RURAL MUNICIPALITY OF SHERWOOD NO. 159
Financial Statements
December 31, 2023

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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 Sherwood No. 159

Opinion

We have audited the financial statements of the **RURAL MUNICIPALITY OF SHERWOOD NO. 159**, which comprise the statement of financial position as at December 31, 2023 and the statements of operations, 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 municipality as at December 31, 2023, 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 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 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 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 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 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 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 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.

Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
May 08, 2024

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Statement of Financial Position

As at December 31, 2023

Statement 1

	2023	2022
FINANCIAL ASSETS		
Cash & Cash Equivalents (Note 2)	$ 16,191,964	$ 13,775,336
Investments	-	-
Taxes Receivable - Municipal (Note 3)	426,117	331,299
Other Accounts Receivable (Note 4)	467,206	513,009
Assets Held for Sale	-	-
Long-Term Receivable	-	-
Other Long-Term Investments (Note 5)	156,682	126,819
Debt Charges Recoverable	-	-
Local Improvement Receivable	715,389	802,212
Total Financial Assets	17,957,358	15,548,675
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 7)	752,906	452,660
Accrued Liabilities Payable	-	-
Derivative Liabilities	-	-
Deposits	79,707	72,217
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 8)	17,621,104	18,329,224
Lease Obligations	-	-
Other Liabilities	222,485	235,714
Total Liabilities	18,676,202	19,089,815
NET FINANCIAL ASSETS	(718,844)	(3,541,140)
Non-Financial Assets		
Tangible Capital Assets (Schedules 6, 7)	37,191,864	38,710,058
Prepayment and Deferred Charges	27,861	23,353
Stock and Supplies	159,060	167,398
Other (Note 9)	5,381	5,381
Total Non-Financial Assets	37,384,166	38,906,190
Accumulated Surplus (Deficit) (Schedule 8)	$ 36,665,322	$ 35,365,050

Accumulated surplus (deficit) is comprised of:

Accumulated surplus (deficit) excluding remeasurement gains (losses)	$ 36,665,322	$ 35,365,050
Accumulated remeasurement gains (losses) (Statement 5)	$ -	$ -

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

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Statement of Operations
For the year ended December 31, 2023

		2023 Budget	2023	2022
Revenues				
Tax Revenue	(Schedule 1)	$ 6,393,267	$ 6,575,156	$ 6,377,276
Other Unconditional Revenue	(Schedule 1)	553,411	539,424	537,424
Fees and Charges	(Schedule 4, 5)	2,130,600	2,083,468	2,496,279
Conditional Grants	(Schedule 4, 5)	684,685	615,562	81,228
Tangible Capital Assets - Gain(Loss)	(Schedule 4, 5)	5,000	2,804	32,314
Land Sales - Gain	(Schedule 4, 5)	-	-	69,625
Investment Income and Commissions	(Schedule 4, 5)	101,100	781,887	262,037
Other Revenues	(Schedule 4, 5)	14,000	85,536	16,028
Restructurings	(Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants	(Schedule 4, 5)	60,193	113,181	30,097
Total Revenues		9,942,256	10,797,018	9,902,308
Expenses				
General Government Services	(Schedule 3)	1,303,723	1,345,619	1,336,195
Protective Services	(Schedule 3)	432,500	334,874	327,850
Transportation Services	(Schedule 3)	5,068,143	5,733,206	4,371,153
Environmental and Public Health Services	(Schedule 3)	52,500	32,845	51,432
Planning and Development Services	(Schedule 3)	350,872	306,019	227,585
Recreation and Cultural Services	(Schedule 3)	21,785	21,727	17,630
Utility Services	(Schedule 3)	975,766	1,722,456	1,629,714
Total Expenses		8,205,289	9,496,746	7,961,559
Surplus (Deficit) of Revenues over Expenses		1,736,967	1,300,272	1,940,749
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year		35,365,050	35,365,050	33,424,301
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year		$ 37,102,017	$ 36,665,322	$ 35,365,050

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

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Statement of Changes in Net Financial Assets
For the year ended December 31, 2023

