RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Auditor's Report

Consolidated Financial Statements

December 31, 2025

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Prairie Rose No. 309:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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.

Jensen Stromberg 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.

Reeve	Administrator

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*
*denotes professional corporation

INDEPENDENT AUDITOR'S REPORT

To the **Reeve** and Council of the **Rural Municipality of Prairie Rose No. 309**

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of the **Rural Municipality of Prairie Rose No. 309**, which comprise the consolidated statement of financial position as at **December 31, 2025** and the consolidated statements of operations, changes in net financial assets, cash flows, and remeasurement gains and losses for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements, present fairly, in all material respects, the financial position of the Rural Municipality as at **December 31, 2025** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Rural Municipality is required to record asset retirement obligations to reflect present liabilities for future expenditures with respect to legal obligations associated with the retirement of tangible capital assets. The Rural Municipality was unable to obtain and provide sufficient appropriate audit evidence regarding the completeness and valuation of these potential liabilities and the required disclosures. Consequently, we were unable to determine whether any adjustments were necessary to the presented amount of liabilities, accumulated surplus (deficit), expenditures, or surplus (deficit) of revenues over expenditures. Our opinion on the financial statements for the period ended December 31, 2024 was modified accordingly

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 Consolidated Financial Statements* section of our report. We are independent of the Rural Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 Rural Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Rural Municipality or cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rural Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Rural Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Rural Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Jensen Stromberg

Saskatoon, Saskatchewan
June 17, 2026

Chartered Professional Accountants

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Statement 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025
with comparative figures for 2024

	2025	2024
ASSETS		
Financial Assets:		
Cash and Cash Equivalents (Note 2)	$ 1,927,302	2,170,667
Investments (Note 3)	2,622,064	2,526,964
Taxes Receivable - Municipal (Note 4)	40,055	25,615
Other Accounts Receivable (Note 5)	147,579	1,985,327
Assets Held for Sale (Note 6)	1,294	2
Long-Term Receivable (Note 7)	93,100	80,541
Debt Charges Recoverable	-	-
Total Financial Assets	4,831,394	6,789,116
LIABILITIES		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	263,401	1,180,189
Accrued Liabilities Payable	-	853,678
Deposits	1,650	1,650
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 9)	81,380	142,653
Lease Obligations	-	-
Total Liabilities	346,431	2,178,170
NET FINANCIAL ASSETS (DEBT)	4,484,963	4,610,946
Non-Financial Assets:		
Tangible Capital Assets (Schedule 6, 7)	25,586,416	25,607,022
Intangible Capital Assets (Schedule 8, 9)	-	-
Prepaid and Deferred Charges	45,524	51,550
Stock and Supplies	9,668	21,401
Total Non-Financial Assets	25,641,608	25,679,973
Accumulated Surplus (Deficit)	$ 30,126,571	30,290,919
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	30,126,571	30,290,919
Accumulated remeasurement gains (Statement 5)	-	-

Contingent Liabilities (Note 10)

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

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Statement 2

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
Revenues:			
Tax Revenue (Schedule 1)	$ 1,572,300	1,582,925	1,523,171
Other Unconditional Revenue (Schedule 1)	247,310	247,340	235,647
Fees and Charges (Schedule 4, 5)	347,460	352,204	896,337
Conditional Grants (Schedule 4, 5)	60,300	63,569	64,867
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	(7,282)	18,943
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	14,950	123,449	114,839
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	34,580	36,886	34,537
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	6,000	645,090	9,447,965
Total Revenues	2,282,900	3,044,181	12,336,306
Expenses:			
General Government Services (Schedule 3)	327,010	343,980	292,641
Protective Services (Schedule 3)	15,800	15,624	14,903
Transportation Services (Schedule 3)	2,047,990	2,776,846	1,862,300
Environmental and Public Health Services (Schedule 3)	62,000	47,351	40,589
Planning and Development Services (Schedule 3)	6,500	8,296	14,604
Recreation and Cultural Services (Schedule 3)	14,260	16,432	14,292
Utility Services (Schedule 3)	-	-	-
Restructurings (Schedule 3)	-	-	-
Total Expenses	2,473,560	3,208,529	2,239,329
Annual Surplus (Deficit) of Revenues over Expenses	(190,660)	(164,348)	10,096,977
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - Beginning of Year	30,290,919	30,290,919	20,193,942
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - End of Year	$ 30,100,259	30,126,571	30,290,919

