

RURAL MUNICIPALITY OF LOON LAKE NO. 561
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
December 31, 2023


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.

Pinnacle Business Solutions, 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

CFO

Date:

Pinnacle Business Solutions

Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Rural Municipality of Loon Lake No. 561

Opinion

We have audited the financial statements of Rural Municipality of Loon Lake No. 561 (the "organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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 PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization'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 organization'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 organization 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.

Meadow Lake, Saskatchewan
June 12, 2024

Pinnacle Business Solutions
Chartered Professional Accountants

Rural Municipality of Loon Lake No. 561
Consolidated Statement of Financial Position
As at December 31, 2023

Statement 1

	2023	2022
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	\$ 2,432,458	\$ 1,763,427
Investments (Note 3)	69,188	917,099
Taxes Receivable - Municipal (Note 4)	479,253	372,828
Other Accounts Receivable (Note 5)	36,337	68,165
Assets Held for Sale (Note 6)	5,425	5,425
Long-Term Receivable (Note 7)	76,160	66,931
Debt Charges Recoverable (Note 8)	-	-
Derivative Assets [if applicable] (Note 9)	-	-
Other (Specify)		
Total Financial Assets	\$ 3,098,821	\$ 3,193,875
LIABILITIES		
Bank Indebtedness (Note 10)		
Accounts Payable	\$ 3,569	\$ 6,303
Accrued Liabilities Payable	11,963	14,516
Derivative Liabilities [if applicable] (Note 9)	-	-
Deposits	1,437	1,009
Deferred Revenue (Note 11)	-	-
Asset Retirement Obligation (Note 12)	-	-
Liability for Contaminated Sites (Note 13)		
Other Liabilities		
Long-Term Debt (Note 14)	267,389	117,679
Lease Obligations (Note 15)		
Total Liabilities	\$ 284,358	\$ 139,507
NET FINANCIAL ASSETS (DEBT)	\$ 2,814,463	\$ 3,054,368
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	\$ 4,633,031	\$ 4,501,840
Prepayments and Deferred Charges	1,065	821
Stock and Supplies	640,861	355,231
Other (Note 16)		
Total Non-Financial Assets	\$ 5,274,957	\$ 4,857,892
ACCUMULATED SURPLUS (DEFICIT)	\$ 8,089,420	\$ 7,912,260
Accumulated surplus (deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 8)	\$ 8,089,420	\$ 7,912,260
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.

Rural Municipality of Loon Lake No. 561
 Consolidated Statement of Operations
 As at December 31, 2023

Statement 2

	2023 Budget	2023	2022
REVENUES			
Tax Revenue (Schedule 1)	\$ 2,047,500	\$ 2,135,093	\$ 2,024,294
Other Unconditional Revenue (Schedule 1)	320,000	320,707	285,308
Fees and Charges (Schedule 4, 5)	215,250	225,315	211,097
Conditional Grants (Schedule 4, 5)	69,700	53,767	58,813
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	199,000	(109,073)	38,179
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	40,550	78,557	34,110
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	6,220	3,645	2,923
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	46,830	51,784	30,831
Total Revenues	\$ 2,945,050	\$ 2,759,795	\$ 2,685,555

EXPENSES			
General Government Services (Schedule 3)	\$ 493,540	\$ 477,097	\$ 549,378
Protective Services (Schedule 3)	130,925	125,675	100,990
Transportation Services (Schedule 3)	2,550,950	1,799,180	1,664,983
Environmental and Public Health Services (Schedule 3)	136,500	112,215	109,046
Planning and Development Services (Schedule 3)	19,750	13,686	15,259
Recreation and Cultural Services (Schedule 3)	21,030	20,850	19,434
Utility Services (Schedule 3)	5,850	33,932	43,687
Restructurings (Schedule 3)	-	-	-
Total Expenses	\$ 3,358,545	\$ 2,582,635	\$ 2,502,777

Annual Surplus (Deficit) of Revenues over Expenses	\$ (413,495)	\$ 177,160	\$ 182,778
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Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	7,912,260	7,729,482
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Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	\$ 8,089,420	\$ 7,912,260
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The accompanying notes and schedules are an integral part of these statements.

