

VILLAGE OF DINSMORE

Auditor's Report

Consolidated Financial Statements

December 31, 2025

DRAFT

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Village of Dinsmore:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the 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 is required.

In discharging its responsibilities for the integrity and fair presentation 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 Village. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Village's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

Mayor

Administrator

INDEPENDENT AUDITOR'S REPORT

To the **Mayor** and Council of the **Village of Dinsmore**

Report on the Consolidated Financial Statements

Qualified Opinion

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

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements, present fairly, in all material respects, the financial position of the Village as at **December 31, 2025** and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Village is required to record asset retirement obligations to reflect present liabilities for future expenditures with respect to legal obligations associated with the retirement of tangible capital assets. The Village was unable to obtain and provide sufficient appropriate audit evidence regarding the completeness and valuation of these potential liabilities and the required disclosures. Consequently, we were unable to determine whether any adjustments were necessary to the presented amount of liabilities, accumulated surplus (deficit), expenditures, or surplus (deficit) of revenues over expenditures. Our opinion on the consolidated financial statements for the year ended December 31, 2024 was modified accordingly.

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 Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these 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 Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Village or cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Saskatoon, Saskatchewan
April 17, 2026

Chartered Professional Accountants

VILLAGE OF DINSMORE

Statement 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025
with comparative figures for 2024

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
Financial Assets:		
Cash and Cash Equivalents (Note 2)	\$ 123,722	-
Investments	-	-
Taxes Receivable - Municipal (Note 3)	31,222	69,450
Other Accounts Receivable (Note 4)	89,871	96,927
Assets Held for Sale (Note 5)	1	-
Long-Term Receivable	-	-
Debt Charges Recoverable	-	-
Loans and Notes Receivable	-	-
Total Financial Assets	244,816	166,377
<u>LIABILITIES</u>		
Bank Indebtedness (Note 6)	-	28,576
Accounts Payable	31,506	33,746
Accrued Liabilities Payable	2,585	3,004
Deposits	7,145	7,495
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities (Note 7)	109,074	126,771
Long-Term Debt (Note 8)	-	-
Lease Obligations	-	-
Total Liabilities	150,310	199,592
NET FINANCIAL ASSETS (DEBT)	94,506	(33,215)
Non-Financial Assets:		
Tangible Capital Assets (Schedule 6, 7)	1,814,354	1,925,880
Intangible Capital Assets (Schedule 8, 9)	-	-
Prepaid and Deferred Charges	4,520	10,154
Stock and Supplies	24,933	26,773
Total Non-Financial Assets	1,843,807	1,962,807
Accumulated Surplus (Deficit)	\$ 1,938,313	1,929,592
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	1,938,313	1,929,592
Accumulated remeasurement gains (losses) (Statement 5)	-	-

The accompanying notes and schedules are an integral of these statements.

VILLAGE OF DINSMORE

Statement 2

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Revenues:			
Tax Revenue (Schedule 1)	\$ 337,230	338,364	342,820
Other Unconditional Revenue (Schedule 1)	80,730	80,732	75,911
Fees and Charges (Schedule 4, 5)	121,430	144,539	132,002
Conditional Grants (Schedule 4, 5)	18,800	54,002	30,170
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	(1,165)	2,400
Investment Income (Schedule 4, 5)	150	784	172
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	124,000	146,195	128,503
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	<u>16,630</u>	<u>16,634</u>	<u>26,697</u>
Total Revenues	698,970	780,085	738,675
Expenses:			
General Government Services (Schedule 3)	206,200	211,958	160,611
Protective Services (Schedule 3)	55,400	34,219	37,240
Transportation Services (Schedule 3)	178,100	197,832	192,720
Environmental and Public Health Services (Schedule 3)	71,050	75,275	67,319
Planning and Development Services (Schedule 3)	1,000	50	88
Recreation and Cultural Services (Schedule 3)	22,830	91,016	70,713
Utility Services (Schedule 3)	151,550	161,014	151,575
Restructurings (Schedule 3)	-	-	-
Total Expenses	<u>686,130</u>	<u>771,364</u>	<u>680,266</u>
Annual Surplus (Deficit) of Revenues over Expenses	12,840	8,721	58,409
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - Beginning of Year	<u>1,929,592</u>	<u>1,929,592</u>	<u>1,871,183</u>
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	<u>\$ 1,942,432</u>	<u>1,938,313</u>	<u>1,929,592</u>

The accompanying notes and schedules are an integral of these statements.

