

**VILLAGE OF THEODORE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2022**

CONTENTS

| | |
|---|---------|
| MANAGEMENT'S RESPONSIBILITY | 1 |
| INDEPENDENT AUDITORS' REPORT | 2 - 3 |
| FINANCIAL STATEMENTS | |
| Statement of Financial Position | 4 |
| Statement of Operations | 5 |
| Statement of Changes in Net Financial Assets | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8 - 12 |
| Schedule of Taxes and Other Unconditional Revenue | 13 |
| Schedule of Operating and Capital Revenue by Function | 14 - 17 |
| Schedule of Total Expenses by Function | 18 - 20 |
| Schedule of Segment Disclosure by Function - 2022 | 21 |
| Schedule of Segment Disclosure by Function - 2021 | 22 |
| Schedule of Tangible Capital Assets by Object | 23 |
| Schedule of Tangible Capital Assets by Function | 24 |
| Schedule of Accumulated Surplus | 25 |
| Schedule of Mill Rates and Assessments | 26 |
| Schedule of Council Remuneration | 27 |


Management's Responsibility

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

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

Prairie Strong, 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 AUDITORS' REPORT

To: The Mayor and Council
Village of Theodore

Opinion

We have audited the financial statements of Village of Theodore (the Municipality) which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, and the results of its operations, changes in net financial assets and its 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 Financial Statements section of our report. We are independent of the Municipality 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 audit opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Prairie Strong

Prairie Strong
Chartered Professional Accountants

Melville, Saskatchewan
March 8, 2023

Village of Theodore
Statement of Financial Position
As at December 31, 2022

| | 2022 | Statement 1 2021 |
|---|------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash and Temporary Investments (Note 2) | 230,909 | 321,701 |
| Taxes Receivable - Municipal (Note 3) | 44,986 | 89,838 |
| Other Accounts Receivable (Note 4) | 215,362 | 50,910 |
| Assets Held for Sales (Note 5) | 6,000 | 1 |
| Long-Term Investments | - | - |
| Debt Charges Recoverable | - | - |
| Other | - | - |
| Total Financial Assets | 497,257 | 462,450 |
| LIABILITIES | | |
| Bank Indebtedness | - | - |
| Accounts Payable | 67,767 | 49,726 |
| Accrued Liabilities Payable | - | - |
| Deposits | 16,773 | 17,304 |
| Deferred Revenue | - | - |
| Accrued Landfill Costs | - | - |
| Liability for Contaminated Sites | - | - |
| Other Liabilities | - | - |
| Long-Term Debt (Note 6) | 170,551 | - |
| Lease Obligations | - | - |
| Total Liabilities | 255,091 | 67,030 |
| NET FINANCIAL ASSETS | 242,166 | 395,420 |
| NON-FINANCIAL ASSETS | | |
| Tangible Capital Assets (Schedule 6, 7) | 1,587,276 | 986,601 |
| Prepayments and Deferred Charges | 790 | 749 |
| Stock and Supplies | - | - |
| Other | - | - |
| Total Non-Financial Assets | 1,588,066 | 987,350 |
| ACCUMULATED SURPLUS (Schedule 8) | 1,830,232 | 1,382,770 |

Contingent Liabilities (Note 7)