Rural Municipality of Loon Lake No. 561
 Consolidated Statement of Change in Net Financial Assets
 As at December 31, 2023

Statement 3

	2023 Budget	2023	2022
Annual Surplus (Deficit) of Revenues over Expenses	\$ (413,495)	\$ 177,160	\$ 182,778
(Acquisition) of tangible capital assets		\$ (640,072)	\$ (374,343)
Amortization of tangible capital assets		244,556	256,911
Proceeds on disposal of tangible capital assets		155,251	47,596
Loss (gain) on the disposal of tangible capital assets		109,073	(38,179)
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	-	\$ (131,192)	\$ (108,015)
(Acquisition) of supplies inventories		\$ (285,630)	\$ (76,481)
(Acquisition) of prepaid expense		(243)	
Consumption of supplies inventory			161,411
Use of prepaid expense			161,411
Surplus (Deficit) of expenses of other non-financial over expenditures	-	\$ (285,873)	\$ 84,930
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	(413,495)	(239,905)	159,693
Net Financial Assets (Debt) - Beginning of Year		3,054,368	2,894,675
Net Financial Assets (Debt) - End of Year		\$ 2,814,463	\$ 3,054,368

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

Rural Municipality of Loon Lake No. 561
Consolidated Statement of Cash Flow
As at December 31, 2023

Statement 4

	2023	2022
Cash provided by (used for) the following activities		
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	\$ 177,160	\$ 182,778
Amortization	244,556	247,199
Loss (gain) on disposal of tangible capital assets	109,073	(38,179)
	\$ 530,789	\$ 391,798
Change in assets/liabilities		
Taxes Receivable - Municipal	\$ (106,425)	\$ (97,096)
Other Receivables	31,828	39,154
Assets Held for Sale		
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	(5,287)	(1,685)
Derivative Liabilities <i>[(if applicable)]</i>	-	
Deposits	428	785
Deferred Revenue	-	
Asset Retirement Obligation	-	
Liability for Contaminated Sites	-	
Other Liabilities	-	
Stock and Supplies	(285,630)	(76,481)
Prepayments and Deferred Charges	(244)	161,420
Other (Specify)	-	
Cash provided by operating transactions	\$ 165,459	\$ 417,895
Capital:		
Acquisition of capital assets	\$ (640,072)	\$ (374,343)
Proceeds from the disposal of capital assets	155,251	47,596
Cash applied to capital transactions	\$ (484,821)	\$ (326,747)
Investing:		
Decrease (increase) in restricted cash or cash equivalents		
Proceeds from disposal of investments		\$ 239,828
Decrease (increase) in investments	\$ 838,684	
Cash provided by (applied to) investing transactions	\$ 838,684	\$ 239,828
Financing:		
Debt charges recovered		
Long-term debt issued	296,206	
Long-term debt repaid	(146,497)	(90,410)
Other financing		
Cash provided by (applied to) financing transactions	149,709	(90,410)
Change in Cash and Cash Equivalents during the year	669,031	240,566
Cash and Cash Equivalents - Beginning of Year	1,763,427	1,522,861
Cash and Cash Equivalents - End of Year	\$ 2,432,458	\$ 1,763,427

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
Organized Hamlet of Little Fishing Lake

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:

Loon Lake Fire Department (consolidated 50%) (2022 – consolidated 50%) -proportionate consolidation.

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.
- e) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

1. Significant Accounting Policies - continued

- k) **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/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

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

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

Long-term receivables: 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
Investments	Cost
Other Accounts Receivable	Cost
Long term receivables	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.

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

Asset	Useful Life
General Assets	
Land	Indefinite
Land Improvements	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.

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 lease 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.

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

1. Significant Accounting Policies - continued

- n) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 18.
- o) **Employee Benefit Plans:** Contributions to the municipality's multiemployer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- p) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

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

Measurement uncertainty impacts the following financial statement areas:

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

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

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

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

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.

Measurement financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

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

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

- s) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 13, 2023.

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

1. Significant Accounting Policies - continued

- u) **Asset Retirement Obligation:** Asset Retirement Obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible assets include but are 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.

- v) **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.

- w) **New Standards and Amendments to Standards:
Effective for Fiscal Years Beginning On or After April 1, 2023:**

PS 3160, Public private partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard applies to fiscal years beginning on or after April 1, 2023.

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer. The standard is mandatory for fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted. The standard may be adopted retroactively or prospectively.

PSG-8, Purchased intangibles, provides guidance on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. The standard may be adopted retroactively or prospectively.

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

- x) **New Accounting Policies Adopted During the Year:**

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

These measurements are to be applied prospectively with any difference between the fair value and the prior carrying value being recognized as an adjustment to accumulated remeasurement gains and losses at the beginning of the fiscal year. This standard was adopted in conjunction with PS 1201 - Financial Statement Presentation, PS 2601 - Foreign Currency Translation and PS 3041 - Portfolio Investments.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Information presented for comparative purposes should be restated unless the necessary financial data is not reasonably determinable.

