

VILLAGE OF MARCELIN

FINANCIAL STATEMENTS

For the year ended December 31, 2025

VILLAGE OF MARCELIN
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STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Village of Marcellin:

The Village'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 financial statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fairness 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 the financial statements.

The Council is composed of elected officials who are not employees of the Village. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Village's external auditors.

Sensus Chartered Professional Accountants Ltd., as the Village's appointed external auditors, have audited the financial statements. The Auditor's Report is addressed to Council and appears on the following page. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

Mayor

Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:
Village of Marcelin
Marcelin, Saskatchewan

Qualified Opinion

We have audited the financial statements of the Village of Marcelin, which comprise the statement of financial position as at December 31, 2025, the statement of operations, the statement of changes in net financial assets, the statement of cash flows, the statement of remeasurement gains (losses) for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis of Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Village of Marcelin as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Public Sector Accounting Board has introduced section PS 3280 which is a standard establishing guidance on the accounting and reporting on the retirement of tangible capital assets controlled by the Village of Marcelin. The Village of Marcelin has not provided a reasonable estimate for the asset retirement costs associated with their lagoon, wells, or buildings containing asbestos and lead paint or piping, to determine the asset retirement obligation. As such, we have qualified our audit opinion due to the departure from Canadian public sector accounting standards. The effects of this departure on the financial statements for the year ended December 31, 2025 and 2024, have not been determined, as there is insufficient information available to do so.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Village of Marcelin in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we 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 qualified opinion.

Other Matters

Our audit opinion does not extend to the budgeted figures presented by Council.

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 Village of Marcelin's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village of Marcelin or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Marcelin'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 Village of Marcelin's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village of Marcelin 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.

Yorkton, Saskatchewan
April 22, 2026



Chartered Professional Accountants Ltd.

VILLAGE OF MARCELIN
STATEMENT 1 - STATEMENT OF FINANCIAL POSITION
As at December 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 568,795	\$ 494,842
Taxes receivable - municipal (Note 3)	21,808	79,520
Other accounts receivable (Note 4)	25,996	38,349
TOTAL FINANCIAL ASSETS	616,599	612,711
LIABILITIES		
Accounts payable and accrued liabilities	27,842	20,776
Deposits	7,365	7,115
Deferred revenue (Note 6)	10,977	9,916
Long-term debt (Note 7)	253,831	269,858
TOTAL LIABILITIES	300,015	307,665
NET FINANCIAL ASSETS	316,584	305,046
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	718,136	718,748
Assets held for sale (Note 5)	50,174	50,174
Inventories	1,146	1,997
Prepaid expenses	229	29
TOTAL NON-FINANCIAL ASSETS	769,685	770,948
ACCUMULATED SURPLUS	\$ 1,086,269	\$ 1,075,994
Accumulated surplus is comprised of:		
Accumulated surplus excluding remeasurement gains (losses) (Schedule 10)	\$ 1,086,269	\$ 1,075,994
Accumulated remeasurement gains (losses) (Statement 5)		
	\$ 1,086,269	\$ 1,075,994

VILLAGE OF MARCELIN
STATEMENT 2 - STATEMENT OF OPERATIONS
For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
REVENUE			
Taxes revenue (Schedule 1)	\$ 249,666	\$ 249,869	\$ 245,953
Other unconditional revenue (Schedule 1)	59,244	58,772	56,267
Fees and charges (Schedules 4 and 5)	132,010	134,156	135,224
Conditional grants (Schedules 4 and 5)	5,323	5,630	5,740
Investment income (Schedules 4 and 5)	12,356	9,383	12,822
Other revenues (Schedules 4 and 5)	600	4,629	8,693
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	9,412	20,280	
	468,611	482,719	464,699
EXPENSES			
General government services (Schedule 3)	87,352	152,362	100,425
Protective services (Schedule 3)	18,880	14,371	14,478
Transportation services (Schedule 3)	163,928	126,238	160,471
Environmental and public health services (Schedule 3)	34,579	32,341	31,486
Recreation and cultural services (Schedule 3)	19,502	18,609	10,411
Utility services (Schedule 3)	190,280	128,523	173,108
	514,521	472,444	490,379
ANNUAL SURPLUS (DEFICIT)	(45,910)	10,275	(25,680)
ACCUMULATED SURPLUS EXCLUDING REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR	1,075,994	1,075,994	1,101,674
ACCUMULATED SURPLUS EXCLUDING REMEASUREMENT GAINS (LOSSES), END OF YEAR	\$ 1,030,084	\$ 1,086,269	\$ 1,075,994

