
**Annual Financial Statement
And Supporting Schedules**

For The

RM OF CHESTERFIELD #261

For the Year Ended December 31, 2025

Ministry of Government Relations, Government of Saskatchewan

2025-Financial-Statement-Template

December 2025

Notice:

While the Ministry of Government Relations attempts to ensure the accuracy of the information contained within this document, a municipality may wish to obtain advice from a lawyer or auditor in order to ensure the correct steps are taken throughout the financial reporting process. The Ministry of Government Relations and the Government of Saskatchewan do not warrant or make any other representations regarding the use, accuracy, applicability, or reliability of this template.

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Partners

A.R. Bertoia, B.Comm., CPA, CA*
K.L. Blanchette, B.Comm., CPA, CA*
A.E. Bower, BBA, CPA, CA*

117 - 1st Avenue W - PO Box 1507
KINDERSLEY, SK S0L 1S0

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of the RM of Chesterfield

Opinion

We have audited the accompanying financial statements of the RM of Chesterfield, which comprise the statement of financial position as at December 31, 2025, and the statements of operations, statement of changes in net assets (debt) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the RM of Chesterfield 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 RM of Chesterfield'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 RM of Chesterfield or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the RM of Chesterfield's financial reporting process.

Auditor's Responsibilities for the Audit of 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 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 controls.
- 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 RM of Chesterfield'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 RM of Chesterfield'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 RM of Chesterfield 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.

A handwritten signature in black ink, consisting of the letters 'CHBB' in a stylized, cursive font, with a long horizontal flourish underneath.

KINDERSLEY, Saskatchewan

Chartered Professional Accountants

March 18, 2026

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated 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 consolidated 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 consolidated 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.

CHBB, Chartered Professional Accountants, an independent firm of *Chartered Professional Accountants*, is appointed by the Council to audit the consolidated 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.


Councillor/Reeve/Mayor


CFO/Administrator

18-Mar-26

Municipality of R.M. of Chesterfield #261
 Statement 1: Consolidated Statement of Financial Position
 As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	1,950,379	2,746,056
Investments (Note 3)	64,419	69,428
Taxes Receivable - Municipal (Note 4)	480,345	322,226
Other Accounts Receivable (Note 5)	205,939	79,231
Assets Held for Sale (Note 6)	19,326	19,326
Long-Term Receivable (Note 7)	134,878	115,754
Debt Charges Recoverable (Note 8)	-	-
Derivative Assets <i>[if applicable]</i> (Note 9)	-	-
Other (Specify)	-	-
Total Financial Assets	2,855,286	3,352,021

LIABILITIES		
Bank Indebtedness (Note 10)		
Accounts Payable	86,959	88,113
Accrued Liabilities Payable		
Derivative Liabilities <i>[if applicable]</i> (Note 9)	-	-
Deposits	100	100
Deferred Revenue (Note 11)	3,037	8,610
Asset Retirement Obligation (Note 12)	-	-
Liability for Contaminated Sites (Note 13)		
Infrastructure Liability <i>[if applicable]</i> (Note 27)		
Other Liabilities		
Long-Term Debt (Note 14)	720,847	901,338
Lease Obligations (Note 15)		
Total Liabilities	810,943	998,161

NET FINANCIAL ASSETS (DEBT)	2,044,343	2,353,860
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NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	9,290,194	9,043,017
Intangible Capital Assets <i>[if applicable]</i> (Schedule 8, 9)	-	-
Prepayments and Deferred Charges		
Stock and Supplies	908,824	912,184
Other (Note 16)		
Total Non-Financial Assets	10,199,018	9,955,201

ACCUMULATED SURPLUS (DEFICIT)	12,243,361	12,309,061
Accumulated surplus is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	12,243,361	12,309,061
Accumulated remeasurement gains (losses) (Statement 5)	-	-

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.

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	2,924,600	2,882,423	2,606,522
Other Unconditional Revenue (Schedule 1)	275,819	275,849	257,381
Fees and Charges (Note 28 <i>(if applicable)</i> , Schedule 4, 5)	187,704	226,708	214,607
Conditional Grants (Note 28 <i>(if applicable)</i> , Schedule 4, 5)	123,846	125,426	123,736
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	500	78,929	-
Intangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	88,600	53,163	96,471
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Note 25 <i>(if applicable)</i> , Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	71,965	69,829	71,965
Total Revenues	3,673,034	3,712,327	3,370,682
EXPENSES			
General Government Services (Schedule 3)	577,385	547,398	484,216
Protective Services (Schedule 3)	102,856	110,354	85,970
Transportation Services (Schedule 3)	2,525,024	2,672,498	2,468,352
Environmental and Public Health Services (Schedule 3)	430,700	349,668	188,738
Planning and Development Services (Schedule 3)	4,625	4,517	4,622
Recreation and Cultural Services (Schedule 3)	78,225	75,071	77,029
Utility Services (Schedule 3)	15,900	18,521	10,518
Restructurings (Note 25 <i>(if applicable)</i> , Schedule 3)	-	-	-
Total Expenses	3,734,715	3,778,027	3,319,445
Annual Surplus (Deficit) of Revenues over Expenses	(61,681)	(65,700)	51,237
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	12,309,061	12,309,061	12,257,824
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	12,247,380	12,243,361	12,309,061

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

Municipality of R.M. of Chesterfield #261
Statement 3: Consolidated Statement of Change in Net Financial Assets
As at December 31, 2025

Statement 3

	2025 Budget	2025	2024
Annual Surplus (Deficit) of Revenues over Expenses	(61,681)	(65,700)	51,237
(Acquisition) of tangible capital assets		(842,952)	(1,585,665)
Amortization of tangible capital assets		582,813	477,745
Amortization of intangible capital assets			
Proceeds on disposal of tangible capital assets		91,891	
Loss (gain) on the disposal of tangible capital assets		(78,929)	-
Proceeds on disposal of intangible capital assets		-	-
Loss (gain) on the disposal of intangible capital assets		-	-
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	-	(247,177)	(1,107,920)
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			
Consumption of supplies inventory		3,360	95,634
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	3,360	95,634
Unrealized remeasurement gains (losses)		-	-
Increase/Decrease in Net Financial Assets	(61,681)	(309,517)	(961,049)
Net Financial Assets (Debt) - Beginning of Year	2,353,860	2,353,860	3,314,909
Net Financial Assets (Debt) - End of Year	2,292,179	2,044,343	2,353,860