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

2. Cash and Cash Equivalents

	2023	2022
Cash	\$ 2,432,458	\$ 1,763,427
Short-term investments - amortized cost		
Restricted Cash		
Total Cash and Cash Equivalents	\$ 2,432,458	\$ 1,763,427

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

	2023	2022
Investments carried at fair value:		
<i>[List if any; e.g.:]</i>		
Equity instruments quoted in an active market		
Portfolio investments		
Derivatives		
Investments carried at amortized cost:		
Edward Jones GIC		\$ 847,911
CIBC GIC 5.00% Due May 16, 2024	\$ 69,188	69,188
Total investments	\$ 69,188	\$ 917,099

	2023	2022
Investment Income		
Interest	\$ 77,703	\$ 33,879
Dividends	99	103
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		
Total investment income	\$ 77,802	\$ 33,982

4. Taxes Receivable - Municipal

	2023	2022
Municipal - Current	\$ 192,587	\$ 214,232
- Arrears	526,184	398,114
	718,771	612,346
- Less Allowance for Uncollectible	(239,518)	(239,518)
Total municipal taxes receivable	\$ 479,253	\$ 372,828
School - Current	\$ 66,269	\$ 75,544
- Arrears	243,484	199,484
Total taxes to be collected on behalf of School Divisions	\$ 309,753	\$ 275,028
Other	242	750
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	\$ 789,248	\$ 648,606
Deduct taxes to be collected on behalf of other organizations	(309,995)	(275,778)
Total Taxes Receivable - Municipal	\$ 479,253	\$ 372,828

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

5. Other Accounts Receivable	2023	2022
Federal Government	\$ 9,374	\$ 14,018
Provincial Government	3,346	12,085
Local Government		
Utility		
Trade	22,249	34,188
Other (Interest)	1,368	7,874
Total Other Accounts Receivable	\$ 36,337	\$ 68,165
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	\$ 36,337	\$ 68,165

6. Assets Held for Sale	2023	2022
Tax Title Property	\$ 5,425	\$ 5,425
Allowance for market value adjustment		
Net Tax Title Property	\$ 5,425	\$ 5,425
Other Land		
Allowance for market value adjustment		
Net Other Land	-	-
Other (Describe)	-	-
Total Assets Held for Sale	\$ 5,425	\$ 5,425

7. Long-Term Receivable	2023	2022
Meadow Lake Co-op Equity	\$ 100	\$ 100
Sask Association of Rural Municipalities- Properties Insurance Fund	27,691	21,100
Sask Association of Rural Municipalities-Liability Insurance Fund	48,247	45,609
Sask Association of Rural Municipalities - TLE Compensation Fund	122	122
Other (Specify)		
Total Long-Term Receivables	\$ 76,160	\$ 66,931

8. Debt Charges Recoverable	2023	2022
Current debt charges recoverable		
Non-current debt charges recoverable		
Total Debt Charges Recoverable	-	-

The municipality has no debt charges recoverable.

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

9. Financial Instruments - Fair Value Disclosures

	Fair value hierarchy level	2023		2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets carried at fair value	Level 1 / 2 / 3				
<i>[List if any; e.g.:]</i>					
Equity instruments quoted in an active market		-	-	-	-
Portfolio investments		-	-	-	-
Derivative assets		-	-	-	-
Total financial assets carried at fair value		-	-	-	-
		2023		2022	
	Fair value hierarchy level	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities carried at fair value	Level 1 / 2 / 3				
<i>[List if any; e.g.:]</i>					
Derivative liability		-	-	-	-
Total financial liabilities carried at fair value		-	-	-	-

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

Rural Municipality of Loon Lake No. 561

Notes to the Consolidated Financial Statements

As at December 31, 2023

10. Bank Indebtedness

Credit Arrangements

-Includes a corporate credit card with a \$10,000 limit

At December 31, 2023, the Municipality had lines of credit totaling \$200,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Municipality's Municipal Taxes Receivable

11. Deferred Revenue	2022	Externally Restricted Inflows	Revenue Earned	2023
The municipality does not have any deferred revenue.				
Total Deferred Revenue	-			-

12. Asset Retirement Obligation	2023	2022
Balance, beginning of the year	\$ -	\$ -
Liabilities incurred		
Liabilities settled		
Accretion expense	-	-
Changes in estimated cash flows		
Estimated total liability	-	-

Landfill

The municipality does not have a landfill.

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

13. Liability for Contaminated Sites

The municipality does not have any liabilities for contaminated sites.

14. Long-Term Debt

a) The debt limit of the municipality is \$2,144,472. 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)).

Long term debt with Caterpillar Financial Services Ltd. is repayable at \$8,034 per month including interest at 3.60% per annum. The loan is due May 2024. Security on the loan is the 2021 Caterpillar grader (NBV - \$274,231).

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2024	\$ 23,961	\$ 144	\$ 24,105	\$ 117,679
Thereafter			-	
Balance	\$ 23,961	\$ 144	\$ 24,105	\$ 117,679

Long term debt with Caterpillar Financial Services Ltd. is repayable at \$10,912 per month including interest at 7.10% per annum. The loan is due May, 2026. Security on the loan is the 2023 Caterpillar grader (NBV - \$424,147).