VILLAGE OF DINSMORE

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Annual Surplus (Deficit) of Revenues over Expenses	\$ 12,840	8,721	58,409
(Acquisition) of tangible capital assets	-	-	-
Amortization of tangible capital assets	-	111,526	111,526
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	111,526	111,526
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(4,520)	(10,154)
Consumption of supplies inventories	-	1,840	3,183
Use of prepaid expenses	-	10,154	11,847
Surplus (Deficit) of expenses of other non-financial over expenditures	-	7,474	4,876
Unrealized rereasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	12,840	127,721	174,811
Net Financial Assets (Debt) - Beginning of Year	(33,215)	(33,215)	(208,026)
Net Financial Assets (Debt) - End of Year	\$ (20,375)	94,506	(33,215)

The accompanying notes and schedules are an integral of these statements.

VILLAGE OF DINSMORE

Statement 4

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2025
with comparative figures for 2024

Cash provided by (used for) the following activities:	<u>2025</u>	<u>2024</u>
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	\$ 8,721	58,409
Amortization of tangible capital assets	111,526	111,526
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>-</u>
	120,247	169,935
Change in assets/liabilities		
Taxes Receivable - Municipal	38,228	(22,686)
Other Accounts Receivable	7,056	(44,099)
Assets Held For Sale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(2,661)	(12,231)
Deposits	(350)	(5,155)
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	(17,697)	(17,024)
Stock and Supplies	1,840	3,183
Prepayments and Deferred Charges	5,635	1,693
Other	<u>-</u>	<u>-</u>
Cash provided by (applied to) operating transactions	<u>152,298</u>	<u>73,616</u>
Capital:		
Acquisition of tangible capital assets	-	-
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>-</u>
Cash provided by (applied to) capital transactions	<u>-</u>	<u>-</u>
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	<u>-</u>	<u>-</u>
Cash provided by (applied to) investing transactions	<u>-</u>	<u>-</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	<u>-</u>	<u>-</u>
Cash provided by (applied to) financing transactions	<u>-</u>	<u>-</u>
Change in Cash and Cash Equivalents	152,298	73,616
Cash and Cash Equivalents - Beginning of Year	<u>(28,576)</u>	<u>(102,192)</u>
Cash and Cash Equivalents - End of Year (Note 2)	<u>\$ 123,722</u>	<u>(28,576)</u>

The accompanying notes and schedules are an integral of these statements.

VILLAGE OF DINSMORE

Statement 5

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u>	<u>2024</u>
Accumulated remeasurement gains (losses) - Beginning of Year	\$ <u>-</u>	<u>-</u>
Unrealized gains (losses) attributable to:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Foreign exchange	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Reclassified to the Statement of Operations:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Reversal of net remeasurements of portfolio investments	-	-
Foreign exchange	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Net remeasurement gains (losses) for the year	<u>-</u>	<u>-</u>
Accumulated remeasurement gains (losses) - End of Year	\$ <u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes and schedules are an integral of these statements.

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues 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.

(b) Reporting Entity

The consolidated financial statements consolidate the assets, liabilities and flow of resources of the Village. The entity is comprised of all organizations owned or controlled by the Village and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Partnerships

A partnership represents a contractual arrangement between the Village and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership.

(c) Collection of Funds for Other Authorities

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

(d) Government Transfers

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

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

Earned government transfer amounts not received will be recorded as an amount receivable.

(e) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the Village if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are 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.

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Revenue

Revenue from transactions with no performance obligations is recognized as revenue in the period in which the transaction or event occurred that gave rise to the revenue.

Revenue from transactions with related performance obligations is recognized as revenue when the related performance obligation is met. 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 identifiable 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 municipality 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 municipality's performance as they fulfill the performance obligation.
- b) The municipality'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 municipality's performance does not create an asset with an alternative use to itself, and the municipality has an enforceable right to payment for performance completed to date
- d) The municipality is expected to continually maintain or support the transferred good or service under the terms of the agreement
- e) The municipality 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 in time, determinants vary but often include percentage completed.

Deferred Revenue - Fees and Charges

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

(g) Local Improvement Charges

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

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Net Financial Assets

Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(i) Non-Financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the 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.

(j) Appropriated Reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts designated are described on Schedule 10.

(k) Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council 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.