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

See Accompanying Notes

Village of Theodore
Statement of Operations
As at December 31, 2022

| | 2022 Budget | 2022 | Statement 2 2021 |
|---|------------------|------------------|---------------------|
| REVENUES | | | |
| Taxes and Other Unconditional Revenue (Schedule 1) | 470,609 | 441,720 | 527,995 |
| Fees and Charges (Schedule 4, 5) | 197,185 | 196,603 | 188,417 |
| Conditional Grants (Schedule 4, 5) | 800 | 1,600 | 1,612 |
| Tangible Capital Asset Sales - Gain (Schedule 4, 5) | 829 | (3,491) | - |
| Land Sales - Gain (Schedule 4, 5) | - | - | - |
| Investment Income and Commissions (Schedule 4, 5) | 290 | 2,417 | 1,726 |
| Restructurings (Schedule 4,5) | - | - | - |
| Other Revenues (Schedule 4, 5) | 5,195 | 4,759 | 3,386 |
| Total Revenues | 674,908 | 643,608 | 723,136 |
| EXPENSES | | | |
| General Government Services (Schedule 3) | 188,749 | 144,157 | 186,204 |
| Protective Services (Schedule 3) | 23,600 | 28,020 | 24,023 |
| Transportation Services (Schedule 3) | 167,220 | 205,455 | 195,654 |
| Environmental and Public Health Services (Schedule 3) | 66,725 | 77,458 | 73,107 |
| Planning and Development Services (Schedule 3) | 3,775 | 4,354 | 3,138 |
| Recreation and Cultural Services (Schedule 3) | 17,855 | 17,781 | 31,751 |
| Utility Services (Schedule 3) | 117,025 | 128,451 | 138,215 |
| Restructurings (Schedule 3) | - | - | - |
| Total Expenses | 584,949 | 605,676 | 652,092 |
| Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions | 89,959 | 37,932 | 71,044 |
| Provincial/Federal Capital Grants and Contributions (Schedule 4, 5) | 414,559 | 409,530 | 58,415 |
| Surplus (Deficit) of Revenues over Expenses | 504,518 | 447,462 | 129,459 |
| Accumulated Surplus, Beginning of Year | 1,382,770 | 1,382,770 | 1,253,311 |
| Accumulated Surplus, End of Year | 1,887,288 | 1,830,232 | 1,382,770 |

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

Village of Theodore
Statement of Change in Net Financial Assets
As at December 31, 2022

| | 2022 Budget | 2022 | Statement 3 2021 |
|---|-------------|-----------|---------------------|
| Surplus (Deficit) of Revenues over Expenses | 504,518 | 447,462 | 129,459 |
| (Acquisition) of tangible capital assets | - | (661,651) | - |
| Amortization of tangible capital assets | - | 56,656 | 56,473 |
| Proceeds on disposal of tangible capital assets | - | 829 | - |
| Loss (gain) on the disposal of tangible capital assets | - | 3,491 | - |
| Transfer of assets/liabilities in restructuring transactions | - | - | - |
| Surplus (Deficit) of capital expenses over expenditures | - | (600,675) | 56,473 |
| (Acquisition) of supplies inventories | - | - | - |
| (Acquisition) of prepaid expense | - | (790) | (749) |
| Consumption of supplies inventory | - | - | - |
| Use of prepaid expense | - | 749 | 728 |
| Surplus (Deficit) of expenses of other non-financial over expenditures | - | (41) | (21) |
| Increase/Decrease in Net Financial Assets | 504,518 | (153,254) | 185,911 |
| Net Financial Assets - Beginning of Year | 395,420 | 395,420 | 209,509 |
| Net Financial Assets - End of Year | 899,938 | 242,166 | 395,420 |

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

See Accompanying Notes

Village of Theodore
Statement of Cash Flow
As at December 31, 2022

Statement 4
2021

2022

Cash provided by (used for) the following activities

Operating:

| | | |
|--|----------------|----------------|
| Surplus (Deficit) of Revenues over Expenses | 447,462 | 129,459 |
| Amortization | 56,656 | 56,473 |
| Loss (gain) on disposal of tangible capital assets | 3,491 | - |
| | <u>507,609</u> | <u>185,932</u> |

Change in assets/liabilities

| | | |
|--|-----------|----------|
| Taxes Receivable - Municipal | 44,852 | (38,197) |
| Other Receivables | (164,452) | 8,112 |
| Assets Held for Sale | (5,999) | - |
| Other Financial Assets | - | - |
| Accounts and Accrued Liabilities Payable | 18,041 | 27,241 |
| Deposits | (531) | 609 |
| Deferred Revenue | - | - |
| Accrued Landfill Costs | - | - |
| Liability for Contaminated Sites | - | - |
| Other Liabilities | - | - |
| Stock and Supplies | - | - |
| Prepayments and Deferred Charges | (41) | (21) |
| Other | - | - |

| | | |
|--|----------------|----------------|
| Cash provided by operating transactions | 399,479 | 183,676 |
|--|----------------|----------------|

