

**TOWN OF SPIRITWOOD**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

**TOWN OF SPIRITWOOD**  
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**For the year ended December 31, 2025**

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## STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Town of Spiritwood:

The Town's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the consolidated 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 consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Council is composed of elected officials who are not employees of the Town. 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 Town's external auditors.

Sensus Chartered Professional Accountants Ltd., as the Town's appointed external auditors, have audited the consolidated 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.

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Mayor

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Administrator

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:  
Town of Spiritwood  
Spiritwood, Saskatchewan

### Qualified Opinion

We have audited the consolidated financial statements of the Town of Spiritwood, which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statement of operations, the consolidated statement of changes in net debt, the consolidated statement of cash flows, the consolidated statement of remeasurement gains (losses) for the year then ended, and the notes to the consolidated 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 paragraphs, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town of Spiritwood 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 Town of Spiritwood. The Town of Spiritwood has not provided a reasonable estimate for the asset retirement costs associated with their lagoon and water wells 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 consolidated financial statements for the year ended December 31, 2025 and December 31, 2024, have not been determined, as there is insufficient information available to do so.

The Spiritwood Area Recreation Culture and Sport Inc., a consolidated entity of the Town of Spiritwood, derives revenues from fundraising activities, donations, user fees and kitchen and bar sales, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Spiritwood Area Recreation Culture and Sport Inc. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, annual surplus (deficit) or assets and accumulated surplus. Our opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 Town of Spiritwood in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

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

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

Those charged with governance are responsible for overseeing the Town of Spiritwood'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.

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 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 Town of Spiritwood'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 Town of Spiritwood'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 Town of Spiritwood 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the directions, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 28, 2026

  
Chartered Professional Accountants Ltd.

**TOWN OF SPIRITWOOD**  
**STATEMENT 1 - CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2025**

|                                                                          | 2025                | 2024                |
|--------------------------------------------------------------------------|---------------------|---------------------|
| <b>FINANCIAL ASSETS</b>                                                  |                     |                     |
| Cash (Note 2)                                                            | \$ 2,149,544        | \$ 1,822,523        |
| Taxes receivable - municipal (Note 3)                                    | 61,647              | 82,672              |
| Other accounts receivable (Note 4)                                       | 243,741             | 241,096             |
| <b>TOTAL FINANCIAL ASSETS</b>                                            | <b>2,454,932</b>    | <b>2,146,291</b>    |
| <b>LIABILITIES</b>                                                       |                     |                     |
| Accounts payable and accrued liabilities                                 | 126,529             | 126,673             |
| Deposits                                                                 | 46,464              | 45,268              |
| Deferred revenue (Note 6)                                                | 129,341             | 78,882              |
| Asset retirement obligation (Note 7)                                     | 69,664              |                     |
| Long-term debt (Note 8)                                                  | 2,513,362           | 2,672,269           |
| <b>TOTAL LIABILITIES</b>                                                 | <b>2,885,360</b>    | <b>2,923,092</b>    |
| <b>NET DEBT</b>                                                          | <b>(430,428)</b>    | <b>(776,801)</b>    |
| <b>NON-FINANCIAL ASSETS</b>                                              |                     |                     |
| Tangible capital assets (Schedules 6 and 7)                              | 8,893,992           | 9,043,411           |
| Assets held for sale (Note 5)                                            | 260,224             | 251,030             |
| Inventories                                                              | 28,022              | 18,607              |
| Prepaid expenses                                                         | 225                 |                     |
| <b>TOTAL NON-FINANCIAL ASSETS</b>                                        | <b>9,182,463</b>    | <b>9,313,048</b>    |
| <b>ACCUMULATED SURPLUS</b>                                               | <b>\$ 8,752,035</b> | <b>\$ 8,536,247</b> |
| Accumulated surplus is comprised of:                                     |                     |                     |
| Accumulated surplus excluding remeasurement gains (losses) (Schedule 10) | \$ 8,752,035        | \$ 8,536,247        |
| Accumulated remeasurement gains (losses)                                 |                     |                     |
|                                                                          | <b>\$ 8,752,035</b> | <b>\$ 8,536,247</b> |

**TOWN OF SPIRITWOOD****STATEMENT 2 - CONSOLIDATED STATEMENT OF OPERATIONS****For the year ended December 31, 2025**

|                                                                                          | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual      | 2024<br>Actual      |
|------------------------------------------------------------------------------------------|-----------------------------------------|---------------------|---------------------|
| <b>REVENUE</b>                                                                           |                                         |                     |                     |
| Taxes revenue (Schedule 1)                                                               | \$ 986,029                              | \$ 983,155          | \$ 978,932          |
| Other unconditional revenue (Schedule 1)                                                 | 419,457                                 | 416,151             | 394,888             |
| Fees and charges (Schedules 4 and 5)                                                     | 672,474                                 | 1,199,168           | 1,318,354           |
| Conditional grants (Schedules 4 and 5)                                                   | 22,000                                  | 147,552             | 141,109             |
| Tangible capital asset sales - gain (loss) (Schedules 4 and 5)                           |                                         |                     | (8,158)             |
| Land sales - gain (loss) (Schedules 4 and 5)                                             | 5,000                                   | 242                 | (36,054)            |
| Investment income (Schedules 4 and 5)                                                    | 35,800                                  | 32,547              | 35,706              |
| Other revenues (Schedules 4 and 5)                                                       | 15,700                                  | 56,099              | 40,340              |
| Provincial/Federal capital grants and contributions<br>(Schedules 4 and 5)               | 61,438                                  | 7,130               | 162,470             |
|                                                                                          | <b>2,217,898</b>                        | <b>2,842,044</b>    | <b>3,027,587</b>    |
| <b>EXPENSES</b>                                                                          |                                         |                     |                     |
| General government services (Schedule 3)                                                 | 503,969                                 | 468,187             | 512,028             |
| Protective services (Schedule 3)                                                         | 118,103                                 | 116,271             | 115,646             |
| Transportation services (Schedule 3)                                                     | 447,800                                 | 432,501             | 446,581             |
| Environmental and public health services (Schedule 3)                                    | 169,545                                 | 182,628             | 170,534             |
| Planning and development services (Schedule 3)                                           | 74,250                                  | 55,206              | 85,049              |
| Recreation and cultural services (Schedule 3)                                            | 486,808                                 | 936,089             | 1,126,340           |
| Utility services (Schedule 3)                                                            | 422,650                                 | 435,374             | 406,243             |
|                                                                                          | <b>2,223,125</b>                        | <b>2,626,256</b>    | <b>2,862,421</b>    |
| <b>ANNUAL SURPLUS (DEFICIT)</b>                                                          | <b>(5,227)</b>                          | <b>215,788</b>      | <b>165,166</b>      |
| <b>ACCUMULATED SURPLUS EXCLUDING<br/>REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR</b> | <b>8,536,247</b>                        | <b>8,536,247</b>    | <b>8,371,081</b>    |
| <b>ACCUMULATED SURPLUS EXCLUDING<br/>REMEASUREMENT GAINS (LOSSES), END OF YEAR</b>       | <b>\$ 8,531,020</b>                     | <b>\$ 8,752,035</b> | <b>\$ 8,536,247</b> |