(l) 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 or 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

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

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

Measurement of Financial Instruments:

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

Cash and Cash Equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other Accounts Receivable	Cost and amortized cost
Long-Term Receivable	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

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Inventories

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

(n) Tangible Capital Assets

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

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	15 to 40 years
Buildings	20 to 40 years
Vehicles and Equipment	
Vehicles	10 to 25 years
Machinery & Equipment	5 to 20 years
<i>Infrastructure Assets</i>	
Water and Sewer	25 to 75 years
Road Network Assets	40 years

Government Contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of Interest: The Village 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. 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.

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) **Public Private Partnerships**

Public private partnerships where the municipality 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 asset's useful life and recognized as an expense on the Consolidated Statement of Operations.

When the municipality 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 municipality 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 municipality 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, builds, finances, operates and/or maintains the infrastructure in exchange for a right to charge the ultimate end users. This compensation granted by the municipality 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.

Key estimation techniques used may include independent market appraisals, relevant past transactions or quotes generated by other bidders.

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) **Asset Retirement Obligation**

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

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Village to incur costs in relation to a specific tangible capital asset, 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 the present value method.

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

At remediation, the Village derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

(q) **Liability for Contaminated Sites**

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

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the Village:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

The Village does not have any contaminated sites.

(r) **Employee Benefit Plans**

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

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) 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 amounts 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:

- a) Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.
- b) The measurement of materials and supplies are based on estimates of volume and quality.
- c) The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available.
- d) Amortization is based on the estimated useful lives of tangible capital assets.
- e) 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.
- f) Measurement of 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 period in which they become known.

(t) Basis of Segmentation/Segment Report

The Village follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Village 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 borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the Village.

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

Transportation Services: The transportation services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

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

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

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

Utility Services: The utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Assets Held for Sale

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

(v) Loan Guarantees

Loan guarantees provided by the Village for various organizations are not consolidated as part of the Village's consolidated financial statements. As the guarantees represent potential financial commitments for the Village, these amounts are considered contingent liabilities and are not formally recognized as liabilities until the Village considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The Village monitors the status of the organizations annually and in the event that payment by the Village is likely to occur, a provision will be recognized in the consolidated financial statements.

2. CASH AND CASH EQUIVALENTS

	<u>2025</u>	<u>2024</u>
Cash	\$ 123,722	-
Short-term investments	<u>-</u>	<u>-</u>
	<u>\$ 123,722</u>	<u>-</u>

Cash and short-term investments include balances with banks, less outstanding cheques and plus outstanding deposits, and short-term deposits with maturities of three months or less.

3. TAXES RECEIVABLE - MUNICIPAL

	<u>2025</u>	<u>2024</u>
Municipal: - Current	\$ 25,299	47,580
- Arrears	<u>5,923</u>	<u>21,870</u>
	31,222	69,450
Less: Allowance for Uncollectible	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>31,222</u>	<u>69,450</u>
School: - Current	2,982	7,173
- Arrears	<u>832</u>	<u>2,066</u>
Total taxes to be collected on behalf of School Divisions	<u>3,814</u>	<u>9,239</u>
Other: - Current	-	-
- Arrears	<u>-</u>	<u>-</u>
Total other collections receivable	<u>-</u>	<u>-</u>
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	35,036	78,689
Deduct taxes receivable to be collected on behalf of other organizations	<u>(3,814)</u>	<u>(9,239)</u>
Total Taxes Receivable - Municipal	<u>\$ 31,222</u>	<u>69,450</u>

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

4. OTHER ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Federal Government	\$ 7,290	10,661
Provincial Government	6,311	3,271
Local Government	8,236	20,446
Utility	29,505	27,911
Trade	38,529	34,638
Other	<u>-</u>	<u>-</u>
Total Other Accounts Receivable	89,871	96,927
Less: Allowance for Uncollectible	<u>-</u>	<u>-</u>
Net Other Accounts Receivable	<u>\$ 89,871</u>	<u>96,927</u>

5. ASSETS HELD FOR SALE

	<u>2025</u>	<u>2024</u>
Tax Title Property	\$ 172,853	154,102
Less: - Allowance for market value adjustment	(148,792)	(129,902)
- Due to other taxing authorities	<u>(24,061)</u>	<u>(24,200)</u>
Net Tax Title Property	<u>-</u>	<u>-</u>
Other Land	1	-
Less: - Allowance for market value adjustment	<u>-</u>	<u>-</u>
Net Other Land	<u>1</u>	<u>-</u>
Total Assets Held for Sale	<u>\$ 1</u>	<u>-</u>

6. BANK INDEBTEDNESS

Bank indebtedness of \$0 (2024 - \$28,576) includes a line of credit bearing interest at 4.45%. The total limit is \$250,000 for this credit arrangement. Included in bank indebtedness is cash balance of \$0 (2024 - \$10,824).