VILLAGE OF MARCELIN**STATEMENT 3 - STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**

For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
ANNUAL SURPLUS (DEFICIT)	\$ (45,910)	\$ 10,275	\$ (25,680)
Acquisition of tangible capital assets		(27,157)	(10,329)
Amortization of tangible capital assets	28,844	27,769	28,844
Acquisition of assets held for sale			(16,126)
Decrease in inventories		851	7,883
Decrease (increase) in prepaid expenses		(200)	444
	28,844	1,263	10,716
CHANGE IN NET FINANCIAL ASSETS	\$ (17,066)	11,538	(14,964)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		305,046	320,010
NET FINANCIAL ASSETS, END OF YEAR		\$ 316,584	\$ 305,046

VILLAGE OF MARCELIN
STATEMENT 4 - STATEMENT OF CASH FLOWS
For the year ended December 31, 2025

	2025	2024
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 10,275	\$ (25,680)
Changes in non-cash items:		
Taxes receivable - municipal	57,712	(15,258)
Other accounts receivable	12,353	9,858
Inventories	851	7,883
Prepaid expenses	(200)	444
Accounts payable and accrued liabilities	7,066	(7,209)
Deferred revenue	1,061	9,242
Deposits	250	250
Amortization of tangible capital assets	27,769	28,844
Cash provided by operating transactions	117,137	8,374
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(27,157)	(10,329)
Cash applied to capital transactions	(27,157)	(10,329)
INVESTING TRANSACTIONS		
Acquisition of real estate properties		(16,126)
Cash applied to investing transactions		(16,126)
FINANCING TRANSACTIONS		
Debt repayment	(16,027)	(15,381)
Cash applied to financing transactions	(16,027)	(15,381)
CHANGE IN CASH AND CASH EQUIVALENTS	73,953	(33,462)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	494,842	528,304
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 568,795	\$ 494,842

VILLAGE OF MARCELIN
STATEMENT 5 - STATEMENT OF REMEASUREMENT GAINS (LOSSES)
For the year ended December 31, 2025

	2025 Actual	2024 Actual
ACCUMULATED REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR	\$	\$
Unrealized gains (losses) attributable to:		
Derivatives		
Equity instruments measured at fair value		
Foreign exchange		
Amounts reclassified to the statement of operations:		
Derivatives		
Equity instruments measured at fair value		
Reversal of net remeasurements of portfolio investments		
Foreign exchange		
NET REMEASUREMENT GAINS (LOSSES) FOR THE YEAR		
ACCUMULATED REMEASUREMENT GAINS (LOSSES), END OF YEAR	\$	\$

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village are 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 are as follows:

Basis of Accounting

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

Reporting Entity

The financial statements consolidates the assets, liabilities, and flow of resources of the Village. The entity is comprised of all of the organizations that are owned or controlled by the Village and are, therefore, accountable to Council for the administration of their financial affairs and resources. These financial statements do not contain any entities.

Partnerships

A partnership represents a contractual arrangement between the Village and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These financial statements do not contain any partnerships.

Collection of Funds for Other Authorities

Collection of funds by the Village for the school board, municipal hall, and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.

Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

- a) the transfers are authorized,
- b) any eligibility criteria have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received but not earned will be recorded as deferred revenue until eligibility criteria or stipulations are met. Earned government transfer amounts not received will be recorded as an amount receivable. Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligible criteria have been met.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Village 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.