Capital:

| | | |
|--|-----------|---|
| Cash used to acquire tangible capital assets | (661,651) | - |
| Proceeds on sale of tangible capital assets | 829 | - |
| Other capital | - | - |

| | | |
|---|------------------|----------|
| Cash applied to capital transactions | (660,822) | - |
|---|------------------|----------|

Investing:

| | | |
|-------------------------------------|---|---|
| Proceeds on disposal of investments | - | - |
| Acquisition in investment | - | - |

| | | |
|---|----------|----------|
| Cash provided by (applied to) investing transactions | - | - |
|---|----------|----------|

Financing:

| | | |
|---------------------------|----------|---|
| Debt charges recovered | - | - |
| Proceeds from debt issues | 225,000 | - |
| Debt repayment | (54,449) | - |
| Other financing | - | - |

| | | |
|---|----------------|----------|
| Cash provided by (applied to) financing transactions | 170,551 | - |
|---|----------------|----------|

| | | |
|---|-----------------|----------------|
| Change in Cash and Temporary Investments during the year | (90,792) | 183,676 |
|---|-----------------|----------------|

| | | |
|---|----------------|----------------|
| Cash and Temporary Investments - Beginning of Year | 321,701 | 138,025 |
|---|----------------|----------------|

| | | |
|---|----------------|----------------|
| Cash and Temporary Investments - End of Year | 230,909 | 321,701 |
|---|----------------|----------------|

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

Village of Theodore
Notes to the Financial Statements
As at December 31, 2022

1. Significant Accounting Policies

The financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the municipality are as follows:

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and 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.

- a) **Reporting Entity:** The financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. No entities have been consolidated in these financial statements.
- b) **Collection of Funds for Other Authorities:** Collection of funds by the municipality for school boards are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
 - a) the transfers are authorized
 - b) any eligibility criteria have been met; and
 - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

- d) **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 municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are realized.
- e) **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.
- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **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.
- h) **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.
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- j) **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.
- k) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

Village of Theodore
Notes to the Financial Statements
As at December 31, 2022

1. Significant Accounting Policies - continued

- l) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- m) **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 deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality'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 | 5 to 20 Yrs |
| Buildings | 10 to 50 Yrs |
| Vehicles & Equipment | |
| Vehicles | 5 to 10 Yrs |
| Machinery and Equipment | 5 to 10 Yrs |
| Leased Capital Assets | Lease term |
| <i>Infrastructure Assets</i> | |
| Infrastructure Assets | 30 to 75 Yrs |
| Water & Sewer | 30 to 75 Yrs |
| Road Network Assets | 30 to 75 Yrs |

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 municipality does not capitalize interest incurred while a tangible capital asset is under construction.

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

- n) **Landfill Liability:** The municipality maintains a transfer station.
- o) **Trust Funds:** Funds held in trust for others are not included in the financial statements as they are not controlled by the municipality.
- p) **Employee Benefit Plans:** Contributions to the municipality's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- 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 municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

Village of Theodore
Notes to the Financial Statements
As at December 31, 2022

1. Significant Accounting Policies - continued

- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

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 municipality.

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 delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 22, 2022.
- u) **Assets Held for Sale:** the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.
- v) **New Standards and Amendments to Standards:**
Effective for Fiscal Years Beginning On or After April 1, 2022:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Effective for Fiscal Years Beginning On or After April 1, 2023:

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

The extent of the impact on adoption of these future standards is not known at this time.

Village of Theodore
Notes to the Financial Statements
As at December 31, 2022

2. Cash and Temporary Investments

| | 2022 | 2021 |
|---|----------------|----------------|
| Cash | 230,909 | 321,701 |
| Temporary Investments | - | - |
| Total Cash and Temporary Investments | 230,909 | 321,701 |