# TOWN OF SPIRITWOOD

## STATEMENT 3 - CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2025

|                                             | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual      | 2024<br>Actual      |
|---------------------------------------------|-----------------------------------------|---------------------|---------------------|
| <b>ANNUAL SURPLUS (DEFICIT)</b>             | <b>\$ (5,227)</b>                       | <b>\$ 215,788</b>   | <b>\$ 165,166</b>   |
| Acquisition of tangible capital assets      |                                         | (203,498)           | (433,278)           |
| Amortization of tangible capital assets     | 341,050                                 | 352,917             | 341,726             |
| Gain on sale of tangible capital assets     |                                         |                     | 8,158               |
| Proceeds on sale of tangible capital assets |                                         |                     | 9,438               |
| Acquisition of assets held for sale         |                                         | (13,776)            | (4,582)             |
| (Gain) loss on sale of assets held for sale |                                         | (242)               | 36,054              |
| Proceeds on sale of assets held for sale    |                                         | 4,824               | 172,759             |
| Increase in inventories                     |                                         | (9,415)             | (2,376)             |
| Increase in prepaid expenses                |                                         | (225)               |                     |
|                                             | <b>341,050</b>                          | <b>130,585</b>      | <b>127,899</b>      |
| <b>CHANGE IN NET FINANCIAL ASSETS</b>       | <b>\$ 335,823</b>                       | <b>\$ 346,373</b>   | <b>\$ 293,065</b>   |
| <b>NET DEBT, BEGINNING OF YEAR</b>          |                                         | <b>(776,801)</b>    | <b>(1,069,866)</b>  |
| <b>NET DEBT, END OF YEAR</b>                |                                         | <b>\$ (430,428)</b> | <b>\$ (776,801)</b> |

**TOWN OF SPIRITWOOD**  
**STATEMENT 4 - CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2025

|                                                       | 2025         | 2024         |
|-------------------------------------------------------|--------------|--------------|
| <b>OPERATING TRANSACTIONS</b>                         |              |              |
| Annual surplus                                        | \$ 215,788   | \$ 165,166   |
| Changes in non-cash items:                            |              |              |
| Taxes receivable - municipal                          | 21,025       | (43,110)     |
| Other accounts receivable                             | (2,645)      | (2,562)      |
| Patronage equity                                      |              | 100          |
| Inventories                                           | (9,415)      | (2,376)      |
| Prepaid expenses                                      | (225)        |              |
| Accounts payable and accrued liabilities              | (144)        | 27,988       |
| Deferred revenue                                      | 50,459       | (97,641)     |
| Deposits                                              | 1,196        | 938          |
| Asset retirement obligation                           | 69,664       |              |
| (Gain) loss on sale of tangible capital assets        |              | 8,158        |
| (Gain) loss on sale of assets held for sale           | (242)        | 36,054       |
| Amortization of tangible capital assets               | 352,917      | 341,726      |
| Cash provided by operating transactions               | 698,378      | 434,441      |
| <b>CAPITAL TRANSACTIONS</b>                           |              |              |
| Proceeds from the disposal of tangible capital assets |              | 9,438        |
| Acquisition of tangible capital assets                | (203,498)    | (433,278)    |
| Cash applied to capital transactions                  | (203,498)    | (423,840)    |
| <b>INVESTING TRANSACTIONS</b>                         |              |              |
| Proceeds on sale of assets held for sale              | 4,824        | 172,759      |
| Acquisition of real estate properties                 | (13,776)     | (4,582)      |
| Cash provided by (applied to) investing transactions  | (8,952)      | 168,177      |
| <b>FINANCING TRANSACTIONS</b>                         |              |              |
| Long-term debt repaid                                 | (158,907)    | (197,370)    |
| Cash applied to financing transactions                | (158,907)    | (197,370)    |
| <b>CHANGE IN CASH</b>                                 | 327,021      | (18,592)     |
| <b>CASH, BEGINNING OF YEAR</b>                        | 1,822,523    | 1,841,115    |
| <b>CASH, END OF YEAR</b>                              | \$ 2,149,544 | \$ 1,822,523 |

# TOWN OF SPIRITWOOD

## STATEMENT 5 - CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS (LOSSES)

For the year ended December 31, 2025

|                                                                    | 2025<br>Actual | 2024<br>Actual |
|--------------------------------------------------------------------|----------------|----------------|
| <b>ACCUMULATED REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR</b> | \$             | \$             |
| 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                                                   |                |                |
| <b>NET REMEASUREMENT GAINS (LOSSES) FOR THE YEAR</b>               |                |                |
| <b>ACCUMULATED REMEASUREMENT GAINS (LOSSES), END OF YEAR</b>       | \$             | \$             |

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Town 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 consolidated 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 consolidated financial statements consolidates the assets, liabilities, and flow of resources of the Town. The entity is comprised of all of the organizations that are owned or controlled by the Town and are, therefore, accountable to Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Spiritwood Area Recreation, Culture & Sport Inc. (SARCS)

All inter-organizational transactions and balances have been eliminated.

**Partnerships**

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

**Collection of Funds for Other Authorities**

Collection of funds by the Town for the school board, municipal hail, 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.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**Government Transfers (continued)**

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.

**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 Town 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.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**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.

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 Town 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 Town's performance as they fulfil the performance obligation
- b) The Town'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 Town's performance does not create an asset with an alternative use to itself, and the Town has an enforceable right to payment for performance completed to date
- d) The Town is expected to continually maintain or support the transferred good or service under the terms of the agreement
- e) The Town 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.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**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.

**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 consolidated statement of operations when there is an other than temporary decline in value.

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

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**Financial Instruments (continued)**

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.

Measurement of Financial Instruments:

The Town'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 Town 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 Town's tangible capital asset useful lives are estimated as follows:

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**Tangible Capital Assets (continued)**

| <u><b>Asset</b></u>          | <u><b>Useful Life</b></u> |
|------------------------------|---------------------------|
| <b>General Assets</b>        |                           |
| 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                |
| <b>Infrastructure Assets</b> |                           |
| Infrastructure assets        | 30 to 75 years            |
| Water & sewer                | 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 Town does not capitalize interest incurred while a tangible capital asset is under construction.

**Leases**

All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers 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.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**Public Private Partnerships**

Public private partnerships where the Town procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the consolidated 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 consolidated statement of operations.

When the Town 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 Town recognizes a corresponding infrastructure liability on the consolidated 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 Town 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 Town 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 consolidated 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 consolidated financial statements as they are not controlled by the Town.

**Employee Benefit Plans**

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

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**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 Town:
  - 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.

**Measurement Uncertainty**

The preparation of the consolidated 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 consolidated 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.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**Basis of Segmentation/Segment Report**

The Town 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 Town.

**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.

**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 Town.

**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**

Budget information is presented on a basis consistent with that used for the actual results. The budget was approved by Council on July 2, 2025.

**Assets Held for Sale**

The Town 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.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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

**Asset Retirement Obligations (continued)**

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 Town to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Town 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 consolidated statement of operations.

**Loan Guarantees**

The Town has not provided loan guarantees for any organizations.