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2024	\$ 95,706	\$ 14,209	\$ 109,915	
2025	102,726	7,188	109,914	
2026	44,996	802	45,798	
Thereafter			-	
Balance	\$ 243,428	\$ 22,199	\$ 265,627	\$ -

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

15. Lease Obligations

The municipality has no lease obligations.

16. Other Non-financial Assets

The municipality does not have any other non-financial assets.

17. Contingent Liabilities

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

18. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2023 was \$. The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Total current service contributions by the municipality to the MEPP in 2023 were \$40,445 (2022 - \$33,524). Total current service contributions by the employees of the municipality to the MEPP in 2023 were \$40,445 (2022 - \$33,524).

At December 31, 2023, the MEPP disclosed an actuarial deficiency/surplus of [*\$*]. AT the time these financial statements were approved the report was not available.

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

19. Comparative Figures

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

20. Trusts Administered by the Municipality

The municipality does not administer any trusts.

21. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to *Reeve and councillors* under the common control of the Council.

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

22. Contingent Assets

The municipality does not have any contingent asset(s).

Contingent assets are not recorded in the financial statements.

23. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. The municipality does not have any contractual rights.

24. Contractual Obligations and Commitments

The municipality has does not have any contractual obligations or commitments.

25. Restructuring Transactions

The municipality does not have any restructuring transactions.

Rural Municipality of Loon Lake No. 561
Notes to the Consolidated Financial Statements
As at December 31, 2023

26. Risk Management

Through its financial assets and liabilities, the municipality is exposed to various risks as follows:

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 trade accounts receivable and municipal taxes receivable. This risk is mitigated by an allowance for doubtful accounts and the ability of tax enforcement.

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

	2023
<i>Municipal taxes receivable</i>	\$ 479,253
<i>Trade accounts receivable</i>	22,248
Maximum credit risk exposure	\$ 501,501

The municipality has mitigated its exposure to credit risk on financial instruments through an allowance for doubtful accounts and the ability of tax enforcement.

27. Correction of Prior Period Error

Subsequent to the year ended December 31, 2023, the municipality identified an error of not including the proportionate consolidation of the Loon Lake Fire Department. Due to this error, the municipality's assets, liabilities and accumulated surplus were understated. 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:

Increase in financial assets	\$	95,380
Increase in tangible capital assets		62,470
Increase in liabilities		948
Increase in other non-financial assets		<u>633</u>
Increase in accumulated surplus	\$	<u>157,535</u>

28. Subsequent Events

The municipality has not identified any subsequent events.

29. Loan Guarantees

The municipality does not currently guarantee any loans.

Rural Municipality of Loon Lake No. 561
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2023

Schedule 1

	2023 Budget	2023	2022
TAXES			
General municipal tax levy	\$ 2,013,000	\$ 2,042,223	\$ 1,995,484
Abatements and adjustments	(55,000)	(59,233)	(55,752)
Discount on current year taxes			
Net Municipal Taxes	\$ 1,958,000	\$ 1,988,990	\$ 1,939,732
Potash tax share			
Trailer license fees			
Penalties on tax arrears	71,500	127,700	66,213
Special tax levy			
<i>Other (Specify)</i>			
Total Taxes	\$ 2,029,500	\$ 2,116,690	\$ 2,005,945
UNCONDITIONAL GRANTS			
Revenue Sharing	\$ 313,000	\$ 312,969	\$ 278,350
Little Fishing Lake Organized Hamlet	7,000	7,738	6,958
Safe Restart			
<i>Other (Specify)</i>			
Total Unconditional Grants	\$ 320,000	\$ 320,707	\$ 285,308
GRANTS IN LIEU OF TAXES			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas	\$ 18,000	\$ 9,000	\$ 9,000
Central Services			
SaskTel		5,893	5,851
Fish & Wildlife Development Fund		3,148	3,141
Blue Bell Pasture		362	357
<i>Other (Specify)</i>			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
<i>Other (Specify)</i>			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
<i>Other (Specify)</i>			
Total Grants in Lieu of Taxes	\$ 18,000	\$ 18,403	\$ 18,349
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,367,500	\$ 2,455,800	\$ 2,309,602

Rural Municipality of Loon Lake No. 561
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2023

Schedule 2 - 1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 66,920	\$ 81,398	\$ 87,246
- Sales of supplies	19,080	1,358	1,101
- Other (Specify)			
Total Fees and Charges	\$ 86,000	\$ 82,756	\$ 88,347
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income	40,550	78,557	34,110
- Commissions			
- Other (Land Rent)	6,220	3,645	2,923
Total Other Segmented Revenue	\$ 132,770	\$ 164,958	\$ 125,380
Conditional Grants			
- Student Employment			
- MEEP			
- Other (TSS)	27,500	12,777	14,990
Total Conditional Grants	\$ 27,500	\$ 12,777	\$ 14,990
Total Operating	\$ 160,270	\$ 177,735	\$ 140,370
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	\$ 160,270	\$ 177,735	\$ 140,370