Statement 3

	2023 Budget	2023	2022
Annual Surplus (Deficit)	$ 1,736,967	$ 1,300,272	$ 1,940,749
(Acquisition) of tangible capital assets	515,000	(743,463)	(666,796)
Amortization of tangible capital assets	-	2,099,627	2,106,044
Proceeds of disposal of tangible capital assets	375,000	164,834	386,599
Loss (gain) on disposal of tangible capital assets	(5,000)	(2,804)	(32,314)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	885,000	1,518,194	1,793,533
(Acquisition) of supplies inventories	-	-	(44,623)
(Acquisition) of prepaid expense	-	(4,508)	(1,045)
(Increase) to other non-financial assets	-	-	-
Consumption of supplies inventory	-	8,338	-
Use of prepaid expense	-	-	-
Decrease to other non-financial assets	-	-	-
Surplus (Deficit) of other non-financial expenses over expenditures	-	3,830	(45,668)
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	2,621,967	2,822,296	3,688,614
Net Financial Assets - Beginning of Year	(3,541,140)	(3,541,140)	(7,229,754)
Net Financial Assets - End of Year	$ (919,173)	$ (718,844)	$ (3,541,140)

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

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Statement of Cash Flows

For the year ended December 31, 2023

Statement 4

	2023	2022
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	$ 1,300,272	$ 1,940,749
Amortization	2,099,627	2,106,044
Loss (gain) on disposal of tangible capital assets	(2,804)	(32,314)
	3,397,095	4,014,479
Changes in assets / liabilities		
Taxes Receivable - Municipal	(94,818)	(5,886)
Other Receivables	45,803	(264,740)
Assets Held for Sale	-	-
Accounts and Accrued Liabilities Payable	300,246	22,315
Derivative Liabilities	-	-
Deposits	7,490	10,128
Deferred Revenue	-	(23,918)
Other Liabilities	(13,229)	133,054
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Stock and Supplies for Use	8,338	(44,623)
Prepayments and Deferred Charges	(4,508)	(1,045)
Other Non-Financial Assets	86,824	82,690
Net cash from (used for) operations	3,733,241	3,922,454
Capital:		
Cash Used to Acquire Tangible Capital Assets	(743,463)	(666,796)
Proceeds on Sale of Tangible Capital Assets	164,834	386,599
Net cash from (used for) capital	(578,629)	(280,197)
Investing:		
Proceeds on Disposal (Acquisition) of Investments	(29,863)	51,345
Other Investments	-	-
Net cash from (used for) investing	(29,863)	51,345
Financing:		
Debt Charges Recovered	-	-
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	(708,121)	(722,461)
Other Financing	-	-
Net cash from (used for) financing	(708,121)	(722,461)
Increase (Decrease) in cash resources	2,416,628	2,971,141
Cash and Cash Equivalents - Beginning of Year	13,775,336	10,804,195
Cash and Cash Equivalents - End of Year	$ 16,191,964	$ 13,775,336

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

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Statement of Remeasurement Gains and Losses
As at December 31, 2023

Statement 5

	2023	2022
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	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses) at end of year	$ -	$ -

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 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 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 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.

(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 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.

(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 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.

(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 from other taxing authorities operate as a flow through and are excluded from municipal revenue.

(k) 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.

The long term investments in the Saskatchewan Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

(l) 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:

Financial Statement Line Item	Measurement
Cash and cash equivalents	Cost
Investments	Cost
Other accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Deposit liabilities	Cost
Long term debt	Cost
SARM investment	Modified equity

(m) Inventories:

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials, and supplies held for resale are valued at the lower of cost 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.

(n) Tangible Capital Assets:

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant 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:

Assets	Useful Life
General Assets	
Land	Indefinite
Land Improvements	15 years
Buildings	20 to 45 years
Vehicles and Equipment	
Vehicles	10 years
Machinery and Equipment	5 to 20 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	25 to 75 years
Road Network Assets	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 capitalizes 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.

(o) 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.

(p) 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.

(q) 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.

(r) Budget Information:

Budget information is presented on a basis consistent with that used for actual results with the exception that no amortization is budgeted for. The budget was approved by Council on January 18, 2023.

(s) 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.

(t) 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 instruments 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 municipality. 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 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 municipality or municipal 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.

