

RURAL MUNICIPALITY OF CUPAR NO. 218
Consolidated Financial Statements
December 31, 2025

INDEX

Pages 1 - 2	Independent Auditors' Report
Page 3	Statement of Consolidated Financial Position
Page 4	Statement of Consolidated Operations
Page 5	Statement of Consolidated Changes in Net Financial Assets
Page 6	Statement of Consolidated Cash Flows
Page 7	Statement of Consolidated Remeasurement Gains and Losses
Pages 8 - 19	Notes to the Consolidated Financial Statements
Page 20	Schedule of Consolidated Taxes and Other Unconditional Revenue
Pages 21 - 24	Schedule of Consolidated Operating and Capital Revenue by Function
Pages 25 - 27	Schedule of Consolidated Total Expenses by Function
Pages 28 - 29	Schedule of Consolidated Segment Disclosure by Function
Page 30	Schedule of Consolidated Tangible Capital Assets by Object
Page 31	Schedule of Consolidated Tangible Capital Assets by Function
Page 32	Schedule of Consolidated Intangible Capital Assets by Object
Page 33	Schedule of Consolidated Intangible Capital Assets by Function
Page 34	Schedule of Consolidated Accumulated Surplus
Page 35	Schedule of Consolidated Mill Rates and Assessments
Page 36	Schedule of Consolidated Council Remuneration

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of 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.

Dudley & Company LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Reeve and Councillors
Rural Municipality of Cupar No. 218

Opinion

We have audited the consolidated financial statements of the **RURAL MUNICIPALITY OF CUPAR NO. 218**, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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.

Independent Auditors' Report (continued)

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 over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.



Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
February 10, 2026

RURAL MUNICIPALITY OF CUPAR NO. 218
Statement of Consolidated Financial Position
As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash & Cash Equivalents (Note 2)	\$ 1,674,651	\$ 1,365,002
Investments	-	-
Taxes Receivable - Municipal (Note 3)	57,737	45,276
Other Accounts Receivable (Note 4)	17,805	86,888
Assets Held for Sale	-	-
Long-Term Receivable (Note 6)	107,341	93,156
Other Long-Term Investments (Note 5)	482	478
Debt Charges Recoverable	-	-
Derivative Assets	-	-

Total Financial Assets	1,858,016	1,591,800
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LIABILITIES

Bank Indebtedness	-	-
Accounts Payable (Note 7)	11,534	30,442
Accrued Liabilities Payable	-	-
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue (Note 8)	2,637	4,193
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Long-Term Debt (Note 9)	-	-
Lease Obligations	-	-

Total Liabilities	14,171	34,635
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NET FINANCIAL ASSETS	1,843,845	1,556,165
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Non-Financial Assets

Tangible Capital Assets (Schedules 6, 7)	4,374,467	4,161,388
Intangible Capital Assets (Schedules 8, 9)	-	-
Prepayment and Deferred Charges	6,242	10,123
Stock and Supplies	170,129	110,145
Other	-	-

Total Non-Financial Assets	4,550,838	4,281,656
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Accumulated Surplus (Deficit) (Schedule 10)	\$ 6,394,683	\$ 5,837,821
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Accumulated surplus (deficit) is comprised of:

Accumulated surplus (deficit) excluding remeasurement gains (losses)	\$ 6,394,683	\$ 5,837,821
Accumulated remeasurement gains (losses) (Statement 5)	\$ -	\$ -

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF CUPAR NO. 218
Statement of Consolidated Operations
For the year ended December 31, 2025