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

**2. CASH**

The Town of Spiritwood banks with Prairie Centre Credit Union Ltd. where they have an authorized overdraft limit of \$225,000 at an interest rate of 4.45% (2024 - 5.95%) (unauthorized overdraft interest rate of 24.00% (2024 - 15.95%)).

# TOWN OF SPIRITWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2025

### 3. TAXES RECEIVABLE - MUNICIPAL

|                                                               | 2025      | 2024      |
|---------------------------------------------------------------|-----------|-----------|
| Municipal                                                     |           |           |
| - Current                                                     | \$ 37,608 | \$ 60,110 |
| - Arrears                                                     | 54,151    | 55,623    |
|                                                               | 91,759    | 115,733   |
| - Less allowance for uncollectibles                           | (30,112)  | (33,061)  |
| Total municipal taxes receivable                              | 61,647    | 82,672    |
| School                                                        |           |           |
| - Current                                                     | 7,416     | 14,396    |
| - Arrears                                                     | 8,545     | 8,154     |
| Total taxes to be collected on behalf of School Divisions     | 15,961    | 22,550    |
| Total taxes and grants-in-lieu receivable                     | 77,608    | 105,222   |
| Deduct taxes to be collected on behalf of other organizations | (15,961)  | (22,550)  |
| Total taxes receivable - municipal                            | \$ 61,647 | \$ 82,672 |

### 4. OTHER ACCOUNTS RECEIVABLE

|                                 | 2025       | 2024       |
|---------------------------------|------------|------------|
| Utility                         | \$ 114,419 | \$ 120,053 |
| Organizations and individuals   | 52,743     | 49,582     |
| Federal government              | 45,268     | 50,169     |
| SARCS                           | 21,216     | 9,759      |
| Provincial government           | 10,095     | 11,533     |
| Total other accounts receivable | \$ 243,741 | \$ 241,096 |

### 5. ASSETS HELD FOR SALE

|                            | 2025       | 2024       |
|----------------------------|------------|------------|
| Tax title property         | \$ 70,423  | \$ 61,229  |
| Other land held for sale   | 189,801    | 189,801    |
| Total assets held for sale | \$ 260,224 | \$ 251,030 |

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2025

**6. DEFERRED REVENUE**

|                                  | 2024             | Restricted<br>inflows | Revenue<br>earned | 2025              |
|----------------------------------|------------------|-----------------------|-------------------|-------------------|
| Canada Community - Building Fund | \$ 61,364        | \$ 60,182             | \$ (9,723)        | \$ 111,823        |
| SARCS                            | 17,518           |                       |                   | 17,518            |
| Total deferred revenue           | <u>\$ 78,882</u> |                       |                   | <u>\$ 129,341</u> |

**7. ASSET RETIREMENT OBLIGATION**

|                            | 2025             | 2024      |
|----------------------------|------------------|-----------|
| Balance, beginning of year | \$               | \$        |
| Liabilities incurred       | 69,664           |           |
| Accretion expense          |                  |           |
| Balance, end of year       | <u>\$ 69,664</u> | <u>\$</u> |

**Asbestos:**

The Town owns an office building, civic centre, and water treatment plant which contain asbestos and is legally required to undertake abatement activities upon the asset's renovation or demolition. These activities involve the proper handling and disposal of asbestos in accordance with regulatory requirements when the material is disturbed. The buildings have an estimated remaining useful life of 25 - 37 years, with anticipated disposal dates between 2051 and 2063. The estimated future cost of remediation is \$116,060, based on a 2025 cost estimate of \$69,664, the future value has been determined using an annual inflation rate of 2%. The associated asset retirement cost is being amortized on a straight-line basis over the useful life of the buildings. The Town has not designated funds for the settlement of this obligation.

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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**8. LONG-TERM DEBT**

The debt limit of the Town is \$1,673,513. The debt limit for a Town is the total amount of the Town's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

|                                                                                                                                                                                                        | 2025                | 2024                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| SARCS - Prairie Centre Credit Union Ltd., payable in semi-annual installments of \$102,014 including interest at 4.35%. Leasehold mortgage and general security agreement is being used as security.   | \$ 1,642,326        | \$ 1,736,861        |
| Municipal Financing Corporation of Saskatchewan, payable in annual installments of \$78,146 including interest at 2.75%, maturing in 2036. The lift stations are being used as collateral on the loan. | 733,173             | 789,605             |
| Prairie Centre Credit Union Ltd., mortgage payable in monthly installments of \$1,308 including interest at 5.458% maturing in 2037. The physician house is being used as security.                    | 137,863             | 145,803             |
|                                                                                                                                                                                                        | <u>\$ 2,513,362</u> | <u>\$ 2,672,269</u> |

Future principal and interest payments are as follows:

|            | Principal           | Interest          | Total               |
|------------|---------------------|-------------------|---------------------|
| 2026       | \$ 166,869          | \$ 131,001        | \$ 297,870          |
| 2027       | 175,467             | 122,403           | 297,870             |
| 2028       | 184,561             | 113,309           | 297,870             |
| 2029       | 194,180             | 103,690           | 297,870             |
| 2030       | 204,357             | 93,513            | 297,870             |
| Thereafter | 1,587,928           | 316,764           | 1,904,692           |
| Balance    | <u>\$ 2,513,362</u> | <u>\$ 880,680</u> | <u>\$ 3,394,042</u> |

# **TOWN OF SPIRITWOOD**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended December 31, 2025**

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### **9. PENSION PLAN**

The Town 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 Town's pension expense in 2025 was \$38,077 (2024 - \$44,811). The benefits accrued to the Town'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 Town to the MEPP in 2025 were \$38,077 (2024 - \$44,811). Total current service contributions by the employees of the Town to the MEPP in 2025 were \$38,077 (2024 - \$44,811).

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 Town 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 Town is not exposed to price risks arising from these financial instruments due to the Town not holding any investments in shares.

#### **Credit risk**

The Town is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. Credit risk is primarily associated with accounts receivable, which total \$305,388 as at year-end.

The composition of receivables is as follows:

- Utility receivables: \$114,419
- Organizations and individuals receivable: \$73,959
- Property taxes receivable: \$61,647
- GST receivable: \$45,268
- Provincial grants receivable: \$10,095

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

**TOWN OF SPIRITWOOD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

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**10. RISK MANAGEMENT (CONTINUED)**

Credit risk (continued)

Receivables from the Canada Revenue Agency (CRA) and the Provincial Government are considered low risk due to the creditworthiness of this counterparty.

The credit risk for receivables from organizations and individuals is mitigated through ongoing monitoring, timely invoicing, and active collection efforts. Due to the diversity of individual counterparties, the exposure to significant loss in this category is considered low.

Receivables from entities and government partnerships (SARCS) represents receivables for those specific organizations themselves, consolidated into the Town's financial statements. As these amounts do not arise from transactions with an external party, it does not contribute to the Town's overall credit risk exposure.

At year-end, \$63,336 of total receivables are considered past due (i.e., greater than 30 days outstanding). The Town 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 Town will encounter difficulty in meeting financial obligations as they fall due. The Town 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 of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the Town to interest rate risk consists of long-term debt. However, the risk associated is reduced as long-term debt is locked in at fixed interest rates.

