

RESORT VILLAGE OF ELK RIDGE

Auditor's Report

Consolidated Financial Statements

December 31, 2025

MANAGEMENT'S RESPONSIBILITY

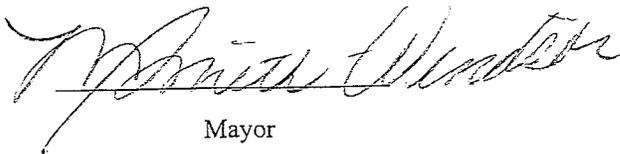
To the Ratepayers of
Resort Village of Elk Ridge:

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 Resort 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 Resort Village's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated 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



Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*

*denotes professional corporation

INDEPENDENT AUDITOR'S REPORT

To the **Mayor** and Council of the **Resort Village of Elk Ridge**

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the **Resort Village of Elk Ridge**, 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, the accompanying consolidated financial statements, present fairly, in all material respects, the financial position of the Resort 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 Opinion

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

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

Management is responsible for the preparation and fair presentation of 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 Resort 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 Resort Village or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Resort 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 Resort 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 Resort 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 Resort 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
March 10, 2026


Chartered Professional Accountants

RESORT VILLAGE OF ELK RIDGE

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)	\$ 443,989	705,530
Investments (Note 3)	1,577,269	1,144,446
Taxes Receivable - Municipal (Note 4)	6,237	7,305
Other Accounts Receivable (Note 5)	109,791	86,887
Assets Held for Sale	-	-
Long-Term Receivables	-	-
Debt Charges Recoverable	-	-
Loans and Notes Receivable	-	-
	2,137,286	1,944,168
<u>LIABILITIES</u>		
Bank Indebtedness	-	-
Accounts Payable	28,149	19,986
Accrued Liabilities Payable	-	-
Deposits	8,500	7,500
Deferred Revenue	16,206	13,290
Asset Retirement Obligations	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt (Note 6)	-	-
Lease Obligations	-	-
	52,855	40,776
Total Liabilities	52,855	40,776
NET FINANCIAL ASSETS (DEBT)	2,084,431	1,903,392
Non-Financial Assets:		
Tangible Capital Assets (Schedule 6, 7)	2,166,941	2,107,218
Intangible Capital Assets (Schedule 8, 9)	-	-
Prepaid and Deferred Charges	-	-
Stock and Supplies	45,360	-
	2,212,301	2,107,218
Total Non-Financial Assets	2,212,301	2,107,218
Accumulated Surplus (Deficit)	\$ 4,296,732	4,010,610
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	4,296,732	4,010,610
Accumulated remeasurement gains (losses) (Statement 5)	-	-

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

RESORT VILLAGE OF ELK RIDGE

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)	\$ 311,995	313,176	309,184
Other Unconditional Revenue (Schedule 1)	40,936	40,936	38,553
Fees and Charges (Schedule 4, 5)	517,450	511,992	96,933
Conditional Grants (Schedule 4, 5)	3,445	3,253	2,812
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	60,000	57,651	36,177
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4, 5)	-	-	2,497,066
Other Revenues (Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	<u>8,052</u>	<u>37,081</u>	<u>414,026</u>
Total Revenues	941,878	964,089	3,394,751
Expenses:			
General Government Services (Schedule 3)	166,084	166,992	119,570
Protective Services (Schedule 3)	37,750	55,881	36,307
Transportation Services (Schedule 3)	70,700	50,112	50,918
Environmental and Public Health Services (Schedule 3)	24,725	19,527	18,164
Planning and Development Services (Schedule 3)	22,950	5,929	9,164
Recreation and Cultural Services (Schedule 3)	16,200	40,752	12,100
Utility Services (Schedule 3)	316,100	338,774	88,496
Restructurings (Schedule 3)	-	-	-
Total Expenses	<u>654,509</u>	<u>677,967</u>	<u>334,719</u>
Annual Surplus (Deficit) of Revenues over Expenses	287,369	286,122	3,060,032
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - Beginning of Year	<u>4,010,610</u>	<u>4,010,610</u>	<u>950,578</u>
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - End of Year	<u>\$ 4,297,979</u>	<u>4,296,732</u>	<u>4,010,610</u>