The Municipality has chosen to use retrospective method to account for the changes. This adoption has had no effect on the financial statements.

2. Cash and Cash Equivalents

	2023	2022
Chequing	3,202,364	2,806,582
Savings	12,989,600	10,968,754
Total Cash and Cash Equivalents	$ 16,191,964	$ 13,775,336

Cash and cash equivalents include balances with banks, redeemable term deposits, and marketable securities and other short-term investments with maturities of twelve months or less.

3. Taxes Receivable

		2023	2022
Municipal	- Current	$ 309,399	$ 268,474
	- Arrears	136,718	82,825
		446,117	351,299
	- Less Allowance for Uncollectables	(20,000)	(20,000)
Total Municipal Taxes Receivable		426,117	331,299
School	- Current	246,418	216,688
	- Arrears	88,294	37,918
Total School Taxes Receivable		334,712	254,606
Other		99,168	87,294
Total Taxes Receivable		859,997	673,199
Deduct taxes to be collected on behalf of other organizations		(433,880)	(341,900)
Total Taxes Receivable - Municipal		$ 426,117	$ 331,299

4. Other Accounts Receivable

	2023	2022
Trade receivables	$ 105,425	$ 76,822
Federal government	8,329	4,596
Provincial government	12,371	45,918
GST receivable	254,486	319,239
Utility accounts receivable	86,595	66,434
Total Other Accounts Receivable	467,206	513,009
Less Allowance for Uncollectables	-	-
Net Other Accounts Receivable	$ 467,206	$ 513,009

5. Other Long-Term Investments

	2023	2022
SARM Liability insurance investment	$ 82,710	$ 78,459
SARM Property insurance investment	62,171	36,559
Credit Union equity	11,801	11,801
Total Other Long-Term Investments	$ 156,682	$ 126,819

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

6. Credit Arrangements

At December 31, 2023, the municipality had an authorized Conexus Credit Union line of credit totaling $1,000,000 bearing an interest rate of prime plus 0.5%, none of which were drawn upon at yearend. The following has been collateralized in connection with this line of credit:

- General security agreement

7. Accounts Payable

	2023	2022
Trade payables	$ 84,791	$ 117,712
Accrued interest	265,394	275,243
Other taxing authorities	46,602	59,705
Tax appeal refunds	356,119	-
Total Accounts Payable	$ 752,906	$ 452,660

8. Long-Term Debt

a) The debt limit of the municipality is $7,427,036. 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)).

b) Loans: Two loans are repayable to Conexus Credit Union; the first at $10,424 per month (including interest at P +1.25%), for the purpose of financing the cost of a road resurfacing project (capital), and the second at $10,775 per month (including interest at P +0.5%), for the purpose of financing the unprepaid owners' share of a local improvement project (operating).

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2023	$ -	$ -	$ -	$ 218,031
2024	183,697	70,686	254,383	183,697
2025	201,528	58,947	260,475	201,528
2026	75,960	53,335	129,295	75,960
2027	82,019	47,275	129,294	82,019
2028	88,563	40,732	129,295	88,563
Thereafter	480,455	87,283	567,738	425,980
Balance	$ 1,112,222	$ 358,258	$ 1,470,480	$ 1,275,778

c) Debenture debt: : Debenture debt is repayable to Municipal Financing Corporation of Saskatchewan at $1,005,007 per year for 25 years (including interest at 2.7%) for the purpose of financing the water treatment plant and water main expansion in the Sherwood Industrial Park.The project's construction was previously interim-financed with a Bank of Nova Scotia interest-only short-term construction loan, which was paid out with the proceeds from this long-term debenture of the same amount.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Principal
2023	$ -	$ -	$ -	$ 544,564
2024	559,267	445,740	1,005,007	559,267
2025	574,367	430,640	1,005,007	574,367
2026	589,875	415,132	1,005,007	589,875
2027	605,802	399,205	1,005,007	605,802
2028	622,159	382,848	1,005,007	622,159
Thereafter	13,557,412	3,527,697	17,085,109	13,557,412
Balance	$16,508,882	$ 5,601,262	$ 22,110,144	$ 17,053,446

9. Other Non-Financial Assets

	2023	2022
Municipal share of tax title property	$ 5,081	$ 5,081
Other land for resale	300	300
Total Other Non-Financial Assets	$ 5,381	$ 5,381

10. Contingent Liabilities

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

11. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a 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 2023 was $124,418 (2022 - $119,581). 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 $3,275,495,000, plan liabilities, including pension obligations, of $2,254,194,000, and a resulting surplus of $1,021,301,000.