Statement 2

		2025 Budget	2025	2024
Revenues				
Tax Revenue (Schedule 1)		\$ 1,064,480	\$ 1,052,507	\$ 912,087
Other Unconditional Revenue (Schedule 1)		486,760	492,900	461,199
Fees and Charges (Schedule 4, 5)		35,670	47,729	37,980
Conditional Grants (Schedule 4, 5)		91,675	115,744	80,218
Tangible Capital Assets - Gain(Loss) (Schedule 4, 5)		260,000	258,196	12,174
Intangible Capital Assets - Gain(Loss) (Schedule 4, 5)		-	-	-
Land Sales - Gain (Schedule 4, 5)		-	-	-
Investment Income and Commissions (Schedule 4, 5)		47,810	52,592	70,883
Other Revenues (Schedule 4, 5)		50	1,355	5,287
Restructurings (Schedule 4, 5)		-	-	-
Provincial/Federal Capital Grants (Schedule 4, 5)		31,500	32,147	31,884
Total Revenues		2,017,945	2,053,170	1,611,712
Expenses				
General Government Services (Schedule 3)		237,335	212,108	212,835
Protective Services (Schedule 3)		64,260	65,385	63,086
Transportation Services (Schedule 3)		1,517,500	1,120,529	1,411,426
Environmental and Public Health Services (Schedule 3)		74,500	72,664	60,051
Planning and Development Services (Schedule 3)		11,650	8,874	9,674
Recreation and Cultural Services (Schedule 3)		12,700	14,341	10,275
Utility Services (Schedule 3)		2,930	2,407	2,485
Total Expenses		1,920,875	1,496,308	1,769,832
Surplus (Deficit) of Revenues over Expenses		97,070	556,862	(158,120)
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year		5,837,821	5,837,821	5,995,941
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year		\$ 5,934,891	\$ 6,394,683	\$ 5,837,821

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF CUPAR NO. 218
Statement of Consolidated Changes in Net Financial Assets
For the year ended December 31, 2025

Statement 3

	2025 Budget	2025	2024
Annual Surplus (Deficit)	\$ 97,070	\$ 556,862	\$ (158,120)
(Acquisition) of tangible capital assets	(394,000)	(691,728)	(180,439)
(Acquisition) of intangible capital assets	-	-	-
Amortization of tangible capital assets	363,350	316,660	361,858
Amortization of intangible capital assets	-	-	-
Proceeds of disposal of tangible capital assets	284,000	420,185	25,000
Proceeds of disposal of intangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	(260,000)	(258,196)	(12,174)
Loss (gain) on disposal of intangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	(6,650)	(213,079)	194,245
(Acquisition) of supplies inventories	-	(59,984)	-
(Acquisition) of prepaid expense	-	-	(9,672)
(Increase) to other non-financial assets	-	-	-
Consumption of supplies inventory	-	-	37,644
Use of prepaid expense	-	3,881	-
Decrease to other non-financial assets	-	-	-
Surplus (Deficit) of other non-financial expenses over expenditures	-	(56,103)	27,972
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	90,420	287,680	64,097
Net Financial Assets - Beginning of Year	1,556,165	1,556,165	1,492,068
Net Financial Assets - End of Year	\$ 1,646,585	\$ 1,843,845	\$ 1,556,165

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF CUPAR NO. 218
Statement of Consolidated Cash Flows
For the year ended December 31, 2025

Statement 4

	2025	2024
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 556,862	\$ (158,120)
Amortization	316,660	361,858
Loss (gain) on disposal of tangible capital assets	(258,196)	(12,174)
Loss (gain) on disposal of intangible capital assets	-	-
	615,326	191,564
Changes in assets / liabilities		
Taxes Receivable - Municipal	(12,461)	(4,229)
Other Receivables	69,083	(34,436)
Assets Held for Sale	-	-
Long Term Receivable	(14,185)	(8,455)
Accounts and Accrued Liabilities Payable	(18,908)	(4,166)
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue	(1,556)	1,155
Other Liabilities	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Stock and Supplies for Use	(59,984)	37,644
Prepayments and Deferred Charges	3,881	(9,672)
Other Non-Financial Assets	-	-
	581,196	169,405
Capital:		
Cash Used to Acquire Tangible Capital Assets	(691,728)	(180,439)
Proceeds on Sale of Tangible Capital Assets	420,185	25,000
	(271,543)	(155,439)
Investing:		
Proceeds on Disposal (Acquisition) of Investments	(4)	(7)
Other Investments	-	-
	(4)	(7)
Financing:		
Debt Charges Recovered	-	-
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	-	-
Other Financing	-	-
	-	-
Increase (Decrease) in cash resources	309,649	13,959
Cash and Cash Equivalents - Beginning of Year	1,365,002	1,351,043
Cash and Cash Equivalents - End of Year	\$ 1,674,651	\$ 1,365,002

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF CUPAR NO. 218
Statement of Consolidated Remeasurement Gains and Losses
As at December 31, 2025

Statement 5

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

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

1. SUMMARY OF 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 report 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.