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

RESORT VILLAGE OF ELK RIDGE

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	\$ 287,369	286,122	3,060,032
(Acquisition) of tangible capital assets	-	(171,179)	(446,570)
Amortization of tangible capital assets	15,000	111,456	22,028
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>(1,445,018)</u>
Surplus (Deficit) of capital expenses over expenditures	<u>15,000</u>	<u>(59,723)</u>	<u>(1,869,560)</u>
(Acquisition) of supplies inventories	-	(75,803)	-
(Acquisition) of prepaid expenses	-	-	-
Consumption of supplies inventories	-	30,443	-
Use of prepaid expenses	<u>-</u>	<u>-</u>	<u>401</u>
Surplus (Deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(45,360)</u>	<u>401</u>
Unrealized remeasurement gains (losses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in Net Financial Assets	302,369	181,039	1,190,873
Net Financial Assets (Debt) - Beginning of Year	<u>1,903,392</u>	<u>1,903,392</u>	<u>712,519</u>
Net Financial Assets (Debt) - End of Year	<u>\$ 2,205,761</u>	<u>2,084,431</u>	<u>1,903,392</u>

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

RESORT VILLAGE OF ELK RIDGE

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	\$ 286,122	3,060,032
Amortization of tangible capital assets	111,456	22,028
Loss (gain) on disposal of tangible capital assets	-	-
Restructuring	<u>-</u>	<u>(1,445,018)</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	1,069	5,569
Other Accounts Receivable	(22,905)	(59,069)
Assets Held for Sale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	8,163	(1,155)
Deposits	1,000	500
Deferred Revenue	2,916	(3,398)
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(45,360)	-
Prepayments and Deferred Charges	-	401
Other	<u>-</u>	<u>-</u>
Cash provided by (applied to) operating transactions	<u>342,461</u>	<u>1,579,890</u>
Capital:		
Acquisition of tangible capital assets	(171,179)	(446,570)
Proceeds from the disposal of tangible capital assets	<u>-</u>	<u>-</u>
Cash provided by (applied to) capital transactions	<u>(171,179)</u>	<u>(446,570)</u>
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	<u>(432,823)</u>	<u>(536,446)</u>
Cash provided by (applied to) investing transactions	<u>(432,823)</u>	<u>(536,446)</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	(261,541)	596,874
Cash and Cash Equivalents - Beginning of Year	<u>705,530</u>	<u>108,656</u>
Cash and Cash Equivalents - End of Year (Note 2)	<u>\$ 443,989</u>	<u>705,530</u>

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

RESORT VILLAGE OF ELK RIDGE

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 part of these statements.

RESORT VILLAGE OF ELK RIDGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Resort 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 Resort Village. The entity is comprised of all organizations owned or controlled by the Resort 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 Resort 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 Resort 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 4.

(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 Resort 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.

RESORT VILLAGE OF ELK RIDGE
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.

(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.

RESORT VILLAGE OF ELK RIDGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Measurement of Financial Instruments:

The Resort 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

RESORT VILLAGE OF ELK RIDGE

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 Resort 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 Resort 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	20 years
Buildings	15 to 40 years
Vehicles and Equipment	
Vehicles	10 years
Machinery & Equipment	5 to 10 years
<i>Infrastructure Assets</i>	
Infrastructure Assets	15 to 35 years
Water and Sewer	50 years
Road Network Assets	10 to 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 Resort 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.

RESORT VILLAGE OF ELK RIDGE
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.

RESORT VILLAGE OF ELK RIDGE
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 Resort 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 Resort 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 Resort 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 Resort Village does not have any contaminated sites.

(r) Employee Benefit Plans

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

RESORT VILLAGE OF ELK RIDGE

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 Resort Village follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Resort 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: Provides for the administration of the Resort Village.

Protective Services: Comprised of expenses for police and fire protection.

Transportation Services: 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 Resort Village.