12. Comparative Figures

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

13. 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.

14. Risk Management

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

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The municipality is 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.

15. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality include current development agreements that include provisions for future fees, such as:

Agreement 1 contains $882,375 in fees, with $497,330 for drainage and roadways and $3,329 for planning, both due within 14 days of the date of the building permit application, and $381,716 for water and sewer, due within 10 years or when the municipality provides those services whichever comes first.

Agreement 2 contains $698,444 in fees, with $281,302 for water, drainage and roadways which is due within 14 days of plan approval (this amount was received in 2021), $281,302 for water, drainage and roadways due within one year of the plan approval (this amount was received in 2022), and $135,840 for sewer, due within 10 years or when the municipality provides that service whichever comes first.

Agreement 3 contains $1,265,773 in fees, with $41,610 ($39,342 was received in 2022, $2,268 was received in 2023) for roadways and planning which is due within 14 days of plan approval, $41,610 ($39,342 was received in 2023) for roadways and planning payable within 180 days plan approval, $419,647 for roadways and planning due within 10 years or when the municipality provides those services whichever comes first, $762,906 for water, drainage, and roadways, due within 15 years or when the municipality provides those services whichever comes first.

Agreement 4 contains $711,324 in fees, with $355,662 for water, drainage and roadways which is due within 14 days of plan approval (this amount was received in 2022), and $355,662 for water, drainage and roadways due within one year of the plan approval (this amount was received in 2023).

Agreement 5 contains $203,032 in fees, with $114,906 for water, drainage and roadways which is due as phases 1-5 are complete. It also includes $88,130 in fees for when the RM provides water and sewer infrastructure.

Agreement 6 contains $1,584,058 in fees, with $1,584,058 for water, drainage and roadways due at the time of the development permit application.

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Taxes and Other Unconditional Revenue

For the year ended December 31, 2023

Schedule 1

	2023 Budget	2023	2022
TAXES			
General municipal tax levy	$ 6,400,000	$ 6,579,560	$ 6,373,393
Abatements and adjustments	(20,000)	(494)	(4,911)
Discount on current year taxes	(220,000)	(272,283)	(214,767)
Net Municipal Taxes	6,160,000	6,306,783	6,153,715
Potash tax share	60,000	70,101	62,740
Trailer license fees	25,000	27,930	6,787
Penalties on tax arrears	20,000	30,016	28,034
Special tax levy	128,267	-	-
Other - Tax loss compensation	-	140,326	126,000
Total Taxes	6,393,267	6,575,156	6,377,276
UNCONDITIONAL GRANTS			
Revenue Sharing	225,411	256,027	225,542
Organized Hamlet	-	-	-
Other -	-	-	-
Total Unconditional Grants	225,411	256,027	225,542
GRANTS IN LIEU OF TAXES			
Federal	34,000	7,100	6,383
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	3,446	3,446
Central Services	269,000	259,356	258,969
SaskTel	-	5,636	5,636
Other - Wildlife and other	19,000	1,632	2,661
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	28,560
Treaty Land Entitlement	6,000	6,227	6,227
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-
Total Grants in Lieu of Taxes	328,000	283,397	311,882
TOTAL OTHER UNCONDITIONAL REVENUE	553,411	539,424	537,424
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	$ 6,946,678	$ 7,114,580	$ 6,914,700

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2-1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	$ 16,000	$ 13,780	$ 30,042
- Sales of supplies	1,300	1,606	1,414
- Other -	-	-	-
Total Fees and Charges	17,300	15,386	31,456
- *Tangible capital asset sales - gain (loss)*	-	-	-
- Land sales - gain	-	-	69,625
- Investment income and commissions	101,100	781,887	262,037
- Other - Misc refunds	-	63,999	479
Total Other Segmented Revenue	118,400	861,272	363,597
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	118,400	861,272	363,597
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total General Government Services	$ 118,400	$ 861,272	$ 363,597

