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.

Janke 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	CFO/Administrator

June 18, 2026

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of the
Municipality of the RM of Kelvington

Opinion

We have audited the financial statements of Municipality of the RM of Kelvington, (the Municipality) which comprise of the Statement of Financial Position as at December 31, 2025, and the Statements of Operations, Change in Net Financial Assets, and Cash Flow for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2025, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 auditor’s 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 auditor’s 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.

Janke LLP

Tisdale, Saskatchewan

June 18, 2026

Chartered Professional Accountants

Municipality of **RM of Kelvington No. 366**

Statement 1: Statement of Financial Position

As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	1,996,655	2,331,161
Investments (Note 3)	5	5
Taxes Receivable - Municipal (Note 4)	64,566	86,697
Other Accounts Receivable (Note 5)	40,997	45,398
Assets Held for Sale (Note 6)	-	249
Long-Term Receivable (Note 7)	95,357	83,254
Debt Charges Recoverable (Note 8)	-	-
Derivative Assets *[if applicable]* (Note 9)	-	-
Other (Specify)	-	-
Total Financial Assets	**2,197,580**	**2,546,764**
LIABILITIES		
Bank Indebtedness (Note 10)	-	-
Accounts Payable	26,751	34,742
Accrued Liabilities Payable	-	-
Derivative Liabilities *[if applicable]* (Note 9)	-	-
Deposits	-	-
Deferred Revenue (Note 11)	5,934	1,580
Asset Retirement Obligation (Note 12)	-	-
Liability for Contaminated Sites (Note 13)	-	-
Infrastructure Liability *[if applicable]* (Note 27)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 14)	-	-
Lease Obligations (Note 15)	-	-
Total Liabilities	**32,685**	**36,322**
NET FINANCIAL ASSETS (DEBT)	**2,164,895**	**2,510,442**
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	5,164,824	4,683,884
Prepayments and Deferred Charges	109,313	140,017
Stock and Supplies	278,017	60,070
Other (Note 16)	-	-
Total Non-Financial Assets	**5,552,154**	**4,883,971**
ACCUMULATED SURPLUS (DEFICIT)	**7,717,049**	**7,394,413**

Unrecognized Assets (Note 1 m)
Contingent Assets (Note 22)
Contractual Rights (Note 23)
Contingent Liabilities (Note 17)
Contractual Obligations and Commitments (Note 24)

The accompanying notes and schedules are an integral part of these statements.

Municipality of RM of Kelvington No. 366

Statement 2: Statement of Operations

As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	1,295,192	1,275,926	1,271,678
Other Unconditional Revenue (Schedule 1)	508,913	508,968	478,694
Fees and Charges (Note 28, Schedule 4, 5)	17,822	32,595	15,597
Conditional Grants (Note 28, Schedule 4, 5)	12,500	25,008	13,861
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	(45,473)	(45,216)	27,000
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	39,000	37,341	43,295
Commissions (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	1,500	-	13,833
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	92,343	93,145	94,282
Total Revenues	**1,921,797**	**1,927,767**	**1,958,240**
EXPENSES			
General Government Services (Schedule 3)	209,176	199,555	187,340
Protective Services (Schedule 3)	33,002	40,567	31,334
Transportation Services (Schedule 3)	1,931,492	1,237,192	1,188,096
Environmental and Public Health Services (Schedule 3)	89,060	107,805	90,092
Planning and Development Services (Schedule 3)	3,000	863	252
Recreation and Cultural Services (Schedule 3)	18,500	19,149	18,435
Utility Services (Schedule 3)	-	-	-
Total Expenses	**2,284,230**	**1,605,131**	**1,515,549**
Annual Surplus (Deficit) of Revenues over Expenses	**(362,433)**	**322,636**	**442,691**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	7,394,413	7,394,413	6,951,722
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	**7,031,980**	**7,717,049**	**7,394,413**

The accompanying notes and schedules are an integral part of these statements.

Municipality of **RM of Kelvington No. 366**
Statement 3: Statement of Change in Net Financial Assets
As at December 31, 2025

	2025 Budget	2025	2024
Annual Surplus (Deficit) of Revenues over Expenses	(362,433)	322,636	442,691
(Acquisition) of tangible capital assets	(682,686)	(1,086,533)	(466,150)
Amortization of tangible capital assets	372,618	347,053	372,617
Proceeds on disposal of tangible capital assets	20,000	213,324	27,000
Loss (gain) on the disposal of tangible capital assets	(45,473)	45,216	(27,000)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	**(335,541)**	**(480,940)**	**(93,533)**
(Acquisition) of supplies inventories	-	(511,211)	(63,290)
(Acquisition) of prepaid expense	-	-	(40,025)
Consumption of supplies inventory	-	293,264	113,916
Use of prepaid expense	-	30,704	10,015
Surplus (Deficit) of expenses of other non-financial over expenditures	**-**	**(187,243)**	**20,616**
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	**(697,974)**	**(345,547)**	**369,774**
Net Financial Assets (Debt) - Beginning of Year	2,510,442	2,510,442	2,140,668
Net Financial Assets (Debt) - End of Year	**1,812,468**	**2,164,895**	**2,510,442**

The accompanying notes and schedules are an integral part of these statements.