Price risk related to Asset Retirement Obligations (AROs)

In the case of the Town's Asset Retirement Obligations (AROs), price risk primarily arises from fluctuations in the inflation rate, which impacts the future estimated costs of decommissioning on remediation activities. The Town has used an inflation rate of 2% in calculating the future cost of its AROs. This rate reflects the anticipated rise in costs over time, but price risk remains inherent due to the uncertainty of future inflation rates. As a result, the Town is exposed to the risk that future inflation may differ from the assumed 2%, which could either increase or decrease the estimated future liability. The Town reviews and adjusts its assumptions related to inflation regularly to ensure the accuracy of its ARO calculations and related financial statements.

**11. GUARANTEES**

The Town is entitled to receive 5% of net operating surplus and is responsible for 5% of operating expense deficits incurred by the Housing Authorities in Spiritwood, which are operated by the Saskatchewan Housing Corporation. During the year, the Town received \$2,983 in net surplus (compared to a share of net surplus totaling \$2,524 in 2024). No amounts have been accrued in the consolidated financial statements on account of the guarantee.

**TOWN OF SPIRITWOOD****SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES**

For the year ended December 31, 2025

|                                                    | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual      | 2024<br>Actual      |
|----------------------------------------------------|-----------------------------------------|---------------------|---------------------|
| <b>TAXES</b>                                       |                                         |                     |                     |
| General municipal tax levy                         | \$ 1,076,671                            | \$ 1,076,671        | \$ 1,076,430        |
| Abatements and adjustments                         | (3,500)                                 | (3,085)             | (3,583)             |
| Discount on current year taxes                     | (108,400)                               | (111,689)           | (108,388)           |
| <b>Net Municipal Taxes</b>                         | <b>964,771</b>                          | <b>961,897</b>      | <b>964,459</b>      |
| Penalties on tax arrears                           | 21,258                                  | 21,258              | 14,473              |
| <b>Total Taxes</b>                                 | <b>986,029</b>                          | <b>983,155</b>      | <b>978,932</b>      |
| <b>UNCONDITIONAL GRANTS</b>                        |                                         |                     |                     |
| Revenue Sharing                                    | 286,785                                 | 286,785             | 269,342             |
| <b>Total Unconditional Grants</b>                  | <b>286,785</b>                          | <b>286,785</b>      | <b>269,342</b>      |
| <b>GRANTS-IN-LIEU OF TAXES</b>                     |                                         |                     |                     |
| Federal                                            | 5,230                                   | 4,789               | 5,229               |
| Provincial                                         |                                         |                     |                     |
| SaskTel                                            | 11,442                                  | 17,241              | 11,554              |
| Local/Other                                        |                                         |                     |                     |
| Housing Authority                                  | 2,000                                   | 2,983               | 2,524               |
| Pelican Lake                                       | 4,000                                   | 3,998               | 4,200               |
| Other Government Transfers                         |                                         |                     |                     |
| S.P.C. Surcharge                                   | 75,000                                  | 69,482              | 71,633              |
| SaskEnergy Surcharge                               | 35,000                                  | 30,873              | 30,406              |
| <b>Total Grants-in-Lieu of Taxes</b>               | <b>132,672</b>                          | <b>129,366</b>      | <b>125,546</b>      |
| <b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b> | <b>\$ 1,405,486</b>                     | <b>\$ 1,399,306</b> | <b>\$ 1,373,820</b> |

# TOWN OF SPIRITWOOD

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2025

|                                               | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual | 2024<br>Actual |
|-----------------------------------------------|-----------------------------------------|----------------|----------------|
| <b>GENERAL GOVERNMENT SERVICES</b>            |                                         |                |                |
| <b>Operating</b>                              |                                         |                |                |
| Other Segmented Revenue                       |                                         |                |                |
| Fees and Charges                              |                                         |                |                |
| - Tax enforcement and general office services | \$ 44,720                               | \$ 40,489      | \$ 47,037      |
| Total Fees and Charges                        | 44,720                                  | 40,489         | 47,037         |
| - Land sales - gain (loss)                    | 5,000                                   | 242            | (36,054)       |
| - Investment income                           | 35,800                                  | 32,547         | 35,706         |
| Total Other Segmented Revenue                 | 85,520                                  | 73,278         | 46,689         |
| <b>Total Operating</b>                        | <b>85,520</b>                           | <b>73,278</b>  | <b>46,689</b>  |
| <b>Total General Government Services</b>      | <b>85,520</b>                           | <b>73,278</b>  | <b>46,689</b>  |
| <b>PROTECTIVE SERVICES</b>                    |                                         |                |                |
| <b>Operating</b>                              |                                         |                |                |
| Other Segmented Revenue                       |                                         |                |                |
| Fees and Charges                              |                                         |                |                |
| - Fire fees                                   | 500                                     | 1,358          |                |
| - Police fines                                | 5,000                                   | 5,269          | 3,170          |
| Total Fees and Charges                        | 5,500                                   | 6,627          | 3,170          |
| Total Other Segmented Revenue                 | 5,500                                   | 6,627          | 3,170          |
| <b>Total Operating</b>                        | <b>5,500</b>                            | <b>6,627</b>   | <b>3,170</b>   |
| <b>Total Protective Services</b>              | <b>5,500</b>                            | <b>6,627</b>   | <b>3,170</b>   |

# TOWN OF SPIRITWOOD

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2025

|                                              | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual | 2024<br>Actual |
|----------------------------------------------|-----------------------------------------|----------------|----------------|
| <b>TRANSPORTATION SERVICES</b>               |                                         |                |                |
| <b>Operating</b>                             |                                         |                |                |
| Other Segmented Revenue                      |                                         |                |                |
| Fees and Charges                             |                                         |                |                |
| - Custom work                                | \$ 1,900                                | \$ 3,400       | \$ 1,605       |
| - Sales of supplies                          |                                         |                | 1,700          |
| - CN lease                                   | 2,000                                   | 2,300          | 2,000          |
| Total Fees and Charges                       | 3,900                                   | 5,700          | 5,305          |
| - Tangible capital asset sales - gain (loss) |                                         |                | (11,158)       |
| Total Other Segmented Revenue                | 3,900                                   | 5,700          | (5,853)        |
| Conditional Grants                           |                                         |                |                |
| - Provincial Traffic Safety Fund             |                                         |                | 11,848         |
| Total Conditional Grants                     |                                         |                | 11,848         |
| <b>Total Operating</b>                       | <b>3,900</b>                            | <b>5,700</b>   | <b>5,995</b>   |
| <b>Capital</b>                               |                                         |                |                |
| Conditional Grants                           |                                         |                |                |
| - Canada Community - Building Fund (CCBF)    | 61,438                                  | 7,130          | 162,470        |
| <b>Total Capital</b>                         | <b>61,438</b>                           | <b>7,130</b>   | <b>162,470</b> |
| <b>Total Transportation Services</b>         | <b>65,338</b>                           | <b>12,830</b>  | <b>168,465</b> |

