assets recognized in future periods. Management assesses impairment by comparing the recoverable amount of an intangible capital asset with its carrying value. The determination of the recoverable amount involves significant estimation by management.

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.

1. **Significant Accounting Policies** - continued

(w) Basis of segmentation/segment report

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

The segments (functions) are as follows:

General government: provides for the administration of the municipality.
Protective services: comprised of expenses for police and fire protection.
Transportation services: responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.
Environmental and public health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.
Planning and development: provides for neighbourhood development and sustainability.
Recreation and culture: provides for community services through the provision of recreation and leisure services.
Utility services: provides for delivery of water, collecting and treating of wastewater, and providing collection and disposal of solid waste.

(x) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 18, 2025.

(y) Assets held for sale

The municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

1. **Significant Accounting Policies** - continued

(z) Asset retirement obligation

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development or normal use. The tangible assets include, but are not limited to, assets in productive use, assets no longer in productive use, 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 Tangible Capital Asset (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.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. 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.

(aa) Loan guarantees

The municipality provides loan guarantees for various organizations, which are not consolidated as part of the municipality's statements. As the guarantees represent potential financial commitments for the municipality, these amounts are considered as contingent liabilities and not formally recognized as liabilities until the municipality considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The municipality monitors the status of the organizations, loans and lines of credit annually and in the event that payment by the municipality is likely to occur, a provision will be recognized in the statements.

(ab) Intangible capital assets

Identifiable intangible capital assets are initially recorded at cost, less accumulated amortization and any accumulated impairment losses. Purchased intangibles are recognized as non-financial assets in the financial statements.

1. **Significant Accounting Policies** - continued

(ac) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

(i) An environmental standard exists;
(ii) Contamination exceeds the environmental standard;
(iii) The municipality:
 a) Is directly responsible; or
 b) Accepts responsibility;
(iv) It is expected that future economic benefits will be given up; and
(v) A reasonable estimate of the amount can be made.

(ad) New accounting standards and amendments to standards

A new conceptual framework was issued in December 2022 with an effective date of April 1, 2026, replacing the conceptual aspects of Sections PS 1000, Financial Statement Concepts and PS 1100, Financial Statement Objectives. This revised conceptual framework is a guide for the Public Sector Accounting Board as it develops new standards or amends existing ones. The purpose of the revised framework is to guide public sector entities as they need to develop accounting policies when no other standards in the PSA Handbook specifically apply to a transaction.

A new PS 1202, Financial Statement Presentation, standard was issued in November 2023, with an effective date of April 1, 2026, to replace previous PS 1201, Financial Statement Presentation, and to incorporate other relevant aspects of previous Sections 1000 and PS 1100.

The extent of the impact on adoption of these future standards is not known at this time.

2. **Cash and Cash Equivalents**

	2025	**2024**
Cash	$ 8,455,126	$ 8,534,714

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

	2025	2024
3. Investments		
Investment carried at fair value:		
Investment carried at amortized cost:		
Equity in co-operatives	$ 253	$ 253
4. Taxes and Grants In Lieu Receivable		
Taxes receivable - municipal current	145,165	222,679
Taxes receivable - municipal arrears	121,547	73,923
	266,712	296,602
Less: Allowance for uncollectibles	72,899	63,438
Total municipal taxes receivable	193,813	233,164
Taxes receivable - school current	76,687	113,774
Taxes receivable - school arrears	32,995	23,053
Total school taxes receivable	109,682	136,827
Other	5,773	17,885
Total taxes and grants in lieu receivable	309,268	387,876
Deduct taxes to be collected on behalf of other organizations	(115,455)	(154,712)
Municipal and Grants In Lieu Taxes Receivable	$ 193,813	$ 233,164
5. Other Accounts Receivable		
Federal government	72,181	92,900
Provincial government	7,983	9,889
Trade	13,063	13,290
Other	93,000	108,500
Less: Allowance for uncollectibles	-	(1,125)
Net Other Accounts Receivable	$ 186,227	$ 223,454
6. Assets Held for Sale		
Tax title property	71,899	69,356
Allowance for market value adjustment	(66,156)	(66,156)
Total Assets Held for Sale	$ 5,743	$ 3,200

The municipality holds land acquired through tax enforcement proceedings (tax title property). These properties are not actively marketed for sale and there is no assurance as to the timing of their eventual disposition. These properties do not meet the criteria to be classified as a financial asset under Canadian public sector accounting standards and are therefore classified as non-financial assets. These properties are carried at cost, which approximates their recoverable amount.