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

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
Annual Surplus (Deficit) of Revenues over Expenses	$ (190,660)	(164,348)	10,096,977
(Acquisition) of tangible capital assets	(433,280)	(731,674)	10,057,898)
Amortization of tangible capital assets	-	700,479	659,852
Proceeds on disposal of tangible capital assets	-	44,520	180,200
Loss (gain) on disposal of tangible capital assets	-	7,282	(18,943)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	(433,280)	20,607	(9,236,789)
(Acquisition) of supplies inventories	-	(6,086)	-
(Acquisition) of prepaid expenses	-	(7,805)	(46,424)
Consumption of supplies inventories	-	17,819	12,211
Use of prepaid expenses	-	13,830	6,499
Surplus (Deficit) of expenses of other non-financial over expenditures	-	17,758	(27,714)
Unrealized remeasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	(623,940)	(125,983)	832,474
Net Financial Assets (Debt) - Beginning of Year	4,610,946	4,610,946	3,778,472
Net Financial Assets (Debt) - End of Year	$ 3,987,006	4,484,963	4,610,946

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

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Statement 4

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2025
with comparative figures for 2024

Cash provided by (used for) the following activities:	**2025**	**2024**
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	$ (164,348)	10,096,977
Amortization of tangible capital assets	700,479	659,852
Loss (gain) on disposal of tangible capital assets	7,282	(18,943)
	543,413	10,737,886
Change in assets/liabilities		
Taxes Receivable - Municipal	(14,436)	9,730
Other Accounts Receivable	1,858,256	(1,462,018)
Assets Held for Sale	(1,292)	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(1,790,979)	1,778,434
Deposits	-	650
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	11,733	12,211
Prepayments and Deferred Charges	6,025	(39,925)
Other	-	-
Cash provided by (applied to) operating transactions	612,720	11,036,968
Capital:		
Acquisition of tangible capital assets	(731,674)	(10,057,898)
Proceeds from the disposal of tangible capital assets	44,520	180,200
Cash provided by (applied to) capital transactions	(687,154)	(9,877,698)
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	(107,658)	(748,184)
Cash provided by (applied to) investing transactions	(107,658)	(748,184)
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(61,273)	(58,579)
Other financing	-	-
Cash provided by (applied to) financing transactions	(61,273)	(58,579)
Change in Cash and Cash Equivalents	(243,365)	352,507
Cash and Cash Equivalents - Beginning of Year	2,170,667	1,818,160
Cash and Cash Equivalents - End of Year (Note 2)	$ 1,927,302	2,170,667

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

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Statement 5

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2025
with comparative figures for 2024

	2025	2024
Accumulated remeasurement gains (losses) - Beginning of Year	$ -	-
Unrealized gains (losses) attributable to:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Reclassified to the Statement of Operations:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Reversal of net remeasurements of portfolio investments	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses) - End of Year	$ -	-

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

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting
The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Reporting Entity
The consolidated financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

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.

(c) Collection of Funds for Other Authorities
Collection of funds by the Municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 4.

(d) Government Transfers
Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

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

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.
Earned government transfer amounts not received will be recorded as an amount receivable.

(e) Other (Non-Government Transfer) Contributions
Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the Municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are 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)**

(f) Revenue
Revenue from transactions with no performance obligations is recognized as revenue in the period in which the transaction or event occurred that gave rise to the revenue.

Revenue from transactions with related performance obligations is recognized as revenue when the related performance obligation is met. When a single transaction requires the delivery of more than one performance obligation, the revenue recognition criteria are applied to the separately identifiable performance obligations. A performance obligation is considered to be separately identifiable if the product or service delivered has stand-alone value to that customer and the fair value associated with the product or service can be measured reliably. The amount recognized as revenue for each performance obligation is its fair value in relation to the fair value of the contract as a whole.