A partnership represents a contractual arrangement between the municipality and a party 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 operation of the partnership.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school board, municipal hail, and land 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 either expenses or revenues in the period that the events giving rise to the transfer occur, providing:

- 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 will be recorded as deferred revenue.

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.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(e) Revenue:

Revenue from transactions with performance obligations (such as fees for the provision of services and the sale of goods) which are enforceable promises to provide specific goods or services to the specific payor in return for promised consideration, are recognized when (or as) the municipality satisfies a performance obligation and control of the benefits associated with the goods and services have been passed to the payor. For each performance obligation, the municipality determines whether the performance obligation is satisfied over a period of time (such as the provision of often recurring items like utility or similar services, certain rentals, etc) or at a point in time (such as a non-recurring sale of supplies, custom work orders, etc). The municipality then also considers the effects of multiple performance obligations, variable consideration, the existence of significant concessionary terms and non-cash considerations when determining the consideration to be received.

(f) Deferred Revenue:

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

(g) Local Improvement Charges:

Local improvement projects financed by frontage taxes recognize the taxes as capital revenue in the period the project is undertaken and the prepayments are accepted. Any frontage taxes not prepaid are reported as a long-term asset to be reduced by the principle portion of each annual frontage tax levy.

(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 municipality because they can be used to provide municipal services in future periods. These assets do not normally provide resources to discharge the liabilities of the municipality unless they are sold.

(j) Appropriated Reserves:

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 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. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions from other taxing authorities operate as a flow through and are excluded from municipal revenue.

(l) Investments:

Portfolio investments are valued in accordance with the policy noted on financial instruments, less any provision for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(m) Financial Instruments:

Derivative and equity investments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate methods. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

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

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.

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

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

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

Measurement of Financial Instruments:

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

<u>Financial Statement Line Item</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Investments	Cost
Other accounts receivable	Amortized cost
Long term receivables	Cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost

(n) 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 and net realizable value. Cost is determined by the actual cost. Net realizable value is the estimated selling price in the ordinary course of business.

(o) Assets Held for Sale:

Assets held for sale are recognized as a financial asset when the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset can be publicly seen to be for sale, there is a 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. Assets held for sale that don't meet all of the above criteria are instead recognized as non-financial assets.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(p) Liability for Contaminated Sites:

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic, 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 of 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.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(q) 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; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 to 20 years
Buildings	50 years
Vehicles and Equipment	
Vehicles	5 to 15 years
Machinery and Equipment	5 to 15 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	25 to 40 years
Road Network Assets	15 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 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 a tangible capital asset. 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 lease are amortized on a straight line basis, over their estimated useful lives (or over their lease term if the asset ownership isn't passing, or likely to pass, to the municipality at the end of its 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 CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(r) 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 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 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.

(s) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

(t) Intangible Capital Assets

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

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

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(u) 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 revenues and expenses during the period.

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 stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets Costs" of tangible capital assets have been estimated where actual costs were not available.

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.

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

Measurement financial instruments at the 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.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(v) 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: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment is comprised of items for Police and Fire protection.

Transportation Services: The Transportation Services segment is 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 items relating to public health services in the municipality.

Planning and Development: The Planning and Development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The Recreation and Culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The Utility Services segment provides for delivery of water.

(w) Budget Information:

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 8, 2025.