7. Stock and Supplies

Stock and supplies are comprised of the following:

	2025	2024
Gravel	2,139,829	1,078,029
Culverts	28,454	41,833
Other	26,638	46,143
	$ 2,194,921	$ 1,166,005

8. Financial Instruments - Fair Value Disclosures

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

9. Bank Indebtedness

Credit arrangements:

At 2025, the municipality had lines of credit totaling $300,000, none of which were drawn. The following has been collateralized in connection with this line-of-credit:

- general security agreement

10. Accounts Payable

Accounts payable are comprised of the following items:

	2025	2024
Accounts payable	299,982	1,093,779
Other payables	140,000	144,340
	$ 439,982	$ 1,238,119

11. Deferred Revenue

The Canada Community Building Fund consists of federal government transfers restricted for eligible infrastructure capital projects. Amounts received in advance of eligible expenditures are deferred and recognized as revenue in the period in which the qualifying capital expenditures are incurred.

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Canada Community Building Fund	233,623	117,619	351,242	-
Overpaid taxes	109	-	109	-
	$ 233,732	$ 117,619	$ 351,351	$ -

12. Asset Retirement Obligation

	2025	2024
Accrued landfill costs	$ 817,500	$ 817,500

Landfill
The municipality has recorded an asset retirement obligation related to a former municipal landfill site located within the geographical boundaries of the municipality. The landfill was originally operated by the former Village of Willowbrook under a permit issued by Saskatchewan Environment (or its predecessor ministry). Following municipal restructuring, the Village of Willowbrook was dissolved and its assets and responsibilities were assumed by the municipality.

The municipality believes that actions were taken by the former Village of Willowbrook to close the landfill in accordance with the legislative requirements in place at that time. However, documentation supporting the nature and extent of the closure activities is limited and Saskatchewan Environment indicated that the municipality was required to further assess the site, including drilling test holes and preparation of a conceptual closure plan. In 2022, the municipality obtained an engineering estimate for the preparation and implementation of a conceptual closure plan, with estimated costs of approximately $817,500.

The landfill site has since been identified as being located on privately owned land rather than municipal land. To date, Saskatchewan Environment has not issued a compliance order or otherwise required immediate remediation activities. As a result there is no specified timeline for remediation, and the timing of any future outflows related to this potential obligation is currently indeterminate.

At December 31, 2025, the municipality has recorded an asset retirement obligation of $817,500, representing management's best estimate of the expected costs that may be required should the municipality ultimately be deemed responsible for additional assessment or closure activities. Due to the uncertainty surrounding the timing of remediation, the liability has not been discounted. The obligation is expected to be funded through future revenues should remediation be required.

13. Liability for Contaminated Sites

The municipality is responsible for recognizing a liability for contaminated sites when contamination exceeds an environmental standard, the municipality is directly responsible or has accepted responsibility for remediation, future economic benefits are expected to be given up, and a reasonable estimate of the liability can be made.

As at December 31, 2025, the municipality is not aware of any contaminated sites that meet the criteria for recognition of a liability under Canadian public sector accounting standards. Accordingly, no liability for contaminated sites has been recorded in these financial statements.

14. Long-Term Debt

The debt limit of the municipality for 2026 is $5,009,611. 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)).

As at December 31, 2025, the municipality had no long-term debt outstanding (2024 - $nil).

15. **Employee Benefits Plans**

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:

	2025	2024
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

	2025	2024
Benefit expense	$ 45,833	$ 54,317

As per the most recently audited financial statements dated December 31, 2024, the plan surplus is $1,511,598 (in thousands).

16. **Budget**

The figures shown under the "Budget" column in the statement of operations and attached schedules have not been audited and are provided for information purposes only.

17. **Comparative Figures**

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

18. **Related Parties**

The financial statements include transactions with related parties.

Related parties include members of council and key management personnel who has authority and responsibility for planning, directing and controlling activities of the municipality.