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

RESORT VILLAGE OF ELK RIDGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Assets Held for Sale

The Resort Village records assets held for sale when the Resort 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 Resort Village for various organizations are not consolidated as part of the Resort Village's consolidated financial statements. As the guarantees represent potential financial commitments for the Resort Village, these amounts are considered contingent liabilities and are not formally recognized as liabilities until the Resort Village considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The Resort Village monitors the status of the organizations annually and in the event that payment by the Resort 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	\$ 443,989	705,530
Short-term investments	-	-
Restricted cash	<u>-</u>	<u>-</u>
	<u>\$ 443,989</u>	<u>705,530</u>

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

RESORT VILLAGE OF ELK RIDGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025

3. INVESTMENTS

	<u>2025</u>	<u>2024</u>
Investments carried at fair value:		
Equity investments quoted in an active market	\$ -	-
Portfolio investments	-	-
Investments carried at amortized cost:		
Term notes and deposits	1,577,269	1,144,446
Government/government guaranteed bonds	<u>-</u>	<u>-</u>
Total investments	\$ <u>1,577,269</u>	<u>1,144,446</u>

Term notes and deposits have effective interest rates of 2.45% to 4.15% with maturity dates from September 2026 to October 2027.

	<u>2025</u>	<u>2024</u>
Investment income:		
Interest	\$ 57,651	36,177
Dividends	-	-
Realized gains (losses) previously recognized in the statement of remeasurement	-	-
Realized gains (losses) on disposal	-	-
Impairment charges	-	-
Net settlement on derivative financial instruments	-	-
Income from portfolio investments	<u>-</u>	<u>-</u>
	\$ <u>57,651</u>	<u>36,177</u>

RESORT VILLAGE OF ELK RIDGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

4. TAXES RECEIVABLE - MUNICIPAL

	<u>2025</u>	<u>2024</u>
Municipal: - Current	\$ 5,203	6,856
- Arrears	<u>1,034</u>	<u>449</u>
	6,237	7,305
Less: Allowance for Uncollectible	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>6,237</u>	<u>7,305</u>
School: - Current (paid in advance)	(6,385)	(1,251)
- Arrears	<u>1,181</u>	<u>516</u>
Total taxes to be collected on behalf of School Divisions	<u>(5,204)</u>	<u>(735)</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	1,033	6,570
Deduct taxes receivable to be collected on behalf of other organizations (add prepaid in excess of liability)	<u>5,204</u>	<u>735</u>
Total Taxes Receivable - Municipal	<u>\$ 6,237</u>	<u>7,305</u>

5. OTHER ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Federal Government	\$ 14,676	8,364
Provincial Government	-	4,026
Local Government	-	-
Utility	85,375	67,943
Trade	-	-
Other (accrued interest receivable)	<u>9,740</u>	<u>6,554</u>
Total Other Accounts Receivable	109,791	86,887
Less: Allowance for Uncollectible	<u>-</u>	<u>-</u>
Net Other Accounts Receivable	<u>\$ 109,791</u>	<u>86,887</u>

6. LONG-TERM DEBT

The authorized debt limit for the Resort Village is \$439,444. The authorized debt limit for a Resort Village is the total amount of the Resort 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.

RESORT VILLAGE OF ELK RIDGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025

7. PENSION PLAN

The Resort 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 Resort Village's pension expense in 2025 was \$15,127 (2024 - \$4,774). The benefits accrued to the Resort Village's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Total current service contributions by the Resort Village to MEPP in 2025 were \$15,127 (2024 - \$4,774). Total current service contributions by the employees of the Resort Village to MEPP in 2025 were \$15,127 (2024 - \$4,774).

Based on the latest information available (December 31, 2024 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, 2023. The Resort Village's portion of this is not readily determinable.

8. BUDGET

The Financial Plan (Budget) adopted by Council on May 15, 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 includes amounts budgeted for purchases of tangible capital assets and transfers to reserves as expenditures. As a result, the budget figures presented in the consolidated statements of operations and change in net financial assets include the following adjustments:

	<u>2025</u>
Budget net surplus	\$ (32,631)
Add:	
Transfer to reserves	60,000
Purchase of tangible capital assets	<u>260,000</u>
Budget surplus per statement of operations	<u>\$ 287,369</u>

RESORT VILLAGE OF ELK RIDGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025

9. RISK MANAGEMENT

Through its financial assets and liabilities, the Resort 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 Resort 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 Resort 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 Resort Village will encounter difficulty in meeting financial obligations as they fall due. The Resort Village undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The Resort Village is mainly exposed to liquidity risk with respect to its accounts payable and accrued 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 financial instruments that potentially subject the Resort Village to interest rate risk consists of investments.
- Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The Resort Village is not subject to any 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 Resort Village is not subject to any significant other price risk.