Municipality of RM of Kelvington No. 366
Statement 4: Statement of Cash Flow
As at December 31, 2025

Statement 4

	2025	2024
Cash provided by (used for) the following activities		
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	322,636	442,691
Amortization of tangible capital assets	347,053	372,617
Amortization of intangible capital assets	-	-
Loss (gain) on disposal of tangible capital assets	45,216	(27,000)
Loss (gain) on disposal of intangible capital assets	-	-
	714,905	788,308
Change in assets/liabilities		
Taxes Receivable - Municipal	22,131	4,685
Other Receivables	(7,702)	15,599
Assets Held for Sale	249	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(7,991)	21,099
Derivative Liabilities *[if applicable]*	-	-
Deposits	-	-
Deferred Revenue	4,354	(1,826)
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability *[if applicable]*	-	-
Other Liabilities	-	-
Stock and Supplies	(217,947)	50,626
Prepayments and Deferred Charges	30,704	(30,010)
Other (Specify)	-	-
Cash provided by operating transactions	**538,703**	**848,481**
Capital:		
Acquisition of capital assets	(1,086,533)	(466,150)
Proceeds from the disposal of capital assets	213,324	27,000
Cash applied to capital transactions	**(873,209)**	**(439,150)**
Investing:		
Decrease (increase) in restricted cash or cash equivalents	124,610	(160,995)
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	-	-
Cash provided by (applied to) investing transactions	**124,610**	**(160,995)**
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
Cash provided by (applied to) financing transactions	**-**	**-**
Change in Cash and Cash Equivalents	**(209,896)**	**248,336**
Cash and Cash Equivalents	1,371,924	1,123,588
Cash and Cash Equivalents - End of Year	**1,162,028**	**1,371,924**
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	1,996,655	2,331,161
Less: restricted portion of cash and cash equivalents (Note 2)	(834,627)	(959,237)
Temporary bank indebtedness	-	-
	1,162,028	**1,371,924**

The accompanying notes and schedules are an integral part of these statements.

1. Significant Accounting Policies

The consolidated 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 consolidated 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 consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. No other entities are included in these financial statements.

b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities 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 revenue in the period that the events giving rise to the transfer occur, providing:

a) the transfers are authorized
b) any eligibility criteria and stipulations have been met; and
c) reasonable estimates of the amounts 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.

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.

1. Significant Accounting Policies - continued

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 any prepayment charges as revenue in the period assessed.

g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

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

1. Significant Accounting Policies - continued

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 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.

k) **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. 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.

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

Measurement of Financial Instruments:
The municipalities financial assets and liabilities are measured as follows:

Financial Statement line item	Measurement
Cash & Cash Equivalents	Cost
Investments	Fair Value
Other Accounts Receivable	Cost
Long term receivable	Cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-Term Debt	Amortized Cost

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

1. Significant Accounting Policies - continued

m) **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. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

Asset	***Useful Life***
General Assets	
Land	Indefinite
Land Improvements	15 Yrs
Buildings	40 Yrs
Vehicles & Equipment	
Vehicles	10 Yrs
Machinery and Equipment	5 to 15 Yrs
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	10 to 40 Yrs
Water & Sewer	N/A
Road Network Assets	15 to 40 Yrs

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 consolidated 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 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 lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. Significant Accounting Policies - continued

n) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 20.

o) **Employee Benefit Plans:** Contributions to the municipality's multiemployer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

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

a) an environmental standard exists;
b) contamination exceeds the environmental standard;
c) the municipality:
    i. is directly responsible; or
    ii. accepts responsibility;
d) it is expected that future economic benefits will be given up; and
e) a reasonable estimate of the amount can be made.

1. Significant Accounting Policies - continued

q) **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 revenue and expenditures during the period.

Measurement uncertainty impacts the following financial statement areas:

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

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

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

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

The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required

Measurement 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

r) **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.

s) **Budget Information**: Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 08, 2025.

t) **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.

u) **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 not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the municipality to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

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.