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

2. Cash and Cash Equivalents	2025	2024
Cash	\$ 220	\$ 220
Chequing accounts	1,561,605	1,364,782
Equipment savings	112,826	-
Total Cash and Cash Equivalents	\$ 1,674,651	\$ 1,365,002

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

3. Taxes Receivable	2025	2024
Municipal - Current	\$ 55,406	\$ 36,726
- Arrears	2,331	8,550
	57,737	45,276
- Less Allowance for Uncollectables	-	-
Total Municipal Taxes Receivable	57,737	45,276

School - Current	17,626	14,715
- Arrears	1,376	2,644
Total School Taxes Receivable	19,002	17,359

Other	45,074	20,987
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Total Taxes Receivable	121,813	83,622
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Deduct taxes to be collected on behalf of other organizations	(64,076)	(38,346)
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4. Other Accounts Receivable	2025	2024
Trade receivables	\$ 3,075	\$ 6,107
Provincial government	-	63,890
GST receivable	13,343	15,652
Local government	455	362
Due from conservation and development	43	23
Accrued interest	889	854
Total Other Accounts Receivable	17,805	86,888

Less Allowance for Uncollectables	-	-
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Net Other Accounts Receivable	\$ 17,805	\$ 86,888
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RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

5. Other Long-Term Investments	2025	2024
Sherwood Coop Equity	\$ 482	\$ 478
Cupar & District Nursing Home Shares	13,246	13,246
Valuation Allowance	(13,246)	(13,246)
Total Other Long-Term Investments	\$ 482	\$ 478

6. Long-Term Receivables	2025	2024
SARM Liability Insurance	\$ 77,803	\$ 69,269
SARM Property Insurance	29,538	23,887
Total Long-Term Receivables	\$ 107,341	\$ 93,156

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund represents the balances receivable should the municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims and administration costs. The municipality has the ability to withdraw from the plan with notice. Beyond the return of the municipality's fund balance, it has no further claim to the residual net assets of SARM.

7. Accounts Payable	2025	2024
Trade payables	\$ 8,509	\$ 28,942
Due to school	525	-
Building permit deposits	2,500	1,500
Total Accounts Payable	\$ 11,534	\$ 30,442

8. Deferred Revenue	2025	2024
Prepaid property taxes	\$ 2,000	\$ 3,550
Prepaid water tokens	637	643
Total Deferred Revenue	\$ 2,637	\$ 4,193

9. Long-Term Debt
The debt limit of the municipality is \$938,109. 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)).

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

10. 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. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2025 was \$33,482 (2024 - \$39,374). 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$4,090,806,000, plan liabilities, including pension obligations, of \$2,571,158,000, and a resulting surplus of \$1,519,648,000.

11. Comparative Figures

Certain of the prior year's comparative figures have been reclassified to conform to the current year's manner of presentation.

12. Related Parties

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

13. Risk Management

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

RURAL MUNICIPALITY OF CUPAR NO. 218
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

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 exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The municipality does not feel that it has any financial instruments subject to liquidity risk.

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 is comprised of three types of risk: interest rate risk, currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The municipality does not feel that it has any financial instruments subject to currency risk as the majority of its transactions are in Canadian currency.

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity instruments. The municipality does not have any financial instruments that are affected by other price risk.

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Taxes and Other Unconditional Revenue
 For the year ended December 31, 2025

Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	\$ 1,110,280	\$ 1,104,281	\$ 955,677
Abatements and adjustments	(1,000)	(1,858)	(267)
Discount on current year taxes	(47,000)	(53,075)	(45,711)
Net Municipal Taxes	1,062,280	1,049,348	909,699
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,200	3,159	2,388
Special tax levy	-	-	-
Other -	-	-	-
Total Taxes	1,064,480	1,052,507	912,087
UNCONDITIONAL GRANTS			
Revenue Sharing	450,040	451,109	424,089
Organized Hamlet	-	-	-
Other -	-	-	-
Total Unconditional Grants	450,040	451,109	424,089
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	3,620	2,933	3,971
Other - Government Relations	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	33,100	38,858	33,139
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-
Total Grants in Lieu of Taxes	36,720	41,791	37,110
TOTAL OTHER UNCONDITIONAL REVENUE	486,760	492,900	461,199
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,551,240	\$ 1,545,407	\$ 1,373,286