7. OTHER LIABILITIES

The Village has entered into an agreement with the Dinsmore & District Fire Protection Inc., of which the Village is a member, to contribute funds for a fire hall being constructed. The Dinsmore & District Fire Protection Inc. financed a portion of the Village's commitment which is to be paid over an 8-year period. The Village is expected to make payments in the amount of \$23,665 per year, and \$22,654 in the final year. Interest is payable on the balance at 4.74% per year.

8. LONG-TERM DEBT

The authorized debt limit for the Village is \$548,705. The authorized debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (the *Municipalities Act* section 161(1)). The incremental debt above the debt limit authorized in the *Municipalities Act* is approved by the Saskatchewan Municipal Board.

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

9. PENSION PLAN

The Village is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Village's pension expense in 2025 was \$15,649 (2024 - \$17,564). The benefits accrued to the Village's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate. The Village matches its employee's contributions of 9.0% for general members and 12.5% for designated police officers and firefighters

Total current service contributions by the Village to MEPP in 2025 were \$15,649 (2024 - \$17,564). Total current service contributions by the employees of the Village to MEPP in 2025 were \$15,649 (2024 - \$17,564).

Based on the latest information available (December 31, 2025 Audited Financial Statements) the Municipal Employees Pension Plan had a surplus in the net assets available for benefits of \$1,519,648,000. This is based on the most recent actuarial valuation, completed December 31, 2024. The Village's portion of this is not readily determinable.

10. BUDGET

The Financial Plan (Budget) adopted by Council on June 16, 2025 was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budgeted surplus does not include amounts budgeted for transfers to reserves. As a result, the budget figures presented in the consolidated statements of operations and consolidated change in net financial assets include the following adjustments:

	<u>2025</u>
Budget net surplus	\$ 840
Add: Transfer to reserves	<u>12,000</u>
Budget surplus per statement of operations	<u>\$ 12,840</u>

VILLAGE OF DINSMORE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

11. RISK MANAGEMENT

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

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The Village is mainly exposed to credit risk with respect to its cash and taxes and other accounts receivable. It is management's opinion that the Village is not exposed to significant credit risk as its cash is held by financial institutions with high credit ratings, and a significant portion of its taxes and other accounts receivable can be collected through tax enforcement procedures.

Liquidity Risk

Liquidity risk is the risk that the Village will encounter difficulty in meeting financial obligations as they fall due. The Village undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The Village is mainly exposed to liquidity risk with respect to its accounts payable and accrued liabilities, and other liabilities.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price 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 Village is not subject to significant interest rate risk.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Village is not subject to significant currency risk.
- Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the fair value of equity investments. The Village is not subject to significant other price risk.

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUE

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
TAXES			
General municipal tax levy	\$ 316,730	316,731	317,250
Abatements and adjustments	(2,500)	(4,102)	(650)
Discount on current year taxes	(11,500)	(12,636)	(11,181)
Net Municipal Taxes	<u>302,730</u>	<u>299,993</u>	<u>305,419</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	5,000	5,860	4,693
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	<u>307,730</u>	<u>305,853</u>	<u>310,112</u>
UNCONDITIONAL GRANTS			
Revenue Sharing	80,730	80,732	75,911
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>80,730</u>	<u>80,732</u>	<u>75,911</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
Sask Energy Gas	9,000	10,620	10,306
TransGas	-	-	-
Central Services	-	-	-
Sasktel	1,000	1,164	1,164
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	19,500	20,727	21,238
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>29,500</u>	<u>32,511</u>	<u>32,708</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 417,960</u>	<u>419,096</u>	<u>418,731</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	\$ 1,500	2,584	5,904
Sales of supplies	-	20	112
Other (licenses and permits)	1,820	1,935	740
Total Fees and Charges	3,320	4,539	6,756
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	(1,165)	2,400
Investment income	150	784	172
Commissions	-	-	-
Other (donations and refunds)	-	3,355	-
Total Other Segmented Revenue	3,470	7,513	9,328
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	3,470	7,513	9,328
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	3,470	7,513	9,328
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other (donations)	-	18,770	2,115
Total Other Segmented Revenue	-	18,770	2,115
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	18,770	2,115
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
SGI	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	-	18,770	2,115