1. Significant Accounting Policies - continued

v) **New Accounting Policies Adopted During the Year:**

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. This section may be applied retroactively or prospectively.

No revenues meet the criteria for **PS 3400, Revenue.**

PSG-8, Purchased intangibles, provides guidance on accounting for and reporting on purchased intangible capital assets. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. Application may be made either retroactively or prospectively in accordance with PS 2120 Accounting Changes.

No purchased intangibles were made during the year.

PS 3160, Public private partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard may be applied either retroactively (with or without prior period restatement) or prospectively.

No Public private partnerships transactions were incurred.

2. Cash and Cash Equivalents

	2025	2024
Cash	1,162,028	1,371,924
Short-term investments - amortized cost	-	-
Restricted Cash	834,627	959,237
Total Cash and Cash Equivalents	**1,996,655**	2,331,161

Cash and cash equivalents includes balances with banks and short-term deposits with maturities of three months or less. [Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.]

3. Investments

	2025	2024
Investments carried at fair value:		
Co-op Equity	5	5
Investments carried at amortized cost:		
None	-	-
Total investments	**5**	**5**

Short-term notes and deposits have effective interest rates of [*% to % (Prior - % to %)*] and mature in less than one year. Government and government guaranteed bonds have effective interest rates of [*% to % (Prior - % to %*)] with maturity dates from [*date*].

Investment Income	**2025**	2024
Interest	-	-
Total investment income	**-**	**-**

4. Taxes Receivable - Municipal

		2025	2024
Municipal	- Current	53,220	79,966
	- Arrears	11,346	6,731
		64,566	**86,697**
	- Less Allowance for Uncollectible	-	-
Total municipal taxes receivable		**64,566**	**86,697**
School	-Current	13,779	16,568
	-Arrears	2,929	1,517
Total taxes to be collected on behalf of School Divisions		**16,708**	**18,085**
Other		7,420	7,687
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations		**88,694**	**112,469**
Deduct taxes to be collected on behalf of other organizations		(24,128)	(25,772)
Total Taxes Receivable - Municipal		**64,566**	**86,697**

5. Other Accounts Receivable

Federal Government	23,494	20,655
Provincial Government	5,000	7,633
Local Government	-	-
Utility	-	-
Trade	1,934	5,132
Other - Accrued Interest, MMSW Grant, etc.	10,569	11,978
Total Other Accounts Receivable	**40,997**	**45,398**
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	**40,997**	**45,398**

6. Assets Held for Sale

	2025	2024
Tax Title Property	-	249
Allowance for market value adjustment	-	-
Net Tax Title Property	**-**	**249**
Other Land	-	-
Allowance for market value adjustment	-	-
Net Other Land	**-**	**-**
Other (Describe)	-	-
Total Assets Held for Sale	**-**	**249**

7. Long-Term Receivable

	2025	2024
Sask Assoc. of Rural Municipalities - Self Insurance Fund	76,409	67,954
Sask Assoc. of Rural Municipalities - Property Insurance Plan	18,948	15,300
Other (*Specify)*	-	-
Total Long-Term Receivables	**95,357**	**83,254**

8. Debt Charges Recoverable

	2025	2024
Current debt charges recoverable	-	-
Non-current debt charges recoverable	-	-
Total Debt Charges Recoverable	**-**	**-**

The muncipality does not have any debt charges recoverable.

9. Financial Instruments - Fair Value Disclosures

The municipality has no financial instruments carried at fair market value.

10. Bank Indebtedness

The municipality does not have any authorized credit facilities

11. Deferred Revenue

	2024	Externally Restricted Inflows	Revenue Earned	**2025**
Prepaid Taxes	**1,580**	**2,301**	**1,580**	2,301
Planning & Development	**-**	**3,633**	**-**	3,633
	-	-	**-**	-
Total Deferred Revenue	**1,580**	**5,934**	**1,580**	**5,934**

12. Asset Retirement Obligation

Landfill

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The municipality does not operate a landfill for which it would incur closure and post-closure care costs.

Asbestos

The municipality owns two buildings which may contain asbestos, and therefore, the municipality may be legally required to perform abatement activities upon renovation or demolition of these assets. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. Future cash flows expected for abatement costs can not be readily determined at this time; however, given the small size of the buildings and expected limited amounts of asbestos (if any) these future cash flows are not expected to be material.

13. Liability for Contaminated Sites

No liabilities for contaminated sites have been recorded in these financial statements. The municipality is not aware of any circumstances giving rise to a liability for contaminated sites.

14. Long-Term Debt

The debt limit of the municipality is $1,257,360. 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)).