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

During the year, the municipality incurred compensation and remuneration costs for council members as disclosed in Schedule 10. Other than these transactions, there were no individually significant related party transactions or balances requiring separate disclosure in the financial statements.

19. **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 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 they are 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.

20. **Tangible Capital Assets**

Included in the amortization taken in Schedules 6 and 7 is $206,560 (2024 - $187,500) of depletion of the gravel pit, which has now been included in the costs of inventory.

21. **Contingent Liabilities**

The municipality is contingently liable for the following:

The municipality has had a claim filed by a former employee for a debt related to the termination of employment based on provisions of the employment contract. The municipality believes it has a strong defence to the claim based on the time limits for the claim to be brought against the municipality. An amount has been accrued in accounts payable in relation to this claim in the event the municipality is unsuccessful.

The municipality has had a small claims action filed by a former employee for wrongful dismissal and is seeking damages of $50,000. An amount has not been accrued in the financial statements as the municipality relies on a well-documented progressive discipline process leading up to the termination.

R. M. of Orkney No. 244

Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2025

Schedule 1

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
Taxes			
General municipal tax levy	4,949,056	4,915,082	4,367,841
Abatements and adjustments	10,000	(5,600)	(82,175)
Discount on current year taxes	(156,567)	(160,028)	(136,145)
Net municipal taxes	4,802,489	4,749,454	4,149,521
Trailer license fees	30,000	30,000	29,750
Penalties on tax arrears	18,450	24,725	18,331
Special tax levy	30,328	30,327	22,078
Total Taxes	4,881,267	4,834,506	4,219,680
Unconditional Grants			
Revenue sharing	450,039	450,087	425,005
Total Unconditional Grants	450,039	450,087	425,005
Grants In Lieu of Taxes			
Federal	7,900	5,781	7,896
Provincial			
SaskTel	-	11,335	-
Other	37,400	39,082	37,352
Total Grants In Lieu of Taxes	45,300	56,198	45,248
Total Taxes and Other Unconditional Revenue	$ 5,376,606	$ 5,340,791	$ 4,689,933

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

R. M. of Orkney No. 244

Schedule of Operating and Capital Revenue by Function — Schedule 2-1

For the year ended December 31, 2025

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	5,350	5,889	5,693
Other (rentals, misc.)	100	15,234	5,200
Total Fees and Charges	5,450	21,123	10,893
Investment income	262,900	167,288	284,504
Total Other Segmented Revenue	268,350	188,411	295,397
Total General Government Services	$ 268,350	$ 188,411	$ 295,397
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Other (fire)	10,000	8,773	17,204
Total Other Segmented Revenue	10,000	8,773	17,204
Conditional Grants			
Other (Public Safety grant)	-	7,895	-
Total Conditional Grants	-	7,895	-
Total Protective Services	$ 10,000	$ 16,668	$ 17,204
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	16,058	29,852	15,620
Sale of supplies	200	2,208	522
Road maintenance and restoration	40,000	13,248	66,037
Total Fees and Charges	56,258	45,308	82,179
Tangible capital asset sales - gain (loss)	-	(179,426)	(73,265)
Total Other Segmented Revenue	56,258	(134,118)	8,914
Total Operating	56,258	(134,118)	8,914
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	245,400	350,934	147,001
ICIP	580,200	581,633	15,124
Total Capital	825,600	932,567	162,125
Total Transportation Services	$ 881,858	$ 798,449	$ 171,039

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

R. M. of Orkney No. 244

Schedule of Operating and Capital Revenue by Function — Schedule 2-2

For the year ended December 31, 2025

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
Environmental and Public Health Services			
Operating			
Conditional Grants			
Other (Sask Water, pest control, beaver control)	112,500	112,705	17,149
Total Conditional Grants	112,500	112,705	17,149
Total Environmental and Public Health Services	$ 112,500	$ 112,705	$ 17,149
Planning and Development Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Maintenance and development charges	13,000	17,665	10,826
Total Other Segmented Revenue	13,000	17,665	10,826
Total Planning and Development Services	$ 13,000	$ 17,665	$ 10,826
Total Operating and Capital Revenue by Function	$ 1,285,708	$ 1,133,898	$ 511,615
Summary			
Total Other Segmented Revenue	347,608	80,731	332,341
Total Conditional Grants	112,500	120,600	17,149
Total Capital Grants and Contributions	825,600	932,567	162,125
Total Operating and Capital Revenue by Function	$ 1,285,708	$ 1,133,898	$ 511,615