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Sales of supplies	-	-	-
Road maintenance and restoration agreements	-	-	-
Other	-	-	-
Total Fees and Charges	<u>-</u>	<u>-</u>	<u>-</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Conditional Grants			
RIRG (CTP)	-	-	-
Student Employment	-	-	-
Other (SGI)	-	9,037	-
Total Conditional Grants	<u>-</u>	<u>9,037</u>	<u>-</u>
Total Operating	<u>-</u>	<u>9,037</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	16,630	16,634	26,697
ICIP	-	-	-
RIRG (CTP, Bridge and Large Culvert, Road Const.)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>16,630</u>	<u>16,634</u>	<u>26,697</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>16,630</u>	<u>25,671</u>	<u>26,697</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	44,100	56,308	44,435
Other (cemetery fees)	10	130	10
Total Fees and Charges	<u>44,110</u>	<u>56,438</u>	<u>44,445</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (housing authority surplus)	-	-	2,006
Total Other Segmented Revenue	<u>44,110</u>	<u>56,438</u>	<u>46,451</u>
Conditional Grants			
Student Employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (MMSW)	8,800	10,991	6,594
Total Conditional Grants	<u>8,800</u>	<u>10,991</u>	<u>6,594</u>
Total Operating	<u>52,910</u>	<u>67,429</u>	<u>53,045</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services Services	<u>52,910</u>	<u>67,429</u>	<u>53,045</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Maintenance and Development Charges	\$ -	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	-	-	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other (trailer park & camping)	2,500	8,810	5,905
Total Fees and Charges	2,500	8,810	5,905
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	2,500	8,810	5,905
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other (Donations)	10,000	31,474	3,585
Other (community recreation grants)	-	2,500	19,991
Total Conditional Grants	10,000	33,974	23,576
Total Operating	12,500	42,784	29,481
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	12,500	42,784	29,481

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Water	\$ 50,500	53,713	53,936
Sewer	21,000	21,039	20,960
Other	-	-	-
Total Fees and Charges	<u>71,500</u>	<u>74,752</u>	<u>74,896</u>
Tangible capital asset sales - gain (loss)	-	-	-
Other (infrastructure charge)	<u>124,000</u>	<u>124,070</u>	<u>124,382</u>
Total Other Segmented Revenue	<u>195,500</u>	<u>198,822</u>	<u>199,278</u>
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>195,500</u>	<u>198,822</u>	<u>199,278</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>195,500</u>	<u>198,822</u>	<u>199,278</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 281,010</u>	<u>360,989</u>	<u>319,944</u>
SUMMARY			
Total Other Segmented Revenue	\$ 245,580	290,353	263,077
Total Conditional Grants	18,800	54,002	30,170
Total Capital Grants and Contributions	16,630	16,634	26,697
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	<u>\$ 281,010</u>	<u>360,989</u>	<u>319,944</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF EXPENSES BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 9,500	8,920	6,213
Wages and benefits	92,050	77,866	80,624
Professional/Contractual services	80,600	82,735	41,524
Utilities	6,000	5,279	5,607
Maintenance, materials and supplies	7,800	9,014	12,917
Grants and contributions	2,500	2,500	2,550
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	2,778	2,778
Accretion of asset retirement obligation	-	-	-
Interest	7,500	948	7,505
Allowance for uncollectible	-	21,918	-
Other (election)	250	-	893
General Government Services	<u>206,200</u>	<u>211,958</u>	<u>160,611</u>
Restructuring	-	-	-
Total General Government Services	<u>206,200</u>	<u>211,958</u>	<u>160,611</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	15,800	16,173	15,795
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	-	-
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Fire protection			
Wages and benefits	-	-	-
Professional/Contractual services	1,100	-	1,095
Utilities	-	-	-
Maintenance, materials and supplies	20,000	500	800
Grants and contributions	12,000	11,998	11,998
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	-	-
Accretion of asset retirement obligation	-	-	-
Interest	6,500	5,548	6,237
Other (donations)	-	-	1,315
Protective Services	<u>55,400</u>	<u>34,219</u>	<u>37,240</u>
Restructuring	-	-	-
Total Protective Services	<u>55,400</u>	<u>34,219</u>	<u>37,240</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF EXPENSES BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
TRANSPORTATION SERVICES			
Wages and benefits	\$ 115,250	119,759	115,765
Professional/Contractual services	17,600	13,218	22,757
Utilities	19,400	16,520	18,755
Maintenance, materials and supplies	24,350	27,573	16,365
Gravel	1,500	1,686	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	19,076	19,078
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Transportation Services	<u>178,100</u>	<u>197,832</u>	<u>192,720</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Transportation Services	<u>178,100</u>	<u>197,832</u>	<u>192,720</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	68,000	68,591	61,998
Utilities	-	-	-
Maintenance, materials and supplies	1,050	748	829
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
Amortization of tangible capital assets	-	4,492	4,492
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other (housing authority deficit)	2,000	1,444	-
Environmental and Public Health Services	<u>71,050</u>	<u>75,275</u>	<u>67,319</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental and Public Health Services	<u>71,050</u>	<u>75,275</u>	<u>67,319</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	1,000	50	88
Maintenance, materials and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	-	-
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>1,000</u>	<u>50</u>	<u>88</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>1,000</u>	<u>50</u>	<u>88</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF EXPENSES BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	-	-
Professional/Contractual services	15,030	4,147	4,211
Utilities	1,800	3,639	1,823
Maintenance, materials and supplies	1,000	2,141	3,021
Grants and contributions	5,000	-	19,991
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	40,069	40,069
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Allowance for uncollectible	-	-	-
Other (donations)	-	41,020	1,598
Recreation and Cultural Services	<u>22,830</u>	<u>91,016</u>	<u>70,713</u>
Restructuring	-	-	-
Total Recreation and Cultural Services	<u>22,830</u>	<u>91,016</u>	<u>70,713</u>
UTILITY SERVICES			
Wages and benefits	30,000	28,016	37,197
Professional/Contractual services	73,500	49,157	29,875
Utilities	22,500	19,510	19,992
Maintenance, materials and supplies	25,550	19,222	19,402
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	45,109	45,109
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Allowance for uncollectible	-	-	-
Other	-	-	-
Utility Services	<u>151,550</u>	<u>161,014</u>	<u>151,575</u>
Restructuring	-	-	-
Total Utility Services	<u>151,550</u>	<u>161,014</u>	<u>151,575</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 686,130</u>	<u>771,364</u>	<u>680,266</u>