Revenue

Revenue from Transactions with No Performance Obligations:

Revenue is recognized for the following sources of revenue from transactions with no performance obligations:

- Tax revenue: Tax revenue is recognized when the underlying tax event occurs, which is typically when the tax is assessed or becomes due, regardless of when payment is received. These are generally recurring in nature.
- Other unconditional revenue: Unconditional revenue is recognized when it is earned and no further obligations are required. This may include certain grants or contributions that do not require a specific performance or future condition. This is considered non-recurring or recurring, depending on the nature of the revenue source.
- Fees and charges: Fees and charges for services are recognized when the service is rendered or when the related activity is performed. These are generally recurring in nature.
- Investment income: Investment income is recognized when earned. Interest income is recognized as it accrues, based on the effective interest rate method, while dividend income is recognized when the right to receive payment is established. Investment income is generally considered a recurring revenue stream, as it is earned periodically from ongoing investments.

Revenue from Transactions with Related Performance Obligations:

Revenue is recognized for the following sources of revenue where related performance obligations exist:

- Tangible capital asset gains (losses): Gains or losses from the sale or disposal of tangible capital assets are recognized when the asset is transferred to the buyer, and the related risks and rewards of ownership have been transferred. These are typically considered non-recurring revenue streams.
- Land sale gains (losses): Revenue from land sales are recognized when the transaction is completed and ownership is transferred to the purchaser. This may involve a performance obligation related to the delivery of the property and revenue is recognized when the transfer occurs. These are typically considered non-recurring revenue streams.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from Transactions with Related Performance Obligations (Continued):

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

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

- a) The payor simultaneously receives and consumes the benefits provided by the Village's performance as they fulfil the performance obligation
- b) The Village's performance creates or enhances an asset (for example, work in progress) that the payor controls or uses as the asset is created or enhanced
- c) The Village's performance does not create an asset with an alternative use to itself, and the Village has an enforceable right to payment for performance completed to date
- d) The Village is expected to continually maintain or support the transferred good or service under the terms of the agreement
- e) The Village provides the payor with access to a specific good or service under the terms of the agreement

When determining the amounts of revenue to recognize at various stages along the point of time, determinants vary but often include percentage complete.

Deferred Revenue and Deposits

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.

Local Improvement Charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

Net Financial Assets

Net financial assets at the end of the 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.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-Financial Assets

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

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.

Property Tax Revenue

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

Financial Instruments

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

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

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 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.

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

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (Continued)

Measurement of Financial Instruments:

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

<u>Financial statement line item</u>	<u>Measurement</u>
Cash and cash equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other accounts receivable	Cost and amortized cost
Long-term receivables	Amortized cost
Debt charges recoverable	Amortized cost
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-term debt	Amortized cost
Derivative assets and liabilities	Fair value

Inventories

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

Tangible Capital Assets

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

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Leased capital assets	Lease term

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible Capital Assets (Continued)

<u>Asset</u>	<u>Useful Life</u>
Infrastructure Assets	
Infrastructure assets	30 to 75 years
Water & sewer	15 to 40 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 Village 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 the majority of 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 leases are amortized on a straight-line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

Public Private Partnerships

Public private partnerships where the Village procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the statement of financial position and are initially recognized at cost. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset; and all costs directly attributable to the acquisition, construction, development or betterment of the infrastructure asset. Infrastructure assets are amortized over the assets useful life and recognized as an expense in the statement of operations.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Public Private Partnerships (Continued)

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

These financial statements do not include any public private partnerships.

Trust Funds

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the Village.

Employee Benefit Plans

Contributions to the Village's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Village's obligations are limited to their contributions.

Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the Village:
 - 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.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Uncertainty

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

Measurement uncertainty impacts the following financial statement areas:

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

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

Basis of Segmentation/Segment Report

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

The segments (functions) are as follows:

General government: Provides administration of the Village.

Protective services: Is comprised of expenses for police and fire protection.

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

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Segmentation/Segment Report (Continued)

Environmental and public health: Environmental segment provides waste disposal and other environmental services and the public health segment provides for expenses related to public health services in the Village.

Planning and development: Provides for neighbourhood development and sustainability.

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

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

Budget Information

The budget is prepared on a revenue and expenditures basis. For comparative purposes, the Village has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget was approved by Council on May 21, 2025.

Assets Held for Sale

The Village is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

Asset Retirement Obligations

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

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Village 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.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset Retirement Obligations (Continued)

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 Village 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.

Loan Guarantees

The Village has not provided loan guarantees for any organizations.