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

R. M. of Orkney No. 244

Total Expenses by Function

For the year ended December 31, 2025

Schedule 3-1

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
General Government Services			
Council remuneration and travel	85,000	69,677	76,004
Wages and benefits	279,788	218,274	237,967
Professional/Contractual services	183,360	184,021	192,622
Utilities	12,600	11,278	10,885
Maintenance, materials and supplies	86,900	24,487	32,943
Grants and contributions - operating	3,000	2,520	2,000
Amortization	-	20,368	20,369
Interest	550	548	550
Allowance for uncollectibles	11,000	9,461	9,335
Other (misc.)	500	60	89
Total General Government Services	$ 662,698	$ 540,694	$ 582,764
Protective Services			
Police protection			
Professional/Contractual services	115,000	114,058	111,394
Fire protection			
Professional/Contractual services	42,350	35,991	46,359
Grants and contribution - operating	420,000	446,009	417,799
Grants and contributions - capital	40,000	40,000	-
Total Protective Services	$ 617,350	$ 636,058	$ 575,552
Transportation Services			
Wages and benefits	700,906	584,153	634,608
Professional/Contractual services	2,383,300	276,434	740,521
Utilities	19,400	16,552	16,985
Maintenance, materials and supplies	492,200	425,837	371,643
Gravel	1,293,000	272,313	690,831
Amortization	-	355,441	469,213
Total Transportation Services	$ 4,888,806	$ 1,930,730	$ 2,923,801
Environmental and Public Health Services			
Professional/Contractual services	83,127	72,270	73,694
Grants and contributions - operating - waste disposal	4,000	3,952	3,952
Total Environmental and Public Health Services	$ 87,127	$ 76,222	$ 77,646
Planning and Development Services			
Professional/Contractual services	$ 50,000	$ 8,954	$ 35,438
Recreation and Cultural Services			
Grants and contributions - operating	$ 33,142	$ 33,141	$ 29,469

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

R. M. of Orkney No. 244

Total Expenses by Function

For the year ended December 31, 2025

Schedule 3-2

	2025 Budget (Note 1(x))	2025 Actual	2024 Actual (Note 17)
Utility Services			
Professional/Contractual services	22,300	22,419	19,186
Utilities	2,300	2,178	2,024
Maintenance, materials and supplies	500	324	382
Total Utility Services	$ 25,100	$ 24,921	$ 21,592
Total Expenses by Function	$ 6,364,223	$ 3,250,720	$ 4,246,262

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

R. M. of Orkney No. 244

Schedule of Segment Disclosure by Function

For the year ended December 31, 2025

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues (schedule 2)								
Fees and charges	21,123	8,773	45,308	-	17,665	-	-	92,869
Tangible capital asset sales - gain (loss)	-	-	(179,426)	-	-	-	-	(179,426)
Investment income	167,288	-	-	-	-	-	-	167,288
Grants - conditional	-	7,895	-	112,705	-	-	-	120,600
Grants - capital	-	-	932,567	-	-	-	-	932,567
Total Revenues	188,411	16,668	798,449	112,705	17,665	-	-	1,133,898
Expenses (schedule 3)								
Wages and benefits	287,951	-	584,153	-	-	-	-	872,104
Professional/contractual services	184,021	150,049	276,434	72,270	8,954	-	22,419	714,147
Utilities	11,278	-	16,552	-	-	-	2,178	30,008
Maintenance materials and supplies	24,487	-	698,150	-	-	-	324	722,961
Grants and contributions - operating	2,520	446,009	-	3,952	-	33,141	-	485,622
Grants and contributions - capital	-	40,000	-	-	-	-	-	40,000
Amortization of tangible capital assets	20,368	-	355,441	-	-	-	-	375,809
Interest	548	-	-	-	-	-	-	548
Allowance for uncollectibles	9,461	-	-	-	-	-	-	9,461
Other	60	-	-	-	-	-	-	60
Total Expenses	540,694	636,058	1,930,730	76,222	8,954	33,141	24,921	3,250,720
Surplus (Deficit) by Function	$ (352,283)	$ (619,390)	$ (1,132,281)	$ 36,483	$ 8,711	$ (33,141)	$ (24,921)	(2,116,822)
Taxation and other unconditional revenue (schedule 1)								5,340,791
Net Surplus								$ 3,223,969