For each performance obligation, the municipality must ascertain whether the obligation is satisfied over a period of time, or at a point in time. In order to do this, the characteristics of the underlying goods and/or services must be considered in order to determine when the ultimate performance obligations will be satisfied. If any of the below criteria are met, the revenue must be recognized over a period of time; otherwise, corresponding amounts are to be recognized at a point in time:

a) The payor simultaneously receives and consumes the benefits provided by the municipality's performance as they fulfill the performance obligation.
b) The municipality's performance creates or enhances an asset (for example, work in progress) that the payor controls or uses as the asset is created or enhanced
c) The municipality's performance does not create an asset with an alternative use to itself, and the municipality has an enforceable right to payment for performance completed to date
d) The municipality is expected to continually maintain or support the transferred good or service under the terms of the agreement
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 in time, determinants vary but often include percentage completed.

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

(g) Local Improvement Charges
Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Appropriated Reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts designated are described on Schedule 10.

(k) Property Tax Revenue

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

(l) Financial Instruments

Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost or 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 consolidated statement of operations when there is an other than temporary decline in value.

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

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

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

Measurement of Financial Instruments:

The Municipality's financial assets and liabilities are measured as follows:

Cash and Cash Equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Inventories

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

(n) Tangible Capital Assets

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

Asset	Useful Life
General Assets	
Land	Indefinite
Land Improvements	5 to 20 years
Buildings	5 to 10 years
Vehicles and Equipment	
Vehicles	5 to 10 years
Machinery & Equipment	5 to 25 years
Infrastructure Assets	
Water and Sewer	8 to 75 years
Road Network Assets	8 to 40 years

Government Contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

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

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) 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 Consolidated Statement of Financial Position and are initially recognized at cost. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset; and all costs directly attributable to the acquisition, construction, development or betterment of the infrastructure asset. Infrastructure assets are amortized over the asset's useful life and recognized as an expense on the Consolidated Statement of Operations.

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

Key estimation techniques used may include independent market appraisals, relevant past transactions or quotes generated by other bidders.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Asset Retirement Obligation

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

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Municipality to incur costs in relation to a specific tangible capital asset, 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 the present value method.

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

At remediation, the Municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

(q) 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.

The Municipality does not have any contaminated sites.

(r) Employee Benefit Plans

Contributions to the Municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to its contributions.

1. **SIGNIFICANT ACCOUNTING POLICIES (continued)**

(s) Measurement Uncertainty

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

Measurement uncertainty impacts the following financial statement areas:

a) Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.
b) The measurement of materials and supplies are based on estimates of volume and quality.
c) The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available.
d) Amortization is based on the estimated useful lives of tangible capital assets.
e) The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.
f) Measurement of financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

(t) 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 borrowing.

These 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 the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Assets Held for Sale

The Municipality records assets held for sale when 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 consolidated financial statement date.

(v) Loan Guarantees

Loan guarantees provided by the Municipality for various organizations are not consolidated as part of the Municipality's consolidated financial statements. As the guarantees represent potential financial commitments for the Municipality, these amounts are considered contingent liabilities and are 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 annually and in the event that payment by the Municipality is likely to occur, a provision will be recognized in the consolidated financial statements.

2. CASH AND CASH EQUIVALENTS

	2025	2024
Cash	$ 1,927,302	2,170,667
Short-term investments	-	-
Restricted cash	-	-
	$ 1,927,302	2,170,667

Cash and cash equivalents include balances with banks, less outstanding cheques and plus outstanding deposits, and short-term deposits with maturities of three months or less.

3. INVESTMENTS

		2025	2024
Investments carried at fair value:			
Equity investments quoted in an active market	$	-	-
Portfolio investments		-	-
Investments carried at amortized cost:			
Term notes and deposits		2,622,064	2,526,964
Government/government guaranteed bonds		-	-
Total investments	$	2,622,064	2,526,964

Term notes and deposits have effective interest rates of 1.75% to 3.25% (2024: 3.00% - 5.30%) with maturity dates from August 2026 through November 2028.