VILLAGE OF DINSMORE

Schedule 4

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2025

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 4,539	-	-	56,438	-	8,810	74,752	144,539
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	(1,165)	-	-	-	-	-	-	(1,165)
Investment Income	784	-	-	-	-	-	-	784
Commissions	-	-	-	-	-	-	-	-
Other Revenues	3,355	18,770	-	-	-	-	124,070	146,195
Grants - Conditional	-	-	9,037	10,991	-	33,974	-	54,002
- Capital	-	-	16,634	-	-	-	-	16,634
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	<u>7,513</u>	<u>18,770</u>	<u>25,671</u>	<u>67,429</u>	<u>-</u>	<u>42,784</u>	<u>198,822</u>	<u>360,989</u>
Expenses (Schedule 3)								
Wages & Benefits	86,786	-	119,759	-	-	-	28,016	234,561
Professional/Contractual Services	82,735	16,173	13,218	68,591	50	4,147	49,157	234,071
Utilities	5,279	-	16,520	-	-	3,639	19,510	44,948
Maintenance, Materials and Supplies	9,014	500	29,259	748	-	43,161	19,222	101,904
Grants and Contributions	2,500	11,998	-	-	-	-	-	14,498
Amortization of Tangible Capital Assets	2,778	-	19,076	4,492	-	40,069	45,109	111,524
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Interest	948	5,548	-	-	-	-	-	6,496
Allowance for Uncollectible	21,918	-	-	-	-	-	-	21,918
Other	-	-	-	1,444	-	-	-	1,444
Restructurings	-	-	-	-	-	-	-	-
Total Expenses	<u>211,958</u>	<u>34,219</u>	<u>197,832</u>	<u>75,275</u>	<u>50</u>	<u>91,016</u>	<u>161,014</u>	<u>771,364</u>
Surplus (Deficit) by Function	(204,445)	(15,449)	(172,161)	(7,846)	(50)	(48,232)	37,808	(410,375)
Taxation and other unconditional revenue (Schedule 1)								<u>419,096</u>
Net Surplus (Deficit)								<u>\$ 8,721</u>