RESORT VILLAGE OF ELK RIDGE

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	\$ 312,495	312,495	308,746
Abatements and adjustments	-	-	-
Discount on current year taxes	(3,000)	(1,659)	(2,413)
Net Municipal Taxes	<u>309,495</u>	<u>310,836</u>	<u>306,333</u>
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,500	1,500	2,011
Special tax levy	-	840	840
Other	-	-	-
Total Taxes	<u>311,995</u>	<u>313,176</u>	<u>309,184</u>
UNCONDITIONAL GRANTS			
Revenue Sharing	40,936	40,936	38,553
Organized Hamlet	-	-	-
Other	-	-	-
Total Unconditional Grants	<u>40,936</u>	<u>40,936</u>	<u>38,553</u>
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
Sask Energy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
Sasktel	-	-	-
Other	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
Sask Energy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	<u>\$ 352,931</u>	<u>354,112</u>	<u>347,737</u>

RESORT VILLAGE OF ELK RIDGE

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	\$ -	-	-
Sales of supplies	-	-	-
Other (RV park fees)	24,450	25,284	24,609
Total Fees and Charges	24,450	25,284	24,609
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	-	-	-
Investment income	30,000	31,357	33,531
Commissions	-	-	-
Other	-	-	-
Total Other Segmented Revenue	54,450	56,641	58,140
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>54,450</u>	<u>56,641</u>	<u>58,140</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>54,450</u>	<u>56,641</u>	<u>58,140</u>
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>-</u>	<u>-</u>	<u>-</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Local government	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>-</u>	<u>-</u>	<u>-</u>

RESORT VILLAGE OF ELK RIDGE

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			
Custom work	\$ -	-	-
Sale of supplies	-	-	-
Road Maintenance and Restoration Agreements	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
RIRG (CTP)	-	-	-
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	8,052	8,224	4,026
ICIP	-	-	-
RIRG (CTP, Bridge and Large Culvert, Road Const.)	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	8,052	8,224	4,026
Restructuring Revenue	-	-	-
Total Transportation Services	8,052	8,224	4,026
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Waste and Disposal Fees	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
TAPD	-	-	-
Local government	-	-	-
Other (MMSW)	2,000	1,808	1,837
Total Conditional Grants	2,000	1,808	1,837
Total Operating	2,000	1,808	1,837
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
TAPD	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services Services	2,000	1,808	1,837

RESORT VILLAGE OF ELK RIDGE

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	\$ -	5,911	-
Other (building permits)	6,000	4,386	9,338
Total Fees and Charges	6,000	10,297	9,338
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	6,000	10,297	9,338
Conditional Grants			
Student Employment	-	-	-
Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	<u>6,000</u>	<u>10,297</u>	<u>9,338</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Provincial Disaster Assistance	-	-	-
Other	-	-	-
Total Capital	<u>-</u>	<u>-</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning and Development Services	<u>6,000</u>	<u>10,297</u>	<u>9,338</u>
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
Custom work	-	-	-
Other	-	-	-
Total Fees and Charges	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
Student Employment	-	-	-
Local government	-	-	-
Other (Sask Lotteries)	1,445	1,445	975
Total Conditional Grants	1,445	1,445	975
Total Operating	<u>1,445</u>	<u>1,445</u>	<u>975</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	-	-
Local government	-	-	-
Provincial Disaster Assistance	-	-	-
Other (playground donation)	-	-	410,000
Total Capital	<u>-</u>	<u>-</u>	<u>410,000</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation and Cultural Services	<u>1,445</u>	<u>1,445</u>	<u>410,975</u>