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

3. Taxes Receivable - Municipal

| | 2022 | 2021 |
|--|---------------|---------------|
| Municipal - Current | 52,520 | 78,498 |
| - Arrears | 62,466 | 306,340 |
| | 114,986 | 384,838 |
| - Less Allowance for Uncollectible | (70,000) | (295,000) |
| Total municipal taxes receivable | 44,986 | 89,838 |
| School - Current | 6,566 | 12,405 |
| - Arrears | 3,919 | 11,622 |
| Total school taxes receivable | 10,485 | 24,027 |
| Other | - | - |
| Total taxes and grants in lieu receivable | 55,471 | 113,865 |
| Deduct taxes receivable to be collected on behalf of other organizations | (10,485) | (24,027) |
| Total Taxes Receivable - Municipal | 44,986 | 89,838 |

4. Other Accounts Receivable

| | 2022 | 2021 |
|--------------------------------------|----------------|---------------|
| Federal Government | 22,946 | 10,234 |
| Provincial Government | 149,090 | - |
| Local Government | - | - |
| Utility | 40,239 | 45,038 |
| Trade | 7,587 | 5,638 |
| Other | - | - |
| Total Other Accounts Receivable | 219,862 | 60,910 |
| Less: Allowance for Uncollectible | (4,500) | (10,000) |
| Net Other Accounts Receivable | 215,362 | 50,910 |

5. Assets Held for Sale

| | 2022 | 2021 |
|---------------------------------------|--------------|-----------|
| Tax Title Property | 285,591 | 362,457 |
| Allowance for market value adjustment | (279,591) | (362,456) |
| Net Tax Title Property | 6,000 | 1 |
| Total Assets Held for Sale | 6,000 | 1 |

Village of Theodore
Notes to the Financial Statements
As at December 31, 2022

6. Long-Term Debt

The debt limit of the municipality is \$610,119. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

| | 2022 | 2021 |
|--|---------|------|
| Bank loan payable in monthly instalments of \$6,617 including interest at 3.74% per annum due March 1, 2025. | 170,551 | - |

Total Long-Term Debt

| | |
|----------------|----------|
| 170,551 | - |
|----------------|----------|

Future principal repayments on long-term debt are estimated as follows:

| Year | Principal |
|---------|-----------|
| 2023 | 74,290 |
| 2024 | 77,117 |
| 2025 | 19,144 |
| Balance | 170,551 |

7. Contingent Liabilities

The municipality has converted their landfill into a transfer station. Expenditures that relate to on-going environmental and reclamation programs are charged against revenues as incurred. Closure and post-closure care expenses are recognized based on assumptions, engineering studies and estimates to the costs. Changes to the underlying assumptions or legislative change in the future could have a material impact on the statements. As these costs are not readily determinable, the municipality has not provided for closure or post-closure care expenses.

8. Pension Plan

The municipality 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 benefits accrued to the employees from MEPP are calculated using the Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The municipality's contributions are expensed when due.

Details of the MEPP are as follows:

| | 2022 | 2021 |
|--|-------------|-------------|
| Member contribution rate (percentage of salary) | 9.00% | 9.00% |
| Municipal contribution rate (percentage of salary) | 9.00% | 9.00% |
| Member contributions for the year | \$14,715 | \$10,299 |
| Municipal contributions for the year | \$14,715 | \$10,299 |
| Actuarial extrapolation date | Dec-31-2021 | Dec-31-2020 |
| Plan Assets (in thousands) | \$3,568,400 | \$3,221,426 |
| Plan Liabilities (in thousands) | \$2,424,014 | \$2,382,526 |
| Plan Surplus (in thousands) | \$1,144,386 | \$838,900 |

9. Risk Management

The municipality is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk.

a) Credit Risk

Credit risk is the risk to the municipality from potential non-payment of accounts receivable. The credit risk related to the municipality's receivables from the provincial government, federal government and their agencies are considered to be minimal. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect any impairment in collectability.

b) Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they come due. The municipality manages liquidity risk by monitoring budgets and maintaining adequate cash balances.

c) Market Risk

The municipality is exposed to market risks with respect to interest rates as follows:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality's interest rate exposure relates to cash and cash equivalents. The municipality also has an authorized bank line of credit of \$50,000 with interest payable monthly at 7.20%. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. The balance outstanding on this credit facility at December 31, 2022 was \$ NIL (2021 - \$ NIL). The municipality minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- managing cash flows to minimize utilization of its bank line of credit