		2025	2024
Interest	$	123,449	114,839
Dividends		-	-
Realized gains (losses) previously recognized in the statement of remeasurement		-	-
Realized gains (losses) on disposal		-	-
Impairment charges		-	-
Net settlement on derivative financial instruments		-	-
Income from portfolio investments		-	-
	$	123,449	114,839

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

4. TAXES RECEIVABLE - MUNICIPAL

		2025	2024
Municipal:	- Current	$ 32,691	20,319
	- Arrears	7,364	5,296
		40,055	25,615
	Less: Allowance for Uncollectible	-	-
Total municipal taxes receivable		40,055	25,615
School:	- Current	5,586	3,957
	- Arrears	965	781
Total taxes to be collected on behalf of School Divisions		6,551	4,738
Other:	- Current	11,796	348
	- Arrears	-	-
Total other collections receivable		11,796	348
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations		58,402	30,701
Deduct taxes receivable to be collected on behalf of other organizations		(18,347)	(5,086)
Total Taxes Receivable - Municipal		$ 40,055	25,615

5. OTHER ACCOUNTS RECEIVABLE

	2025	2024
Federal Government	$ 16,889	40,612
Provincial Government	64,028	84,641
Local Government	-	-
Utility	-	-
Trade	66,662	1,860,074
Other	-	-
Total Other Accounts Receivable	147,579	1,985,327
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	$ 147,579	1,985,327

6. ASSETS HELD FOR SALE

		2025	2024
Tax Title Property		$ 2,013	720
Less:	- Allowance for market value adjustment	(528)	(528)
	- Due to Other Taxing Authorities	(191)	(190)
Net Tax Title Property		1,294	2
Other Land		-	-
Less:	- Allowance for market value adjustment	-	-
Net Other Land		-	-
Total Assets Held for Sale		$ 1,294	2

7. LONG-TERM RECEIVABLE

	2025	2024
Sask. Assoc. of Rural Municipalities - Self-insurance fund	$ 93,074	80,515
Other long term investments:		
Leroy Co-op shares	1	1
Access Credit Union shares	25	25
Total long term receivables	$ 93,100	80,541

8. BANK INDEBTEDNESS

Credit Arrangements

At December 31, 2025, the Municipality had a line of credit totaling $100,000, none of which was drawn.

9. LONG-TERM DEBT

The authorized debt limit for the Municipality is $1,645,073. The authorized debt limit for a Municipality is the total amount of the Municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the Municipalities Act is approved by the Saskatchewan Municipal Board.

Bank loans:

	2025	2024
Accent Credit Union commercial loan, payable in monthly instalments of $5,536 including principal and interest at 4.50%, maturing March 2027 with a final payment of $6,351. Secured by a 2022 Caterpillar 150 Motor Grader with a net book value of $284,772 (2024 - $325,453).	$ 81,380	142,653

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total
2026	$ 64,086	2,346	66,432
2027	17,294	133	17,427
2028	-	-	-
2029	-	-	-
2030	-	-	-
Thereafter	-	-	-
Balance	$ 81,380	2,479	83,859

10. 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.

11. PENSION PLAN

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Municipality's pension expense in 2025 was $39,384 (2024 - $34,730). The benefits accrued to the Municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Total current service contributions by the Municipality to MEPP in 2025 were $39,384 (2024 - $34,730). Total current service contributions by the employees of the Municipality to MEPP in 2025 were $39,384 (2024 - $34,730).

Based on the latest information available (December 31, 2025 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of $1,636,340,000. This is based on the most recent actuarial valuation, completed December 31, 2024. The Rural Municipality's portion of this is not readily determinable.

12. BUDGET

The Financial Plan (Budget) adopted by Council on June 11, 2025 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus includes amounts budgeted for capital purchases, and transfers to reserves as expenses, as well as transfers from reserves as revenue. As a result, the budget figures presented in the consolidated statements of operations and change in net financial assets include the following adjustments:

		2025
Budget net surplus	$	340
Add: Investment in tangible capital assets		49,000
Transfers to reserves		200,000
Less: Transfer from reserves		(440,000)
Budget surplus per statement of operations	$	(190,660)

13. RISK MANAGEMENT

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

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The Municipality is mainly exposed to credit risk with respect to its cash, investments, and taxes and other accounts receivable. It is management's opinion that the Municipality is not exposed to significant credit risk as its cash and investments are held by financial institutions with high credit ratings, and a significant portion of its taxes and other accounts receivable can be collected through tax enforcement procedures.