RESORT VILLAGE OF ELK RIDGE

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	\$ 403,000	393,058	61,563
Sewer	62,000	69,169	1,423
Other (connection fees)	<u>22,000</u>	<u>14,184</u>	<u>-</u>
Total Fees and Charges	487,000	476,411	62,986
Tangible capital asset sales - gain (loss)	-	-	-
Investment income and commissions	30,000	26,294	2,646
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Segmented Revenue	<u>517,000</u>	<u>502,705</u>	<u>65,632</u>
Conditional Grants			
Student Employment	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Conditional Grants	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating	<u>517,000</u>	<u>502,705</u>	<u>65,632</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	-	-	-
ICIP	-	28,857	-
New Building Canada Fund (SCF, NRP)	-	-	-
Clean Water and Wastewater Fund	-	-	-
Provincial Disaster Assistance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	<u>-</u>	<u>28,857</u>	<u>-</u>
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>2,497,066</u>
Total Utility Services	<u>517,000</u>	<u>531,562</u>	<u>2,562,698</u>
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	<u>\$ 588,947</u>	<u>609,977</u>	<u>3,047,014</u>
SUMMARY			
Total Other Segmented Revenue	\$ 577,450	569,643	133,110
Total Conditional Grants	3,445	3,253	2,812
Total Capital Grants and Contributions	8,052	37,081	414,026
Restructuring Revenue	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE BY FUNCTION	<u>\$ 588,947</u>	<u>609,977</u>	<u>549,948</u>

RESORT VILLAGE OF ELK RIDGE

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	\$ 19,800	17,578	15,628
Wages and benefits	67,000	65,531	42,994
Professional/Contractual services	71,884	78,284	56,967
Utilities	1,700	1,107	1,213
Maintenance, materials and supplies	4,700	4,017	2,268
Grants and contributions	1,000	475	500
-operating			
-capital	-	-	-
Amortization of tangible capital assets	-	-	-
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Allowance for uncollectible	-	-	-
Other	-	-	-
General Government Services	<u>166,084</u>	<u>166,992</u>	<u>119,570</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Services	<u>166,084</u>	<u>166,992</u>	<u>119,570</u>
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	-	-	-
Professional/Contractual services	5,500	5,391	5,265
Utilities	-	-	-
Maintenance, materials and supplies	1,000	-	3,222
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	31,250	42,470	25,806
Utilities	-	-	-
Maintenance, materials, and supplies	-	6,006	-
Grants and contributions	-	-	-
-operating			
-capital	-	-	-
Amortization of tangible capital assets	-	2,014	2,014
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Protective Services	<u>37,750</u>	<u>55,881</u>	<u>36,307</u>
Restructuring	<u>-</u>	<u>-</u>	<u>-</u>
Total Protective Services	<u>37,750</u>	<u>55,881</u>	<u>36,307</u>

RESORT VILLAGE OF ELK RIDGE

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	\$ -	-	-
Professional/Contractual services	39,500	29,937	30,946
Utilities	14,700	10,174	11,800
Maintenance, materials and supplies	1,500	-	-
Gravel	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	15,000	10,001	8,172
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Transportation Services	<u>70,700</u>	<u>50,112</u>	<u>50,918</u>
Restructuring	-	-	-
Total Transportation Services	<u>70,700</u>	<u>50,112</u>	<u>50,918</u>
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	24,725	19,527	18,164
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions	-	-	-
-operating	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
-capital	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
Amortization of tangible capital assets	-	-	-
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	<u>24,725</u>	<u>19,527</u>	<u>18,164</u>
Restructuring	-	-	-
Total Environmental and Public Health Services	<u>24,725</u>	<u>19,527</u>	<u>18,164</u>
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	22,950	5,929	9,164
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	-	-
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Other	-	-	-
Planning and Development Services	<u>22,950</u>	<u>5,929</u>	<u>9,164</u>
Restructuring	-	-	-
Total Planning and Development Services	<u>22,950</u>	<u>5,929</u>	<u>9,164</u>