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

Municipality of R.M. of Chesterfield #261
Statement 4: Consolidated 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	(65,700)	51,237
Amortization of tangible capital assets	582,813	477,745
Amortization of intangible capital assets	-	-
Loss (gain) on disposal of tangible capital assets	(78,929)	-
Loss (gain) on disposal of intangible capital assets	-	-
	438,184	528,982
Change in assets/liabilities		
Taxes Receivable - Municipal	(158,119)	(57,779)
Other Receivables	(145,832)	518,854
Assets Held for Sale	-	927
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(1,154)	44,013
Derivative Liabilities <i>[if applicable]</i>	-	-
Deposits	-	-
Deferred Revenue	(5,573)	6,323
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability <i>[if applicable]</i>	-	-
Other Liabilities	-	-
Stock and Supplies	3,360	95,634
Prepayments and Deferred Charges	-	-
Other (Specify)	-	-
Cash provided by operating transactions	130,866	1,136,954
Capital:		
Acquisition of capital assets	(842,952)	(1,585,665)
Proceeds from the disposal of capital assets	91,891	-
Cash applied to capital transactions	(751,061)	(1,585,665)
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	5,009	(8,937)
Cash provided by (applied to) investing transactions	5,009	(8,937)
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	1,000,960
Long-term debt repaid	(180,491)	(99,622)
Other financing	-	-
Cash provided by (applied to) financing transactions	(180,491)	901,338
Change in Cash and Cash Equivalents	(795,677)	443,690
Cash and Cash Equivalents	2,746,056	2,302,366
Cash and Cash Equivalents - End of Year	1,950,379	2,746,056
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	1,950,379	2,746,056
Less: restricted portion of cash and cash equivalents (Note 2)	-	-
Temporary bank indebtedness	-	-
	1,950,379	2,746,056

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

Municipality of R.M. of Chesterfield #261
Statement 5: Consolidated Statement of Remeasurement Gains and Losses
As at December 31, 2025

Statement 5

	2025	2024
Accumulated remeasurement gains (losses) at the beginning of the year:		
Unrealized gains (losses) attributable to (Note 3):		
Derivatives		
Equity Investments measured at fair value		
Foreign exchange (if applicable)		
	-	-
Amounts reclassified to the Statement of Operations (Note 3):		
Derivatives		
Equity Investments measured at fair value		
Reversal of net remeasurements of portfolio investments		
Foreign exchange (if applicable)		
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains(losses) at end of year	-	-

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. Entities included in these consolidated financial statements are as follows:

Entity

[Local arena board]

[Local swimming pool]

[For any internally restricted entities, provide a general description of the nature of the internal restriction.]

All inter-organizational transactions and balances have been eliminated.

Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These consolidated financial statements contain the following partnerships:

Partnership # 1 (consolidated %) (2021 – consolidated %) -(proportionate consolidation or modified equity method).

Partnership # 1 (consolidated %) (2021 – consolidated %) -(proportionate consolidation or modified equity method).

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hall 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) **Revenue** - Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The RM's sources of revenue include the following:

Tax Revenue and Fees and Charges - Revenues from taxes and fees and charges are recognized in the year they are earned. Revenues from transactions with performance obligations, which are enforceable promises to provide specific goods or services to the specific payor in return for promised consideration, are recognized when (or as) the RM satisfies a performance obligation and control of the benefits associated with the goods and services that have been passed to the payor. For each performance obligation, the RM determines whether the performance obligation is satisfied over a period of time or at a point in time. The RM will need to consider the effects of multiple performance obligations, variable consideration, the existence of significant concessionary terms and non-cash considerations when determining the consideration to be received.

Revenues from transactions with no performance obligations are recognized when the RM has the authority to claim or retain an inflow of economic resources and has identified a past transaction or event that gives rise to an asset. For each transaction with no performance obligation, the RM recognized revenue at its realizable value.

Investment Income - Interest is recognized as revenue when it is earned.

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 fulfil 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
- e) The municipality provides the payor with access to a specific 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

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 10.

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.

[If applicable:

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

- List any financial instruments elected to be measured at fair 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.

[If externally restricted financial instruments exist: When investment income and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as liabilities until the external restrictions are satisfied.]

Long-term debt:

Long-term debt is initially recognized net of premiums, discounts and transaction costs and is measured at amortized cost with interest expense recognized using the effective interest rate method.

Long-term 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:

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash & Cash Equivalents	Cost and amortized cost
Investments	Fair Value
Other Accounts Receivable	Cost and amortized cost
Long term receivable	Amortized cost
Debt Charges Recoverable	Amortized cost
Bank Indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-Term Debt	Amortized cost
Derivative Assets and Liabilities	Fair Value

- 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:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	30 to 75 Yrs
Road Network Assets	30 to 75 Yrs

[If method other than straight line used the method must be separately disclosed]

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.

[List other unrecognized assets, if any].

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 *[amortization method]* 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.

Municipality of R.M. of Chesterfield #261
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- n) **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 assets useful life and recognized as an expense in the Statement of Operations. *[Where a performance obligation is recognized, disclose how revenue is being recognized.]*

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, buildings, 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.

Key estimation techniques used are as follows; *[insert key estimates made including the basis for such]* . {For reference key estimation techniques may include independent market appraisals, relevant past transactions or quotes generated by other bidders}. Key assumptions also include *[insert key assumptions made including the basis for such]* .

[If applicable: If the prescribed discount rates per PS 3160.55-.56 were determined unavailable and an alternative discount rate was used to calculate the finance charge embedded in the financial liability, include an explanation of why the prescribed discount rates were determined to be unavailable : The municipality has utilized a discount rate of [rate] to reflect financing charges that are inherent in existing public private partnerships. The reason that this rate was applied in lieu of the implicit contract rate, weighted cost of capital or [private sector partner]'s cost of capital is [insert reason].]

- o) **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.
- p) **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.
- q) **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

- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of 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.

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.

Include if there are materially significant measurement uncertainties associated with revenues:

The municipality is subject to material uncertainties specifically pertaining to [revenue source]. These estimates along with their corresponding assumptions are monitored for continued accuracy on an ongoing basis. Further details regarding these uncertainties have been detailed as applicable below.

[For each uncertainty the nature must be disclosed in conjunction with any applicable amounts or associated timings. Such uncertainty may pertain to identifying performance obligations, determining the transaction price or difficulties defining when the performance obligations are ultimately satisfied. Ultimately the level of detailed needs to be shaped by the usefulness of the information to the user's interpretation of the financial statements].

Include if there are materially significant measurement uncertainties associated with public private partnerships:

The municipality is subject to material uncertainties specifically pertaining to [infrastructure asset / liability]. These estimates along with their corresponding assumptions are monitored for continued accuracy on an ongoing basis. Further details regarding these uncertainties have been detailed as applicable below.

[For each uncertainty the nature must be disclosed in conjunction with any applicable amounts or associated timings. Such uncertainty may pertain to significant terms of the arrangement such as minimum guarantees, renegotiations, repricing, deductions related to non-performance, etc. Ultimately the level of detailed needs to be shaped by the usefulness of the information to the user's interpretation of the financial statements].

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on *June 10, 2025*.