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Fire fees)	\$ 42,500	\$ 60,815	\$ 41,867
Total Fees and Charges	\$ 42,500	\$ 60,815	\$ 41,867
- Tangible capital asset sales - gain (loss)	159,000		83
- Other (Specify)			
Total Other Segmented Revenue	\$ 201,500	\$ 60,815	\$ 41,950
Conditional Grants			
- Student Employment			
- Local government	\$ 13,250	\$ 11,680	\$ 15,750
- MEEP			
- Other (Specify)	2,500	2,500	
Total Conditional Grants	\$ 15,750	\$ 14,180	\$ 15,750
Total Operating	\$ 217,250	\$ 74,995	\$ 57,700
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	\$ 217,250	\$ 74,995	\$ 57,700

Rural Municipality of Loon Lake No. 561
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2023

Schedule 2 - 2

	2023 Budget	2023	2022
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 13,000	\$ 14,815	\$ 13,296
- Sales of supplies	19,000	12,685	20,412
- Road Maintenance and Restoration Agreements	30,000	26,745	16,527
- Frontage			
- Other (Specify)			
Total Fees and Charges	\$ 62,000	\$ 54,245	\$ 50,235
- Tangible capital asset sales - gain (loss)	40,000	(109,073)	38,096
- Other (Specify)			
Total Other Segmented Revenue	\$ 102,000	\$ (54,828)	\$ 88,331
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	\$ 102,000	\$ (54,828)	\$ 88,331
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	46,000	50,954	23,360
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (SGI)	830	830	7,471
Total Capital	46,830	51,784	30,831
Restructuring Revenue (Specify, if any)			
Total Transportation Services	\$ 148,830	\$ (3,044)	\$ 119,162

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	\$ 750	\$ 2,673	\$ 1,053
- Other (Dr. Residence)			427
Total Fees and Charges	\$ 750	\$ 2,673	\$ 1,480
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	\$ 750	\$ 2,673	\$ 1,480
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Multi Material Grant	\$ 13,050	\$ 13,383	\$ 13,428
- Other (Beaver Control and Pest Control)	8,600	8,626	8,644
Total Conditional Grants	\$ 21,650	\$ 22,009	\$ 22,072
Total Operating	\$ 22,400	\$ 24,682	\$ 23,552

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	\$ 22,400	\$ 24,682	\$ 23,552

Rural Municipality of Loon Lake No. 561
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2023

Schedule 2 - 3

	2023 Budget	2023	2022
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges		\$ 7,022	\$ 9,500
- Other (Bldg & Dev permits, Well License)	\$ 24,000	17,804	19,668
Total Fees and Charges	\$ 24,000	\$ 24,826	\$ 29,168
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	\$ 24,000	\$ 24,826	\$ 29,168
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	\$ 24,000	\$ 24,826	\$ 29,168
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	\$ 24,000	\$ 24,826	\$ 29,168

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Donation)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	\$ -	-
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Canada Day Grant & Sask Lotteries)	\$ 4,800	\$ 4,801	\$ 6,001
Total Conditional Grants	\$ 4,800	\$ 4,801	\$ 6,001
Total Operating	\$ 4,800	\$ 4,801	\$ 6,001
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	\$ 4,800	\$ 4,801	\$ 6,001

Rural Municipality of Loon Lake No. 561
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2023

Schedule 2 - 4

	2023 Budget	2023	2022
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water			
- Sewer			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Utility Services	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 577,550	\$ 303,995	\$ 375,953

SUMMARY

Total Other Segmented Revenue	\$ 461,020	\$ 198,444	\$ 286,309
Total Conditional Grants	69,700	53,767	58,813
Total Capital Grants and Contributions	46,830	51,784	30,831
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	\$ 577,550	\$ 303,995	\$ 375,953

Rural Municipality of Loon Lake No. 561
 Total Expenses by Function
 As at December 31, 2023