RESORT VILLAGE OF ELK RIDGE

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	2,200	-	-
Utilities	-	-	-
Maintenance, materials and supplies	2,000	1,419	-
Grants and contributions	12,000	12,000	12,000
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	27,333	-
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Allowance for uncollectible	-	-	-
Other (playground lease)	-	-	100
Recreation and Cultural Services	<u>16,200</u>	<u>40,752</u>	<u>12,100</u>
Restructuring	-	-	-
Total Recreation and Cultural Services	<u>16,200</u>	<u>40,752</u>	<u>12,100</u>
UTILITY SERVICES			
Wages and benefits	160,000	149,090	23,541
Professional/Contractual services	106,600	64,643	41,617
Utilities	25,000	18,206	4,222
Maintenance, materials and supplies	24,500	34,716	7,274
Grants and contributions	-	-	-
-operating	-	-	-
-capital	-	-	-
Amortization of tangible capital assets	-	72,108	11,842
Accretion of asset retirement obligation	-	-	-
Interest	-	11	-
Allowance for uncollectible	-	-	-
Other	-	-	-
Utility Services	<u>316,100</u>	<u>338,774</u>	<u>88,496</u>
Restructuring	-	-	-
Total Utility Services	<u>316,100</u>	<u>338,774</u>	<u>88,496</u>
TOTAL EXPENDITURES BY FUNCTION	<u>\$ 654,509</u>	<u>677,967</u>	<u>334,719</u>

RESORT VILLAGE OF ELK RIDGE
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	\$ 25,284	-	-	-	10,297	-	476,411	511,992
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income	31,357	-	-	-	-	-	26,294	57,651
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-
- Conditional Grants	-	-	-	1,808	-	1,445	-	3,253
- Capital Restructurings	-	-	8,224	-	-	-	28,857	37,081
Total Revenues	<u>56,641</u>	<u>-</u>	<u>8,224</u>	<u>1,808</u>	<u>10,297</u>	<u>1,445</u>	<u>531,562</u>	<u>609,977</u>
Expenses (Schedule 3)								
Wages & Benefits	83,109	-	-	-	-	-	149,090	232,199
Professional/Contractual Services	78,284	47,861	29,937	19,527	5,929	-	64,643	246,181
Utilities	1,107	-	10,174	-	-	-	18,206	29,487
Maintenance, Materials and Supplies	4,017	6,006	-	-	-	1,419	34,716	46,158
Grants and Contributions	475	-	-	-	-	12,000	-	12,475
Amortization of Tangible Capital Assets	-	2,014	10,001	-	-	27,333	72,108	111,456
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	11	11
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total Expenses	<u>166,992</u>	<u>55,881</u>	<u>50,112</u>	<u>19,527</u>	<u>5,929</u>	<u>40,752</u>	<u>338,774</u>	<u>677,967</u>
Surplus (Deficit) by Function	<u>(110,351)</u>	<u>(55,881)</u>	<u>(41,888)</u>	<u>(17,719)</u>	<u>4,368</u>	<u>(39,307)</u>	<u>192,788</u>	<u>(67,990)</u>
Taxation and other unconditional revenue (Schedule 1)								<u>354,112</u>
Net Surplus (Deficit)								<u>\$ 286,122</u>

RESORT VILLAGE OF ELK RIDGE
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	\$ 24,609	-	-	-	9,338	-	62,986	96,933
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income	33,531	-	-	-	-	-	2,646	36,177
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	1,837	-	975	-	2,812
- Capital	-	-	4,026	-	-	410,000	-	414,026
Restructurings	-	-	-	-	-	-	2,497,066	2,497,066
Total Revenues	<u>58,140</u>	<u>-</u>	<u>4,026</u>	<u>1,837</u>	<u>9,338</u>	<u>410,975</u>	<u>2,562,698</u>	<u>3,047,014</u>
Expenses (Schedule 3)								
Wages & Benefits	58,622	-	-	-	-	-	23,541	82,163
Professional/Contractual Services	56,967	31,071	30,946	18,164	9,164	-	41,617	187,929
Utilities	1,213	-	11,800	-	-	-	4,222	17,235
Maintenance, Materials and Supplies	2,268	3,222	-	-	-	100	7,274	12,864
Grants and Contributions	500	-	-	-	-	12,000	-	12,500
Amortization of Tangible Capital Assets	-	2,014	8,172	-	-	-	11,842	22,028
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Total Expenses	<u>119,570</u>	<u>36,307</u>	<u>50,918</u>	<u>18,164</u>	<u>9,164</u>	<u>12,100</u>	<u>88,496</u>	<u>334,719</u>
Surplus (Deficit) by Function	(61,430)	(36,307)	(46,892)	(16,327)	174	398,875	2,474,202	2,712,295
Taxation and other unconditional revenue (Schedule 1)								347,737
Net Surplus (Deficit)								<u>\$ 3,060,032</u>