# TOWN OF SPIRITWOOD

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2025

|                                                       | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual | 2024<br>Actual |
|-------------------------------------------------------|-----------------------------------------|----------------|----------------|
| <b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>       |                                         |                |                |
| <b>Operating</b>                                      |                                         |                |                |
| Other Segmented Revenue                               |                                         |                |                |
| Fees and Charges                                      |                                         |                |                |
| - Waste and disposal fees                             | \$ 100,250                              | \$ 109,793     | \$ 99,127      |
| - Cemetery fees                                       | 19,599                                  | 18,179         | 16,012         |
| Total Fees and Charges                                | 119,849                                 | 127,972        | 115,139        |
| - Northern Lake Health Committee                      | 15,700                                  | 15,700         | 15,700         |
| Total Other Segmented Revenue                         | 135,549                                 | 143,672        | 130,839        |
| Conditional Grants                                    |                                         |                |                |
| - Multi-Material Stewardship Western                  | 22,000                                  | 21,528         | 16,146         |
| Total Conditional Grants                              | 22,000                                  | 21,528         | 16,146         |
| <b>Total Operating</b>                                | <b>157,549</b>                          | <b>165,200</b> | <b>146,985</b> |
| <b>Total Environmental and Public Health Services</b> | <b>157,549</b>                          | <b>165,200</b> | <b>146,985</b> |
| <b>PLANNING AND DEVELOPMENT SERVICES</b>              |                                         |                |                |
| <b>Operating</b>                                      |                                         |                |                |
| Other Segmented Revenue                               |                                         |                |                |
| Fees and Charges                                      |                                         |                |                |
| - Licenses and permits                                | 11,000                                  | 12,444         | 10,723         |
| Total Fees and Charges                                | 11,000                                  | 12,444         | 10,723         |
| Total Other Segmented Revenue                         | 11,000                                  | 12,444         | 10,723         |
| <b>Total Operating</b>                                | <b>11,000</b>                           | <b>12,444</b>  | <b>10,723</b>  |
| <b>Total Planning and Development Services</b>        | <b>11,000</b>                           | <b>12,444</b>  | <b>10,723</b>  |

# TOWN OF SPIRITWOOD

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2025

|                                                        | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual      | 2024<br>Actual      |
|--------------------------------------------------------|-----------------------------------------|---------------------|---------------------|
| <b>RECREATION AND CULTURAL SERVICES</b>                |                                         |                     |                     |
| <b>Operating</b>                                       |                                         |                     |                     |
| Other Segmented Revenue                                |                                         |                     |                     |
| Fees and Charges                                       |                                         |                     |                     |
| - SARCS and Civic Center                               | \$ 29,000                               | \$ 551,807          | \$ 680,284          |
| Total Fees and Charges                                 | 29,000                                  | 551,807             | 680,284             |
| - Tangible capital asset sales - gain (loss)           |                                         |                     | 3,000               |
| - SARCS                                                |                                         | 40,399              | 24,640              |
| Total Other Segmented Revenue                          | 29,000                                  | 592,206             | 707,924             |
| Conditional Grants                                     |                                         |                     |                     |
| - SARCS                                                |                                         | 126,024             | 113,115             |
| Total Conditional Grants                               |                                         | 126,024             | 113,115             |
| <b>Total Operating</b>                                 | <b>29,000</b>                           | <b>718,230</b>      | <b>821,039</b>      |
| <b>Total Recreation and Cultural Services</b>          | <b>29,000</b>                           | <b>718,230</b>      | <b>821,039</b>      |
| <b>UTILITY SERVICES</b>                                |                                         |                     |                     |
| <b>Operating</b>                                       |                                         |                     |                     |
| Other Segmented Revenue                                |                                         |                     |                     |
| Fees and Charges                                       |                                         |                     |                     |
| - Water                                                | 294,000                                 | 290,481             | 293,718             |
| - Sewer                                                | 94,000                                  | 94,325              | 93,819              |
| - Infrastructure fees                                  | 70,505                                  | 69,323              | 69,159              |
| Total Fees and Charges                                 | 458,505                                 | 454,129             | 456,696             |
| Total Other Segmented Revenue                          | 458,505                                 | 454,129             | 456,696             |
| <b>Total Operating</b>                                 | <b>458,505</b>                          | <b>454,129</b>      | <b>456,696</b>      |
| <b>Total Utility Services</b>                          | <b>458,505</b>                          | <b>454,129</b>      | <b>456,696</b>      |
| <b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b> | <b>\$ 812,412</b>                       | <b>\$ 1,442,738</b> | <b>\$ 1,653,767</b> |
| <b>SUMMARY</b>                                         |                                         |                     |                     |
| Total Other Segmented Revenue                          | \$ 728,974                              | \$ 1,288,056        | \$ 1,350,188        |
| Total Conditional Grants                               | 22,000                                  | 147,552             | 141,109             |
| Total Capital Grants and Contributions                 | 61,438                                  | 7,130               | 162,470             |
| <b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b> | <b>\$ 812,412</b>                       | <b>\$ 1,442,738</b> | <b>\$ 1,653,767</b> |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
For the year ended December 31, 2025

|                                                       | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual | 2024<br>Actual |
|-------------------------------------------------------|-----------------------------------------|----------------|----------------|
| <b>GENERAL GOVERNMENT SERVICES</b>                    |                                         |                |                |
| Council remuneration and travel                       | \$ 18,050                               | \$ 18,027      | \$ 16,683      |
| Wages and benefits                                    | 230,651                                 | 212,216        | 238,232        |
| Professional/Contractual services                     | 206,868                                 | 188,613        | 210,274        |
| Utilities                                             | 21,700                                  | 18,464         | 21,751         |
| Maintenance, materials, and supplies                  | 28,400                                  | 32,879         | 26,844         |
| Amortization of tangible capital assets               |                                         | 937            |                |
| Recovery for uncollectibles                           | (1,700)                                 | (2,949)        | (1,756)        |
| <b>Total General Government Services</b>              | <b>503,969</b>                          | <b>468,187</b> | <b>512,028</b> |
| <b>PROTECTIVE SERVICES</b>                            |                                         |                |                |
| <b>Police protection</b>                              |                                         |                |                |
| Professional/Contractual services                     | 95,171                                  | 94,581         | 92,374         |
| <b>Fire protection</b>                                |                                         |                |                |
| Professional/Contractual services                     | 2,932                                   | 3,290          | 3,272          |
| Grants and contributions                              |                                         |                |                |
| - Operating                                           | 20,000                                  | 18,400         | 20,000         |
| <b>Total Protective Services</b>                      | <b>118,103</b>                          | <b>116,271</b> | <b>115,646</b> |
| <b>TRANSPORTATION SERVICES</b>                        |                                         |                |                |
| Wages and benefits                                    | 170,300                                 | 150,312        | 177,021        |
| Professional/Contractual services                     | 38,100                                  | 46,314         | 9,325          |
| Utilities                                             | 45,400                                  | 42,969         | 43,585         |
| Maintenance, materials, and supplies                  | 143,500                                 | 138,841        | 165,057        |
| Gravel                                                | 13,000                                  | 15,511         | 14,033         |
| Amortization of tangible capital assets               | 37,500                                  | 38,554         | 37,560         |
| <b>Total Transportation Services</b>                  | <b>447,800</b>                          | <b>432,501</b> | <b>446,581</b> |
| <b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>       |                                         |                |                |
| Wages and benefits                                    | 5,650                                   | 5,537          | 5,457          |
| Professional/Contractual services                     | 142,850                                 | 156,751        | 143,739        |
| Maintenance, materials, and supplies                  | 595                                     | 49             | 622            |
| Amortization of tangible capital assets               | 12,550                                  | 12,551         | 12,551         |
| Interest                                              | 7,900                                   | 7,740          | 8,165          |
| <b>Total Environmental and Public Health Services</b> | <b>169,545</b>                          | <b>182,628</b> | <b>170,534</b> |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
**For the year ended December 31, 2025**