Guarantees represent potential financial commitments for the Village. These amounts are considered as contingent liabilities and not formally recognized as liabilities until the Village considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The Village monitors the status of the organization(s), loans, and lines of credit annually and in the event that payment by the Village is likely to occur, a provision will be recognized in the financial statements.

2. CASH AND CASH EQUIVALENTS

	2025	2024
Cash	\$ 513,546	\$ 440,994
Cash equivalents - amortized cost	55,249	53,848
	<u>\$ 568,795</u>	<u>\$ 494,842</u>

Cash and cash equivalents include balances with banks and term deposits. Cash equivalents represents investments in redeemable term deposits held at Affinity Credit Union Ltd. and earn interest at rates between 0.50% and 3.35% (2024 - 0.50% and 4.40%) which are to mature between March 2026 and April 2027.

The Village of Marcelin banks with Affinity Credit Union Ltd. where they have an authorized overdraft limit of \$15,000 at an interest rate of 5.45% (2024 - 6.45%) (unauthorized overdraft interest rate of 25.00% (2024 - 25.00%)).

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

3. TAXES RECEIVABLE - MUNICIPAL

		2025	2024
Municipal	- Current	\$ 40,119	\$ 46,684
	- Arrears	120,697	104,741
		160,816	151,425
	- Less allowance for uncollectibles	(139,008)	(71,905)
Total municipal taxes receivable		21,808	79,520
School	- Current	3,717	4,035
	- Arrears	17,563	14,807
Total taxes to be collected on behalf of School Divisions		21,280	18,842
Total taxes and grants-in-lieu receivable		43,088	98,362
Deduct taxes to be collected on behalf of other organizations		(21,280)	(18,842)
Total taxes receivable - municipal		\$ 21,808	\$ 79,520

4. OTHER ACCOUNTS RECEIVABLE

	2025	2024
Utility	\$ 20,891	\$ 21,536
Federal government	3,427	7,156
Accrued interest	1,678	900
Organizations and individuals		8,757
Total other accounts receivable	\$ 25,996	\$ 38,349

5. ASSETS HELD FOR SALE

	2025	2024
Tax title property	\$ 50,174	\$ 50,174

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

6. DEFERRED REVENUE

	2024	Restricted inflows	Revenue earned	2025
Canada Community - Building Fund	\$ 9,916	\$ 8,846	\$ (18,762)	\$
Prepaid taxes - municipal		10,977		10,977
Total deferred revenue	<u>\$ 9,916</u>			<u>\$ 10,977</u>

7. LONG-TERM DEBT

The debt limit of the Village is \$377,505. The debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

Municipal Financing Corporation of Saskatchewan, payable in annual installments of \$27,361 including interest at 4.20%, maturing in 2037. The water treatment plant is being used as collateral on the debenture.

	2025	2024
	\$ 253,831	\$ 269,858

Future principal and interest payments are as follows:

	Principal	Interest	Total
2026	\$ 16,700	\$ 10,661	\$ 27,361
2027	17,402	9,959	27,361
2028	18,132	9,229	27,361
2029	18,894	8,467	27,361
2030	19,688	7,673	27,361
Thereafter	163,015	36,186	199,201
Balance	<u>\$ 253,831</u>	<u>\$ 82,175</u>	<u>\$ 336,006</u>

8. GUARANTEES

The Village guarantees operating expense deficits of 5% (2024 - 5%) for the Housing Authorities in Marcelin, operated by Saskatchewan Housing Corporation, which totaled \$Nil (2024 - \$Nil). No amounts have been accrued in the financial statements on account of the guarantee.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

9. PENSION PLAN

The Village is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration benefits. The Village's pension expense in 2025 was \$9,551 (2024 - \$9,671). The benefits accrued to the Village's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS 3250.

Total current service contributions by the Village to the MEPP in 2025 were \$9,551 (2024 - \$9,671). Total current service contributions by the employees of the Village to the MEPP in 2025 were \$9,551 (2024 - \$9,671).

As of the audit report date, the December 31, 2025 MEPP actuarial deficiency/surplus has not yet been released. As of December 31, 2024, the actuarial valuation of the financial position of the plan shows MEPP is 126.4 percent funded, with an actuarial surplus of \$819,117,000.