RESORT VILLAGE OF ELK RIDGE
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 Assets Under Construction	
	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Total	Total
Asset Costs								
Opening asset costs	\$ 18,755	1,225,643	-	1,110,092	412,907	-	3,407,313	254,002
Additions during the year	-	-	-	28,167	19,617	-	171,179	446,570
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	2,706,741
Closing Assets Costs	<u>18,755</u>	<u>1,225,643</u>	<u>-</u>	<u>1,138,259</u>	<u>432,524</u>	<u>-</u>	<u>3,578,492</u>	<u>3,407,313</u>
Accumulated Amortization Costs								
Opening accumulated amortization costs	-	337,230	-	595,139	111,164	-	1,300,095	16,344
Add: Amortization taken	-	44,094	-	34,326	17,074	-	111,456	22,028
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of assets related to restructuring (Schedule 13)	-	-	-	-	-	-	-	1,261,723
Closing Accumulated Amortization Costs	<u>-</u>	<u>381,324</u>	<u>-</u>	<u>629,465</u>	<u>128,238</u>	<u>-</u>	<u>1,411,551</u>	<u>1,300,095</u>
Net Book Value	<u>\$ 18,755</u>	<u>844,319</u>	<u>-</u>	<u>508,794</u>	<u>304,286</u>	<u>-</u>	<u>2,166,941</u>	<u>2,107,218</u>
1. Total contributed/donated assets received in 2025:	\$ 410,000							
2. List of assets recognized at nominal value in 2025 are:								
-Infrastructure Assets	\$ -							
-Vehicles	\$ -							
-Machinery and Equipment	\$ -							
3. Amount of interest capitalized in 2025:	\$ -							

RESORT VILLAGE OF ELK RIDGE
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
Costs	-	90,562	200,010	-	-	410,000	2,706,741	3,407,313	2,54,002
the year	-	-	47,383	-	-	-	123,796	171,179	446,570
te-downs during the year	-	-	-	-	-	-	-	-	-
related to restructuring	-	-	-	-	-	-	-	-	2,706,741
Costs	-	90,562	247,393	-	-	410,000	2,830,537	3,578,492	3,407,313
Amortization Costs	-	2,014	24,516	-	-	-	1,273,565	1,300,095	16,344
ated amortization costs	-	2,014	10,001	-	-	27,333	72,108	111,452	22,028
in taken	-	-	-	-	-	-	-	-	-
ed amortization on disposals	-	-	-	-	-	-	-	-	-
related to restructuring	-	-	-	-	-	-	-	-	1,261,723
Related Amortization Costs	-	4,028	34,517	-	-	27,333	1,345,673	1,411,511	1,300,095
	-	86,534	212,876	-	-	382,667	1,484,864	2,166,911	2,107,218

**RESORT VILLAGE OF ELK RIDGE
CONSOLIDATED SCHEDULE OF MILL RATES AND ASSESSMENTS**

Year ended December 31, 2025

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment	-	851,600	89,090,320	-	7,981,075	97,922,995
Regional Park Assessment	-	-	-	-	-	-
Total Assessment	-	851,600	89,090,320	-	7,981,075	97,922,995
Mill Rate Factor(s)	-	1.0000	1.0000	-	1.0000	-
Total Base/Minimum Tax (generated for each property class)	-	-	75,580	-	1,900	77,480
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	-	77,623	213,817	-	21,055	312,495

MILL RATES:	MILLS
Average Municipal*	3.191
Average School*	4.441
Potash Mill Rate	-
Uniform Municipal Mill Rate	2.400

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

RESORT VILLAGE OF ELK RIDGE
CONSOLIDATED SCHEDULE OF COUNCIL REMUNERATION
Year ended December 31, 2025

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor	Margaret Smith-Windsor	\$ 5,675	648	6,323
Councillor	Daniel Levesque	2,637	-	2,637
Councillor	Jacqueline Archer	2,838	-	2,838
Councillor	Payton Hall	1,392	-	1,392
Councillor	Raymond Wiebe	792	-	792
Councillor	Russell Schwehr	2,838	-	2,838
Total		<u>\$ 16,172</u>	<u>648</u>	<u>16,820</u>

RESORT VILLAGE OF ELK RIDGE
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		-
		<hr/>
Total Net Carrying Amount Received (Transferred)	\$	-