VILLAGE OF DINSMORE

Schedule 5

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2024

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6,756	-	-	44,445	-	5,905	74,896	132,002
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	2,400	-	-	-	-	-	-	2,400
Investment Income	172	-	-	-	-	-	-	172
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	2,115	-	2,006	-	-	124,382	128,503
Grants - Conditional	-	-	-	6,594	-	23,576	-	30,170
- Capital	-	-	26,697	-	-	-	-	26,697
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	<u>9,328</u>	<u>2,115</u>	<u>26,697</u>	<u>53,045</u>	<u>-</u>	<u>29,481</u>	<u>199,278</u>	<u>319,944</u>
Expenses (Schedule 3)								
Wages & Benefits	86,837	-	115,765	-	-	-	37,197	239,799
Professional/Contractual Services	41,524	16,890	22,757	61,998	88	4,211	29,875	177,343
Utilities	5,607	-	18,755	-	-	1,823	19,992	46,177
Maintenance, Materials and Supplies	12,917	800	16,365	829	-	4,619	19,402	54,932
Grants and Contributions	2,550	11,998	-	-	-	19,991	-	34,539
Amortization of Tangible Capital Assets	2,778	-	19,078	4,492	-	40,069	45,109	111,526
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Interest	7,505	6,237	-	-	-	-	-	13,742
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Other	893	1,315	-	-	-	-	-	2,208
Restructurings	-	-	-	-	-	-	-	-
Total Expenses	<u>160,611</u>	<u>37,240</u>	<u>192,720</u>	<u>67,319</u>	<u>88</u>	<u>70,713</u>	<u>151,575</u>	<u>680,266</u>
Surplus (Deficit) by Function	(151,283)	(35,125)	(166,023)	(14,274)	(88)	(41,232)	47,703	(360,322)
Taxation and other unconditional revenue (Schedule 1)								<u>418,731</u>
Net Surplus (Deficit)								<u>\$ 58,409</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2025
with comparative figures for 2024

	2025								2024	
	General Assets					Infrastructure Assets		General / Infrastructure	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Construction		
Asset Costs										
Opening asset costs	\$ 30,900	5,719	1,659,578	74,087	380,343	1,917,481	-	-	4,068,108	4,068,108
Additions during the year	-	-	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-	-
Closing Assets Costs	<u>30,900</u>	<u>5,719</u>	<u>1,659,578</u>	<u>74,087</u>	<u>380,343</u>	<u>1,917,481</u>	<u>-</u>	<u>-</u>	<u>4,068,108</u>	<u>4,068,108</u>
Accumulated Amortization Costs										
Opening accumulated amortization costs	-	1,716	1,194,667	56,594	301,414	587,837	-	-	2,142,228	2,030,702
Add: Amortization taken	-	286	43,588	6,658	16,225	44,769	-	-	111,526	111,526
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	<u>-</u>	<u>2,002</u>	<u>1,238,255</u>	<u>63,252</u>	<u>317,639</u>	<u>632,606</u>	<u>-</u>	<u>-</u>	<u>2,253,754</u>	<u>2,142,228</u>
Net Book Value	<u>\$ 30,900</u>	<u>3,717</u>	<u>421,323</u>	<u>10,835</u>	<u>62,704</u>	<u>1,284,875</u>	<u>-</u>	<u>-</u>	<u>1,814,354</u>	<u>1,925,880</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025							2024	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Costs									
Opening asset costs	\$ 100,203	29,200	352,298	44,919	-	1,576,899	1,964,589	4,068,108	4,068,108
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	<u>100,203</u>	<u>29,200</u>	<u>352,298</u>	<u>44,919</u>	<u>-</u>	<u>1,576,899</u>	<u>1,964,589</u>	<u>4,068,108</u>	<u>4,068,108</u>
Accumulated Amortization Costs									
Opening accumulated amortization costs	60,580	29,000	233,948	40,427	-	1,015,281	762,992	2,142,228	2,030,702
Add: Amortization taken	2,778	-	19,078	4,492	-	40,069	45,109	111,526	111,526
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Cost	<u>63,358</u>	<u>29,000</u>	<u>253,026</u>	<u>44,919</u>	<u>-</u>	<u>1,055,350</u>	<u>808,101</u>	<u>2,253,754</u>	<u>2,142,228</u>
Net Book Value	<u>\$ 36,845</u>	<u>200</u>	<u>99,272</u>	<u>-</u>	<u>-</u>	<u>521,549</u>	<u>1,156,488</u>	<u>1,814,354</u>	<u>1,925,880</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2025
with comparative figures for 2024