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

10. RISK MANAGEMENT

Through its financial assets and liabilities, the Village is exposed to various risks as outlined below.

Price risk

Price risk associated with investments in shares is the risk that their fair value will fluctuate because of changes in market prices. It is management's opinion the Village is not exposed to price risks arising from these financial instruments due to the Village not holding any investments in shares.

Credit risk

The Village is exposed to credit risk resulting from the possibility that counterparties may default on their financial obligations. Credit risk is primarily associated with accounts receivable, which total \$47,804 as at year-end.

The composition of receivables is as follows:

- Property taxes receivable: \$21,808
- Utility receivables: \$20,891
- GST receivable: \$3,427
- Accrued interest: \$1,678

Credit risk related to taxes and utilities arises from transactions with residents and ratepayers. The risk is mitigated by the Village's authority to pursue tax recovery measures under applicable legislation and to discontinue utility services in cases of non-payment.

VILLAGE OF MARCELIN
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2025

10. RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Receivables from the Canada Revenue Agency (CRA) and banking institutions are considered low risk due to the creditworthiness of these counterparties.

At year-end, \$123,726 of total receivables are considered past due (i.e., greater than 30 days outstanding). The Village monitors receivables on an ongoing basis and establishes allowances as necessary based on historical collection patterns and specific account assessments.

Liquidity risk

Liquidity risk is the risk that the Village will encounter difficulty in meeting financial obligations as they fall due. The Village undertakes regular cash flow analyses to ensure there are sufficient cash resources to meet all obligations.

Trade accounts payable and accrued liabilities are generally paid within 30 days.

Interest rate risk

Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate due to changes in market interest rates. The Village is exposed to interest rate risk on its cash equivalents and long-term debt. The Village's cash equivalents are held at fixed interest rates. Although fixed-rate instruments typically expose the holder to interest rate risk in a rising rate environment, the Village's current holdings bear interest rates that are above current market levels, mitigating the risk and providing a financial benefit in the short-term. The risk associated with long-term debt is reduced as it is locked in at a fixed interest rate.

VILLAGE OF MARCELIN**SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES****For the year ended December 31, 2025**

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
TAXES			
General municipal tax levy	\$ 228,730	\$ 234,357	\$ 235,535
Abatements and adjustments		(5,627)	(7,014)
Discount on current year taxes	(6,000)	(5,797)	(5,505)
Net Municipal Taxes	222,730	222,933	223,016
Penalties on tax arrears	26,936	26,936	22,937
Total Taxes	249,666	249,869	245,953
UNCONDITIONAL GRANTS			
Revenue Sharing	43,884	43,884	41,320
Total Unconditional Grants	43,884	43,884	41,320
GRANTS-IN-LIEU OF TAXES			
Provincial			
SaskTel	1,660	1,660	1,648
Other Government Transfers			
S.P.C. Surcharge	9,000	8,801	8,896
SaskEnergy Surcharge	4,700	4,427	4,403
Total Grants-in-Lieu of Taxes	15,360	14,888	14,947
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 308,910	\$ 308,641	\$ 302,220

VILLAGE OF MARCELIN

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Tax enforcement and office services	\$ 120	\$ 416	\$ 888
Total Fees and Charges	120	416	888
- Investment income	12,356	9,383	12,822
- Leask Hutterites Colony lease agreement	500	500	350
Total Other Segmented Revenue	12,976	10,299	14,060
Total Operating	12,976	10,299	14,060
Total General Government Services	12,976	10,299	14,060
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Fire fees			115
Total Fees and Charges			115
Total Other Segmented Revenue			115
Total Operating			115
Total Protective Services			115