|                                                | 2025<br>Budget<br>Unaudited<br>(Note 1) | 2025<br>Actual      | 2024<br>Actual      |
|------------------------------------------------|-----------------------------------------|---------------------|---------------------|
| <b>PLANNING AND DEVELOPMENT SERVICES</b>       |                                         |                     |                     |
| Wages and benefits                             | \$ 68,400                               | \$ 48,671           | \$ 57,963           |
| Professional/Contractual services              | 5,250                                   | 6,110               | 26,486              |
| Utilities                                      | 600                                     | 425                 | 600                 |
| <b>Total Planning and Development Services</b> | <b>74,250</b>                           | <b>55,206</b>       | <b>85,049</b>       |
| <b>RECREATION AND CULTURAL SERVICES</b>        |                                         |                     |                     |
| Wages and benefits                             | 152,000                                 | 168,354             | 192,178             |
| Professional/Contractual services              | 17,400                                  | 21,452              | 35,198              |
| Utilities                                      | 15,900                                  | 137,474             | 141,327             |
| Maintenance, materials, and supplies           | 5,100                                   | 166,558             | 192,399             |
| Grants and contributions                       |                                         |                     |                     |
| - Operating                                    | 122,408                                 | 149,606             | 284,932             |
| Amortization of tangible capital assets        | 174,000                                 | 176,858             | 174,229             |
| Interest on long-term debt                     |                                         | 115,787             | 106,077             |
| <b>Total Recreation and Cultural Services</b>  | <b>486,808</b>                          | <b>936,089</b>      | <b>1,126,340</b>    |
| <b>UTILITY SERVICES</b>                        |                                         |                     |                     |
| Wages and benefits                             | 64,050                                  | 53,995              | 61,217              |
| Professional/Contractual services              | 16,000                                  | 15,275              | 16,039              |
| Utilities                                      | 54,600                                  | 49,827              | 52,003              |
| Maintenance, materials, and supplies           | 149,000                                 | 171,409             | 137,212             |
| Amortization of tangible capital assets        | 117,000                                 | 124,017             | 117,387             |
| Interest on long-term debt                     | 22,000                                  | 20,851              | 22,385              |
| <b>Total Utility Services</b>                  | <b>422,650</b>                          | <b>435,374</b>      | <b>406,243</b>      |
| <b>TOTAL EXPENSES BY FUNCTION</b>              | <b>\$ 2,223,125</b>                     | <b>\$ 2,626,256</b> | <b>\$ 2,862,421</b> |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2025**

|                                                       | General<br>Government | Protective<br>Services | Transportation<br>Services | Environmental<br>& Public Health | Planning and<br>Development | Recreation and<br>Culture | Utility Services | Total              |
|-------------------------------------------------------|-----------------------|------------------------|----------------------------|----------------------------------|-----------------------------|---------------------------|------------------|--------------------|
| <b>Revenues (Schedule 2)</b>                          |                       |                        |                            |                                  |                             |                           |                  |                    |
| Fees and Charges                                      | \$ 40,489             | \$ 6,627               | \$ 5,700                   | \$ 127,972                       | \$ 12,444                   | \$ 551,807                | \$ 454,129       | \$ 1,199,168       |
| Tangible Capital Asset Sale - Gain (Loss)             |                       |                        |                            |                                  |                             |                           |                  |                    |
| Intangible Capital Asset Sale - Gain (Loss)           |                       |                        |                            |                                  |                             |                           |                  |                    |
| Land Sales - Gain                                     | 242                   |                        |                            |                                  |                             |                           |                  | 242                |
| Investment Income                                     | 32,547                |                        |                            |                                  |                             |                           |                  | 32,547             |
| Commissions                                           |                       |                        |                            |                                  |                             |                           |                  |                    |
| Other Revenues                                        |                       |                        |                            | 15,700                           |                             | 40,399                    |                  | 56,099             |
| Grants - Conditional                                  |                       |                        |                            | 21,528                           |                             | 126,024                   |                  | 147,552            |
| - Capital                                             |                       |                        | 7,130                      |                                  |                             |                           |                  | 7,130              |
| <b>Total revenues</b>                                 | <b>73,278</b>         | <b>6,627</b>           | <b>12,830</b>              | <b>165,200</b>                   | <b>12,444</b>               | <b>718,230</b>            | <b>454,129</b>   | <b>1,442,738</b>   |
| <b>Expenses (Schedule 3)</b>                          |                       |                        |                            |                                  |                             |                           |                  |                    |
| Wages & Benefits                                      | 230,243               |                        | 150,312                    | 5,537                            | 48,671                      | 168,354                   | 53,995           | 657,112            |
| Professional/Contractual Services                     | 188,613               | 97,871                 | 46,314                     | 156,751                          | 6,110                       | 21,452                    | 15,275           | 532,386            |
| Utilities                                             | 18,464                |                        | 42,969                     |                                  | 425                         | 137,474                   | 49,827           | 249,159            |
| Maintenance, Materials, Supplies                      | 32,879                |                        | 154,352                    | 49                               |                             | 166,558                   | 171,409          | 525,247            |
| Grants and Contributions                              |                       | 18,400                 |                            |                                  |                             | 149,606                   |                  | 168,006            |
| Amortization of Tangible Capital Assets               | 937                   |                        | 38,554                     | 12,551                           |                             | 176,858                   | 124,017          | 352,917            |
| Amortization of Intangible Capital Assets             |                       |                        |                            |                                  |                             |                           |                  |                    |
| Interest                                              |                       |                        |                            |                                  |                             |                           |                  |                    |
| Accretion of asset retirement obligation              |                       |                        |                            | 7,740                            |                             | 115,787                   | 20,851           | 144,378            |
| Allowance for Uncollectibles                          | (2,949)               |                        |                            |                                  |                             |                           |                  | (2,949)            |
| Other                                                 |                       |                        |                            |                                  |                             |                           |                  |                    |
| <b>Total expenses</b>                                 | <b>468,187</b>        | <b>116,271</b>         | <b>432,501</b>             | <b>182,628</b>                   | <b>55,206</b>               | <b>936,089</b>            | <b>435,374</b>   | <b>2,626,256</b>   |
| <b>Surplus (Deficit) by Function</b>                  | <b>(394,909)</b>      | <b>(109,644)</b>       | <b>(419,671)</b>           | <b>(17,428)</b>                  | <b>(42,762)</b>             | <b>(217,859)</b>          | <b>18,755</b>    | <b>(1,183,518)</b> |
| Taxation and other unconditional revenue (Schedule 1) |                       |                        |                            |                                  |                             |                           |                  |                    |
|                                                       |                       |                        |                            |                                  |                             |                           |                  | 1,399,306          |
| <b>Net Surplus</b>                                    |                       |                        |                            |                                  |                             |                           |                  | <b>\$ 215,788</b>  |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2024**