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Operating and Capital Revenue by Function
 For the year ended December 31, 2025

Schedule 2-1

	<u>2025 Budget</u>	<u>2025</u>	<u>2024</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 870	\$ 895	\$ 818
- Sales of supplies	400	260	474
- Other - Board of revision fees	1,000	160	597
Total Fees and Charges	2,270	1,315	1,889
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	47,810	52,592	70,883
- Other - Insurance proceeds and other	50	1,355	5,287
Total Other Segmented Revenue	50,130	55,262	78,059
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	50,130	55,262	78,059
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total General Government Services	\$ 50,130	\$ 55,262	\$ 78,059

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Fire fees	\$ 1,000	\$ -	\$ -
Total Fees and Charges	1,000	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	1,000	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	1,000	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Protective Services	\$ 1,000	\$ -	\$ -

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Operating and Capital Revenue by Function
 For the year ended December 31, 2025

Schedule 2-2

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 7,000	\$ 6,067	\$ 11,317
- Sales of supplies	-	175	-
- Road maintenance, restoration agreements	1,500	136	2,073
- Frontage	-	-	-
- Other - Permits and rentals	1,000	4,620	1,200
Total Fees and Charges	9,500	10,998	14,590
- Tangible capital asset sales - gain (loss)	260,000	258,196	12,174
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	269,500	269,194	26,764
Conditional Grants			
- RIRG (CTP)	81,395	98,900	63,890
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	81,395	98,900	63,890
Total Operating	350,895	368,094	90,654
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	31,500	32,147	31,884
- ICIP	-	-	-
- RIRG (CTP, Bridge/ Large Culvert. Rd Const)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	31,500	32,147	31,884
Restructuring Revenues/Expenses	-	-	-
Total Transportation Services	\$ 382,395	\$ 400,241	\$ 122,538

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 6,500	\$ 7,358	\$ 4,547
- Other - sale of supplies	7,000	13,274	7,065
Total Fees and Charges	13,500	20,632	11,612
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	13,500	20,632	11,612
Conditional Grants			
- Recycling	5,800	5,847	5,847
- Pest Control	4,480	10,997	10,481
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	10,280	16,844	16,328
Total Operating	23,780	37,476	27,940
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Environmental and Public Health Services	\$ 23,780	\$ 37,476	\$ 27,940

RURAL MUNICIPALITY OF CUPAR NO. 218

Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-3

	<u>2025 Budget</u>	<u>2025</u>	<u>2024</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ 600	\$ 2,289	\$ 650
- Other - Building inspection fees	4,500	8,944	4,948
Total Fees and Charges	5,100	11,233	5,598
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	5,100	11,233	5,598
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	5,100	11,233	5,598
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Planning and Development Services	\$ 5,100	\$ 11,233	\$ 5,598

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Canada Day	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other - Community Initiative Fund	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Recreation and Cultural Services	\$ -	\$ -	\$ -

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Operating and Capital Revenue by Function
 For the year ended December 31, 2025

Schedule 2-4

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 4,300	\$ 3,551	\$ 4,291
- Sewer	-	-	-
- Other -	-	-	-
Total Fees and Charges	4,300	3,551	4,291
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	4,300	3,551	4,291
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	4,300	3,551	4,291
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 -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Utility Services	\$ 4,300	\$ 3,551	\$ 4,291

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 466,705	\$ 507,763	\$ 238,426
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SUMMARY

Total Other Segmented Revenue	\$ 343,530	\$ 359,872	\$ 126,324
Total Conditional Grants	91,675	115,744	80,218
Total Capital Grants and Contributions	31,500	32,147	31,884
Restructuring Revenue	-	-	-

TOTAL REVENUE BY FUNCTION	\$ 466,705	\$ 507,763	\$ 238,426
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RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Total Expenses by Function
 For the year ended December 31, 2025