VILLAGE OF MARCELIN**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 3,100	\$ 1,250	\$ 3,036
- Sales of supplies	200	175	1,288
- SaskPower lot rental		1,500	2,250
Total Fees and Charges	3,300	2,925	6,574
Total Other Segmented Revenue	3,300	2,925	6,574
Total Operating	3,300	2,925	6,574
Capital			
Conditional Grants			
- Rural Integrated Roads for Growth (RIRG)	750	750	
- SGI Traffic Safety		768	
Total Capital	750	1,518	
Total Transportation Services	4,050	4,443	6,574
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	22,200	23,529	22,171
Total Fees and Charges	22,200	23,529	22,171
Total Other Segmented Revenue	22,200	23,529	22,171
Conditional Grants			
- Multi-Material Stewardship Western	4,176	4,175	4,370
Total Conditional Grants	4,176	4,175	4,370
Total Operating	26,376	27,704	26,541
Total Environmental and Public Health Services	26,376	27,704	26,541

VILLAGE OF MARCELIN**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION****For the year ended December 31, 2025**

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Licenses and permits	\$ 400	\$ 997	\$ 1,439
Total Fees and Charges	400	997	1,439
Total Other Segmented Revenue	400	997	1,439
Conditional Grants			
- Targeted Sector Support Initiative		308	223
Total Conditional Grants		308	223
Total Operating	400	1,305	1,662
Total Planning and Development Services	400	1,305	1,662
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Recreation program fees	2,800	2,920	2,833
Total Fees and Charges	2,800	2,920	2,833
- Library and events committee	100	1,715	687
Total Other Segmented Revenue	2,900	4,635	3,520
Conditional Grants			
- Local government	937	937	937
- Sask Lotteries	210	210	210
Total Conditional Grants	1,147	1,147	1,147
Total Operating	4,047	5,782	4,667
Total Recreation and Cultural Services	4,047	5,782	4,667

VILLAGE OF MARCELIN**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 68,600	\$ 69,064	\$ 67,541
- Sewer	10,260	9,655	9,482
- Infrastructure	22,680	22,526	22,124
- Interest	1,650	2,124	2,057
Total Fees and Charges	103,190	103,369	101,204
- Water lines custom work		2,414	7,656
Total Other Segmented Revenue	103,190	105,783	108,860
Total Operating	103,190	105,783	108,860
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	8,662	18,762	
Total Capital	8,662	18,762	
Total Utility Services	111,852	124,545	108,860
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 159,701	\$ 174,078	\$ 162,479
SUMMARY			
Total Other Segmented Revenue	\$ 144,966	\$ 148,168	\$ 156,739
Total Conditional Grants	5,323	5,630	5,740
Total Capital Grants and Contributions	9,412	20,280	
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 159,701	\$ 174,078	\$ 162,479

VILLAGE OF MARCELIN
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 6,827	\$ 4,704	\$ 5,179
Wages and benefits	37,826	38,538	38,865
Professional/Contractual services	26,467	26,235	26,441
Utilities	5,220	4,651	4,908
Maintenance, materials, and supplies	9,679	9,852	7,858
Amortization of tangible capital assets	843	843	843
Interest	490	436	410
Allowance for uncollectibles		67,103	15,921
Total General Government Services	87,352	152,362	100,425
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	8,610	8,601	8,400
Fire protection			
Professional/Contractual services	4,483	2,488	2,720
Utilities	2,117	1,870	1,795
Maintenance, materials, and supplies	2,600	342	493
Amortization of tangible capital assets	1,070	1,070	1,070
Total Protective Services	18,880	14,371	14,478
TRANSPORTATION SERVICES			
Wages and benefits	38,031	28,331	30,333
Professional/Contractual services	42,312	45,366	65,838
Utilities	10,498	8,932	10,399
Maintenance, materials, and supplies	60,329	32,172	42,814
Gravel	6,000	5,926	4,329
Amortization of tangible capital assets	6,758	5,511	6,758
Total Transportation Services	163,928	126,238	160,471
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	12,688	12,199	18,034
Professional/Contractual services	17,057	12,289	9,965
Maintenance, materials, and supplies	2,650	5,669	1,303
Amortization of tangible capital assets	2,184	2,184	2,184
Total Environmental and Public Health Services	34,579	32,341	31,486