- u) **Assets Held for Sale:** the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

- v) **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

w) **Loan Guarantees:** The municipality provides loan guarantees for various (describe) 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.

x) *[Only include this section if applicable; otherwise, remove prior to final presentation.]*

Intangible capital assets: Identifiable intangible capital assets are initially recorded at *[insert basis for measurement]*, less accumulated amortization and any accumulated impairment losses. Purchased intangibles are recognized as non-financial assets in the financial statements.

The carrying value of identifiable intangible capital assets with finite lives are amortized over the asset's useful life.

Asset

Useful Life

[List intangible capital asset and useful life]

1. Significant Accounting Policies - continued

y) **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.

Prospective application: During the year, the municipality adopted a new accounting policy with respect to revenue. The municipality now accounts for such transactions *as per Note 1(e)*. Prior to this, the municipality accounted for these transactions in the same manner. The adoption of the revenue accounting policy has had no impact on the municipality's consolidated financial statements.

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

Prospective application: During the year, the municipality adopted a new accounting policy with respect to purchased intangibles. The municipality now accounts for such transactions *as per Note 1(x)*. Prior to this, the municipality accounted for these transactions in the same manner. The adoption of the revenue accounting policy has had no impact on the municipality's consolidated financial statements.

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

Prospective application: During the year, the municipality adopted a new accounting policy with respect to public private partnerships. The municipality now accounts for such transactions *as per Note 1(n)*. Prior to this, the municipality accounted for these transactions in the same manner. The adoption of the revenue accounting policy has had no impact on the municipality's consolidated financial statements.

Municipality of R.M. of Chesterfield #261
Notes to the Consolidated Financial Statements
As at December 31, 2025

2. Cash and Cash Equivalents

	2025	2024
Cash	1950379	2746056
Short-term investments - amortized cost		
Restricted Cash		
Total Cash and Cash Equivalents	1,950,379	2,746,056

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: <i>[List if any; e.g.:]</i>		
Equity instruments quoted in an active market		
Co-op Equity	53875	59193
Derivatives		
Investments carried at amortized cost: <i>[List if any; e.g.:]</i>		
Short-term notes and deposits	10544	10235
Government/government guaranteed bonds		
Total Investments	64,419	69,428

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	48375	67662
Dividends	3413	16631
Realized gains (losses) previously recognized in the statement of remeasurement		
Realized gains (losses) on disposal		
Impairment charges		
Net settlement on derivative financial instruments		
Total investment income	51,788	84,293

Unrealized gains on equity investments carried at fair value of [\$\$ (Prior - \$\$)] have been recognized in the statement of remeasurement gains and losses.

Municipality of R.M. of Chesterfield #261
Notes to the Consolidated Financial Statements
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4. Taxes Receivable - Municipal

	2025	2024
Municipal - Current	332373	269199
- Arrears	147972	53027
- Less Allowance for Uncollectible	480,345	322,226
Total municipal taxes receivable	480,345	322,226
School -Current	100719	94408
-Arrears	49856	21102
Total taxes to be collected on behalf of School Divisions	150,575	115,510
Other		
Total taxes and grants in lieu receivable or to be collected on behalf of other organizatio	630,920	437,736
Deduct taxes to be collected on behalf of other organizations	(150,575)	(115,510)
Total Taxes Receivable - Municipal	480,345	322,226

5. Other Accounts Receivable

Federal Government	182116	59216
Provincial Government		
Local Government	13296	9790
Utility		
Trade	10527	10225
Other (Specify)		
Total Other Accounts Receivable	205,939	79,231
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	205,939	79,231

Municipality of R.M. of Chesterfield #261
Notes to the Consolidated Financial Statements
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6. Assets Held for Sale

	2025	2024
Tax Title Property	19,929	19,929
Allowance for market value adjustment	(603)	(603)
Net Tax Title Property	19,326	19,326
Other Land		
Allowance for market value adjustment		
Net Other Land	-	-
Other (Describe)		
Total Assets Held for Sale	19,326	19,326

7. Long-Term Receivable

	2025	2024
Sask Assoc. of Rural Municipalities - Self Insurance Fund	134878	115754
Other (Specify)		
Total Long-Term Receivables	134,878	115,754

8. Debt Charges Recoverable

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

The municipality has undertaken a project with *[describe nature of project and identify partners]*. The municipality assumed the long-term financing of *[\$ - amount]*; however, *[\$ - amount]* plus interest at *[#] %* is recoverable from *[name of municipality]* with respect to this financing. Amounts are recoverable in annual principal instalments of *[\$]* plus interest, and mature *[date]*.

Future debt charges recoverable are as follows:

Year	Principal	Interest	Total
2026			-
2027			-
2028			-
2029			-
2030			-
Thereafter			-
Balance	-	-	-

9. Financial Instruments - Fair Value Disclosures

	Fair value hierarchy level	2025		2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets carried at fair value <i>[List if any; e.g.:]</i>	Level 1 / 2 / 3				
Equity instruments quoted in an active market					
Co-op equity		53,875.00	53,875.00	59,193.00	59,193.00
Derivative assets					
Total financial assets carried at fair value		53,875.00	53,875.00	59,193.00	59,193.00

	Fair value hierarchy level	2025		2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities carried at fair value <i>[List if any; e.g.:]</i>	Level 1 / 2 / 3				
Derivative liability					
Total financial liabilities carried at fair value		-	-	-	-

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

Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category, as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets / liabilities;
- Level 2 - Inputs other than those in Level 1, that are either directly or indirectly observable for the assets or liabilities; and
- Level 3 - Inputs that are not based on observable market data (unobservable inputs).

Fair value is determined by *[For each group of financial instrument measured at fair value specify the methods and, when a valuation technique is used, the assumptions (e.g.: prepayment rates, rates of estimated credit losses, interest rates, discount rates) applied in determining fair values for each class of financial assets or financial liabilities. If there has been a change in valuation technique, a government discloses that change and the reasons for making it.]*

[If there were no significant transfers during the period, use the following : There were no significant transfers between Fair Value Hierarchy Levels during the period.

[If there were significant transfers between levels include the applicable following sections; any sections not used can be removed for final presentation:]

[Insert the following if there were transfers between Levels 1 and 2 during the period. Remove if not applicable.]

Information on Financial Instruments designated to fair value category levels 1 & 2:

	2025
Significant transfers from level 1 to level 2	-
Significant transfers from level 2 to level 1	-

Transfers from level 1 to level 2 were made because *[describe reason]*.

Transfers from level 2 to level 1 were made because *[describe reason]*.

[Insert the following if there were transfers from/to Level 3 during the period. Remove if not applicable.]

Reconciliation of level 3 fair value financial instruments

	2025	2024
Opening balance	-	-
Remeasurement gains (losses) for the period	-	-
Purchases	-	-
Sales	-	-
Transfers to level 3 from <i>[level 1 or 2]</i>	-	-
Transfers from level 3 from <i>[level 1 or 2]</i>	-	-
Closing balance	-	-

Transfers to level 3 to level *[1 or 2]* were made because *[describe reason]*.

Transfers from level 3 to level *[1 or 2]* were made because *[describe reason]*.