Schedule 3-1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 34,530	\$ 25,611	\$ 27,422
Wages and benefits	116,675	113,576	110,135
Professional/Contractual services	64,620	58,764	54,304
Utilities	10,030	8,372	8,188
Maintenance, materials, and supplies	7,350	3,290	8,788
Grants and contributions - operating	1,500	1,155	1,400
- capital	-	-	-
Amortization of tangible capital assets	2,550	1,284	2,553
Amortization of intangible capital assets	-	-	-
Interest	80	56	-
Accretion of asset retirement obligations	-	-	-
Allowance for uncollectables	-	-	45
Other -	-	-	-
Total General Government Services	\$ 237,335	\$ 212,108	\$ 212,835

PROTECTIVE SERVICES

Police Protection

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	32,200	31,355	30,625
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-

Fire Protection

Wages and benefits	-	-	-
Professional/Contractual services	1,030	4,030	1,429
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	31,030	30,000	31,032
- capital	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Protective Services

\$ 64,260	\$ 65,385	\$ 63,086
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TRANSPORTATION SERVICES

Wages and benefits	\$ 510,000	\$ 370,725	\$ 454,108
Council remuneration and travel	8,900	8,488	1,267
Professional/Contractual services	59,450	28,417	57,992
Utilities	11,040	7,797	8,844
Maintenance, materials, and supplies	383,010	230,838	371,427
Gravel	185,000	159,677	159,206
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	360,000	314,587	358,516
Amortization of intangible capital assets	-	-	-
Interest	100	-	66
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Transportation Services

\$ 1,517,500	\$ 1,120,529	\$ 1,411,426
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RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Total Expenses by Function
 For the year ended December 31, 2025

Schedule 3-2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	58,200	53,482	44,616
Utilities	-	-	-
Maintenance, materials, and supplies	16,300	19,182	15,435
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Environmental and Public Health Services	\$ 74,500	\$ 72,664	\$ 60,051
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PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	11,650	8,874	9,674
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Planning and Development Services	\$ 11,650	\$ 8,874	\$ 9,674
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RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	11,500	13,141	9,075
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	1,200	1,200	1,200
- capital	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-

Total Recreation and Cultural Services	\$ 12,700	\$ 14,341	\$ 10,275
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RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Total Expenses by Function
 For the year ended December 31, 2025

Schedule 3-3

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	330	-	51
Utilities	1,800	1,618	1,645
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	800	789	789
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	\$ 2,930	\$ 2,407	\$ 2,485
 TOTAL EXPENSES BY FUNCTION	 \$ 1,920,875	 \$ 1,496,308	 \$ 1,769,832

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Segment Disclosure by Function
 For the year ended December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 1,315	\$ -	\$ 10,998	\$ 20,632	\$ 11,233	\$ -	\$ 3,551	\$ 47,729
Tangible Capital Asset Sales - Gain(Loss)	-	-	258,196	-	-	-	-	258,196
Investment Income and Commissions	52,592	-	-	-	-	-	-	52,592
Other Revenues	1,355	-	-	-	-	-	-	1,355
Grants - Conditional	-	-	98,900	16,844	-	-	-	115,744
- Capital	-	-	32,147	-	-	-	-	32,147
Total Revenues	55,262	-	400,241	37,476	11,233	-	3,551	507,763
Expenses (Schedule 3)								
Wages and Benefits	139,187	-	379,213	-	-	-	-	518,400
Professional / Contractual Services	58,764	35,385	28,417	53,482	8,874	13,141	-	198,063
Utilities	8,372	-	7,797	-	-	-	1,618	17,787
Maintenance, Materials, and Supplies	3,290	-	390,515	19,182	-	-	-	412,987
Grants and Contributions	1,155	30,000	-	-	-	1,200	-	32,355
Amortization of Tangible Capital Assets	1,284	-	314,587	-	-	-	789	316,660
Interest	56	-	-	-	-	-	-	56
Total Expenses	212,108	65,385	1,120,529	72,664	8,874	14,341	2,407	1,496,308
Surplus (Deficit) by Function	\$ (156,846)	\$ (65,385)	\$ (720,288)	\$ (35,188)	\$ 2,359	\$ (14,341)	\$ 1,144	\$ (988,545)