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Fire fees	$ 170,000	$ 119,061	$ 134,972
Total Fees and Charges	170,000	119,061	134,972
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	170,000	119,061	134,972
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	170,000	119,061	134,972
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Protective Services	$ 170,000	$ 119,061	$ 134,972

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Operating and Capital Revenue by Function

For the year ended December 31, 2023

Schedule 2-2

	2023 Budget	2023	2022
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	$ 43,500	$ 52,812	$ 139,069
- Sales of supplies	1,000	4,925	975
- Road maintenance, restoration agreements	146,000	36,118	253,873
- Frontage	-	-	-
- Other - Local Improvement levy Interest	-	41,444	45,578
Total Fees and Charges	190,500	135,299	439,495
- Tangible capital asset sales - gain (loss)	5,000	2,804	32,314
- Other - Trans Gas mitigation	14,000	21,537	14,399
Total Other Segmented Revenue	209,500	159,640	486,208
Conditional Grants			
- Clearing the Path	15,000	15,528	31,056
- RIRG	625,000	550,000	-
- Heavy Haul	33,000	33,216	33,216
- Other -	-	-	-
Total Conditional Grants	673,000	598,744	64,272
Total Operating	882,500	758,384	550,480
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	60,193	65,648	30,097
- ICIP	-	-	-
- RIRG (CTP, Bridge/ Large Culvert, Rd Const)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	60,193	65,648	30,097
Restructuring Revenues/Expenses	-	-	-
Total Transportation Services	$ 942,693	$ 824,032	$ 580,577
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	$ -	$ -	$ -
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Cemetery fees	-	-	1,150
Total Other Segmented Revenue	-	-	1,150
Conditional Grants			
- Recycling	-	-	-
- Pest Control	5,000	10,254	10,771
- Weed Control	500	379	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	5,500	10,633	10,771
Total Operating	5,500	10,633	11,921
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructruing Revenues/Expenses	-	-	-
Total Environmental and Public Health Services	$ 5,500	$ 10,633	$ 11,921

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Operating and Capital Revenue by Function

For the year ended 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	$ 934,300	$ 622,511	$ 959,162
- Other - Municipal Reserve	20,000	148,528	51,460
Total Fees and Charges	954,300	771,039	1,010,622
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	954,300	771,039	1,010,622
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	954,300	771,039	1,010,622
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Planning and Development Services	$ 954,300	$ 771,039	$ 1,010,622
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other -	$ -	$ -	$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Canada Day	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Sask Lotteries	6,185	6,185	6,185
- Other -	-	-	-
Total Conditional Grants	6,185	6,185	6,185
Total Operating	6,185	6,185	6,185
Capital			
Conditional Grants			
- Canada Community Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Recreation and Cultural Services	$ 6,185	$ 6,185	$ 6,185

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2023

Schedule 2-4

	2023 Budget	2023	2022
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	$ 705,000	$ 913,141	$ 772,526
- Infrastructure fees	90,000	108,654	101,956
- Other - Interest, connections and other	3,500	20,888	5,252
Total Fees and Charges	798,500	1,042,683	879,734
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	798,500	1,042,683	879,734
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	798,500	1,042,683	879,734
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 - TSS for Regional Water	-	47,533	-
Total Capital	-	47,533	-
Restructuring Revenues/Expenses	-	-	-
Total Utility Services	$ 798,500	$ 1,090,216	$ 879,734
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	$ 2,995,578	$ 3,682,438	$ 2,987,608

SUMMARY

Total Other Segmented Revenue	$ 2,250,700	$ 2,953,695	$ 2,876,283
Total Conditional Grants	684,685	615,562	81,228
Total Capital Grants and Contributions	60,193	113,181	30,097
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	$ 2,995,578	$ 3,682,438	$ 2,987,608