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

R. M. of Orkney No. 244

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

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues (schedule 2)								
Fees and charges	10,893	17,204	82,179	-	10,826	-	-	121,102
Tangible capital asset sales - gain (loss)	-	-	(73,265)	-	-	-	-	(73,265)
Investment income	284,504	-	-	-	-	-	-	284,504
Grants - conditional	-	-	-	17,149	-	-	-	17,149
Grants - capital	-	-	162,125	-	-	-	-	162,125
Total Revenues	295,397	17,204	171,039	17,149	10,826	-	-	511,615
Expenses (schedule 3)								
Wages and benefits	313,971	-	634,608	-	-	-	-	948,579
Professional/contractual services	192,622	157,753	740,521	73,694	35,438	-	19,186	1,219,214
Utilities	10,885	-	16,985	-	-	-	2,024	29,894
Maintenance materials and supplies	32,943	-	1,062,474	-	-	-	382	1,095,799
Grants and contributions - operating	2,000	417,799	-	3,952	-	29,469	-	453,220
Amortization of tangible capital assets	20,369	-	469,213	-	-	-	-	489,582
Interest	550	-	-	-	-	-	-	550
Allowance for uncollectibles	9,335	-	-	-	-	-	-	9,335
Other	89	-	-	-	-	-	-	89
Total Expenses	582,764	575,552	2,923,801	77,646	35,438	29,469	21,592	4,246,262
Surplus (Deficit) by Function	$ (287,367)	$ (558,348)	$ (2,752,762)	$ (60,497)	$ (24,612)	$ (29,469)	$ (21,592)	(3,734,647)
Taxation and other unconditional revenue (schedule 1)								4,689,933
Net Surplus								$ 955,286

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

R. M. of Orkney No. 244

Schedule of Tangible Capital Assets by Object

For the year ended December 31, 2025

Schedule 6

	General Assets					Infrastruct. Assets		General/ Infrastruct.	
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Constr.	Total
Asset Cost									
Opening Asset Cost	219,662	394,060	942,160	-	2,418,457	9,557,236	-	189,651	13,721,226
Additions during the year	-	-	-	-	1,212,420	1,523,245	-	-	2,735,665
Disposals and write-down during the year	-	-	-	-	(1,048,877)	-	-	-	(1,048,877)
Transfer (from) assets under construction	-	-	-	-	-	189,651	-	(189,651)	-
Closing Asset Costs	219,662	394,060	942,160	-	2,582,000	11,270,132	-	-	15,408,014
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	187,500	162,755	-	983,806	4,140,819	-	-	5,474,880
Add: Amortization taken	-	206,560	23,604	-	126,857	225,348	-	-	582,369
Less: Accumulated amortization on disposals	-	-	-	-	217,194	-	-	-	217,194
Closing Accumulated Amortization Costs	-	394,060	186,359	-	893,469	4,366,167	-	-	5,840,055
Net Book Value	$ 219,662	$ -	$ 755,801	$ -	$ 1,688,531	$ 6,903,965	$ -	$ -	$ 9,567,959

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

R. M. of Orkney No. 244

Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2024

Schedule 6

	General Assets					Infrastruct. Assets		General/ Infrastruct.	
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Constr.	Total
Asset Cost									
Opening Asset Cost	219,662	394,060	942,160	-	2,346,255	9,504,607	-	73,265	13,480,009
Additions during the year	-	-	-	-	72,202	52,629	-	189,651	314,482
Disposals and write-down during the year	-	-	-	-	-	-	-	(73,265)	(73,265)
Closing Asset Costs	219,662	394,060	942,160	-	2,418,457	9,557,236	-	189,651	13,721,226
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	-	139,150	-	747,981	3,910,667	-	-	4,797,798
Add: Amortization taken	-	187,500	23,605	-	235,825	230,152	-	-	677,082
Closing Accumulated Amortization Costs	-	187,500	162,755	-	983,806	4,140,819	-	-	5,474,880
Net Book Value	$ 219,662	$ 206,560	$ 779,405	$ -	$ 1,434,651	$ 5,416,417	$ -	$ 189,651	$ 8,246,346