The municipality has no debenture debt repayable.

The municipality has no bank loans repayable.

Municipality of **RM of Kelvington No. 366**
Notes to the Financial Statements
As at December 31, 2025

15. Lease Obligations

The municipality has no capital lease obligations.

16. Other Non-financial Assets

	2025	2024
	-	-

17. 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.

18. 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. The municipality's pension expense in 2025 was $24,685. 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.

Total current service contributions by the municipality to the MEPP in 2025 were $24,685 (2024 - $26,592). Total current service contributions by the employees of the municipality to the MEPP in 2025 were $24,685 (2024 - $26,592).

At the time of the municipality's audit the December 31, 2025, the MEPP Actuarial Valuation was unavailable. At December 31, 2024, MEPP disclosed an actuarial surplus of $819,117,000.

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

19. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

20. Trusts Administered by the Municipality

The municipality does not administer any trusts.

21. Related Parties

The consolidated financial statements include transactions with related parties.

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

22. Contingent Assets

Contingent assets are not recorded in the financial statements.

23. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. The municipality has no significant contractual rights.

24. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type[1]	Describe Nature Time and Extent	2025	2026	2027	2028	2029	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
		[$]	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*
Contractual Obligation 1	Gravel Purchase from 101246284 Saskatchewan Ltd	-	-	-	-	-	-	-	-	40,000
Contractual Obligation 2	Culvert Replacement - Allnorth Consultants Limited - Consulting	-	-	-	-	-	-	-	-	43,994
Contractual Obligation 3	Culvert Replacement - TLF Dirtworx Inc. - Installation	-	-	-	-	-	-	-	-	56,832
		-	-	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**140,826**

1 See Note 15 for Capital Lease obligations.

25. Risk Management

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

It is managements opinion that the municipality is not exposed to significant interest rate, currency, market, or liquidity risks arising from these financial instruments.

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 accounts receivable.

The municipalities maximum exposure to credit risk as at December 31 is as follows:

	2025
Taxes Receivable	64,566
Other Accounts Receivable	40,997
Long Term Receivables	95,357
Maximum credit risk exposure	**200,920**

Municipality of **RM of Kelvington No. 366**

Schedule 1: Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2025 Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	1,259,442	1,259,442	1,257,501
Abatements and adjustments	(2,500)	(2,995)	(3,050)
Discount on current year taxes	(40,000)	(61,053)	(60,688)
Net Municipal Taxes	**1,216,942**	**1,195,394**	**1,193,763**
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	4,000	3,337	3,862
Special tax levy	-	-	-
Other (*Specify*)	-	-	-
Total Taxes	**1,220,942**	**1,198,731**	**1,197,625**
UNCONDITIONAL GRANTS			
Revenue Sharing	508,913	508,968	478,694
(Organized Hamlet)	-	-	-
Safe Restart	-	-	-
Other (*Specify*)	-	-	-
Total Unconditional Grants	**508,913**	**508,968**	**478,694**
GRANTS IN LIEU OF TAXES			
Federal	250	337	264
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	2,500	3,348	2,568
Other - FWDF / SAF / RCMP	6,500	6,931	6,635
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	65,000	66,579	64,586
Other (*Specify*)	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other (*Specify*)	-	-	-
Total Grants in Lieu of Taxes	**74,250**	**77,195**	**74,053**
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	**1,804,105**	**1,784,894**	**1,750,372**

Municipality of **RM of Kelvington No. 366**

Schedule 2: Schedule of Operating and Capital Revenue by Function

As at December 31, 2025

Schedule 2 - 1

	2025 Budget	**2025**	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	-	-	-
- Sales of supplies	1,500	1,475	1,154
- Other - Tax Certificates	400	300	400
Total Fees and Charges	**1,900**	**1,775**	**1,554**
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income	39,000	37,341	43,295
- Commissions	-	-	-
- Other - Donation	-	-	13,833
Total Other Segmented Revenue	**40,900**	**39,116**	**58,682**
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Conditional Grants	**-**	**-**	**-**
Total Operating	**40,900**	**39,116**	**58,682**
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Capital	**-**	**-**	**-**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total General Government Services	**40,900**	**39,116**	**58,682**
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Fire Fees	-	4,425	-
Total Fees and Charges	**-**	**4,425**	**-**
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other (*Specify*)	-	-	-
Total Other Segmented Revenue	-	4,425	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Conditional Grants	**-**	**-**	**-**
Total Operating	**-**	**4,425**	**-**
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Capital	**-**	**-**	**-**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total Protective Services	-	4,425	-