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Total Expenses by Function

For the year ended December 31, 2023

Schedule 3-1

	2023 Budget	2023	2022
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	$ 180,987	$ 185,033	$ 181,682
Wages and benefits	617,776	617,737	554,783
Professional/Contractual services	389,460	208,407	380,373
Utilities	49,500	41,466	49,504
Maintenance, materials, and supplies	58,500	37,895	44,197
Grants and contributions - operating	500	-	-
- capital	-	-	-
Amortization	-	103,983	103,237
Interest	1,000	-	4,023
Accretion of asset retirement obligations	-	-	-
Allowance for uncollectables-2019/2020 appealed taxes	5,000	149,888	-
Other - PST expense on consumption	1,000	1,210	18,396
Total General Government Services	$ 1,303,723	$ 1,345,619	$ 1,336,195
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	$ -	$ -	$ -
Professional/Contractual services	94,500	70,087	62,437
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual services	200,000	125,855	138,535
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	138,000	138,932	126,878
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Protective Services	$ 432,500	$ 334,874	$ 327,850
TRANSPORTATION SERVICES			
Wages and benefits	$ 1,044,593	$ 940,775	$ 1,010,503
Council remuneration and travel	-	-	-
Professional/Contractual services	2,169,000	1,888,694	660,070
Utilities	40,100	38,502	41,597
Maintenance, materials, and supplies	654,450	539,171	667,686
Gravel	1,100,000	1,024,589	701,225
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	1,211,206	1,225,124
Interest	60,000	90,269	64,948
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Transportation Services	$ 5,068,143	$ 5,733,206	$ 4,371,153

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Total Expenses by Function

For the year ended December 31, 2023

Schedule 3-2

	2023 Budget	2023	2022
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	$ -	$ -	$ -
Professional/Contractual services	42,500	22,379	36,559
Utilities	-	-	-
Maintenance, materials, and supplies	8,000	8,466	12,873
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	2,000	2,000	2,000
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Environmental and Public Health Services	$ 52,500	$ 32,845	$ 51,432
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	$ 179,372	$ 104,165	$ 128,854
Professional/Contractual services	171,500	201,854	98,731
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Planning and Development Services	$ 350,872	$ 306,019	$ 227,585
RECREATION AND CULTURAL SERVICES			
Wages and benefits	$ -	$ -	$ -
Professional/Contractual services	15,600	15,542	11,445
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	6,185	6,185	6,185
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Recreation and Cultural Services	$ 21,785	$ 21,727	$ 17,630

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Total Expenses by Function

For the year ended December 31, 2023

	2023 Budget	2023	2022
UTILITY SERVICES			
Wages and benefits	$ 109,621	$ 91,062	$ -
Professional/Contractual services	349,550	307,370	328,985
Utilities	46,900	63,534	50,562
Maintenance, materials, and supplies	9,250	24,900	6,079
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	784,438	777,683
Interest	460,445	451,152	466,405
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	$ 975,766	$ 1,722,456	$ 1,629,714
TOTAL EXPENSES BY FUNCTION	$ 8,205,289	$ 9,496,746	$ 7,961,559

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Schedule of Segment Disclosure by Function
For the year ended December 31, 2023

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	$ 15,386	$ 119,061	$ 135,299	$ -	$ 771,039	$ -	$ 1,042,683	$ 2,083,468
Tangible Capital Asset Sales-Gain(Loss)	-	-	2,804	-	-	-	-	2,804
Investment Income and Commissions	781,887	-	-	-	-	-	-	781,887
Other Revenues	63,999	-	21,537	-	-	-	-	85,536
Grants - Conditional	-	-	598,744	10,633	-	6,185	-	615,562
- Capital	-	-	65,648	-	-	-	47,533	113,181
Total Revenues	861,272	119,061	824,032	10,633	771,039	6,185	1,090,216	3,682,438
Expenses (Schedule 3)								
Wages and Benefits	802,770	-	940,775	-	104,165	-	91,062	1,938,772
Professional / Contractual Services	208,407	195,942	1,888,694	22,379	201,854	15,542	307,370	2,840,188
Utilities	41,466	-	38,502	-	-	-	63,534	143,502
Maintenance, Materials, and Supplies	37,895	-	1,563,760	8,466	-	-	24,900	1,635,021
Grants and Contributions	-	138,932	-	2,000	-	6,185	-	147,117
Amortization	103,983	-	1,211,206	-	-	-	784,438	2,099,627
Interest	-	-	90,269	-	-	-	451,152	541,421
Allowance for Uncollectables	149,888	-	-	-	-	-	-	149,888
Other	1,210	-	-	-	-	-	-	1,210
Total Expenses	1,345,619	334,874	5,733,206	32,845	306,019	21,727	1,722,456	9,496,746
Surplus (Deficit) by Function	$ (484,347)	$ (215,813)	$ (4,909,174)	$ (22,212)	$ 465,020	$ (15,542)	$ (632,240)	$ (5,814,308)