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

R. M. of Orkney No. 244

Schedule of Tangible Capital Assets by Function

For the year ended December 31, 2025

Schedule 7

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	733,959	-	12,987,267	-	-	-	-	13,721,226
Additions during the year	-	-	2,735,665	-	-	-	-	2,735,665
Disposals and write-down during the year	-	-	(1,048,877)	-	-	-	-	(1,048,877)
Closing Asset Costs	733,959	-	14,674,055	-	-	-	-	15,408,014
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	44,033	-	5,430,847	-	-	-	-	5,474,880
Add: Amortization taken	20,368	-	562,001	-	-	-	-	582,369
Less: Accumulated amortization on disposals	-	-	217,194	-	-	-	-	217,194
Closing Accumulated Amortization Costs	64,401	-	5,775,654	-	-	-	-	5,840,055
Net Book Value	$ 669,558	$ -	$ 8,898,401	$ -	$ -	$ -	$ -	$ 9,567,959

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

R. M. of Orkney No. 244

Schedule of Tangible Capital Assets by Function

For the year ended December 31, 2024

Schedule 7

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	733,959	-	12,746,050	-	-	-	-	13,480,009
Additions during the year	-	-	314,482	-	-	-	-	314,482
Disposals and write-down during the year	-	-	(73,265)	-	-	-	-	(73,265)
Closing Asset Costs	733,959	-	12,987,267	-	-	-	-	13,721,226
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	23,664	-	4,774,134	-	-	-	-	4,797,798
Add: Amortization taken	20,369	-	656,713	-	-	-	-	677,082
Closing Accumulated Amortization Costs	44,033	-	5,430,847	-	-	-	-	5,474,880
Net Book Value	$ 689,926	$ -	$ 7,556,420	$ -	$ -	$ -	$ -	$ 8,246,346

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

R. M. of Orkney No. 244
Schedule of Accumulated Surplus
For the year ended December 31, 2025

Schedule 8

	2024	Changes	2025
Unappropriated Surplus	5,055,006	1,888,834	6,943,840
Appropriated Surplus			
Other			
Cash-in-lieu of dedicated reserve	245,226	-	245,226
Buildings and equipment	739,967	3,863	743,830
Roads, bridges and culverts	1,850,083	9,659	1,859,742
	2,835,276	13,522	2,848,798
Total Appropriated	2,835,276	13,522	2,848,798
Net Investments in Tangible Capital Assets			
Tangible capital assets (schedule 6 and 7)	8,246,346	1,321,613	9,567,959
Accumulated Surplus	$ 16,136,628	$ 3,223,969	$ 19,360,597

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

R. M. of Orkney No. 244

Schedule of Mill Rates and Assessments

For the year ended December 31, 2025

Schedule 9

	Property Class						
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	Total
Taxable Assessment	167,448,045	123,559,475	-	-	220,327,055	-	511,334,575
Regional Park Assessment							-
Total Assessment							511,334,575
Mill Rate Factor(s)	0.67	0.95	-	-	1.15		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-		-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,121,901	1,257,397	-	-	2,535,784		4,915,082

Mill Rates:	**Mills**
Average Municipal*	9.6123
Average School*	4.1306
Potash Mill Rate	-
Uniform Municipal Mill Rate	10.0000

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

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

R. M. of Orkney No. 244

Schedule of Council Remuneration

For the year ended December 31, 2025

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Randy Trost	21,689	10,592	32,281
Councillor	Joseph Zarowny	13,299	5,902	19,201
Councillor	Trevor Protz	16,178	6,970	23,148
Councillor	Kristine Proceshyn	17,042	7,157	24,199
Councillor	Jack Maksymiw	15,696	6,443	22,139
Councillor	Vern Effa	15,346	6,470	21,816
Councillor	Robert Kriger	13,777	6,865	20,642
		$ 113,027	$ 50,399	$ 163,426