Municipality of R.M. of Chesterfield #261
Notes to the Consolidated Financial Statements
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10. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to [\$] ([prior year] - [\$]) and bearing interest at prime plus [# %]. Assets pledged as collateral are [describe assets].

Credit Arrangements

[Disclosure appropriate where lines of credit have been authorized, but no amount is drawn at the financial statement date]

At [date], the Municipality had lines of credit totaling [\$], none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Hypothecation of certain preferred shares (market value at [date] of [\$]).

11. Deferred Revenue

	2024	Restricted Inflows	Revenue Earned	2025
<i>[Identify deferred revenue (example MEEP, CCBF, Revenue Sharing)]</i>				
Prepaid taxes	8610		-5573	3037
Total Deferred Revenue	8,610	-	(5,573)	3,037

12. Asset Retirement Obligation

	2025	2024
Balance, beginning of the year	\$ -	\$ -
Liabilities incurred		
Liabilities settled		
Accretion expense	-	-
Changes in estimated cash flows		
Estimated total liability	-	-

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 reported liability is based on estimates and assumptions with respect to events extending over a *[# of years]*-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is *[%]* – *[#]* cubic metres (*prior year* - *%* - *[#]* cubic metres) of its total estimated capacity of *[#]* cubic metres and its estimated remaining life is *[#]* years (*prior year* – *[#]* years). The period for post-closure care is estimated to be *[#]* years (*prior year* – *[#]*).

The unfunded liability for the landfill will be paid for *[explain how will be financed]*.

Asbestos

[If applicable] The municipality owns a *[asset]* which contains asbestos, and therefore, the municipality is legally required to perform abatement activities upon renovation or demolition of this asset. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. Undiscounted future cash flows expected are an abatement cost in *[year]* of *[\$value]*. The estimated total liability of *[\$amount]* (Prior year 20X2- *[\$amount]*) is based on the sum of discounted future cash flows for abatement activities using a discount rate of *[rate]*% and assuming annual inflation of *[rate]*%. The municipality has (not) designated *funds* for settling the abatement activities.

[Note: the below will need to be completed for significant ARO's that are not included above]

On *[date]*, the municipality *[completed construction of /acquired]* an *[asset name]* that has an estimated useful life of *[number]* years. The municipality is legally required to *[description of the obligation]* at *[the end of its useful life/other applicable time]*. The *[asset/asset category]* is amortized over this period using the *[amortization method]*. In accordance with PS 3280, Asset Retirement Obligations, the municipality recognized the an Asset Retirement Obligation in the amount of *[dollar value, initially discounted future value of the estimated remediation amount]*. This balance was derived from an estimated undiscounted future remediation expenditure of *[amount]*, expected to be incurred in *[number]* of years. The associated discount rate applied was *[number]*%. *[If applicable, revisions to prior estimates associated with AROs should also be disclosed- including the nature, rationale and impact on net income]*. The above table describes all changes to the aforementioned ARO liability.

[In extenuating circumstances only, how any requirements for financial assurance and funding associated with asset retirement obligations, if legally required, are being met must also be disclosed]

[In some circumstances, recoveries may also be applicable. If this is the case, a disclosure of both the nature and amount should be made]

[In extenuating circumstances only:

As of 31 December 20XX, the municipality is not able to reasonably estimate the ARO for *[the tangible capital asset]*, because of *[reasons]*. This obligation is *[either disclosed or accrued as liability]* in accordance with PS 3200, Liabilities. *[Any other information related to the liability that would contribute to the user's overall understanding of the matter should also be included].*

Municipality of R.M. of Chesterfield #261
 Notes to the Consolidated Financial Statements
 As at December 31, 2025

13. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of [\$] ([prior year] - [\$]) for remediation of [name of the contaminated sites] using [name of the valuation method]. The nature of the liability is [description of the nature of the liability including the event of transaction creating the liability]. The assumptions used in estimating the liability include [descriptions of assumptions and measurement basis used]. The amount of estimated recoveries is [\$] ([prior year] - [\$]).

[Note: additional disclosure is required of the estimated total undiscounted expenditures and discount rate (when a net present value technique is used), as well as the reason for not recognizing a liability, if appropriate.]

14. Long-Term Debt

a) The debt limit of the municipality is \$3,018,396. 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)).

Debenture debt is repayable at [describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2026			-	
2027			-	
2028			-	
2029			-	
2030			-	
Thereafter			-	
Balance	-	-	-	-

Loan repayable to CAT Finning at an interest rate of 6.99%, repayable over 5 years in monthly payments of \$19,815.49. The loan is secured by the CAT scraper asset purchased.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2026	193521	44265	237,786	180492
2027	207490	30296	237,786	193521
2028	222467	15319	237,786	207490
2029	97369	1708	99,077	222467
2030			-	97368
Thereafter			-	
Balance	720,847	91,588	812,435	901,338

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15. Lease Obligations

[Description of capital leases including interest rates, expiry dates and significant conditions of the lease agreements]

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2026	-
2027	-
2028	-
2029	-
2030	-
Thereafter	-
Total future minimum lease payments	
Amounts representing interest at a weighted average rate of _____ %	
Capital Lease Liability	

The gross amount of leased tangible capital assets is *[\$_____]* and related accumulated amortization is *[\$_____]*.

Amount of amortization included in determination of operating results is *[\$_____]*.

The interest expense related to lease liabilities is *[\$_____]*.

16. Other Non-financial Assets

	2025	2024
<i>[List if any]</i>		

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.

The municipality is also contingently liable for the following:

[List if any]

Use one of the following if applicable-

The municipality has *[describe event]*. The outcome of these actions is likely to *[describe occurrence of the confirming future event]*, but the possible amount claimed cannot be reasonably estimated and accordingly, no provision has been made in these consolidated financial statements for any liability that may result. The municipality's share of settlement, if any, will be charged to expenses in the year in which the amount can be reasonably estimated.

or

The municipality has *[describe event]*. The outcome of these actions is likely to *[describe occurrence of the confirming future event]*, and a provision of *[\$_____]* has been made, but an amount in excess of this provision may need to be recorded in the future. *[Specify amount and range if applicable].*

or

The municipality has *[describe event]*. The outcome of these actions is not determinable as at the date of reporting and accordingly, no provision has been made in these consolidated financial statements for any liability that may result. If the outcome of these actions becomes likely to *[describe occurrence of the confirming future event]*, *[and the amount can be reasonably estimated (if not already the case),]* the municipality's share of settlement, if any, will be charged to expenses in that year.

Use one of the following if applicable-

The amount in question can be reliably estimated as *[Specify amount and range]*. The basis for the estimate is *[describe basis]*.

or

The reason for non-disclosure of an estimate is *[explain reason]*.

Municipality of R.M. of Chesterfield #261
Notes to the Consolidated Financial Statements
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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 \$99,425. 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. *[Description of contribution formulae.]*

Total current service contributions by the municipality to the MEPP in 2025 were \$140,482 (2024 - \$130,255).