Schedule 3 - 1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 50,620	\$ 69,115	\$ 46,023
Wages and benefits	248,600	239,609	231,745
Professional/Contractual services	148,200	119,780	151,106
Utilities	11,500	13,649	10,789
Maintenance, materials and supplies	33,620	27,260	26,767
Grants and contributions - operating			
- capital			
Amortization		7,245	7,245
Accretion of asset retirement obligation			
Interest			
Allowance for uncollectible			75,000
Other (Specify)	1,000	439	703
General Government Services	\$ 493,540	\$ 477,097	\$ 549,378
Restructuring (Specify, if any)			
Total General Government Services	\$ 493,540	\$ 477,097	\$ 549,378
PROTECTIVE SERVICES			
Police protection			
Wages and benefits			
Professional/Contractual services	\$ 48,000	\$ 48,066	\$ 44,014
Utilities			
Maintenance, material and supplies			
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify)			
Fire protection			
Wages and benefits	\$ 12,050	\$ 15,191	\$ 11,604
Professional/Contractual services	13,475	13,965	6,007
Utilities	12,250	6,871	11,316
Maintenance, material and supplies	40,150	19,041	22,105
Grants and contributions - operating	5,000	5,000	5,000
- capital			
Amortization		17,541	944
Interest			
Accretion of asset retirement obligation			
Other (specify)			
Protective Services	\$ 130,925	\$ 125,675	\$ 100,990
Restructuring (Specify, if any)			
Total Protective Services	\$ 130,925	\$ 125,675	\$ 100,990
TRANSPORTATION SERVICES			
Wages and benefits	\$ 406,000	\$ 364,931	\$ 364,633
Professional/Contractual Services	231,250	161,367	154,891
Utilities	13,250	10,974	12,446
Maintenance, materials, and supplies	423,450	324,063	360,269
Gravel	900,000	735,338	559,027
Grants and contributions - operating			
- capital			
Amortization	570,000	188,468	207,708
Interest	7,000	14,039	6,009
Accretion of asset retirement obligation			
Other (Specify)			
Transportation Services	\$ 2,550,950	\$ 1,799,180	\$ 1,664,983
Restructuring (Specify, if any)			
Total Transportation Services	\$ 2,550,950	\$ 1,799,180	\$ 1,664,983

Rural Municipality of Loon Lake No. 561
 Total Expenses by Function
 As at December 31, 2023

Schedule 3 - 2

	2023 Budget	2023	2022
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 23,500	\$ 24,822	\$ 22,961
Professional/Contractual services	97,600	76,964	76,958
Utilities	1,200	464	1,120
Maintenance, materials and supplies	10,200	8,643	7,520
Grants and contributions - operating			
o Waste disposal			
o Public Health	4,000	835	
- capital			
o Waste disposal			
o Public Health			
Amortization		487	487
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Environmental and Public Health Services	\$ 136,500	\$ 112,215	\$ 109,046
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	\$ 136,500	\$ 112,215	\$ 109,046

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual Services	\$ 19,750	\$ 13,686	\$ 15,259
Grants and contributions - operating			
- capital			
Amortization			
Interest			
Accretion of Asset Retirement Obligation			
Other (Specify)			
Planning and Development Services	\$ 19,750	\$ 13,686	\$ 15,259
Restructuring (Specify, if any)			
Total Planning and Development Services	\$ 19,750	\$ 13,686	\$ 15,259

RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	\$ 14,730	\$ 15,049	\$ 13,528
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating	6,300	5,801	5,906
- capital			
Amortization			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	\$ 21,030	\$ 20,850	\$ 19,434
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	\$ 21,030	\$ 20,850	\$ 19,434

Rural Municipality of Loon Lake No. 561

Total Expenses by Function

As at December 31, 2023

Schedule 3 - 3

	2023 Budget	2023	2022
UTILITY SERVICES			
Wages and benefits	\$ 50	\$ 33	\$ 23
Professional/Contractual services	5,800	3,084	12,849
Utilities			
Maintenance, materials and supplies			
Grants and contributions - operating			
- capital			
Amortization		30,815	30,815
Interest			
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (Specify)			
Utility Services	\$ 5,850	\$ 33,932	\$ 43,687
Restructuring (Specify, if any)			
Total Utility Services	\$ 5,850	\$ 33,932	\$ 43,687
 TOTAL EXPENSES BY FUNCTION	 \$ 3,358,545	 \$ 2,582,635	 \$ 2,502,777

Rural Municipality of Loon Lake No. 561
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2023

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	\$ 82,756	\$ 60,815	\$ 54,245	\$ 2,673	\$ 24,826	\$ -	\$ -	\$ 225,315
Tangible Capital Asset Sales - Gain	-	-	(109,073)	-	-	-	-	(109,073)
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	78,557	-	-	-	-	-	-	78,557
Commissions	-	-	-	-	-	-	-	-
Other Revenues	3,645	-	-	-	-	-	-	3,645
Grants - Conditional	12,777	14,180	-	22,009	-	4,801	-	53,767
- Capital Restructurings	-	-	51,784	-	-	-	-	51,784
Total Revenues	\$ 177,735	\$ 74,995	\$ (3,044)	\$ 24,682	\$ 24,826	\$ 4,801	\$ -	\$ 303,995
Expenses (Schedule 3)								
Wages & Benefits	\$ 308,724	\$ 15,191	\$ 364,931	\$ 24,822	\$ -	\$ -	\$ 33	\$ 713,701
Professional/ Contractual Services	119,780	62,031	161,367	76,964	13,686	15,049	3,084	451,961
Utilities	13,649	6,871	10,974	464	-	-	-	31,958
Maintenance Materials and Supplies	27,260	19,041	1,059,401	8,643	-	-	-	1,114,345
Grants and Contributions	-	5,000	-	835	-	5,801	-	11,636
Amortization	7,245	17,541	188,468	487	-	-	30,815	244,556
Interest	-	-	14,039	-	-	-	-	14,039
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible Restructurings	-	-	-	-	-	-	-	-
Other	439	-	-	-	-	-	-	439
Total Expenses	\$ 477,097	\$ 125,675	\$ 1,799,180	\$ 112,215	\$ 13,686	\$ 20,850	\$ 33,932	\$ 2,582,635
Surplus (Deficit) by Function	\$ (299,362)	\$ (50,680)	\$ (1,802,224)	\$ (87,533)	\$ 11,140	\$ (16,049)	\$ (33,932)	\$ (2,278,640)
Taxes and other unconditional revenue (Schedule 1)								2,455,800
Net Surplus (Deficit)								\$ 177,160