Liquidity Risk

Liquidity risk is the risk that the Municipality 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 Municipality is mainly exposed to liquidity risk with respect to its accounts payable and accrued liabilities and long-term debt.

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 risk, and other price 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 investments and long-term debt.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Municipality is not subject to significant currency risk.
- Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the fair value of equity investments. The Municipality is not subject to significant price risk.

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUE

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
TAXES			
General municipal tax levy	$ 1,424,900	1,428,381	1,384,991
Abatements and adjustments	(190)	-	(190)
Discount on current year taxes	-	-	-
Net Municipal Taxes	1,424,710	1,428,381	1,384,801
Potash tax share	144,270	144,284	135,049
Trailer license fees	-	-	-
Penalties on tax arrears	1,560	1,716	1,560
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	1,570,540	1,574,381	1,521,410
UNCONDITIONAL GRANTS			
Revenue Sharing	247,310	247,340	235,647
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	247,310	247,340	235,647
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
Sask Energy Gas	-	-	-
TransGas	680	680	680
Central Services	-	-	-
Sasktel	-	-	-
Other - GIL	1,080	1,029	1,081
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other (University of Saskatchewan)	-	6,835	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	1,760	8,544	1,761
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	$ 1,819,610	1,830,265	1,758,818

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	$ -	-	-
Sales of supplies	2,000	432	3,196
Other (general office services, rentals, tax certificates, permits)	7,460	3,471	9,343
Total Fees and Charges	9,460	3,903	12,539
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income	14,950	123,449	114,839
Commissions	-	-	-
Other (admin costs recovered from Village of Jansen)	33,580	36,016	33,575
Total Other Segmented Revenue	57,990	163,368	160,953
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	57,990	163,368	160,953
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	57,990	163,368	160,953
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	-	-	-

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	$ 1,000	1,500	3,603
Sale of supplies	-	-	-
Road maintenance and restoration agreements	337,000	346,801	880,195
Other	-	-	-
Total Fees and Charges	338,000	348,301	883,798
Tangible capital asset sales - gain (loss)	-	(7,282)	18,943
Other	-	-	-
Total Other Segmented Revenue	338,000	341,019	902,741
Conditional Grants			
RIRG (CTP)	54,300	54,301	54,301
Student Employment	-	-	-
Other (traffic safety grant)	-	3,274	4,384
Total Conditional Grants	54,300	57,575	58,685
Total Operating	392,300	398,594	961,426
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	6,000	12,149	13,010
ICIP	-	-	-
RIRG (CTP, Bridge and Large Culvert, Road Const.)	-	-	-
Provincial Disaster Assistance	-	-	-
Other (BHP road project)	-	632,941	9,434,955
Total Capital	6,000	645,090	9,447,965
Restructuring Revenue	-	-	-
Total Transportation Services	398,300	1,043,684	10,409,391
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (invasive plant, rat, and beaver control)	6,000	5,994	6,182
Total Conditional Grants	6,000	5,994	6,182
Total Operating	6,000	5,994	6,182
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	6,000	5,994	6,182

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	-	-	-

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	$ -	-	-
Sewer	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other (sale of well tokens)	1,000	870	962
Total Other Segmented Revenue	1,000	870	962
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,000	870	962
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Utility Services	1,000	870	962
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	$ 463,290	1,213,916	10,577,488

	2025 Budget	2025 Actual	2024 Actual
SUMMARY			
Total Other Segmented Revenue	$ 396,990	505,257	1,064,656
Total Conditional Grants	60,300	63,569	64,867
Total Capital Grants and Contributions	6,000	645,090	9,447,965
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	$ 463,290	1,213,916	10,577,488

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF EXPENSES BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