Total current service contributions by the employees of the municipality to the MEPP in 2025 were \$99,425 (2024 - \$92,319).

At December 31, 2025, the MEPP disclosed an actuarial deficiency/surplus of *[\$]*.

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

Defined Contribution Plans: The municipality's *[specify applicable employee groups]* participate in a defined contribution pension plan. The municipality's contributions to the plan are expensed when due.

[General description of benefit plans, contribution formulae, and funding policy.]

[Description of significant changes to benefit plans during the period.]

19. Comparative Figures

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

20. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

[Description of Trust i.e. Cemetery]

	Current Year Total	Prior Year Total
Balance - Beginning of Year		
Revenue <i>(Specify)</i>		
Interest revenue		
Expenditure <i>(Specify)</i>		
Balance - End of Year	-	-

Municipality of R.M. of Chesterfield #261
 Notes to the Consolidated Financial Statements
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21. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to *[list related parties]* under the common control of the Council.

[Select one of the following as applicable:]

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

or

[If there are non-arm's length transactions recognized by the municipality at an amount other than normal trade terms during the year use the disclosure below.]

Certain transactions with the following related parties were settled at an amount other than normal trade terms.

[For each related party transaction describe:

- Adequate information about the nature of the relationship with the related parties involved in related party transactions;
 - The type and amount of related party transaction that have been recognized by financial statement category;
 - The basis of measurement used;
 - The amount of outstanding balances and the terms and conditions attached to them;
 - Contractual obligations and/or contingent liabilities with related parties separate from other contractual obligations and contingent liabilities;
 - The types of related party transactions that have occurred for which no amount has been recognized.
- Items of a similar nature should be disclosed in aggregate.]*

22. Contingent Assets

The municipality has the following contingent asset(s) for which the probability of *[future event that would result in the asset(s)]* occurring is likely, resulting in *[describe the nature of the contingent asset]* where the estimated or known assets are, or exceed *[\$]* at December 31 *[current year]* *[[prior year : \$]*. The future receipt of these assets is dependent on *[describe nature of future event that will confirm existence of asset]*. *[When the disclosed amount is based on an estimate, explain basis of estimation].*

Contingent assets are not recorded in the financial statements.

(or, in cases where the extent cannot be measured or when disclosure of the extent would have an adverse effect on the outcome, consider the following)

The municipality has the following contingent asset(s) for which the probability of *[future event that would result in the asset(s)]* occurring is likely, resulting in *[describe the nature of the contingent asset]*. The future receipt of these assets is dependent on *[describe nature of future event that will confirm existence of asset]*. *[Describe the reason for non-disclosure of the extent of the contingent asset].*

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. Significant contractual rights of the municipality are as follows:

Contractual Rights Type	Describe Nature Time and Extent	2025	2026	2027	2028	2029	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
<i>[i.e. future lease revenue]</i>		<i>[\$]</i>	<i>[\$]</i>	<i>[\$]</i>	<i>[\$]</i>	<i>[\$]</i>	<i>[\$]</i>	<i>[\$]</i>	-	<i>[\$]</i>
Contractual Rights 1									-	
Contractual Rights 2									-	
Contractual Rights 3									-	
<i>[Other Specify]</i>									-	
Total		-	-	-	-	-	-	-	-	-

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 *[identify those that apply]*. 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
<i>[i.e. future lease payments]</i>		[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	\$ -	[\$]
Contractual Rights 1									-	
Contractual Rights 2									-	
Contractual Rights 3									-	
<i>[Other Specify]</i>									-	
Total		-	-	-	-	-	-	-	-	-

¹ See Note 15 for Capital Lease obligations.

25. Restructuring Transactions

[Select one of the following if applicable:]

On *[insert restructuring date]*, the *[Town/City/Village of XXX]* received the transfer of *[insert brief description of assets (and liabilities)]* and the responsibility for the ongoing operation of the asset(s) from *[insert transferring organization's name]*. The transfer was due to *[brief description of why the restructuring transaction occurred]*.

The assets *[and liabilities]* have been recorded as *[e.g., tangible capital assets, A/R etc.]*, at the *[insert transferring organization's name]* carrying value at the time of the transfer, totaling \$XX. This amount has been recorded as revenue *[expense]* during the year. Under the transfer, the *[Town/City/Village of XXX]* also assumed responsibility for *[contingent liabilities (describe) and/or contractual obligations (describe) if applicable]*.

The *[Town/City/Village of XXX]* also received compensation of \$XX for *[outline the purpose -what it is for – if applicable]*.

The *[Town/City/Village of XXX]* incurred \$XX in restructuring costs related to *[brief description of the cause of the costs incurred if significant e.g., legal, accounting, professional services – if applicable]*.

From the date of transfer to December 31, 2025, revenues and expenses related to the operation of the assets were as follows: revenue of \$XX; salaries of \$XX; goods and services of \$XX; amortization of \$XX; and debt service \$XX.

or

On *[insert restructuring date here]*, the *[Town/City/Village of XXX]* transferred *[insert brief description of assets (and liabilities)]* and the responsibility for the ongoing operation of the asset(s) to *[insert receiving organization's name]*. *[Contingent liabilities (describe) and/or contractual obligations (describe) if applicable] are also transferred to [insert receiving organization's name]*.

The transfer was due to *[brief description of why the restructuring transaction occurred]*.

The carrying amount of the assets *[and liabilities]* transferred of \$XX is recorded as an expense *[revenue]* during the year.

The *[Town/City/Village of XXX]* also provided compensation of \$XX for *[outline the purpose -what it is for – if applicable]*.

The *[Town/City/Village of XXX]* incurred \$XX in restructuring costs related to *[brief description of the cause of the costs incurred if significant e.g., legal, accounting, professional services – if applicable]*.

26. Risk Management

Through its financial assets and liabilities, the municipality is exposed to various risks *[include applicable sections below]*.

[If section is not applicable: It is managements opinion that the municipality is not exposed to significant [credit / interest / exchange / 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 *[financial statement line items impacted, how this risk is mitigated and any changes in exposure to the risk from prior period]*.

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

	2025
<i>Taxes receivable - municipal</i>	480,345.00
<i>Other accounts receivable</i>	205,939.00
Maximum credit risk exposure	686,284

The municipality has mitigated its exposure to credit risk on financial instruments through *[description of collateral or other means to reduce credit risk by each class of financial instruments]*. At December 31 the municipality held *[description of collateral received]* with a carrying value of *[insert \$]*. *[insert policy for disposing of collateral assets if the items held are not readily converted to cash.]*

At December 31 the following *[insert financial asset category]* were past due but not impaired:

	30 days	60 days	90 days	Over 120
<i>Taxes receivable - municipal</i>	332,373.00			147,972.00
<i>Other accounts receivable</i>	205,939.00			
Net total	538,312	-	-	147,972

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. The financial instruments that potentially subject the municipality to liquidity risk consist of *[financial statement line items impacted and how this risk is mitigated and any changes in exposure to the risk from prior period]*.