Municipality of **RM of Kelvington No. 366**

Schedule 2: Schedule of Operating and Capital Revenue by Function

As at December 31, 2025

Schedule 2 - 2

	2025 Budget	**2025**	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	5,000	4,175	2,618
- Sales of supplies	-	-	-
- Road Maintenance and Restoration Agreements	7,500	7,227	9,128
- Frontage	-	-	-
- Other - Trans Gas,Permits, etc.	1,772	11,077	472
Total Fees and Charges	**14,272**	**22,479**	**12,218**
- Tangible capital asset sales - gain (loss)	(45,473)	(45,216)	27,000
- Intangible capital asset sales - gain (loss)	-	-	-
- Other *(Specify)*	1,500	-	-
Total Other Segmented Revenue	**(29,701)**	**(22,737)**	**39,218**
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Conditional Grants	**-**	**-**	**-**
Total Operating	**(29,701)**	**(22,737)**	**39,218**
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	22,000	22,802	23,939
- ICIP	-	-	-
- RIRG (CTP, Bridge and Large Culvert, Road Const.)	70,343	70,343	70,343
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Capital	**92,343**	**93,145**	**94,282**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total Transportation Services	**62,642**	**70,408**	**133,500**

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	-	-	-
- Other - Pest Control Supplies	1,500	2,828	1,775
Total Fees and Charges	**1,500**	**2,828**	**1,775**
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other (*Specify*)	-	-	-
Total Other Segmented Revenue	**1,500**	**2,828**	**1,775**
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other - SARM/PREP/BCP/WSA/BOP/MMSW	12,500	25,008	13,861
Total Conditional Grants	**12,500**	**25,008**	**13,861**
Total Operating	**14,000**	**27,836**	**15,636**
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Capital	**-**	**-**	**-**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total Environmental and Public Health Services	**14,000**	**27,836**	**15,636**

Municipality of **RM of Kelvington No. 366**

Schedule 2: Schedule of Operating and Capital Revenue by Function

As at December 31, 2025

PLANNING AND DEVELOPMENT SERVICES

	2025 Budget	**2025**	2024
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	150	1,088	50
- Other (*Specify*)	-	-	-
Total Fees and Charges	**150**	**1,088**	**50**
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other (*Specify*)	-	-	-
Total Other Segmented Revenue	**150**	**1,088**	**50**
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Conditional Grants	**-**	**-**	**-**
Total Operating	**150**	**1,088**	**50**
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Capital	**-**	**-**	**-**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total Planning and Development Services	**150**	**1,088**	**50**

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (*Specify*)	-	-	-
Total Fees and Charges	**-**	**-**	**-**
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other (*Specify*)	-	-	-
Total Other Segmented Revenue	**-**	**-**	**-**
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Conditional Grants	**-**	**-**	**-**
Total Operating	**-**	**-**	**-**
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
Total Capital	**-**	**-**	**-**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total Recreation and Cultural Services	**-**	**-**	**-**

Municipality of **RM of Kelvington No. 366**

Schedule 2: Schedule of Operating and Capital Revenue by Function

As at December 31, 2025

	2025 Budget	**2025**	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	-	-	-
- Sewer	-	-	-
- Other (*Specify*)	-	-	-
Total Fees and Charges	**-**	**-**	**-**
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other (*Specify*)	-	-	-
Total Other Segmented Revenue	**-**	**-**	**-**
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (*Specify*)	-	-	-
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 (*Specify*)	-	-	-
Total Capital	**-**	**-**	**-**
Restructuring Revenue (*Specify, if any*)	-	-	-
Total Utility Services	**-**	**-**	**-**
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	**117,692**	**142,873**	**207,868**

SUMMARY

Total Other Segmented Revenue	12,849	24,720	99,725
Total Conditional Grants	12,500	25,008	13,861
Total Capital Grants and Contributions	92,343	93,145	94,282
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	**117,692**	**142,873**	**207,868**