	2025							2024	
	General Assets					Other	Assets Under Construction	Total	Total
	TBD	TBD	TBD	TBD	TBD	TBD			
Asset Costs									
Opening asset costs	\$ -	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-
Closing Asset Costs	-	-	-	-	-	-	-	-	-
Accumulated Amortization Costs									
Opening accumulated amortization costs	-	-	-	-	-	-	-	-	-
Add: Amortization taken	-	-	-	-	-	-	-	-	-
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	-	-	-	-	-	-	-
Net Book Value	\$ -	-	-	-	-	-	-	-	-
1. Total contributed/donated assets received in 2025:			\$ -						
2. List of assets recognized at nominal value in 2025 are:			\$ -						
3. Amount of interest capitalized in 2025:			\$ -						

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2025
with comparative figures for 2024

	2025							2024
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset Costs								
Opening asset costs	\$ -	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-
Closing Asset Costs	-	-	-	-	-	-	-	-
Accumulated Amortization Costs								
Opening accumulated amortization costs	-	-	-	-	-	-	-	-
Add: Amortization taken	-	-	-	-	-	-	-	-
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	-	-	-	-	-	-
Net Book Value	\$ -	-	-	-	-	-	-	-

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS

Year ended December 31, 2025

	<u>2024</u>	<u>Changes</u>	<u>2025</u>
UNAPPROPRIATED SURPLUS	\$ <u>(26,351)</u>	<u>120,247</u>	<u>93,896</u>
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust Fund	-	-	-
Utility	30,000	-	30,000
Other (dedicated land fund)	<u>63</u>	<u>-</u>	<u>63</u>
Total Appropriated	<u>30,063</u>	<u>-</u>	<u>30,063</u>
NET INVESTMENT IN CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	1,925,880	(111,526)	1,814,354
Intangible capital assets (Schedule 8, 9)	-	-	-
Less: Related debt	<u>-</u>	<u>-</u>	<u>-</u>
Net Investment in Capital Assets	<u>1,925,880</u>	<u>(111,526)</u>	<u>1,814,354</u>
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	\$ <u>1,929,592</u>	<u>8,721</u>	<u>1,938,313</u>

VILLAGE OF DINSMORE

CONSOLIDATED SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2025

	PROPERTY CLASS						Total
	<u>Agriculture</u>	<u>Residential</u>	<u>Residential Condominium</u>	<u>Seasonal Residential</u>	<u>Commercial & Industrial</u>	<u>Potash Mine(s)</u>	
Taxable Assessment	\$ 267,520	7,039,120	-	-	1,557,030	-	8,863,670
Regional Park Assessment							-
Total Assessment							8,863,670
Mill Rate Factor(s)	0.3000	1.0000	1.0000	1.0000	0.8500		
Total Base/Minimum Tax (generated for each property class)	<u>1,700</u>	<u>127,700</u>	<u>-</u>	<u>-</u>	<u>31,475</u>		<u>160,875</u>
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ <u>3,378</u>	<u>258,982</u>	<u>-</u>	<u>-</u>	<u>54,371</u>		<u>316,731</u>

<u>MILL RATES:</u>	<u>MILLS</u>
Average Municipal*	35.734
Average School*	4.542
Potash Mill Rate	-
Uniform Municipal Mill Rate	28.000

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority)

VILLAGE OF DINSMORE
CONSOLIDATED SCHEDULE OF COUNCIL REMUNERATION
Year ended December 31, 2025

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor	Dean Bencharski	\$ 1,738	-	1,738
Councilor	Lance Morrison	1,600	-	1,600
Councilor	Laura Pajunen	1,450	-	1,450
Councilor	Raeanne Dawe	1,250	-	1,250
Councilor	Robert Craig	<u>1,450</u>	<u>-</u>	<u>1,450</u>
Total		<u>\$ 7,488</u>	<u>-</u>	<u>7,488</u>

DRAFT

VILLAGE OF DINSMORE
CONSOLIDATED SCHEDULE OF RESTRUCTURING
Year ended December 31, 2025

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date

Cash and Cash Equivalents	\$ -
Investments	-
Taxes Receivable - Municipal	-
Other Accounts Receivable	-
Assets Held for Sale	-
Long-Term Receivable	-
Debt Charges Recoverable	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Deposits	-
Deferred Revenue	-
Asset Retirement Obligation	-
Liability for Contaminated Sites	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	\$ -