The following table outlines the maturity analysis of certain non-derivative and derivative financial liabilities as at December 31:

	Total	2025	2026	2027	Post 2027
<i>Accounts payable</i>	86959		86959		
<i>[Financial liability - e.g.: derivative]</i>					
	86,959	-	86,959	-	-

As at December 31, 2025

26. Risk Management continued

Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of *[financial statement line items impacted, how this risk is mitigated and any changes in exposure to the risk from prior period]*.

The municipality obtained a loan from CAT Finning in 2024 with an interest rate of 6.99%. Since 2022, with significant inflation occurred, Bank of Canada has increased the prime rate from 2.70% to *[current prime rate, 5.45% as of September 2022]*. This change has result in an increase on interest payable on *[the loan] by [amount]* from 31 December 2022 to 31 December 2023, which may also increase the deficiency.

To mitigate this interest rate risk, *[the municipality]* entered into *[a forward rate agreement or future contract]* with *[the bank]* on terms of *[contract terms]*. The income earns from the *[forward/futures contract]* will offset the increase on the interest payable.

[Disclose the purpose for each class of derivatives held by the entity; including how derivatives support managing the nature and extent of interest rate risk].

Sensitivity Analysis of Interest Rate Changes:

	2025	
	1% increase in interest rate	1% decrease in interest rate
Increase (decrease to operating surplus (deficit))		
Increase (decrease to remeasurement gains (losses))		

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. *[Disclose reference to purchases in US Dollars that result in exposure to currency risk and how this risk is mitigated]*.

[Disclose the purpose for each class of derivatives held by the entity; including how derivatives support managing the nature and extent of currency risk].

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity investments. The financial instruments that potentially subject the municipality to other price risk consist of *[financial statement line items impacted and how this risk is mitigated and any changes in exposure to the risk from prior period]*.

As at December 31, 2025

27. Public Private Partnerships:

[Only applicable if the municipality has entered into a P3 Partnership]

The [municipality] has entered into a public private partnership with [consider name of party]. Significant terms of the agreement are as follows; [insert details about the agreement to the extent that they detail the amount, timing and uncertainties associated with future cashflows]. Under this agreement key rights and obligations of the municipality are [detail the rights and obligations of the municipality under the agreement]. Key rights and obligations of [private organization name] are [detail the rights and obligations of the private sector party under the agreement].

An asset has been recognized on the face of the statements in order to account for the [describe the nature of the asset recognized]. An infrastructure liability has also been reflected in the statements to account for the [describe the nature of the liability recognized]. During the [current reporting period], [detail any changes in the terms of the agreement that occurred during the reporting period].

Required assumptions made pertain to (include as applicable) the basis of recognition, discount rate and [insert others as applicable]. [Insert basis for the underlying assumptions made].

[Disclose any other key components of the agreement such as renewal options, termination options, rights to receive assets, access obligations and rights granted to the partner].

28. Revenue

If applicable, disclose collection uncertainties associated with revenues:

The municipality has entered into a contract with [payor] to [details of contract]. The municipality does not expect to collect payments contractually owed in the amount of \$[amount].

If applicable, disclose significant concessionary terms associated with revenues:

The municipality has entered into a contract with [payor] to [details of contract]. The original amount of the transaction price associated with this contract was \$[amount]. Significant concessionary terms inclusive in this contract are [insert description of concessionary terms].

29. Correction of Prior Period Error

Subsequent to the year ended December 31, 2025, the municipality identified an error in (describe error). Due to this error, the municipality's (describe misstatements that resulted from the error). The prior period comparative amounts have been restated from those previously reported to correct for this error. The correction of this error has impacted the municipality's consolidated financial statements as follows: (describe impact on current and prior period amounts).

30. Subsequent Events

[Describe the nature of the event, and an estimate of the financial effect, or a statement that an estimate cannot be made.]

31. Loan Guarantees

The municipality currently guarantees (describe loan guarantee and policy). The municipality monitors the status of these lines of credit, loans, and the financial position of the organizations. As at December 31, 2025 all loans and lines of credit (are in good standing and no provision has been recorded (2024 – \$nil) or provision of (\$___) has been recorded (2024 – \$). Organizations that have received a guarantee from the municipality also pledged (or not) various assets for security.

In 2025, the municipality provided capital loan guarantees to various organizations amounting to \$_____ (2024 – \$_____). The municipality's guarantees are set to expire between 2026 and 20XX (2024 – 2025 and 20XX).

In 2025, the municipality provided line of credit guarantees that have an aggregate value of \$_____ (2024 – \$_____).

Municipality of R.M. of Chesterfield #261
 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	2,989,100	2,949,023	2,677,727
Abatements and adjustments			
Discount on current year taxes	(125,000)	(138,446)	(131,320)
Net Municipal Taxes	2,864,100	2,810,577	2,546,407
Potash tax share			
Trailer license fees			
Penalties on tax arrears	15,500	24,297	15,548
Special tax levy			
Other (Specify)			
Total Taxes	2,879,600	2,834,874	2,561,955
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	275,819	275,849	257,381
Safe Restart			
Other (Specify)			
Total Unconditional Grants	275,819	275,849	257,381
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas	37,500	40,077	37,095
Central Services			
SaskTel	7,500	7,472	7,472
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
Total Grants in Lieu of Taxes	45,000	47,549	44,567
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	3,200,419	3,158,272	2,863,903

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	500	10,000	
- Sales of supplies	3,950	7,554	2,942
- Other (Specify) Rentals			
Total Fees and Charges	4,450	17,554	2,942
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income	88,600	53,163	96,471
- Commissions			
- Other (Specify)			
Total Other Segmented Revenue	93,050	70,717	99,413
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	93,050	70,717	99,413
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	93,050	70,717	99,413

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire calls	8,250	19,900	5,687
- Donations	2,050	5,181	7,700
- Municipal requisitions	33,754	33,754	33,754
- Investment income	1,925	948	1,582
- Other (Specify)			
Total Fees and Charges	45,979	59,783	48,723
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	45,979	59,783	48,723
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	45,979	59,783	48,723
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	45,979	59,783	48,723

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	60,600	66,585	73,986
- Sales of supplies	16,925	20,603	19,589
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify) Oil permits	47,500	58,578	49,520
Total Fees and Charges	125,025	145,766	143,095
- Tangible capital asset sales - gain (loss)	500	78,929	
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	125,525	224,695	143,095
Conditional Grants			
- RIRG (CTP)	114,946	114,946	114,946
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	114,946	114,946	114,946
Total Operating	240,471	339,641	258,041
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	28,240	26,104	28,240
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)	43,725	43,725	43,725
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	71,965	69,829	71,965
Restructuring Revenue (Specify, if any)			
Total Transportation Services	312,436	409,470	330,006