Taxation and Other Unconditional Revenue (Schedule 1) \$ 1,545,407

Net Surplus (Deficit) \$ 556,862

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Segment Disclosure by Function
 For the year ended December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 1,889	\$ -	\$ 14,590	\$ 11,612	\$ 5,598	\$ -	\$ 4,291	\$ 37,980
Tangible Capital Asset Sales - Gain(Loss)	-	-	12,174	-	-	-	-	12,174
Investment Income and Commissions	70,883	-	-	-	-	-	-	70,883
Other Revenues	5,287	-	-	-	-	-	-	5,287
Grants - Conditional	-	-	63,890	16,328	-	-	-	80,218
- Capital	-	-	31,884	-	-	-	-	31,884
Total Revenues	78,059	-	122,538	27,940	5,598	-	4,291	238,426
Expenses (Schedule 3)								
Wages and Benefits	137,557	-	455,375	-	-	-	-	592,932
Professional / Contractual Services	54,304	32,054	57,992	44,616	9,674	9,075	51	207,766
Utilities	8,188	-	8,844	-	-	-	1,645	18,677
Maintenance, Materials, and Supplies	8,788	-	530,633	15,435	-	-	-	554,856
Grants and Contributions	1,400	31,032	-	-	-	1,200	-	33,632
Amortization of Tangible Capital Assets	2,553	-	358,516	-	-	-	789	361,858
Interest	-	-	66	-	-	-	-	66
Allowance for Uncollectables	45	-	-	-	-	-	-	45
Total Expenses	212,835	63,086	1,411,426	60,051	9,674	10,275	2,485	1,769,832
Surplus (Deficit) by Function	\$ (134,776)	\$ (63,086)	\$ (1,288,888)	\$ (32,111)	\$ (4,076)	\$ (10,275)	\$ 1,806	\$ (1,531,406)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 1,373,286

Net Surplus (Deficit)

\$ (158,120)

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Tangible Capital Assets by Object
 For the year ended December 31, 2025

Schedule 6

	2025							2024		
	General Assets				Infrastructure Assets			General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships			
Asset Cost										
Opening Asset Costs	\$ 199,418	\$ 12,521	\$ 133,976	\$ 146,722	\$ 2,784,369	\$ 5,447,049	\$ -	\$ -	\$ 8,724,055	\$ 8,588,934
Additions during the year	-	-	-	-	691,728	-	-	-	691,728	180,439
Disposals and write downs during the year	-	-	-	-	(818,520)	-	-	-	(818,520)	(45,318)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ 199,418	\$ 12,521	\$ 133,976	\$ 146,722	\$ 2,657,577	\$ 5,447,049	\$ -	\$ -	\$ 8,597,263	\$ 8,724,055
Accumulated Amortization										
Opening Accum. Amort. Cost	\$ -	\$ 12,521	\$ 81,012	\$ 129,576	\$ 1,292,640	\$ 3,046,918	\$ -	\$ -	\$ 4,562,667	\$ 4,233,300
Add: Amortization taken	-	-	2,320	11,292	192,018	111,030	-	-	316,660	361,858
Less: Accum. Amort. on Disposals	-	-	-	-	(656,531)	-	-	-	(656,531)	(32,491)
Closing Accumulated Amort.	\$ -	\$ 12,521	\$ 83,332	\$ 140,868	\$ 828,127	\$ 3,157,948	\$ -	\$ -	\$ 4,222,796	\$ 4,562,667
Net Book Value	\$ 199,418	\$ -	\$ 50,644	\$ 5,854	\$ 1,829,450	\$ 2,289,101	\$ -	\$ -	\$ 4,374,467	\$ 4,161,388

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 CUPAR NO. 218
 Schedule of Consolidated Tangible Capital Assets by Function
 For the year ended December 31, 2025