|                                                       | General<br>Government | Protective<br>Services | Transportation<br>Services | Environmental<br>& Public Health | Planning and<br>Development | Recreation and<br>Culture | Utility Services | Total              |
|-------------------------------------------------------|-----------------------|------------------------|----------------------------|----------------------------------|-----------------------------|---------------------------|------------------|--------------------|
| <b>Revenues (Schedule 2)</b>                          |                       |                        |                            |                                  |                             |                           |                  |                    |
| Fees and Charges                                      | \$ 47,037             | \$ 3,170               | \$ 5,305                   | \$ 115,139                       | \$ 10,723                   | \$ 680,284                | \$ 456,696       | \$ 1,318,354       |
| Tangible Capital Asset Sale - Gain (Loss)             |                       |                        | (11,158)                   |                                  |                             | 3,000                     |                  | (8,158)            |
| Intangible Capital Asset Sale - Gain (Loss)           | (36,054)              |                        |                            |                                  |                             |                           |                  | (36,054)           |
| Land Sales - Loss                                     | 35,706                |                        |                            |                                  |                             |                           |                  | 35,706             |
| Investment Income                                     |                       |                        |                            |                                  |                             |                           |                  |                    |
| Commissions                                           |                       |                        |                            |                                  |                             |                           |                  |                    |
| Other Revenues                                        |                       |                        | 11,848                     | 15,700                           |                             | 24,640                    |                  | 40,340             |
| Grants - Conditional                                  |                       |                        | 162,470                    | 16,146                           |                             | 113,115                   |                  | 141,109            |
| - Capital                                             |                       |                        |                            |                                  |                             |                           |                  | 162,470            |
| <b>Total revenues</b>                                 | <b>46,689</b>         | <b>3,170</b>           | <b>168,465</b>             | <b>146,985</b>                   | <b>10,723</b>               | <b>821,039</b>            | <b>456,696</b>   | <b>1,653,767</b>   |
| <b>Expenses (Schedule 3)</b>                          |                       |                        |                            |                                  |                             |                           |                  |                    |
| Wages & Benefits                                      | 254,915               |                        | 177,021                    | 5,457                            | 57,963                      | 192,178                   | 61,217           | 748,751            |
| Professional/Contractual Services                     | 210,274               | 95,646                 | 9,325                      | 143,739                          | 26,486                      | 35,198                    | 16,039           | 536,707            |
| Utilities                                             | 21,751                |                        | 43,585                     |                                  | 600                         | 141,327                   | 52,003           | 259,266            |
| Maintenance, Materials, Supplies                      | 26,844                |                        | 179,090                    | 622                              |                             | 192,399                   | 137,212          | 536,167            |
| Grants and Contributions                              |                       | 20,000                 |                            |                                  |                             | 284,932                   |                  | 304,933            |
| Amortization of Tangible Capital Assets               |                       |                        | 37,560                     | 12,551                           |                             | 174,229                   | 117,387          | 341,726            |
| Amortization of Intangible Capital Assets             |                       |                        |                            |                                  |                             |                           |                  |                    |
| Interest                                              |                       |                        |                            |                                  |                             | 106,077                   | 22,385           | 136,627            |
| Accretion of asset retirement obligation              |                       |                        |                            | 8,165                            |                             |                           |                  | (1,756)            |
| Allowance for Uncollectibles                          | (1,756)               |                        |                            |                                  |                             |                           |                  |                    |
| Other                                                 |                       |                        |                            |                                  |                             |                           |                  |                    |
| <b>Total expenses</b>                                 | <b>512,028</b>        | <b>115,646</b>         | <b>446,581</b>             | <b>170,534</b>                   | <b>85,049</b>               | <b>1,126,340</b>          | <b>406,243</b>   | <b>2,862,421</b>   |
| <b>Surplus (Deficit) by Function</b>                  | <b>(465,339)</b>      | <b>(112,476)</b>       | <b>(278,116)</b>           | <b>(23,549)</b>                  | <b>(74,326)</b>             | <b>(305,301)</b>          | <b>50,453</b>    | <b>(1,208,654)</b> |
| Taxation and other unconditional revenue (Schedule 1) |                       |                        |                            |                                  |                             |                           |                  |                    |
|                                                       |                       |                        |                            |                                  |                             |                           |                  | 1,373,820          |
| <b>Net Surplus</b>                                    |                       |                        |                            |                                  |                             |                           |                  | <b>\$ 165,166</b>  |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**  
**For the year ended December 31, 2025**

|                                  | General Assets    |                   |                     |                  |                       | Infrastructure Assets | General/<br>Infrastructure | Totals              |                     |
|----------------------------------|-------------------|-------------------|---------------------|------------------|-----------------------|-----------------------|----------------------------|---------------------|---------------------|
| Cost                             | Land              | Land Improvements | Buildings           | Vehicles         | Machinery & Equipment | Linear Assets         | Assets Under Construction  | 2025                | 2024                |
| Opening costs                    | \$ 359,619        | \$                | \$ 7,283,526        | \$ 228,879       | \$ 623,875            | \$ 6,751,672          | \$                         | \$ 15,247,571       | \$ 14,902,905       |
| Additions during the year        |                   |                   | 69,664              |                  | 133,834               |                       |                            | 203,498             | 433,278             |
| Disposals and write downs        |                   |                   |                     |                  |                       |                       |                            |                     | (88,612)            |
| Closing costs                    | <u>359,619</u>    |                   | <u>7,353,190</u>    | <u>228,879</u>   | <u>757,709</u>        | <u>6,751,672</u>      |                            | <u>15,451,069</u>   | <u>15,247,571</u>   |
| <b>Accumulated Amortization</b>  |                   |                   |                     |                  |                       |                       |                            |                     |                     |
| Opening accumulated amortization |                   |                   | 2,787,609           | 157,676          | 283,415               | 2,975,460             |                            | 6,204,160           | 5,933,450           |
| Amortization                     |                   |                   | 160,861             | 10,043           | 69,536                | 112,477               |                            | 352,917             | 341,726             |
| Disposals and write downs        |                   |                   |                     |                  |                       |                       |                            |                     | (71,016)            |
| Closing accumulated amortization |                   |                   | <u>2,948,470</u>    | <u>167,719</u>   | <u>352,951</u>        | <u>3,087,937</u>      |                            | <u>6,557,077</u>    | <u>6,204,160</u>    |
| Net Book Value                   | <u>\$ 359,619</u> | <u>\$</u>         | <u>\$ 4,404,720</u> | <u>\$ 61,160</u> | <u>\$ 404,758</u>     | <u>\$ 3,663,735</u>   | <u>\$</u>                  | <u>\$ 8,893,992</u> | <u>\$ 9,043,411</u> |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**For the year ended December 31, 2025**