Village of Theodore
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2022

| | 2022 Budget | 2022 | Schedule 1 2021 |
|--|----------------|----------------|--------------------|
| TAXES | | | |
| General municipal tax levy | 332,370 | 332,368 | 341,850 |
| Abatements and adjustments | 5,000 | (6,927) | (4,500) |
| Discount on current year taxes | 7,500 | (8,637) | (7,994) |
| Net Municipal Taxes | 344,870 | 316,804 | 329,356 |
| Potash tax share | - | - | - |
| Trailer license fees | - | - | - |
| Penalties on tax arrears | 17,200 | 15,180 | 85,622 |
| Special tax levy | - | - | - |
| Other | - | - | - |
| Total Taxes | 362,070 | 331,984 | 414,978 |
| UNCONDITIONAL GRANTS | | | |
| Revenue Sharing | 69,025 | 69,025 | 74,490 |
| Safe Restart Program | - | - | - |
| Total Unconditional Grants | 69,025 | 69,025 | 74,490 |
| GRANTS IN LIEU OF TAXES | | | |
| Federal | 1,907 | 1,850 | 1,831 |
| Provincial | | | |
| S.P.C. Electrical | - | - | - |
| SaskEnergy Gas | - | - | - |
| TransGas | - | - | - |
| Central Services | - | - | - |
| SaskTel | 2,027 | 1,946 | 1,914 |
| Other | - | - | - |
| Local/Other | | | |
| Housing Authority | 6,080 | 5,837 | 5,907 |
| C.P.R. Mainline | - | - | - |
| Treaty Land Entitlement | - | - | - |
| Other | - | - | - |
| Other Government Transfers | | | |
| S.P.C. Surcharge | 20,000 | 20,397 | 20,063 |
| Sask Energy Surcharge | 9,500 | 10,681 | 8,812 |
| Other | - | - | - |
| Total Grants in Lieu of Taxes | 39,514 | 40,711 | 38,527 |
| TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE | 470,609 | 441,720 | 527,995 |

See Accompanying Notes

Village of Theodore
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 1

| | 2022 Budget | 2022 | 2021 |
|--|--------------|------------|--------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Custom work | - | - | - |
| - Sales of supplies | 510 | 654 | 992 |
| - Rentals and licenses | 1,875 | 1,964 | 931 |
| Total Fees and Charges | 2,385 | 2,618 | 1,923 |
| - Tangible capital asset sales - gain (loss) | 829 | (3,491) | - |
| - Land sales - gain | - | - | - |
| - Investment income and commissions | 290 | 1,192 | 199 |
| - Other (Donations) | 3,565 | 167 | 2,491 |
| Total Other Segmented Revenue | 7,069 | 486 | 4,613 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 7,069 | 486 | 4,613 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring Revenue | - | - | - |
| Total General Government Services | 7,069 | 486 | 4,613 |

PROTECTIVE SERVICES

| | | | |
|--|----------|----------|----------|
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Fire calls and fines | - | - | - |
| 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 | - | - | - |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Local government | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring Revenue | - | - | - |
| Total Protective Services | - | - | - |

See Accompanying Notes

Village of Theodore
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 2
2021

TRANSPORTATION SERVICES

Operating

| | 2022 Budget | 2022 | 2021 |
|---|--------------|--------------|--------------|
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Custom work | 800 | 1,267 | 2,687 |
| - Sales of supplies | - | - | - |
| - Road Maintenance and Restoration Agreements | - | - | - |
| - Frontage | - | - | - |
| - Other | - | - | - |
| Total Fees and Charges | 800 | 1,267 | 2,687 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | 800 | 1,267 | 2,687 |
| Conditional Grants | | | |
| - RIRG (CTP) | - | - | - |
| - Student Employment | - | - | - |
| - SGI | - | - | 812 |
| - Primary Weight Corridor | 800 | 1,600 | 800 |
| Total Conditional Grants | 800 | 1,600 | 1,612 |
| Total Operating | 1,600 | 2,867 | 4,299 |