		2025 Budget	2025 Actual	2024 Actual
GENERAL GOVERNMENT SERVICES				
Council remuneration and travel		$ 44,000	44,310	36,235
Wages and benefits		161,840	183,910	154,403
Professional/Contractual services		90,850	83,732	78,503
Utilities		11,800	11,208	10,821
Maintenance, materials and supplies		17,220	18,095	11,384
Grants and contributions	-operating	1,300	1,750	1,295
	-capital	-	-	-
Amortization of tangible capital assets		-	975	-
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Allowance for uncollectible		-	-	-
General Government Services		327,010	343,980	292,641
Restructuring		-	-	-
Total General Government Services		327,010	343,980	292,641
PROTECTIVE SERVICES				
Police protection				
Wages and benefits		-	-	-
Professional/Contractual services		12,000	11,812	11,536
Utilities		-	-	-
Maintenance, materials and supplies		-	-	-
Grants and contributions	-operating	-	-	-
	-capital	-	-	-
Amortization of tangible capital assets		-	-	-
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Other		-	-	-
Fire protection				
Wages and benefits		-	-	-
Professional/Contractual services		300	390	-
Utilities		-	-	-
Maintenance, materials and supplies		-	-	-
Grants and contributions	-operating	-	-	-
	-capital	3,500	3,422	3,367
Amortization of tangible capital assets		-	-	-
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Other		-	-	-
Protective Services		15,800	15,624	14,903
Restructuring		-	-	-
Total Protective Services		15,800	15,624	14,903

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF EXPENSES BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

		2025 Budget	**2025 Actual**	**2024 Actual**
TRANSPORTATION SERVICES				
Council remuneration and travel		$ 2,000	1,448	1,146
Wages and benefits		386,240	431,309	350,437
Professional/Contractual services		1,150,500	1,105,927	384,900
Utilities		16,800	17,851	16,435
Maintenance, materials and supplies		248,450	249,256	204,673
Gravel		243,000	270,901	241,152
Grants and contributions	-operating	-	-	-
	-capital	-	-	-
Amortization of tangible capital assets		-	694,755	655,103
Accretion of asset retirement obligation		-	-	-
Interest		-	5,159	7,854
Other (training)		1,000	240	600
Transportation Services		2,047,990	2,776,846	1,862,300
Restructuring		-	-	-
Total Transportation Services		2,047,990	2,776,846	1,862,300
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES				
Wages and benefits		-	-	-
Professional/Contractual services		37,000	22,530	16,321
Utilities		1,000	571	630
Maintenance, materials and supplies		11,000	10,979	11,367
Grants and contributions	-operating			
	Waste disposal	-	-	-
	Public Health	13,000	12,906	11,906
	-capital			
	Waste disposal	-	-	-
	Public Health	-	-	-
Amortization of tangible capital assets		-	365	365
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Other		-	-	-
Environmental and Public Health Services		62,000	47,351	40,589
Restructuring		-	-	-
Total Environmental and Public Health Services		62,000	47,351	40,589
PLANNING AND DEVELOPMENT SERVICES				
Wages and benefits		-	-	191
Professional/Contractual services		6,500	3,912	10,029
Grants and contributions	-operating	-	-	-
	-capital	-	-	-
Amortization of tangible capital assets		-	4,384	4,384
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Other		-	-	-
Planning and Development Services		6,500	8,296	14,604
Restructuring		-	-	-
Total Planning and Development Services		6,500	8,296	14,604

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF EXPENSES BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

		2025 Budget	2025 Actual	2024 Actual
RECREATION AND CULTURAL SERVICES				
Wages and benefits		$ -	-	-
Professional/Contractual services		-	-	-
Utilities		-	-	-
Maintenance, materials and supplies		-	-	-
Grants and contributions	-operating	14,260	16,432	14,292
	-capital	-	-	-
Amortization of tangible capital assets		-	-	-
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Allowance for uncollectible		-	-	-
Other		-	-	-
Recreation and Cultural Services		14,260	16,432	14,292
Restructuring		-	-	-
Total Recreation and Cultural Services		14,260	16,432	14,292
UTILITY SERVICES				
Wages and benefits		-	-	-
Professional/Contractual services		-	-	-
Utilities		-	-	-
Maintenance, materials and supplies		-	-	-
Grants and contributions	-operating	-	-	-
	-capital	-	-	-
Amortization of tangible capital assets		-	-	-
Accretion of asset retirement obligation		-	-	-
Interest		-	-	-
Allowance for uncollectible		-	-	-
Other		-	-	-
Utility Services		-	-	-
Restructuring		-	-	-
Total Utility Services		-	-	-
TOTAL EXPENDITURES BY FUNCTION		$ 2,473,560	3,208,529	2,239,329