| Cost                             | General<br>Government | Protective<br>Services | Transportation<br>Services | Environmental<br>& Public<br>Health | Planning &<br>Development | Recreation &<br>Culture | Water &<br>Sewer | Totals       |               |
|----------------------------------|-----------------------|------------------------|----------------------------|-------------------------------------|---------------------------|-------------------------|------------------|--------------|---------------|
|                                  |                       |                        |                            |                                     |                           |                         |                  | 2025         | 2024          |
| Opening costs                    | \$ 209,837            | \$ 26,000              | \$ 2,543,517               | \$ 365,447                          | \$                        | \$ 6,083,181            | \$ 6,019,589     | \$15,247,571 | \$ 14,902,905 |
| Additions during the year        | 48,244                |                        |                            |                                     |                           | 86,114                  | 69,140           | 203,498      | 433,278       |
| Disposals and write downs        |                       |                        |                            |                                     |                           |                         |                  |              | (88,612)      |
| Closing costs                    | 258,081               | 26,000                 | 2,543,517                  | 365,447                             |                           | 6,169,295               | 6,088,729        | 15,451,069   | 15,247,571    |
| <b>Accumulated Amortization</b>  |                       |                        |                            |                                     |                           |                         |                  |              |               |
| Opening accumulated amortization | 111,074               | 24,000                 | 1,754,797                  | 145,333                             |                           | 2,132,573               | 2,036,383        | 6,204,160    | 5,933,450     |
| Amortization                     | 937                   |                        | 38,554                     | 12,551                              |                           | 176,858                 | 124,017          | 352,917      | 341,726       |
| Disposals and write downs        |                       |                        |                            |                                     |                           |                         |                  |              | (71,016)      |
| Closing accumulated amortization | 112,011               | 24,000                 | 1,793,351                  | 157,884                             |                           | 2,309,431               | 2,160,400        | 6,557,077    | 6,204,160     |
| Net Book Value                   | \$ 146,070            | \$ 2,000               | \$ 750,166                 | \$ 207,563                          | \$                        | \$ 3,859,864            | \$ 3,928,329     | \$ 8,893,992 | \$ 9,043,411  |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 8 - SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY OBJECT**  
**For the year ended December 31, 2025**

|                                          | General Assets |     |     |     |     |     | Asset Category TBD |     | Asset Category TBD        |      | Totals |    |
|------------------------------------------|----------------|-----|-----|-----|-----|-----|--------------------|-----|---------------------------|------|--------|----|
|                                          |                |     |     |     |     |     |                    |     |                           |      |        |    |
|                                          | TBD            | TBD | TBD | TBD | TBD | TBD | TBD                | TBD | Assets Under Construction | 2025 | 2024   |    |
| <b>Cost</b>                              |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Opening costs                            | \$             |     |     |     |     |     | \$                 |     | \$                        |      |        | \$ |
| Additions during the year                |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Disposals and write downs                |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Transfers from assets under construction |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Closing costs                            |                |     |     |     |     |     |                    |     |                           |      |        |    |
| <b>Accumulated Amortization</b>          |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Opening accumulated amortization         |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Amortization                             |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Disposals and write downs                |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Closing accumulated amortization         |                |     |     |     |     |     |                    |     |                           |      |        |    |
| Net Book Value                           | \$             | \$  | \$  | \$  | \$  | \$  | \$                 | \$  | \$                        | \$   | \$     | \$ |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 9 - SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY FUNCTION**  
**For the year ended December 31, 2025**

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

**TOWN OF SPIRITWOOD**  
**SCHEDULE 10 - SCHEDULE OF ACCUMULATED SURPLUS**  
For the year ended December 31, 2025

|                                                                       | 2024                | Changes           | 2025                |
|-----------------------------------------------------------------------|---------------------|-------------------|---------------------|
| <b>UNAPPROPRIATED SURPLUS</b>                                         | <b>\$ 1,139,178</b> | <b>\$ 152,293</b> | <b>\$ 1,291,471</b> |
| <b>APPROPRIATED RESERVES</b>                                          |                     |                   |                     |
| General Reserve                                                       | 165,064             | 60,717            | 225,781             |
| Cemetery Reserve                                                      | 31,456              | 1,250             | 32,706              |
| Water/Sewer Reserve                                                   | 644,397             | 61,704            | 706,101             |
| Capital Trust Reserve                                                 | 185,010             |                   | 185,010             |
| <b>Total appropriated reserves</b>                                    | <b>1,025,927</b>    | <b>123,671</b>    | <b>1,149,598</b>    |
| <b>NET INVESTMENT IN CAPITAL ASSETS</b>                               |                     |                   |                     |
| Tangible capital assets (Schedule 6,7)                                | 9,043,411           | (149,419)         | 8,893,992           |
| Intangible capital assets (Schedule 8,9)                              |                     |                   |                     |
| Less: Related debt                                                    | (2,672,269)         | 89,243            | (2,583,026)         |
| <b>Net investment in capital assets</b>                               | <b>6,371,142</b>    | <b>(60,176)</b>   | <b>6,310,966</b>    |
| <b>ACCUMULATED SURPLUS excluding<br/>remeasurement gains (losses)</b> | <b>\$ 8,536,247</b> | <b>\$ 215,788</b> | <b>\$ 8,752,035</b> |

**TOWN OF SPIRITWOOD**  
**SCHEDULE 11 - SCHEDULE OF MILL RATES AND ASSESSMENTS**  
**For the year ended December 31, 2025**

|                          | PROPERTY CLASS |             |                         |                      |                         | Total          |
|--------------------------|----------------|-------------|-------------------------|----------------------|-------------------------|----------------|
|                          | Agriculture    | Residential | Residential Condominium | Seasonal Residential | Commercial & Industrial | Potash Mine(s) |
| Taxable assessment       | 1,163,690      | 46,627,520  |                         |                      | 12,971,595              | 60,762,805     |
| Regional Park Assessment |                |             |                         |                      |                         |                |
| Total Assessment         |                |             |                         |                      |                         | 60,762,805     |
| Mill Rate Factor(s)      | 0.60           | 0.94        |                         |                      | 1.30                    |                |
| Total Base/Minimum Tax   | 7,600          | 489,540     |                         |                      | 103,750                 | 600,890        |
| Total Municipal Tax Levy | 13,011         | 829,221     |                         |                      | 234,439                 | 1,076,671      |

| MILL RATES:                 |  | MILLS   |
|-----------------------------|--|---------|
| Average Municipal           |  | 17.7193 |
| Average School              |  | 4.6570  |
| Potash Mill Rate            |  |         |
| Uniform Municipal Mill Rate |  | 7.7500  |

# TOWN OF SPIRITWOOD

## SCHEDULE 12 - SCHEDULE OF COUNCIL REMUNERATION

For the year ended December 31, 2025

| <u>Position - Name</u>    | <u>Remuneration</u> | <u>Reimbursed<br/>Costs</u> | <u>Total</u>     |
|---------------------------|---------------------|-----------------------------|------------------|
| Mayor - Gary von Holwede  | \$ 5,000            | \$                          | 5,000            |
| Councilor - James Bedi    | 2,250               | 730                         | 2,980            |
| Councilor - Ragnar Latus  | 2,500               |                             | 2,500            |
| Councilor - Tess Mills    | 1,810               |                             | 1,810            |
| Councilor - Shane Colley  | 1,710               |                             | 1,710            |
| Councilor - John Go       | 1,670               |                             | 1,670            |
| Councilor - Mark Corfield | 1,620               |                             | 1,620            |
|                           | <u>\$ 16,560</u>    | <u>\$ 730</u>               | <u>\$ 17,290</u> |