Municipality of **RM of Kelvington No. 366**

Schedule 3: Total Expenses by Function

As at December 31, 2025 Schedule 3 - 1

		2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES				
Council remuneration and travel		28,000	27,031	24,171
Wages and benefits		87,150	87,313	86,372
Professional/Contractual services		65,150	63,631	56,510
Utilities		2,500	2,309	2,750
Maintenance, materials and supplies		14,300	6,377	5,441
Grants and contributions	- operating	250	400	299
	- capital	-	-	-
Amortization of Tangible Capital Assets		10,176	9,149	10,177
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Allowance for uncollectible		150	1,785	-
Other - Xmas Party, RMAA Curling/Council Tech		1,500	1,560	1,620
General Government Services		**209,176**	**199,555**	**187,340**
Restructuring ***(Specify, if any)***		-	-	-
Total General Government Services		**209,176**	**199,555**	**187,340**
PROTECTIVE SERVICES				
Police protection				
Wages and benefits		-	-	-
Professional/Contractual services		22,000	22,169	21,652
Utilities		-	-	-
Maintenance, material and supplies		-	-	-
Amortization of Tangible Capital Assets		-	-	-
Accretion of asset retirement obligation		-	-	-
Grants and contributions	- operating	-	-	-
	- capital	-	-	-
Other (*Specify*)		-	-	-
Fire protection				
Wages and benefits		-	-	-
Professional/Contractual services		10,802	18,198	9,482
Utilities		-	-	-
Maintenance, material and supplies		-	-	-
Grants and contributions	- operating	200	200	200
	- capital	-	-	-
Amortization of Tangible Capital Assets		-	-	-
Interest		-	-	-
Accretion of asset retirement obligation		-	-	-
Other (*Specify*)		-	-	-
Protective Services		**33,002**	**40,567**	**31,334**
Restructuring ***(Specify, if any)***		-	-	-
Total Protective Services		**33,002**	**40,567**	**31,334**
TRANSPORTATION SERVICES				
Wages and benefits		291,850	286,093	287,824
Professional/Contractual Services		816,475	412,537	214,139
Utilities		10,725	9,421	9,610
Maintenance, materials, and supplies		225,000	153,557	205,867
Gravel		225,000	37,680	108,216
Grants and contributions	- operating	-	-	-
	- capital	-	-	-
Amortization of Tangible Capital Assets		362,442	337,904	362,440
Interest		-	-	-
Accretion of asset retirement obligation		-	-	-
Other (*Specify*)		-	-	-
Transportation Services		**1,931,492**	**1,237,192**	**1,188,096**
Restructuring ***(Specify, if any)***		-	-	-
Total Transportation Services		**1,931,492**	**1,237,192**	**1,188,096**

Municipality of **RM of Kelvington No. 366**

Schedule 3: Total Expenses by Function

As at December 31, 2025

Schedule 3 - 2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	76,800	83,254	79,371
Utilities	-	-	-
Maintenance, materials and supplies	7,000	4,801	5,461
Grants and contributions - operating			
○ Waste disposal	-	-	-
○ Public Health	1,000	15,490	1,000
- capital			
○ Waste disposal	-	-	-
○ Public Health	-	-	-
Amortization of Tangible Capital Assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other - Nut Lake Watershed Association	4,260	4,260	4,260
Environmental and Public Health Services	**89,060**	**107,805**	**90,092**
Restructuring (Specify, if any)	-	-	-
Total Environmental and Public Health Services	**89,060**	**107,805**	**90,092**
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual Services	3,000	863	252
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of Tangible Capital Assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other (*Specify*)	-	-	-
Planning and Development Services	**3,000**	**863**	**252**
Restructuring (Specify, if any)	-	-	-
Total Planning and Development Services	**3,000**	**863**	**252**
RECREATION AND CULTURAL SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	8,500	9,149	8,435
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions - operating	10,000	10,000	10,000
- capital	-	-	-
Amortization of Tangible Capital Assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectible	-	-	-
Other (*Specify*)	-	-	-
Recreation and Cultural Services	**18,500**	**19,149**	**18,435**
Restructuring (Specify, if any)	-	-	-
Total Recreation and Cultural Services	**18,500**	**19,149**	**18,435**

Municipality of **RM of Kelvington No. 366**

Schedule 3: Total Expenses by Function

As at December 31, 2025 Schedule 3 - 3

		2025 Budget	2025	2024
UTILITY SERVICES				
Wages and benefits		-	-	-
Professional/Contractual services		-	-	-
Utilities		-	-	-
Maintenance, materials and supplies		-	-	-
Grants and contributions	- operating	-	-	-
	- capital	-	-	-
Amortization of Tangible Capital Assets		-	-	-
Interest		-	-	-
Accretion of asset retirement obligation		-	-	-
Allowance for Uncollectible		-	-	-
Other (*Specify*)		-	-	-
Utility Services		**-**	**-**	**-**
Restructuring (Specify, if any)		-	-	-
Total Utility Services		**-**	**-**	**-**
TOTAL EXPENSES BY FUNCTION		**2,284,230**	**1,605,131**	**1,515,549**

Municipality of **RM of Kelvington No. 366**
Schedule 4: Schedule of Segment Disclosure by Function
As at December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	1,775	4,425	22,479	2,828	1,088	-	-	32,595
Tangible Capital Asset Sales - Gain	-	-	(45,216)	-	-	-	-	(45,216)
Land Sales - Gain	-							-
Investment Income	37,341							37,341
Commissions	-							-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	25,008	-	-	-	25,008
- Capital	-	-	93,145	-	-	-	-	93,145
Total Revenues	**39,116**	**4,425**	**70,408**	**27,836**	**1,088**	**-**	**-**	**142,873**
Expenses (Schedule 3)								
Wages & Benefits	114,344	-	286,093	-	-	-	-	400,437
Professional/ Contractual Services	63,631	40,367	412,537	83,254	863	9,149	-	609,801
Utilities	2,309	-	9,421	-		-	-	11,730
Maintenance Materials and Supplies	6,377	-	191,237	4,801		-	-	202,415
Grants and Contributions	400	200	-	15,490	-	10,000	-	26,090
Amortization of Tangible Capital Assets	9,149	-	337,904	-	-	-	-	347,053
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	1,785					-	-	1,785
Other	1,560	-	-	4,260	-	-	-	5,820
Total Expenses	**199,555**	**40,567**	**1,237,192**	**107,805**	**863**	**19,149**	**-**	**1,605,131**
Surplus (Deficit) by Function	**(160,439)**	**(36,142)**	**(1,166,784)**	**(79,969)**	**225**	**(19,149)**	**-**	**(1,462,258)**
Taxes and other unconditional revenue **(Schedule 1)**								1,784,894
Net Surplus (Deficit)								322,636

Municipality of **RM of Kelvington No. 366**
Schedule 5: Schedule of Segment Disclosure by Function
As at December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	1,554	-	12,218	1,775	50	-	-	15,597
Tangible Capital Asset Sales - Gain	-	-	27,000	-	-	-	-	27,000
Land Sales - Gain	-							-
Investment Income	43,295							43,295
Commissions	-							-
Other Revenues	13,833	-	-	-	-	-	-	13,833
Grants - Conditional	-	-	-	13,861	-	-	-	13,861
- Capital	-	-	94,282	-	-	-	-	94,282
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**58,682**	**-**	**133,500**	**15,636**	**50**	**-**	**-**	**207,868**
Expenses (Schedule 3)								
Wages & Benefits	110,543	-	287,824	-	-	-	-	398,367
Professional/ Contractual Services	56,510	31,134	214,139	79,371	252	8,435	-	389,841
Utilities	2,750	-	9,610	-		-	-	12,360
Maintenance Materials and Supplies	5,441	-	314,083	5,461		-	-	324,985
Grants and Contributions	299	200	-	1,000	-	10,000	-	11,499
Amortization of Tangible Capital Assets	10,177	-	362,440	-	-	-	-	372,617
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-					-	-	-
Other	1,620	-	-	4,260	-	-	-	5,880
Total Expenses	**187,340**	**31,334**	**1,188,096**	**90,092**	**252**	**18,435**	**-**	**1,515,549**
Surplus (Deficit) by Function	**(128,658)**	**(31,334)**	**(1,054,596)**	**(74,456)**	**(202)**	**(18,435)**	**-**	**(1,307,681)**
Taxes and other unconditional revenue (Schedule 1)								1,750,372
Net Surplus (Deficit)								**442,691**

Municipality of **RM of Kelvington No. 366**
Schedule 6: Schedule of Tangible Capital Assets by Object
As at December 31, 2025

Schedule 6

		2025									2024
		General Assets					**Infrastructure Assets**		**General/ Infrastructure**		
		Land	**Land Improvements**	**Buildings**	**Vehicles**	**Machinery & Equipment**	**Linear assets**	**Public Private Partnerships**	**Assets Under Construction**	**Total**	Total
Assets	**Asset cost**										
	Opening Asset costs	6,556	-	380,238	79,984	1,520,656	9,145,538	-	58,367	11,191,339	10,755,034
	Additions during the year	-	-	-	31,535	611,384	443,614	-	-	1,086,533	466,150
	Disposals and write-downs during the year	-	-	-	(8,925)	(439,167)	-	-	-	(448,092)	(29,845)
	Transfers (from) assets under construction	-	-	-	-	-	58,367	-	(58,367)	-	-
	Closing Asset Costs	**6,556**	**-**	**380,238**	**102,594**	**1,692,873**	**9,647,519**	**-**	**-**	**11,829,780**	**11,191,339**
Amortization	**Accumulated Amortization Cost**										
	Opening Accumulated Amortization Costs	-	-	113,053	25,243	527,750	5,841,409	-	-	6,507,455	6,164,683
	Add: Amortization taken	-	-	6,977	7,106	89,317	243,653	-	-	347,053	372,617
	Less: Accumulated amortization on disposals	-	-	-	(8,925)	(180,627)	-	-	-	(189,552)	(29,845)
	Closing Accumulating Amortization Costs	**-**	**-**	**120,030**	**23,424**	**436,440**	**6,085,062**	**-**	**-**	**6,664,956**	**6,507,455**
	Net Book Value	**6,556**	**-**	**260,208**	**79,170**	**1,256,433**	**3,562,457**	**-**	**-**	**5,164,824**	**4,683,884**