Taxation and Other Unconditional Revenue (Schedule 1)	$ 7,114,580
Net Surplus (Deficit)	$ 1,300,272

DUDLEY & COMPANY LLP

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Schedule of Segment Disclosure by Function
For the year ended December 31, 2022

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	$ 31,456	$ 134,972	$ 439,495	$ -	$ 1,010,622	$ -	$ 879,734	$ 2,496,279
Tangible Capital Asset Sales-Gain(Loss)	-	-	32,314	-	-	-	-	32,314
Land Sales - Gain	69,625	-	-	-	-	-	-	69,625
Investment Income and Commissions	262,037	-	-	-	-	-	-	262,037
Other Revenues	479	-	14,399	1,150	-	-	-	16,028
Grants - Conditional	-	-	64,272	10,771	-	6,185	-	81,228
- Capital	-	-	30,097	-	-	-	-	30,097
Total Revenues	363,597	134,972	580,577	11,921	1,010,622	6,185	879,734	2,987,608
Expenses (Schedule 3)								
Wages and Benefits	736,465	-	1,010,503	-	128,854	-	-	1,875,822
Professional / Contractual Services	380,373	200,972	660,070	36,559	98,731	11,445	328,985	1,717,135
Utilities	49,504	-	41,597	-	-	-	50,562	141,663
Maintenance, Materials, and Supplies	44,197	-	1,368,911	12,873	-	-	6,079	1,432,060
Grants and Contributions	-	126,878	-	2,000	-	6,185	-	135,063
Amortization	103,237	-	1,225,124	-	-	-	777,683	2,106,044
Interest	4,023	-	64,948	-	-	-	466,405	535,376
Other	18,396	-	-	-	-	-	-	18,396
Total Expenses	1,336,195	327,850	4,371,153	51,432	227,585	17,630	1,629,714	7,961,559
Surplus (Deficit) by Function	$ (972,598)	$ (192,878)	$ (3,790,576)	$ (39,511)	$ 783,037	$ (11,445)	$ (749,980)	$ (4,973,951)

Taxation and Other Unconditional Revenue (Schedule 1)	$ 6,914,700
Net Surplus (Deficit)	$ 1,940,749

DUDLEY & COMPANY LLP

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Tangible Capital Assets by Object

For the year ended December 31, 2023

Schedule 6

	2023								2022
	General Assets					Infrastructure Assets	General / Infrastructure		
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	Total	Total
Asset Cost									
Opening Asset Costs	$ 1,352,316	$ 458,802	$ 10,189,206	$ 399,757	$ 3,497,757	$ 39,313,555	$ 485,514	$ 55,696,907	$ 55,426,817
Additions during the year	-	-	-	-	485,412	193,923	64,128	743,463	666,796
Disposals and write downs during the year	-	-	-	-	(346,380)	-	-	(346,380)	(396,706)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Closing Asset Costs	$ 1,352,316	$ 458,802	$ 10,189,206	$ 399,757	$ 3,636,789	$ 39,507,478	$ 549,642	$ 56,093,990	$ 55,696,907
Accumulated Amortization									
Opening Accum. Amort. Cost	$ -	$ -	$ 901,570	$ 138,910	$ 1,649,156	$ 14,297,213	$ -	$ 16,986,849	$ 14,923,226
Add: Amortization taken	-	-	253,126	38,326	232,899	1,575,276	-	2,099,627	2,106,044
Less: Accum. Amort. on Disposals	-	-	-	-	(184,350)	-	-	(184,350)	(42,421)
Closing Accumulated Amort.	$ -	$ -	$ 1,154,696	$ 177,236	$ 1,697,705	$ 15,872,489	$ -	$ 18,902,126	$ 16,986,849
Net Book Value	$ 1,352,316	$ 458,802	$ 9,034,510	$ 222,521	$ 1,939,084	$ 23,634,989	$ 549,642	$ 37,191,864	$ 38,710,058