Schedule 7

	2025							2024	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Costs	\$ 75,158	\$ -	\$ 8,614,923	\$ -	\$ -	\$ 5,400	\$ 28,574	\$ 8,724,055	\$ 8,588,934
Additions during the year	-	-	691,728	-	-	-	-	691,728	180,439
Disposals and write-downs during the year	-	-	(818,520)	-	-	-	-	(818,520)	(45,318)
Closing Asset Costs	\$ 75,158	\$ -	\$ 8,488,131	\$ -	\$ -	\$ 5,400	\$ 28,574	\$ 8,597,263	\$ 8,724,055
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ 48,549	\$ -	\$ 4,491,417	\$ -	\$ -	\$ -	\$ 22,701	\$ 4,562,667	\$ 4,233,300
Add: Amortization taken	1,284	-	314,587	-	-	-	789	316,660	361,858
Less: Accum. Amort. on Disposals	-	-	(656,531)	-	-	-	-	(656,531)	(32,491)
Closing Accumulated Amortization	\$ 49,833	\$ -	\$ 4,149,473	\$ -	\$ -	\$ -	\$ 23,490	\$ 4,222,796	\$ 4,562,667
Net Book Value	\$ 25,325	\$ -	\$ 4,338,658	\$ -	\$ -	\$ 5,400	\$ 5,084	\$ 4,374,467	\$ 4,161,388

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Intangible Capital Assets by Object
 For the year ended December 31, 2025

Schedule 8

2025

2024

	General Assets						Intangibles under development	Total	Total
	Patents	Trademarks	Copyrights	Customer Relationships	Goodwill	Linear Assets			
Asset Cost									
Opening Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write downs during the year	-	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization									
Opening Accum. Amort. Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Amortization taken	-	-	-	-	-	-	-	-	-
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amort.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- 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 CUPAR NO. 218
 Schedule of Consolidated Intangible Capital Assets by Function
 For the year ended December 31, 2025

Schedule 9

	2025							2024	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Amortization taken	-	-	-	-	-	-	-	-	-
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Accumulated Surplus
 For the year ended December 31, 2025

Schedule 10

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	\$ 1,523,127	\$ 373,918	\$ 1,897,045
APPROPRIATED RESERVES			
Future Capital Reserve	145,000	(32,174)	112,826
Public Reserve - Cash in Lieu	8,306	-	8,306
Public Reserve - Cash in Lieu	-	2,039	2,039
Total Appropriated	153,306	(30,135)	123,171
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	4,161,388	213,079	4,374,467
Intangible Capital Assets (Schedule 8, 9)	-	-	-
Net Investment in Tangible Capital Assets	4,161,388	213,079	4,374,467
OTHER	-	-	-
Total Accumulated Surplus	\$ 5,837,821	\$ 556,862	\$ 6,394,683

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Mill Rates and Assessments
 For the year ended December 31, 2025

Schedule 11

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 222,344,960	\$ 13,433,660	\$ -	\$ -	\$ 6,163,180	\$ -	\$ 241,941,800
Regional Park Assessment							-
Total Assessment							241,941,800
Mill Rate Factor(s)	0.650	1.200	-	-	1.500		
Total Minimum Tax	-	-	-	-	-		-
Total Municipal Tax Levy	\$ 939,407	\$ 104,783	\$ -	\$ -	\$ 60,091		\$ 1,104,281

MILL RATES:	MILLS
Average Municipal*	4.564
Average School*	1.383
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.500

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

RURAL MUNICIPALITY OF CUPAR NO. 218
 Schedule of Consolidated Council Remuneration
 For the year ended December 31, 2025

Schedule 12

Name	Remuneration	Reimbursed Costs	Total
Curtis Nakonechny	\$ 4,600	\$ 1,010	\$ 5,610
Ron Kish	3,600	748	4,348
Helena Blaser	4,000	903	4,903
Daryl Frank	3,200	895	4,095
Mark Benko	3,400	681	4,081
Trevor Wagner	3,600	686	4,286
Brennan Leib	3,600	731	4,331
Total	\$ 26,000	\$ 5,654	\$ 31,654