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	12,250	3,605	19,847
- Other (Specify)			
Total Fees and Charges	12,250	3,605	19,847
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	12,250	3,605	19,847
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other (Specify) Weed and pest control	8,900	10,480	8,790
Total Conditional Grants	8,900	10,480	8,790
Total Operating	21,150	14,085	28,637
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	21,150	14,085	28,637

2025 Budget 2025 2024

PLANNING AND DEVELOPMENT SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development 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			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-

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	-	-	-

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 R.M. of Chesterfield #261
 Schedule 2: Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025

Schedule 2 - 4

	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)			
- IICIP			
- 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	472,615	554,055	506,779

SUMMARY

Total Other Segmented Revenue	276,804	358,800	311,078
Total Conditional Grants	123,846	125,426	123,736
Total Capital Grants and Contributions	71,965	69,829	71,965
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	472,615	554,055	506,779

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	67,600	82,870	84,670
Wages and benefits	174,450	184,903	172,578
Professional/Contractual services	201,064	153,041	135,772
Utilities	10,350	9,282	9,668
Maintenance, materials and supplies	56,200	79,866	45,772
Grants and contributions - operating	1,500	1,814	1,500
- capital			
Amortization of Tangible Capital Assets	34,300	35,622	34,256
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Interest	600		
Allowance for uncollectible	31,321		
Other (Specify)			
General Government Services	577,385	547,398	484,216
Restructuring (Specify, if any)			
Total General Government Services	577,385	547,398	484,216

PROTECTIVE SERVICES

Police protection			
Wages and benefits			
Professional/Contractual services	25,000	25,380	24,787
Utilities			
Maintenance, material and supplies			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify)			
Fire protection			
Wages and benefits			
Professional/Contractual services	18,293	13,185	9,986
Utilities	1,925	1,715	1,916
Maintenance, material and supplies	22,872	15,001	17,743
Grants and contributions - operating	17,000	33,754	16,941
- capital			
Amortization of Tangible Capital Assets	17,766	21,319	14,597
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Protective Services	102,856	110,354	85,970
Restructuring (Specify, if any)			
Total Protective Services	102,856	110,354	85,970

TRANSPORTATION SERVICES

Wages and benefits	1,158,200	1,279,798	1,129,504
Professional/Contractual Services	53,025	68,510	59,265
Utilities	15,950	16,164	15,279
Maintenance, materials, and supplies	675,349	723,229	632,563
Gravel	30,000	5,944	168,506
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets	552,500	521,128	424,148
Amortization of Intangible capital assets			
Interest	40,000	57,725	39,087
Accretion of asset retirement obligation			
Other (Specify)			
Transportation Services	2,525,024	2,672,498	2,468,352
Restructuring (Specify, if any)			
Total Transportation Services	2,525,024	2,672,498	2,468,352

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	48,200	64,632	66,338
Utilities			
Maintenance, materials and supplies	152,500	151,092	15,184
Grants and contributions - operating			
o Waste disposal			
o Public Health	230,000	133,944	107,216
- capital			
o Waste disposal			
o Public Health			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Environmental and Public Health Services	430,700	349,668	188,738
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	430,700	349,668	188,738

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual Services	4,625	4,517	4,622
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Planning and Development Services	4,625	4,517	4,622
Restructuring (Specify, if any)			
Total Planning and Development Services	4,625	4,517	4,622

RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	3,500	3,390	3,348
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	74,725	71,681	73,681
- capital			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	78,225	75,071	77,029
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	78,225	75,071	77,029

Municipality of R.M. of Chesterfield #261
 Schedule 4: Consolidated 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	17,554	59,783	145,766	3,605	-	-	-	226,708
Tangible Capital Asset Sales - Gain	-	-	78,929	-	-	-	-	78,929
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	53,163	-	-	-	-	-	-	53,163
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	114,946	10,480	-	-	-	125,426
- Capital	-	-	69,829	-	-	-	-	69,829
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	70,717	59,783	409,470	14,085	-	-	-	554,055
Expenses (Schedule 3)								
Wages & Benefits	267,773	-	1,279,798	-	-	-	-	1,547,571
Professional/ Contractual Services	153,041	38,565	68,510	64,632	4,517	3,390	-	332,655
Utilities	9,282	1,715	16,164	-	-	-	4,106	31,267
Maintenance Materials and Supplies	79,866	15,001	729,173	151,092	-	-	9,671	984,803
Grants and Contributions	1,814	33,754	-	133,944	-	71,681	-	241,193
Amortization of Tangible Capital Assets	35,622	21,319	521,128	-	-	-	4,744	582,813
Amortization of intangible capital assets	-	-	-	-	-	-	-	-
Interest	-	-	57,725	-	-	-	-	57,725
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	547,398	110,354	2,672,498	349,668	4,517	75,071	18,521	3,778,027
Surplus (Deficit) by Function	(476,681)	(50,571)	(2,263,028)	(335,583)	(4,517)	(75,071)	(18,521)	(3,223,972)
Taxes and other unconditional revenue (Schedule 1)								3,158,272
Net Surplus (Deficit)								(65,700)

Municipality of R.M. of Chesterfield #261
 Schedule 5: Consolidated 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	2,942	48,723	143,095	19,847	-	-	-	214,607
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	96,471	-	-	-	-	-	-	96,471
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	114,946	8,790	-	-	-	123,736
- Capital	-	-	71,965	-	-	-	-	71,965
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	99,413	48,723	330,006	28,637	-	-	-	506,779
Expenses (Schedule 3)								
Wages & Benefits	257,248	-	1,129,504	-	-	-	-	1,386,752
Professional/ Contractual Services	135,772	34,773	59,265	66,338	4,622	3,348	-	304,118
Utilities	9,668	1,916	15,279	-	-	-	4,537	31,400
Maintenance Materials and Supplies	45,772	17,743	801,069	15,184	-	-	1,237	881,005
Grants and Contributions	1,500	16,941	-	107,216	-	73,681	-	199,338
Amortization of Tangible Capital Assets	34,256	14,597	424,148	-	-	-	4,744	477,745
Amortization of Intangible capital assets	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	39,087	-	-	-	-	39,087
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	484,216	85,970	2,468,352	188,738	4,622	77,029	10,518	3,319,445
Surplus (Deficit) by Function	(384,803)	(37,247)	(2,138,346)	(160,101)	(4,622)	(77,029)	(10,518)	(2,812,666)
Taxes and other unconditional revenue (Schedule 1)								2,863,903
Net Surplus (Deficit)								51,237

Municipality of
 Schedule 6: Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2025