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Schedule 4

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2025

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	$ 3,903	-	348,301	-	-	-	-	352,204
Tangible Capital Asset Sales - Gain (Loss)	-	-	(7,282)	-	-	-	-	(7,282)
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income	123,449	-	-	-	-	-	-	123,449
Commissions	-	-	-	-	-	-	-	-
Other Revenues	36,016	-	-	-	-	-	870	36,886
Grants - Conditional	-	-	57,575	5,994	-	-	-	63,569
- Capital	-	-	645,090	-	-	-	-	645,090
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	163,368	-	1,043,684	5,994	-	-	870	1,213,916
Expenses (Schedule 3)								
Wages & Benefits	228,220	-	432,757	-	-	-	-	660,977
Professional/Contractual Services	83,732	12,202	1,105,927	22,530	3,912	-	-	1,228,303
Utilities	11,208	-	17,851	571	-	-	-	29,630
Maintenance, Materials and Supplies	18,095	-	520,157	10,979	-	-	-	549,231
Grants and Contributions	1,750	3,422	-	12,906	-	16,432	-	34,510
Amortization of Tangible Capital Assets	975	-	694,755	365	4,384	-	-	700,479
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Interest	-	-	5,159	-	-	-	-	5,159
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Other	-	-	240	-	-	-	-	240
Restructurings	-	-	-	-	-	-	-	-
Total Expenses	343,980	15,624	2,776,846	47,351	8,296	16,432	-	3,208,529
Surplus (Deficit) by Function	(180,612)	(15,624)	(1,733,162)	(41,357)	(8,296)	(16,432)	870	(1,994,613)
Taxation and other unconditional revenue (Schedule 1)								1,830,265
Net Surplus (Deficit)								$ (164,348)

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

Schedule 5

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2024

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	$ 12,539	-	883,798	-	-	-	-	896,337
Tangible Capital Asset Sales - Gain (Loss)	-	-	18,943	-	-	-	-	18,943
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income	114,839	-	-	-	-	-	-	114,839
Commissions	-	-	-	-	-	-	-	-
Other Revenues	33,575	-	-	-	-	-	962	34,537
Grants - Conditional	-	-	58,685	6,182	-	-	-	64,867
- Capital	-	-	9,447,965	-	-	-	-	9,447,965
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	160,953	-	10,409,391	6,182	-	-	962	10,577,488
Expenses (Schedule 3)								
Wages & Benefits	190,638	-	351,583	-	191	-	-	542,412
Professional/Contractual Services	78,503	11,536	384,900	16,321	10,029	-	-	501,289
Utilities	10,821	-	16,435	630	-	-	-	27,886
Maintenance, Materials and Supplies	11,384	-	445,825	11,367	-	-	-	468,576
Grants and Contributions	1,295	3,367	-	11,906	-	14,292	-	30,860
Amortization of Tangible Capital Assets	-	-	655,103	365	4,384	-	-	659,852
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Interest	-	-	7,854	-	-	-	-	7,854
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Other	-	-	600	-	-	-	-	600
Restructurings	-	-	-	-	-	-	-	-
Total Expenses	292,641	14,903	1,862,300	40,589	14,604	14,292	-	2,239,329
Surplus (Deficit) by Function	(131,688)	(14,903)	8,547,091	(34,407)	(14,604)	(14,292)	962	8,338,159
Taxation and other unconditional revenue (Schedule 1)								1,758,818
Net Surplus (Deficit)								$ 10,096,977

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2025
with comparative figures for 2024

	2025									2024
	General Assets					Infrastructure Assets		General / Infrastructure		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Construction	Total	Total
Asset Costs										
Opening asset costs	$ -	-	958,577	-	2,571,768	20,897,630	-	9,434,955	33,862,930	24,208,174
Additions during the year	-	-	-	-	98,734	10,067,896	-	(9,434,955)	731,675	10,057,898
Disposals and write-downs during the year	-	-	-	-	(81,354)	-	-	-	(81,354)	(403,142
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-	-
Closing Assets Costs	-	-	958,577	-	2,589,148	30,965,526	-	-	34,513,251	33,862,930
Accumulated Amortization Costs										
Opening accumulated amortization costs	-	-	286,904	-	954,275	7,014,729	-	-	8,255,908	7,837,941
Add: Amortization taken	-	-	20,354	-	215,122	465,003	-	-	700,479	659,852
Less: Accumulated amortization on disposals	-	-	-	-	(29,552)	-	-	-	(29,552)	(241,885
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	307,258	-	1,139,845	7,479,732	-	-	8,926,835	8,255,908
Net Book Value	$ -	-	651,319	-	1,449,303	23,485,794	-	-	25,586,416	25,607,022