VILLAGE OF MARCELIN
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2025

	2025 Budget Unaudited (Note 1)	2025 Actual	2024 Actual
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ 2,400	\$ 2,400	\$ 2,400
Professional/Contractual services	2,854	2,997	2,691
Utilities	2,280	1,917	2,052
Maintenance, materials, and supplies	9,810	8,718	771
Grants and contributions			
- Operating	700	1,119	1,039
Amortization of tangible capital assets	1,458	1,458	1,458
Total Recreation and Cultural Services	19,502	18,609	10,411
UTILITY SERVICES			
Wages and benefits	71,447	64,149	61,324
Professional/Contractual services	560	500	
Utilities	14,436	12,189	12,377
Maintenance, materials, and supplies	59,945	24,091	71,321
Amortization of tangible capital assets	16,531	16,703	16,531
Interest on long-term debt	27,361	10,891	11,555
Total Utility Services	190,280	128,523	173,108
TOTAL EXPENSES BY FUNCTION	\$ 514,521	\$ 472,444	\$ 490,379

VILLAGE OF MARCELIN
SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2025

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 416	\$	\$ 2,925	\$ 23,529	\$ 997	\$ 2,920	\$ 103,369	\$ 134,156
Tangible Capital Asset Sale - Gain (Loss)								
Intangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income	9,383							9,383
Commissions								
Other Revenues	500			4,175	308	1,715	2,414	4,629
Grants - Conditional			1,518			1,147		5,630
- Capital							18,762	20,280
Total revenues	10,299		4,443	27,704	1,305	5,782	124,545	174,078
Expenses (Schedule 3)								
Wages & Benefits	43,242		28,331	12,199		2,400	64,149	150,321
Professional/Contractual Services	26,235	11,089	45,366	12,289		2,997	500	98,476
Utilities	4,651	1,870	8,932			1,917	12,189	29,559
Maintenance, Materials, Supplies	9,852	342	38,098	5,669		8,718	24,091	86,770
Grants and Contributions						1,119		1,119
Amortization of Tangible Capital Assets	843	1,070	5,511	2,184		1,458	16,703	27,769
Amortization of Intangible Capital Assets								
Interest	436						10,891	11,327
Accretion of asset retirement obligation								
Allowance for Uncollectibles	67,103							67,103
Other								
Total expenses	152,362	14,371	126,238	32,341		18,609	128,523	472,444
Surplus (Deficit) by Function	(142,063)	(14,371)	(121,795)	(4,637)	1,305	(12,827)	(3,978)	(298,366)
Taxation and other unconditional revenue (Schedule 1)								
								308,641
Net Surplus (Deficit)								\$ 10,275

VILLAGE OF MARCELIN
SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2024

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 888	\$ 115	\$ 6,574	\$ 22,171	\$ 1,439	\$ 2,833	\$ 101,204	\$ 135,224
Tangible Capital Asset Sale - Gain (Loss)								
Intangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income	12,822							12,822
Commissions								
Other Revenues	350			4,370	223	687	7,656	8,693
Grants - Conditional						1,147		5,740
Grants - Capital								
Total revenues	14,060	115	6,574	26,541	1,662	4,667	108,860	162,479
Expenses (Schedule 3)								
Wages & Benefits	44,044		30,333	18,034		2,400	61,324	156,135
Professional/Contractual Services	26,441	11,120	65,838	9,965		2,691		116,055
Utilities	4,908	1,795	10,399			2,052	12,377	31,531
Maintenance, Materials, Supplies	7,858	493	47,143	1,303		771	71,321	128,889
Grants and Contributions						1,039		1,039
Amortization of Tangible Capital Assets	843	1,070	6,758	2,184		1,458	16,531	28,844
Amortization of Intangible Capital Assets								
Interest	410						11,555	11,965
Accretion of asset retirement obligation								
Allowance for Uncollectibles	15,921							15,921
Other								
Total expenses	100,425	14,478	160,471	31,486		10,411	173,108	490,379
Surplus (Deficit) by Function	(86,365)	(14,363)	(153,897)	(4,945)	1,662	(5,744)	(64,248)	(327,900)
Taxation and other unconditional revenue (Schedule 1)								
								302,220
Net Surplus (Deficit)								\$ (25,680)

VILLAGE OF MARCELIN
SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT
For the year ended December 31, 2025