Rural Municipality of Loon Lake No. 561
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2023

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	\$ 88,347	\$ 41,867	\$ 50,235	\$ 1,480	\$ 29,168	\$ -	\$ -	\$ 211,097
Tangible Capital Asset Sales - Gain	-	83	38,096	-	-	-	-	38,179
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	34,110	-	-	-	-	-	-	34,110
Commissions	-	-	-	-	-	-	-	-
Other Revenues	2,923	-	-	-	-	-	-	2,923
Grants - Conditional	14,990	15,750	-	22,072	-	6,001	-	58,813
- Capital Restructurings	-	-	30,831	-	-	-	-	30,831
Total Revenues	\$ 140,370	\$ 57,700	\$ 119,162	\$ 23,552	\$ 29,168	\$ 6,001	\$ -	\$ 375,953
Expenses (Schedule 3)								
Wages & Benefits	\$ 277,768	\$ 11,604	\$ 364,633	\$ 22,961	\$ -	\$ -	\$ 23	\$ 676,989
Professional/ Contractual Services	151,106	50,021	154,891	76,958	15,259	13,528	12,849	474,612
Utilities	10,789	11,316	12,446	1,120	-	-	-	35,671
Maintenance Materials and Supplies	26,767	22,105	919,296	7,520	-	-	-	975,688
Grants and Contributions	-	5,000	-	-	-	5,906	-	10,906
Amortization	7,245	944	207,708	487	-	-	30,815	247,199
Interest	-	-	6,009	-	-	-	-	6,009
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible Restructurings	75,000	-	-	-	-	-	-	75,000
Other	703	-	-	-	-	-	-	703
Total Expenses	\$ 549,378	\$ 100,990	\$ 1,664,983	\$ 109,046	\$ 15,259	\$ 19,434	\$ 43,687	\$ 2,502,777
Surplus (Deficit) by Function	\$ (409,008)	\$ (43,290)	\$ (1,545,821)	\$ (85,494)	\$ 13,909	\$ (13,433)	\$ (43,687)	\$ (2,126,824)
Taxes and other unconditional revenue (Schedule 1)								2,309,602
Net Surplus (Deficit)								\$ 182,778

Rural Municipality of Loon Lake No. 561
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2023

Schedule 6

	2023						2022		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	General/ Infrastructure Assets Under Construction	Total	Total
Assets									
Asset cost									
Opening Asset costs	\$ 194,520	\$ 7,087	\$ 515,877	\$ 272,255	\$ 1,618,996	\$ 5,844,945		\$ 8,453,680	\$ 8,323,238
Additions during the year		6,583		13,500	503,692	116,298		640,072	374,343
Disposals and write-downs during the year					(369,157)	(53,808)		(422,965)	(84,556)
Transfers (from) assets under construction								-	(159,345)
Transfer of Capital Assets related to restructuring (Schedule 11)									
Closing Asset Costs	\$ 194,520	\$ 13,670	\$ 515,877	\$ 285,755	\$ 1,753,531	\$ 5,907,435	\$ -	\$ 8,670,787	\$ 8,453,680
Amortization									
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs		\$ 7,087	\$ 181,486	\$ 134,058	\$ 556,559	\$ 3,072,652		\$ 3,951,842	\$ 3,774,818
Add: Amortization taken			12,897	23,949	114,304	93,406		244,556	256,911
Less: Accumulated amortization on disposals					(119,182)	(39,459)		(158,642)	(79,889)
Transfer of Capital Assets related to restructuring (Schedule 11)									
Closing Accumulated Amortization	\$ -	\$ 7,087	\$ 194,383	\$ 158,007	\$ 551,681	\$ 3,126,599	\$ -	\$ 4,037,756	\$ 3,951,840
Net Book Value	\$ 194,520	\$ 6,583	\$ 321,494	\$ 127,748	\$ 1,201,850	\$ 2,780,836	\$ -	\$ 4,633,031	\$ 4,501,840
1. Total contributed/donated assets received in 2023									
2. List of assets recognized at nominal value in 2023 are:									
- Infrastructure Assets									
- Vehicles									
- Machinery and Equipment									
3. Amount of interest capitalized in Schedule 6									