1. Total contributed/donated assets received in 2025:	$	-
2. List of assets recognized at nominal value in 2025 are:		
-Infrastructure Assets	$	-
-Vehicles	$	-
-Machinery and Equipment	$	-
3. Amount of interest capitalized in 2025:	$	-

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025								2024
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Costs									
Opening asset costs	$ 173,931	-	33,630,579	14,585	43,835	-	-	33,862,930	24,208,174
Additions during the year	-	-	731,675	-	-	-	-	731,675	10,057,898
Disposals and write-downs during the year	-	-	(81,354)	-	-	-	-	(81,354)	(403,142)
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	173,931	-	34,280,900	14,585	43,835	-	-	34,513,251	33,862,930
Accumulated Amortization Costs									
Opening accumulated amortization costs	169,055	-	8,056,192	13,127	17,534	-	-	8,255,908	7,837,941
Add: Amortization taken	975	-	694,755	365	4,384	-	-	700,479	659,852
Less: Accumulated amortization on disposals	-	-	(29,552)	-	-	-	-	(29,552)	(241,885)
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	170,030	-	8,721,395	13,492	21,918	-	-	8,926,835	8,255,908
Net Book Value	$ 3,901	-	25,559,505	1,093	21,917	-	-	25,586,416	25,607,022

Schedule 8

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2025
with comparative figures for 2024

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

1. Total contributed/donated assets received in 2025: $ -
2. List of assets recognized at nominal value in 2025 are: $ -
3. Amount of interest capitalized in 2025: $ -

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

Schedule 9

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

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

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2025

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	$ 2,297,073	(405,015)	1,892,058
APPROPRIATED RESERVES			
Machinery and Equipment	50,000	-	50,000
Public Reserve	247	-	247
Capital Trust	-	-	-
Utility	-	-	-
Other	2,479,230	200,000	2,679,230
Total Appropriated	2,529,477	200,000	2,729,477
NET INVESTMENT IN CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	25,607,022	(20,606)	25,586,416
Intangible capital assets (Schedule 8, 9)	-	-	-
Less: Related debt	(142,653)	61,273	(81,380)
Net Investment in Capital Assets	25,464,369	40,667	25,505,036
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	$ 30,290,919	(164,348)	30,126,571

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2025

	PROPERTY CLASS						
	Agriculture	**Residential**	**Residential Condominium**	**Seasonal Residential**	**Commercial & Industrial**	**Potash Mine(s)**	**Total**
Taxable Assessment	$ 169,444,810	4,779,215	-	43,200	16,069,845	-	190,337,070
Regional Park Assessment							-
Total Assessment							190,337,070
Mill Rate Factor(s)	0.8500	1.0000	1.0000	1.0000	1.8480		
Total Base/Minimum Tax (generated for each property class)	-	-	-	-	-		-
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	$ 1,152,224	38,234	-	346	237,577		1,428,381

MILL RATES:	**MILLS**
Average Municipal*	7.504
Average School*	1.599
Potash Mill Rate	-
Uniform Municipal Mill Rate	8.000

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

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2025

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Darin Pedersen	$ 12,359	2,991	15,350
Councillor	Riley Funk	4,225	277	4,502
Councillor	Marianne Knaus	6,439	761	7,200
Councillor	Dustin Lynch	5,719	570	6,289
Councillor	David Paetsch	7,600	919	8,519
Councillor	Terry Renz	6,424	513	6,937
Councillor	Gary Schriener	4,813	580	5,393
		$ 47,579	6,611	54,190

RURAL MUNICIPALITY OF PRAIRIE ROSE NO. 309

CONSOLIDATED SCHEDULE OF RESTRUCTURING

Year ended December 31, 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	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Deposits	-
Deferred Revenue	-
Asset Retirement Obligation	-
Liability for Contaminated Sites	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	$ -

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS