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**VILLAGE OF MYRNAM**  
**Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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**VILLAGE OF MYRNAM**  
**Index to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Village of Myrnam

### *Opinion*

We have audited the consolidated financial statements of Village of Myrnam (the "organization"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations and accumulated surplus, changes in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### *Basis for Opinion*

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

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

(continues)

Independent Auditor's Report to the Members of Village of Myrnam *(continued)*

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Two Hills, AB  
April 21, 2026


*Neube & Landry LLP*

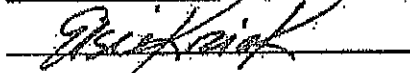
Chartered Professional Accountants

VILLAGE OF MYRNAM  
 Consolidated Statement of Financial Position  
 December 31, 2025

	December 31 2025	December 31 2024
<b>FINANCIAL ASSETS</b>		
Cash	\$ 274,136	\$ 583,656
Accounts receivable	351,935	63,226
Receivables from other governments	51,516	29,589
Taxes and grants in place of taxes receivable	73,290	75,801
Land for resale inventory	7,536	7,636
	<u>758,513</u>	<u>779,908</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	36,640	56,594
Current portion of long term debt (Note 5)	19,708	18,821
Deferred income (Note 4)	164,660	241,964
Funds held in trust	28,763	28,763
Long-term debt (Note 5)	871,946	891,654
	<u>1,121,717</u>	<u>1,237,796</u>
<b>NET FINANCIAL DEBT</b>	<u>(363,204)</u>	<u>(457,888)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>5,459,888</u>	<u>5,321,204</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 5,096,683</u>	<u>\$ 4,863,316</u>

ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Mayor

  
 \_\_\_\_\_ Chief Administrative Officer

VILLAGE OF MYRNAM

Consolidated Statement of Operations and Accumulated Surplus

Year Ended December 31, 2025

	Budget 2025	Total 2025	Total 2024
<b>REVENUES</b>			
Sales of goods and services	\$ 376,240	\$ 423,217	\$ 360,480
Net municipal taxes	295,566	291,577	310,383
Government transfers for operating	128,480	212,541	180,140
Penalties and costs of taxes	8,000	13,985	15,718
Investment income	8,000	12,635	14,173
	<u>816,286</u>	<u>953,955</u>	<u>880,894</u>
<b>EXPENSES</b>			
Roads, street, walks, lighting	397,288	314,716	279,219
Water supply and distribution	271,110	254,785	247,006
Administration	225,761	209,222	205,656
Family and community support	9,204	85,095	62,088
Recreation and culture	80,819	82,814	101,058
Protective services	52,855	33,769	50,078
Legislative	23,244	21,590	18,494
Waste management	17,990	17,990	18,534
Waste water treatment and disposal	10,346	16,644	16,092
	<u>1,088,617</u>	<u>1,036,625</u>	<u>998,225</u>
<b>DEFICIT FROM OPERATIONS</b>	<b>(272,331)</b>	<b>(82,670)</b>	<b>(117,331)</b>
<b>OTHER INCOME</b>			
Government transfers for capital	513,429	316,038	386,437
	<u>241,098</u>	<u>233,368</u>	<u>269,106</u>
<b>ANNUAL SURPLUS</b>	<b>241,098</b>	<b>233,368</b>	<b>269,106</b>
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b>			
	<u>4,863,315</u>	<u>4,863,315</u>	<u>4,594,210</u>
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	<b>\$ 5,104,413</b>	<b>\$ 5,096,683</b>	<b>\$ 4,863,316</b>

**VILLAGE OF MYRNAM****Consolidated Statement of Changes in Net Financial Debt****Year Ended December 31, 2025**

	Budget 2025	2025	2024
<b>ANNUAL SURPLUS</b>	\$ 241,098	\$ 233,368	\$ 269,106
Amortization of tangible capital assets	210,000	218,111	208,226
Purchase of tangible capital assets	(350,000)	(356,795)	(410,443)
	(140,000)	(138,684)	(202,217)
<b>INCREASE IN NET FINANCIAL ASSETS</b>	101,098	94,684	66,889
<b>NET FINANCIAL DEBT - BEGINNING OF YEAR</b>	(457,888)	(457,888)	(524,777)
<b>NET FINANCIAL DEBT - END OF YEAR</b>	\$ (356,790)	\$ (363,204)	\$ (457,888)

**VILLAGE OF MYRNAM**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2025**

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 233,368	\$ 269,106
Items not affecting cash:		
Amortization of property, plant and equipment	218,111	208,225
Sale of tangible capital asset	-	-
	<u>451,479</u>	<u>477,331</u>
Changes in non-cash working capital:		
Accounts receivable	(268,709)	110,133
Taxes and grants in place of taxes receivable	2,511	11,523
Receivables from other governments	(21,927)	29,724
Land for resale inventory	-	(613)
Accounts payable and accrued liabilities	(19,954)	7,706
Deferred income	(77,304)	134,339
Funds held in trust	-	25,801
	<u>(385,383)</u>	<u>318,613</u>
Cash flow from operating activities	<u>66,096</u>	<u>795,944</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(356,795)	(410,443)
Proceeds on disposal of property, plant and equipment	-	-
Cash flow used by investing activities	<u>(356,795)</u>	<u>(410,443)</u>
<b>FINANCING ACTIVITY</b>		
Repayment of long term debt	(18,821)	(17,947)
Cash flow used by financing activity	<u>(18,821)</u>	<u>(17,947)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(309,520)</b>	<b>367,554</b>
Cash - beginning of year	<u>583,656</u>	<u>216,102</u>
<b>CASH - END OF YEAR</b>	<b>\$ 274,136</b>	<b>\$ 583,656</b>

VILLAGE OF MYRNAM  
 Consolidated Changes in Accumulated Surplus  
 Year Ended December 31, 2025

(Schedule 1)

	Unrestricted Surplus	Funds reserved for special projects	Equity in Tangible Capital Assets	Total 2025	Total 2024
<b>Balance, beginning of year, as previously stated</b>	\$ 220,099	\$ 3,447	\$ 4,639,769	\$ 4,863,315	\$ 4,594,210
Excess of revenues over expenses	233,368	-	-	233,368	269,105
Current year funds used for tangible capital assets	(356,795)	-	356,795	-	-
Amortization of tangible capital assets	218,111	-	(218,111)	-	-
Unrestricted funds designated for future use	(435)	435	-	-	-
Long term debt repaid	(19,708)	-	19,708	-	-
<b>Balance, end of year</b>	<b>\$ 294,640</b>	<b>\$ 3,882</b>	<b>\$ 4,798,161</b>	<b>\$ 5,096,683</b>	<b>\$ 4,863,315</b>

VILLAGE OF MYRNAM  
Schedule of Tangible Capital Assets  
Year Ended December 31, 2025

(Schedule 2)

	Land	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	2025 Total	2024 Total
<b>COST</b>							
BALANCE, BEGINNING OF YEAR	\$ 126,098	\$ 2,566,336	\$ 5,092,639	\$ 350,149	\$ 505,866	\$ 8,641,088	\$ 8,230,645
Acquisition of tangible capital assets	-	213,512	106,993	36,290	-	356,795	410,443
Disposal of tangible capital assets	-	-	-	-	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>\$ 126,098</b>	<b>\$ 2,779,848</b>	<b>\$ 5,199,632</b>	<b>\$ 386,439</b>	<b>\$ 505,866</b>	<b>\$ 8,997,883</b>	<b>\$ 8,641,088</b>
<b>ACCUMULATED AMORTIZATION</b>							
BALANCE, BEGINNING OF YEAR	\$ -	\$ 448,494	\$ 2,366,360	\$ 225,056	\$ 279,974	\$ 3,319,884	\$ 3,111,658
Annual amortization	-	55,701	104,802	20,280	37,328	218,111	208,226
Accumulated amortization on disposals	-	-	-	-	-	-	-
<b>ACCUMULATED AMORTIZATION</b>	<b>-</b>	<b>504,195</b>	<b>2,471,162</b>	<b>245,336</b>	<b>317,302</b>	<b>3,537,995</b>	<b>3,319,884</b>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>\$ 126,098</b>	<b>\$ 2,275,653</b>	<b>\$ 2,728,470</b>	<b>\$ 141,103</b>	<b>\$ 188,564</b>	<b>\$ 5,459,888</b>	<b>\$ 5,321,204</b>

**VILLAGE OF MYRNAM**  
**Schedule of Property and Other Taxes**  
**Year Ended December 31, 2025**

*(Schedule 3)*

	Budget 2025	Total 2025	Total 2024
<b>TAXATION</b>			
Residential	\$ 313,876	\$ 309,698	\$ 327,534
Non-residential tax	23,559	23,748	22,870
T2-Res farm tax	15,009	15,009	13,240
Machinery and equipment tax	8,072	8,072	7,593
Farmland	849	849	864
	<u>361,365</u>	<u>357,376</u>	<u>372,101</u>
<b>REQUISITIONS</b>			
Requisition to ASFF	46,558	46,558	42,396
Requisition to Senior Foundation	19,241	19,241	19,322
	<u>65,799</u>	<u>65,799</u>	<u>61,718</u>
<b>NET MUNICIPAL TAXES</b>	<u>\$ 295,566</u>	<u>\$ 291,577</u>	<u>\$ 310,383</u>

**VILLAGE OF MYRNAM**  
**Schedule of Government Transfers**  
**Year Ended December 31, 2025**

*(Schedule 4)*

	Budget 2025	Total 2025	Total 2024
<b>TRANSFERS FOR OPERATING</b>			
Provincial grants	\$ 128,480	\$ 187,541	\$ 180,140
Local grants	25,200	25,000	25,200
<b>TRANSFERS FOR OPERATING total</b>	<u>153,680</u>	<u>212,541</u>	<u>205,340</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial grants	<u>513,429</u>	<u>316,038</u>	<u>386,437</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 667,109</u>	<u>\$ 528,579</u>	<u>\$ 591,777</u>

**VILLAGE OF MYRNAM****Schedule of Consolidated Expenses by Object***(Schedule 5)***Year Ended December 31, 2025**

	Budget 2025	Total 2025	Total 2024
<b>EXPENSES BY OBJECT</b>			
Materials, goods, supplies and utilities	\$ 325,660	\$ 343,962	\$ 306,098
Salaries, wages and benefits	300,065	297,014	272,690
Amortization of tangible capital assets	210,000	218,111	208,225
Contracted and general services	123,119	131,711	142,675
Interest on long term debt	38,461	44,414	45,290
Bank charges and short term interest	1,525	1,390	3,924
Provisions for allowance	4,092	23	19,953
<b>TOTAL</b>	<b>\$ 1,002,922</b>	<b>\$ 1,036,625</b>	<b>\$ 998,855</b>

VILLAGE OF MYRNAM  
Schedule of Segmented Disclosure  
Year Ended December 31, 2025

(Schedule 6)

	General Government	Protective Services	Transportation Services	Environmental Services	Planning Development	Family Community Support Services	Recreation Culture	Total
<b>REVENUE</b>								
Net municipal taxes	\$ 291,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 291,577
User fees & sales of goods	63,143	19,600	32,628	272,586	150	-	35,110	423,217
Government transfers	212,541	-	-	-	-	-	-	212,541
Local government transfers	150,897	-	22,638	86,962	-	-	-	260,497
Federal government conditional grant	-	-	46,477	9,064	-	-	-	55,541
Penalties and cost of taxes	13,985	-	-	-	-	-	-	13,985
Investment income	12,635	-	-	-	-	-	-	12,635
	<u>744,778</u>	<u>19,600</u>	<u>101,743</u>	<u>368,612</u>	<u>150</u>	<u>-</u>	<u>35,110</u>	<u>1,269,993</u>
<b>EXPENSES</b>								
Salaries & wages	139,747	-	148,867	8,400	-	-	-	297,014
Contract & general services	36,730	2,435	8,990	8,653	636	43,788	30,479	131,711
Materials, goods, supplies and utilities	32,445	31,334	98,117	135,356	-	42,032	4,678	343,962
Interest and bank charges	1,390	-	-	33,572	-	-	10,842	45,804
Provision for allowances	23	-	-	-	-	-	-	23
	<u>210,335</u>	<u>33,769</u>	<u>255,974</u>	<u>185,981</u>	<u>636</u>	<u>85,820</u>	<u>45,999</u>	<u>818,514</u>
NET REVENUE, BEFORE AMORTIZATION	<u>534,443</u>	<u>(14,169)</u>	<u>(154,231)</u>	<u>182,631</u>	<u>(486)</u>	<u>(85,820)</u>	<u>(10,889)</u>	<u>451,479</u>
Amortization expense	-	-	58,104	103,440	-	19,752	36,815	218,111
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 534,443</u>	<u>\$ (14,169)</u>	<u>\$ (212,335)</u>	<u>\$ 79,191</u>	<u>\$ (486)</u>	<u>\$ (105,572)</u>	<u>\$ (47,704)</u>	<u>\$ 233,368</u>
2024 EXCESS (DEFICIENCY) OF OVER	<u>\$ 358,491</u>	<u>\$ (40,789)</u>	<u>\$ (273,526)</u>	<u>\$ 350,700</u>	<u>\$ 722</u>	<u>\$ (82,089)</u>	<u>\$ (64,404)</u>	<u>\$ 269,105</u>

**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and short term investments

Cash and cash equivalents consist primarily of commercial paper and deposits with an original maturity date of purchase of three months or less. Because of the short term maturity of these investments, their carrying amount approximates fair value.

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenditures, and changes in fund balances and in financial position of the reporting entity. This entity is comprised of the municipal operations plus all the organizations that are owned or controlled by the municipality and are, accountable to the town Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenues as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or legal obligation to pay. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may be only used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period that the related expenses are incurred, services performed or the tangible capital assets are acquired.

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Requisition overlevy and under-levy

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned. If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levy or underlevies of the prior year.

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**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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

Inventory

Land held for resale is recorded at the lower of cost or net realized value. Cost includes cost for land acquisitions and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges.

Tax revenue

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.

Government transfers

Government transfers are the transfers of assets from senior levels of government that are not the result of exchange transactions, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not indented for sale in the normal course of operations. The change in non-financial assets during the year, together with excess of revenues over expenses, provided the consolidated Change in Net Financial Assets (Debt) for the year.

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**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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

Capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost less residual value, of the tangible capital asset is amortized on a straight line basis over the estimate useful life as follows:

Buildings	50 years	straight-line method
Portable Buildings	25 years	straight-line method
Vehicles	10 years	straight-line method
Machinery and equipment	10 years	straight-line method
Roads	30 years	straight-line method
Water system	40 - 75 years	straight-line method
Wastewater system	40 - 75 years	straight-line method

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

- Contribution of Tangible Capital Assets** - Tangible capital assets received as contributions are recorded at the date of receipt and also are recorded as revenue.
- Leases** - Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and related lease payments are charged to expenses as incurred.
- Inventories** - Inventories held for consumption are recorded at lower of cost and replacement cost.
- Cultural and Historical Tangible Capital Assets** - Works of art for display are not recorded as tangible capital assets but are disclosed.

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2. CASH

Included in cash is a restricted amount of \$193,423 (2024 - \$270,727) comprises of \$28,763 (2024 - \$28,763) of funds held in trust and \$164,660 (2024 - \$241,964) of deferred revenue received from various sources and held exclusively for approved projects.

	<u>2025</u>	<u>2024</u>
Cash	<u>\$ 274,214</u>	<u>\$ 583,656</u>

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3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE

	<u>2025</u>	<u>2024</u>
Current	<u>\$ 49,646</u>	<u>\$ 54,855</u>
Arrears	<u>23,644</u>	<u>20,946</u>
	<u>\$ 73,290</u>	<u>\$ 75,801</u>

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**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

4. DEFERRED REVENUE

Deferred revenue is comprised of the funds noted below, the use of which are externally restricted. The funds are recognized as revenue in the period they are used for in the purpose specified.

	2025	2024
Alberta Community Partnership	\$ 85,000	\$ 120,000
Canada Community Building Fund	58,735	48,667
Small Communities Opportunities Program	17,543	68,520
Infrastructure Reserve	3,382	3,448
Local Government Fiscal Framework	-	1,329
	<u>\$ 164,660</u>	<u>\$ 241,964</u>

Funding from various grant programs, organizations and individuals, remained unspent at the end of the current year. The use of these funds is restricted to eligible operating and capital projects as approved under the funding agreements or as indicated by the donors.

5. LONG TERM DEBT

	2025	2024
Alberta Capital Finance Authority loan bearing interest at 3.127% per annum, repayable in semi-annual blended payments of \$6,793. The loan matures on June 15, 2045.	\$ 197,231	\$ 204,479
Servus Credit Union loan bearing interest at 5.95% per annum, repayable in annual blended payments of \$14,127. The loan matures on August 1, 2027. This loan was refinanced in the year.	175,079	182,224
Treasury Board loan bearing interest at 5.21% per annum, repayable in semi-annual blended payments of \$15,829. The loan matures on June 15, 2063.	519,344	523,772
	891,654	910,475
Amounts payable within one year	<u>(19,708)</u>	<u>(18,821)</u>
	<u>\$ 871,946</u>	<u>\$ 891,654</u>

Principal repayment terms are approximately:

2026	\$ 19,708
2027	20,640
2028	21,594
2029	22,647
2030	23,729
Thereafter	783,336
	<u>\$ 891,654</u>

Interest paid on long term debt was \$45,286 (2023 - \$32,144) equal to actual cash payments.

**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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6. DEBTS LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Village of Myrnam be disclosed as follows:

	<u>2025</u>	<u>2024</u>
Total debt Limit	\$ 1,417,845	\$ 1,604,121
Total debt	<u>(891,654)</u>	<u>(910,475)</u>
	<u>\$ 526,191</u>	<u>\$ 693,646</u>
Debt servicing limit	\$ 236,308	\$ 267,354
Debt servicing	<u>(19,701)</u>	<u>(18,821)</u>
Amount of debt servicing limit unused	<u>\$ 216,607</u>	<u>\$ 248,533</u>

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

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**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

**7. SALARY AND BENEFITS DISCLOSURE**

Disclosure of salaries and benefits for municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows

	Salary	Benefits & Allowance	2025	2024
<b>Mayor:</b> Rick Sadowsky	\$ 1,350	\$ -	\$ 1,350	\$ -
<b>Councilor:</b> Simon Patterson	1,800	-	1,800	-
<b>Councilor:</b> Paul Myshaniuk	1,050	-	1,050	-
<b>Mayor:</b> Rudolf (Retired)	6,375	-	6,375	7,615
<b>Councilor:</b> Yaremchuk (Retired)	4,250	-	4,250	3,250
<b>Councilor:</b> Ewanec (Retired)	2,650	-	2,650	4,800
<b>Administrator:</b> Elsie Kiziak	58,240	-	58,240	65,171
<b>Designated Contractor:</b> Wainwright Assessment Group Ltd.	6,370	-	6,370	-
<b>Total</b>	<b>\$ 82,085</b>	<b>\$ -</b>	<b>\$ 82,085</b>	<b>\$ 80,836</b>

Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional memberships and tuition.

If an automobile is provided, no amount is included in the benefits and allowances figure

Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial and retirement planning services, concessionary loans, travel allowances, car allowances, club memberships and employer portion of source deductions.

**8. SEGMENTED DISCLOSURE**

The Village of Myrnam provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amount that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of financial statements as disclosed in Note 1.

Refer to the Schedule of Segmented Disclosure (Schedule 6)

**9. FINANCIAL INSTRUMENTS**

The Village's financial instruments consist of cash, accounts receivables, line of credit, accounts payable, accrued liabilities, funds held in trust, obligations under capital lease and long term debt. It is management's opinion that the Village is not exposed to significant interest or currency risk arising from these financial instruments.

The Village is subject to credit risk with respect to taxes and grants in place of taxes receivable and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the village provides services may experience financial difficulty and be unable to fulfil their obligation. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the fair value of these financial instruments approximates their carrying value.

**VILLAGE OF MYRNAM**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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**10. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by Council and Management.

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