Rural Municipality of Loon Lake No. 561
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2023

Schedule 7

2023										2022	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total		
	Assets										
Asset cost											
Opening Asset costs	\$ 263,761	\$ 422,019	\$ 6,043,312	\$ 1,629,153			\$ 95,435	\$ 8,453,680	\$ 8,323,238		
Additions during the year			633,489			6,583		640,072	374,343		
Disposals and write-downs during the year			(422,965)					(422,965)	(243,901)		
Transfer of Capital Assets related to restructuring (Schedule 11)											
Closing Asset Costs	\$ 263,761	\$ 422,019	\$ 6,253,836	\$ 1,629,153	\$ -	\$ 6,583	\$ 95,435	\$ 8,670,787	\$ 8,453,680		
Amortization											
Accumulated											
Opening Accumulated Amortization Costs	\$ 172,154	\$ 109,888	\$ 3,563,257	\$ 14,098			\$ 92,445	\$ 3,951,842	\$ 3,774,818		
Add: Amortization taken	7,245	17,541	188,468	487			30,815	244,556	256,911		
Less: Accumulated amortization on disposals			(158,642)					(158,642)	(79,889)		
Transfer of Capital Assets related to restructuring (Schedule 11)											
Closing Accumulated Amortization Costs	\$ 179,399	\$ 127,429	\$ 3,593,083	\$ 14,585	\$ -	\$ -	\$ 123,260	\$ 4,037,756	\$ 3,951,840		
Net Book Value	\$ 84,362	\$ 294,590	\$ 2,660,753	\$ 1,614,568	\$ -	\$ 6,583	\$ 27,825	\$ 4,633,031	\$ 4,501,840		

Rural Municipality of Loon Lake No. 561
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2023

Schedule 8

	2022	Changes	2023
UNAPPROPRIATED SURPLUS	\$ 2,885,475	\$ (41,851)	\$ 2,843,624
APPROPRIATED RESERVES			
Machinery and Equipment	\$ 96,090	\$ -	\$ 96,090
Public Reserve	12,916	1,022	13,938
Capital Trust	185,000	-	185,000
Utility			-
Building	95,000	150,000	245,000
Other (Specify)	30,500	-	30,500
Total Appropriated	\$ 419,506	\$ 151,022	\$ 570,528
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of Fishing Lake	\$ 223,118	\$ 86,508	\$ 309,626
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Total Organized Hamlets	\$ 223,118	\$ 86,508	\$ 309,626
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	\$ 4,501,840	\$ 131,191	\$ 4,633,031
Less: Related debt	(117,679)	(149,710)	(267,389)
Net Investment in Tangible Capital Assets	\$ 4,384,161	\$ (18,519)	\$ 4,365,642
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	\$ 7,912,260	\$ 177,160	\$ 8,089,420

Rural Municipality of Loon Lake No. 561
 Schedule of Mill Rates and Assessments
 As at December 31, 2023

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 127,959,820	\$ 24,058,308	\$ 193,920	\$ 98,674,965	\$ 6,131,050		\$ 257,018,063
Regional Park Assessment							
Total Assessment							257,018,063
Mill Rate Factor(s)	0.7500	1.0000	1.0000	1.0000	4.0000		
Total Base/Minimum Tax (generated for each property class)	20,625	49,950			53,000		123,575
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 787,558	\$ 237,747	\$ 1,190	\$ 799,266	\$ 216,461		\$ 2,042,223

MILL RATES:

MILLS

Average Municipal*	7.95
Average School*	3.06
Potash Mill Rate	
Uniform Municipal Mill Rate	8.00

* 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 Loon Lake No. 561
 Schedule of Council Remuneration
 As at December 31, 2023

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve	Cardinal, Greg	\$ 6,475	\$ 5,156	\$ 11,631
Councillor	Huber, Grant	3,775	1,980	5,755
Councillor	Jeannotte, Maurice	3,500	2,792	6,292
Councillor	Lantz, Larry	5,325	3,074	8,399
Councillor	Lavoie, O'Neil	4,688	3,193	7,881
Councillor	Preece, Grant	2,250	1,830	4,080
Councillor	Schneider, Rodney J	3,050	2,002	5,052
Councillor LFL	Hauth, Kevin	700	163	863
Councillor LFL	Scheidt, Kevin	500	299	799
Councillor LFL	Scheidt, Lori	900	379	1,279
Total		\$ 31,163	\$ 20,869	\$ 52,031

Rural Municipality of Loon Lake No. 561
 Schedule of Restructuring
 As at December 31, 2023

Schedule 11

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date:	2023
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	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	-