Municipality of **RM of Kelvington No. 366**

Schedule 7: Schedule of Tangible Capital Assets by Function

As at December 31, 2025

		2025								2024
		General Government	**Protective Services**	**Transportation Services**	**Environmental & Public Health**	**Planning & Development**	**Recreation & Culture**	**Water & Sewer**	**Total**	Total
Assets	**Asset cost**									
	Opening Asset costs	154,170	-	11,037,167	2	-	-	-	11,191,339	10,755,034
	Additions during the year	3,273	-	1,083,260	-	-	-	-	1,086,533	466,150
	Disposals and write-downs during the year	-	-	(446,047)	-	-	-	-	(446,047)	(29,845)
	Closing Asset Costs	**157,443**	**-**	**11,674,380**	**2**	**-**	**-**	**-**	**11,831,825**	**11,191,339**
Amortization	**Accumulated Amortization Cost**									
	Opening Accumulated Amortization Costs	88,971	-	6,418,484	-	-	-	-	6,507,455	6,164,683
	Add: Amortization taken	9,149	-	337,904	-	-	-	-	347,053	372,617
	Less: Accumulated amortization on disposals	-	-	(187,507)	-	-	-	-	(187,507)	(29,845)
	Closing Accumulated Amortization Costs	**98,120**	**-**	**6,568,881**	**-**	**-**	**-**	**-**	**6,667,001**	**6,507,455**
	Net Book Value	**59,323**	**-**	**5,105,499**	**2**	**-**	**-**	**-**	**5,164,824**	**4,683,884**

Municipality of **RM of Kelvington No. 366**

Schedule 8: Schedule of Accumulated Surplus

As at December 31, 2025

		2024	Changes	2025
UNAPPROPRIATED SURPLUS		**1,751,292**	**(33,694)**	**1,717,598**
APPROPRIATED RESERVES				
	Machinery and Equipment	559,387	(62,329)	497,058
	Public Reserve	32,148	-	32,148
	Capital Trust	-	-	-
	Utility	-	-	-
	Other - Fire Suppession, Culverts, Road Construction	367,702	(62,281)	305,421
Total Appropriated		**959,237**	**(124,610)**	**834,627**
NET INVESTMENT IN CAPITAL ASSETS				
	Tangible capital assets **(Schedule 6, 7)**	4,683,884	480,940	5,164,824
	Less: Related debt	-	-	-
Net Investment in Capital Assets		**4,683,884**	**480,940**	**5,164,824**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)		**7,394,413**	**322,636**	**7,717,049**

Municipality of **RM of Kelvington No. 366**

Schedule 9: Schedule of Mill Rates and Assessments

As at December 31, 2025

Schedule 9

	PROPERTY CLASS						
	Agriculture	**Residential**	**Residential Condominium**	**Seasonal Residential**	**Commercial & Industrial**	**Potash Mine(s)**	**Total**
Taxable Assessment	155,535,900	14,417,105	1,865,600	2,574,365	5,182,875	-	179,575,845
Regional Park Assessment							-
Total Assessment							179,575,845
Mill Rate Factor(s)	1.00	1.00	1.00	1.00	1.80		
Total Base/Minimum Tax (generated for each property class)	12,200	34,950	-	-	-		47,150
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,049,835	120,584	11,534	14,983	62,506		1,259,442

MILL RATES:	**MILLS**
Average Municipal*	7.01
Average School*	1.56
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.70

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority).

Municipality of **RM of Kelvington No. 366**

Schedule 10: Schedule of Council Remuneration

As at December 31, 2025

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	**Maurice Patenaude**	5,075	1,471	6,546
Councillor	Garth Lindgren	4,562	1,397	5,959
Councillor	Miller Hendren	4,919	1,941	6,860
Councillor	Richard Niezgoda	5,437	2,124	7,561
Councillor	Curtis Nerlien	4,122	1,687	5,809
Councillor	Cameron Nygren	2,719	1,108	3,827
Total		**26,834**	**9,728**	**36,562**