Capital

| | | | |
|---|--------------|--------------|--------------|
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - RIRG (Heavy Haul, CTP, Municipal Bridges) | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Municipal Economic Enhancement Program | - | - | - |
| Total Capital | - | - | - |
| Restructuring Revenue | - | - | - |
| Total Transportation Services | 1,600 | 2,867 | 4,299 |

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating

| | | | |
|--|---------------|---------------|---------------|
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Waste and Disposal Fees | 55,400 | 55,435 | 52,863 |
| - Other | - | - | - |
| Total Fees and Charges | 55,400 | 55,435 | 52,863 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | - | - | - |
| Total Other Segmented Revenue | 55,400 | 55,435 | 52,863 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - TAPD | - | - | - |
| - Local government | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 55,400 | 55,435 | 52,863 |

Capital

| | | | |
|---|---------------|---------------|---------------|
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - TAPD | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring Revenue | - | - | - |
| Total Environmental and Public Health Services | 55,400 | 55,435 | 52,863 |

See Accompanying Notes

Village of Theodore
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 3

| | 2022 Budget | 2022 | 2021 |
|--|--------------|--------------|--------------|
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Maintenance and Development Charges | 500 | 620 | 651 |
| - Cemetery fees and charges | 1,950 | 1,700 | 3,940 |
| Total Fees and Charges | 2,450 | 2,320 | 4,591 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | 100 | 4,562 | 885 |
| Total Other Segmented Revenue | 2,550 | 6,882 | 5,476 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 2,550 | 6,882 | 5,476 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring Revenue | - | - | - |
| Total Planning and Development Services | 2,550 | 6,882 | 5,476 |

RECREATION AND CULTURAL SERVICES

| | | | |
|---|-----------|-----------|-----------|
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | - | - | - |
| - Hall rental | - | - | - |
| - Skating, curling and concession fees | - | - | - |
| Total Fees and Charges | - | - | - |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Other | 30 | 30 | 10 |
| Total Other Segmented Revenue | 30 | 30 | 10 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Local government | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 30 | 30 | 10 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | | - | - |
| - Local government | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Other | - | - | - |
| Total Capital | - | - | - |
| Restructuring Revenue | - | - | - |
| Total Recreation and Cultural Services | 30 | 30 | 10 |

See Accompanying Notes

Village of Theodore
Schedule of Operating and Capital Revenue by Function
As at December 31, 2022

Schedule 2 - 4

| | 2022 Budget | 2022 | 2021 |
|--|----------------|----------------|----------------|
| UTILITY SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| - Water and Sewer | 135,500 | 133,183 | 125,658 |
| - Sewer | - | - | - |
| - Other | 650 | 1,780 | 695 |
| Total Fees and Charges | 136,150 | 134,963 | 126,353 |
| - Tangible capital asset sales - gain (loss) | - | - | - |
| - Interest income | 1,500 | 1,225 | 1,527 |
| Total Other Segmented Revenue | 137,650 | 136,188 | 127,880 |
| Conditional Grants | | | |
| - Student Employment | - | - | - |
| - Other | - | - | - |
| Total Conditional Grants | - | - | - |
| Total Operating | 137,650 | 136,188 | 127,880 |
| Capital | | | |
| Conditional Grants | | | |
| - Canada Community-Building Fund (CCBF) | 19,960 | 9,981 | 58,415 |
| - Investing in Canada Infrastructure Program (ICIP) | 394,599 | 394,559 | - |
| - Clean Water and Wastewater Fund | - | - | - |
| - Provincial Disaster Assistance | - | - | - |
| - Assiniboine Watershed - Well grant | - | 4,990 | - |
| Total Capital | 414,559 | 409,530 | 58,415 |
| Restructuring Revenue | - | - | - |
| Total Utility Services | 552,209 | 545,718 | 186,295 |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | 618,858 | 611,418 | 253,556 |

SUMMARY

| | | | |
|--|----------------|----------------|----------------|
| Total Other Segmented Revenue | 203,499 | 200,288 | 193,529 |
| Total Conditional Grants | 800 | 1,600 | 1,612 |
| Total Capital Grants and Contributions | 414,559 | 409,530 | 58,415 |
| Restructuring Revenue | - | - | - |
| TOTAL REVENUE BY FUNCTION | 618,858 | 611,418 | 253,556 |