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment			2025	2024
Cost									
Opening costs	\$ 22,100	\$ 17,097	\$ 104,236	\$ 26,000	\$ 130,604	\$ 914,445	\$	\$ 1,214,482	\$ 1,204,153
Additions during the year		15,296	11,861					27,157	10,329
Closing costs	22,100	32,393	116,097	26,000	130,604	914,445		1,241,639	1,214,482
Accumulated Amortization									
Opening accumulated amortization		9,575	25,738	15,900	72,366	372,155		495,734	466,890
Amortization		854	2,203	2,600	5,409	16,703		27,769	28,844
Closing accumulated amortization		10,429	27,941	18,500	77,775	388,858		523,503	495,734
Net Book Value	\$ 22,100	\$ 21,964	\$ 88,156	\$ 7,500	\$ 52,829	\$ 525,587	\$	\$ 718,136	\$ 718,748

VILLAGE OF MARCELIN
SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION
For the year ended December 31, 2025

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2025	2024
Opening costs	\$ 51,491	\$ 53,503	\$ 110,926	\$ 32,097	\$	\$ 52,020	\$ 914,445	\$ 1,214,482	\$ 1,204,153
Additions during the year			27,157					27,157	10,329
Closing costs	51,491	53,503	138,083	32,097		52,020	914,445	1,241,639	1,214,482
Accumulated Amortization									
Opening accumulated amortization	12,217	14,496	72,232	15,575		9,060	372,154	495,734	466,890
Amortization	843	1,070	5,511	2,184		1,458	16,703	27,769	28,844
Closing accumulated amortization	13,060	15,566	77,743	17,759		10,518	388,857	523,503	495,734
Net Book Value	\$ 38,431	\$ 37,937	\$ 60,340	\$ 14,338	\$	\$ 41,502	\$ 525,588	\$ 718,136	\$ 718,748

VILLAGE OF MARCELIN
SCHEDULE 9 - SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY FUNCTION
For the year ended December 31, 2025

Cost	Environmental & Public Health						Totals	
	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Water & Sewer	2025	2024
Opening costs	\$	\$	\$	\$	\$	\$	\$	\$
Additions during the year								
Disposals and write downs								
Closing costs								
Accumulated Amortization								
Opening accumulated amortization								
Amortization								
Disposals and write downs								
Closing accumulated amortization								
Net Book Value	\$	\$	\$	\$	\$	\$	\$	\$

VILLAGE OF MARCELIN
SCHEDULE 10 - SCHEDULE OF ACCUMULATED SURPLUS
For the year ended December 31, 2025

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	\$ 295,467	\$ (12,559)	\$ 282,908
APPROPRIATED RESERVES			
Capital Reserve	139,041	6,263	145,304
Water & Sewer Reserve	155,894		155,894
School Reserve	36,702	1,156	37,858
Total appropriated reserves	331,637	7,419	339,056
NET INVESTMENT IN CAPITAL ASSETS			
Tangible capital assets (Schedule 6,7)	718,748	(612)	718,136
Intangible capital assets (Schedule 8,9)			
Less: Related debt	(269,858)	16,027	(253,831)
Net investment in capital assets	448,890	15,415	464,305
ACCUMULATED SURPLUS excluding remeasurement gains (losses)	\$ 1,075,994	\$ 10,275	\$ 1,086,269

VILLAGE OF MARCELIN
SCHEDULE 11 - SCHEDULE OF MILL RATES AND ASSESSMENTS
For the year ended December 31, 2025

	PROPERTY CLASS					
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable assessment	289,080	6,126,160			419,050	
Regional Park Assessment						
Total Assessment						6,834,290
Mill Rate Factor(s)	1.50	1.00			2.00	
Total Base/Minimum Tax	1,950	122,000			14,850	138,800
Total Municipal Tax Levy	6,971	201,640			25,746	234,357

MILL RATES:		MILLS
Average Municipal		34.2913
Average School		4.2634
Potash Mill Rate		
Uniform Municipal Mill Rate		13.0000

VILLAGE OF MARCELIN
SCHEDULE 12 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2025

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Dennis Ferster	\$ 910	\$	910
Councilor - Lindsay Chmil	975		975
Councilor - Robert Maunder	975		975
Councilor - Lynn McCormick	910		910
Councilor - Craig Verbonac	845		845
	\$ 4,615	\$	4,615