Schedule 6

	2025										2024	
	General Assets					Infrastructure Assets			General/ Infrastructure Assets Under Construction	Total	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Public Private Partnerships					
Asset cost												
Opening Asset costs	168,867		1,494,667	984,129	5,497,293	6,416,204					14,561,160	12,975,495
Additions during the year				493,287	349,665						842,952	1,585,665
Disposals and write-downs during the year					(97,209)						(97,209)	
Transfers (from) assets under construction												
Transfer of Capital Assets related to restructuring (Schedule 13)												
Closing Asset Costs	168,867	-	1,494,667	1,477,416	5,749,749	6,416,204	-	-	-	-	15,306,993	14,561,160
Accumulated Amortization Cost												
Opening Accumulated Amortization Costs			310,932	523,384	1,624,678	3,059,149					5,518,143	5,040,398
Add: Amortization taken			27,976	66,212	360,352	128,273					582,813	477,745
Less: Accumulated amortization on disposals					(84,247)						(84,247)	
Transfer of Capital Assets related to restructuring (Schedule 13)												
Closing Accumulated Amortization	-	-	338,908	589,596	1,900,783	3,187,422	-	-	-	-	6,016,709	5,518,143
Net Book Value	168,867	-	1,155,759	887,820	3,848,966	3,228,782	-	-	-	-	9,290,194	9,043,017

- Total contributed/donated assets received in 2025 \$ -
- List of assets recognized at nominal value in 2025 are:
 - Infrastructure Assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
- Amount of interest capitalized in Schedule 6 \$ -

Municipality of R.M. of Chesterfield #261
 Schedule 7: Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2025

Schedule 7

	2025						2024	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Assets								
Asset cost								
Opening Asset costs	1,967,890	489,828	11,948,150	50			155,242	12,975,495
Additions during the year			842,952					1,585,665
Disposals and write-downs during the year			(97,209)					(97,209)
Transfer of Capital Assets related to restructuring (Schedule 13)								-
Closing Asset Costs	1,967,890	489,828	12,693,893	50	-	-	155,242	14,561,160
Amortization								
Accumulated								
Opening Accumulated Amortization Costs	65,222	193,464	5,179,960	50			79,447	5,040,398
Add: Amortization taken	35,622	21,319	521,128				4,744	477,745
Less: Accumulated amortization on disposals			(84,247)					(84,247)
Transfer of Capital Assets related to restructuring (Schedule 13)								-
Closing Accumulated Amortization Costs	100,844	214,783	5,616,841	50	-	-	84,191	5,518,143
Net Book Value	1,867,046	275,045	7,077,052	-	-	-	71,051	9,043,017

Municipality of R.M. of Chesterfield #261
 Schedule 8: Consolidated Schedule of Intangible Capital Assets by Object
 As at December 31, 2025

Schedule 8

	2025					2024
	General Assets	Asset Category TBD	Asset Category TBD	Asset Category TBD	Asset Category TBD	Total
Assets						
Asset cost						
Opening Asset costs	TBD	TBD	TBD	TBD	TBD	Total
Additions during the year						
Disposals and write-downs during the year						
Transfers (from) assets under construction						
Transfer of Intangible Capital Assets related to restructuring (Schedule 13)						
Closing Asset Costs						
Amortization						
Accumulated Amortization Cost						
Opening Accumulated Amortization Costs						Total
Add: Amortization taken						
Less: Accumulated amortization on disposals						
Transfer of Intangible Capital Assets related to restructuring (Schedule 13)						
Closing Accumulated Amortization						
Net Book Value						

- Total contributed/donated assets received in 2025: \$
- List of assets recognized at nominal value in 2025 are:
 - Infrastructure Assets: \$
 - Vehicles: \$
 - Machinery and Equipment: \$
- Amount of interest capitalised in Schedule 8: \$

Municipality of
Schedule 9: Consolidated Schedule of Intangible Capital Assets by Function
 As at December 31, 2025

R.M. of Chesterfield #261

Schedule 9

	2025						2024
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	
Assets							
Asset cost							
Opening Asset costs							
Additions during the year							
Disposals and write-downs during the year							
Transfer of Intangible Capital Assets related to restructuring (Schedule 13)							
Closing Asset Costs	-	-	-	-	-	-	-
Amortization							
Accumulated Amortization Cost							
Opening Accumulated Amortization Costs							
Add: Amortization taken							
Less: Accumulated amortization on disposals							
Transfer of Intangible Capital Assets related to restructuring (Schedule 13)							
Closing Accumulated Amortization Costs	-	-	-	-	-	-	-
Net Book Value	-	-	-	-	-	-	-

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	2,470,391	(311,282)	2,159,109
APPROPRIATED RESERVES			
Machinery and Equipment	14,406	128	14,534
Public Reserve	445,000		445,000
Capital Trust	37,923		37,923
Utility	263,233		263,233
Other (Specify)			-
Total Appropriated	760,562	128	760,690
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of (Name)	8,090	(277)	7,813
Organized Hamlet of (Name)	27,001	(1,446)	25,555
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Total Organized Hamlets	35,091	(1,723)	33,368
NET INVESTMENT IN CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	9,043,017	247,177	9,290,194
Intangible capital assets (Schedule 8, 9)	-	-	-
Less: Related debt			-
Net Investment in Capital Assets	9,043,017	247,177	9,290,194
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	12,309,061	(65,700)	12,243,361

Municipality of
 Schedule 11: Schedule of Mill Rates and Assessments
 As at December 31, 2025

R.M. of Chesterfield #261
 Schedule 11

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	392,853,385	6,735,735			55,995,067		455,584,187
Regional Park Assessment							
Total Assessment							455,584,187
Mill Rate Factor(s)	1.0000	1.3200			6.5000		
Total Base/Minimum Tax (generated for each property class)		2,750					2,750
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	1,512,486	35,261			1,401,276		2,949,023

MILL RATES:

	MILLS
Average Municipal*	6.47
Average School*	1.90
Potash Mill Rate	
Uniform Municipal Mill Rate	6.50

* 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 R.M. of Chesterfield #261
Schedule 12: Schedule of Council Remuneration
As at December 31, 2025

Schedule 12

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve/Mayor	Bill Thomson	-	-	-
Councillor	Peter Mandel	3,750	5,501	9,251
Councillor	Leah Cooper	2,750	6,221	8,971
Councillor	David Booker	5,000	2,840	7,840
Councillor	Alan Busby	3,750	1,274	5,024
Councillor	Clinton Hoffman	6,250	527	6,777
Councillor	Duane Cridland	3,250	1,832	5,082
Councillor	Doug Bredy	2,500	622	3,122
Councillor				-
Councillor				-
Councillor				-
Councillor				-
Councillor				-
Total		27,250	18,817	46,067

2025

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date:	
Cash and Cash Equivalents	-
Investments	-
Taxes Receivable - Municipal	-
Other Accounts Receivable	-
Assets Held for Sale	-
Long-Term-Receivable	-
Debt Charges Recoverable	-
Derivative Assets	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Derivative Liabilities	-
Deposits	-
Deferred Revenue	-
Asset Retirement Obligation	-
Liability for Contaminated Sites	-
Infrastructure Liability	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Intangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	-