See Accompanying Notes

Village of Theodore
Total Expenses by Function
As at December 31, 2022

Schedule 3 - 1

| | 2022 Budget | 2022 | 2021 |
|--|----------------|----------------|----------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Council remuneration and travel | 9,840 | 10,040 | 10,045 |
| Wages and benefits | 92,505 | 91,726 | 83,450 |
| Professional/Contractual services | 42,874 | 42,690 | 40,151 |
| Utilities | 9,280 | 8,490 | 7,582 |
| Maintenance, materials and supplies | 4,150 | 4,483 | 5,443 |
| Grants and contributions - operating | - | 248 | 1,935 |
| - capital | - | - | - |
| Amortization | - | 2,818 | 2,818 |
| Interest | - | - | - |
| Allowance for uncollectible | 30,000 | (16,343) | 34,601 |
| Other | 100 | 5 | 179 |
| General Government Services | 188,749 | 144,157 | 186,204 |
| Restructuring | - | - | - |
| Total General Government Services | 188,749 | 144,157 | 186,204 |

PROTECTIVE SERVICES

Police protection

| | | | |
|--------------------------------------|--------|--------|--------|
| Wages and benefits | - | - | - |
| Professional/Contractual services | 17,025 | 17,020 | 15,975 |
| Utilities | - | - | - |
| Maintenance, material and supplies | - | - | - |
| Grants and contributions - operating | - | - | - |
| - capital | - | - | - |
| Other | - | - | - |

Fire protection

| | | | |
|--------------------------------------|-------|-------|-------|
| Wages and benefits | - | - | - |
| Professional/Contractual services | 4,225 | 4,228 | 3,320 |
| Utilities | 750 | 735 | 744 |
| Maintenance, material and supplies | 1,600 | 2,421 | 365 |
| Grants and contributions - operating | - | - | - |
| - capital | - | - | - |
| Amortization | - | 3,616 | 3,619 |
| Interest | - | - | - |
| Other | - | - | - |

| | | | |
|----------------------------------|---------------|---------------|---------------|
| Protective Services | 23,600 | 28,020 | 24,023 |
| Restructuring | - | - | - |
| Total Protective Services | 23,600 | 28,020 | 24,023 |

TRANSPORTATION SERVICES

| | | | |
|--------------------------------------|---------|---------|--------|
| Wages and benefits | 106,650 | 110,125 | 59,959 |
| Professional/Contractual Services | 5,120 | 5,146 | 46,344 |
| Utilities | 15,200 | 17,502 | 14,842 |
| Maintenance, materials, and supplies | 34,750 | 37,439 | 35,813 |
| Gravel | 5,500 | 7,081 | 10,720 |
| Grants and contributions - operating | - | - | - |
| - capital | - | - | - |
| Amortization | - | 28,162 | 27,976 |
| Interest | - | - | - |
| Other | - | - | - |

| | | | |
|--------------------------------------|----------------|----------------|----------------|
| Transportation Services | 167,220 | 205,455 | 195,654 |
| Restructuring | - | - | - |
| Total Transportation Services | 167,220 | 205,455 | 195,654 |

See Accompanying Notes

Village of Theodore
Total Expenses by Function
As at December 31, 2022

Schedule 3 - 2

| | 2022 Budget | 2022 | 2021 |
|---|---------------|---------------|---------------|
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Wages and benefits | - | - | - |
| Professional/Contractual services | 66,725 | 77,408 | 69,682 |
| Utilities | - | - | - |
| Maintenance, materials and supplies | - | 50 | 27 |
| Grants and contributions - operating | - | - | - |
| o Waste disposal | - | - | - |
| o Public Health | - | - | - |
| - capital | - | - | - |
| o Waste disposal | - | - | - |
| o Public Health | - | - | - |
| Amortization | - | - | - |
| Allowance for uncollectible | - | - | 3,398 |
| Other | - | - | - |
| Environmental and Public Health Services | 66,725 | 77,458 | 73,107 |
| Restructuring | - | - | - |
| Total Environmental and Public Health Services | 66,725 | 77,458 | 73,107 |