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 2023:	$ -

DUDLEY & COMPANY LLP

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2023

Schedule 7

	2023								2022
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Costs	$ 2,531,026	$ -	$ 29,321,664	$ -	$ 14,498	$ -	$ 23,829,719	$ 55,696,907	$ 55,426,817
Additions during the year	12,702	-	615,673	-	-	-	115,088	743,463	666,796
Disposals and write-downs during the year	-	-	(346,380)	-	-	-	-	(346,380)	(396,706)
Closing Asset Costs	$ 2,543,728	$ -	$ 29,590,957	$ -	$ 14,498	$ -	$ 23,944,807	$ 56,093,990	$ 55,696,907
Accumulated Amortization									
Opening Accum. Amort. Costs	$ 664,623	$ -	$ 14,210,949	$ -	$ 11,152	$ -	$ 2,100,125	$ 16,986,849	$ 14,923,226
Add: Amortization taken	103,983	-	1,211,206	-	-	-	784,438	2,099,627	2,106,044
Less: Accum. Amort. on Disposals	-	-	(184,350)	-	-	-	-	(184,350)	(42,421)
Closing Accumulated Amortization	$ 768,606	$ -	$ 15,237,805	$ -	$ 11,152	$ -	$ 2,884,563	$ 18,902,126	$ 16,986,849
Net Book Value	$ 1,775,122	$ -	$ 14,353,152	$ -	$ 3,346	$ -	$ 21,060,244	$ 37,191,864	$ 38,710,058

DUDLEY & COMPANY LLP

RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Accumulated Surplus

For the year ended December 31, 2023

Schedule 8

	2022	Changes	2023
UNAPPROPRIATED SURPLUS	$ 4,020,879	$ 89,717	$ 4,110,596
APPROPRIATED RESERVES			
Bridges	1	-	1
Utility Reserves	540,440	136,440	676,880
General Reserves	6,793,341	1,123,870	7,917,211
Cash-in-lieu/Development charges	3,629,555	760,319	4,389,874
Total Appropriated	10,963,337	2,020,629	12,983,966
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	38,710,058	(1,518,194)	37,191,864
Less: Related debt	(18,329,224)	708,120	(17,621,104)
Net Investment in Tangible Capital Assets	20,380,834	(810,074)	19,570,760
OTHER	-	-	-
Total Accumulated Surplus	$ 35,365,050	$ 1,300,272	$ 36,665,322

RURAL MUNICIPALITY OF SHERWOOD NO. 159
Schedule of Mill Rates and Assessments
For the year ended December 31, 2023

Schedule 9

	PROPERTY CLASS						
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	Total
Taxable Assessment	$ 162,640,160	$ 74,600,405	$ 1,627,600	$ 68,080	$ 840,588,375	$ -	$ 1,079,524,620
Regional Park Assessment							-
Total Assessment							1,079,524,620
Mill Rate Factor(s)	1.000	1.100	1.100	1.100	1.011		
Total Minimum Tax	290	-	-	-	-		290
Total Municipal Tax Levy	$ 975,991	$ 492,363	$ 10,742	$ 449	$ 5,100,015		$ 6,579,560

MILL RATES:	MILLS
Average Municipal*	6.095
Average School*	6.252
Potash Mill Rate	-
Uniform Municipal Mill Rate	6.000

* 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).

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RURAL MUNICIPALITY OF SHERWOOD NO. 159

Schedule of Council Remuneration

For the year ended December 31, 2023

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Oakley-Paul, Susan	$ 37,000	$ 1,057	$ 38,057
Crassweller, Bradley	23,500	-	23,500
Reiger, Trent	22,400	357	22,757
Wilke, John	21,900	317	22,217
Husum, Carl	24,000	-	24,000
Culbert, Rod	19,500	-	19,500
Paul, Grant	18,000	-	18,000
Total	$ 166,300	$ 1,731	$ 168,031