PLANNING AND DEVELOPMENT SERVICES

| | | | |
|--|--------------|--------------|--------------|
| Wages and benefits | - | - | - |
| Professional/Contractual Services | 3,775 | 4,354 | 3,138 |
| Grants and contributions - operating | - | - | - |
| - capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Other | - | - | - |
| Planning and Development Services | 3,775 | 4,354 | 3,138 |
| Restructuring | - | - | - |
| Total Planning and Development Services | 3,775 | 4,354 | 3,138 |

RECREATION AND CULTURAL SERVICES

| | | | |
|---|---------------|---------------|---------------|
| Wages and benefits | - | - | - |
| Professional/Contractual services | 7,995 | 7,993 | 4,344 |
| Utilities | 5,160 | 5,045 | 4,514 |
| Maintenance, materials and supplies | 4,500 | 4,443 | 2,693 |
| Grants and contributions - operating | - | - | 20,000 |
| - capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Allowance for uncollectible | - | - | - |
| Other | 200 | 300 | 200 |
| Recreation and Cultural Services | 17,855 | 17,781 | 31,751 |
| Restructuring | - | - | - |
| Total Recreation and Cultural Services | 17,855 | 17,781 | 31,751 |

See Accompanying Notes

Village of Theodore
Total Expenses by Function
As at December 31, 2022

Schedule 3 - 3
2021

| | 2022 Budget | 2022 | 2021 |
|---------------------------------------|----------------|----------------|----------------|
| UTILITY SERVICES | | | |
| Wages and benefits | - | - | - |
| Professional/Contractual services | 83,000 | 66,809 | 69,114 |
| Utilities | 13,900 | 15,369 | 13,052 |
| Maintenance, materials and supplies | 16,925 | 17,550 | 26,815 |
| Grants and contributions - operating | - | - | - |
| - capital | - | - | - |
| Amortization | - | 22,060 | 22,060 |
| Interest | 3,200 | 5,103 | - |
| Allowance for uncollectibles | - | 1,560 | 7,174 |
| Other | - | - | - |
| Utility Services | 117,025 | 128,451 | 138,215 |
| Restructuring | - | - | - |
| Total Utility Services | 117,025 | 128,451 | 138,215 |
| TOTAL EXPENSES BY FUNCTION | | | |
| | 584,949 | 605,676 | 652,092 |

Village of Theodore
Schedule of Segment Disclosure by Function
As at December 31, 2022

Schedule 4

| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|--|--------------------|---------------------|-------------------------|-------------------------------|--------------------------|------------------------|------------------|----------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | 2,618 | - | 1,267 | 55,435 | 2,320 | - | 134,963 | 196,603 |
| Tangible Capital Asset Sales - Gain | (3,491) | - | - | - | - | - | - | (3,491) |
| Land Sales - Gain | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 1,192 | - | - | - | - | - | 1,225 | 2,417 |
| Other Revenues | 167 | - | - | - | 4,562 | 30 | - | 4,759 |
| Grants - Conditional | - | - | 1,600 | - | - | - | - | 1,600 |
| - Capital | - | - | - | - | - | - | 409,530 | 409,530 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 486 | - | 2,867 | 55,435 | 6,882 | 30 | 545,718 | 611,418 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages & Benefits | 101,766 | - | 110,125 | - | - | - | - | 211,891 |
| Professional/ Contractual Services | 42,690 | 21,248 | 5,146 | 77,408 | 4,354 | 7,993 | 66,809 | 225,648 |
| Utilities | 8,490 | 735 | 17,502 | - | - | 5,045 | 15,369 | 47,141 |
| Maintenance Materials and Supplies | 4,483 | 2,421 | 44,520 | 50 | - | 4,443 | 17,550 | 73,467 |
| Grants and Contributions | 248 | - | - | - | - | - | - | 248 |
| Amortization | 2,818 | 3,616 | 28,162 | - | - | - | 22,060 | 56,656 |
| Interest | - | - | - | - | - | - | 5,103 | 5,103 |
| Allowance for Uncollectible | (16,343) | - | - | - | - | - | 1,560 | (14,783) |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | 5 | - | - | - | - | 300 | - | 305 |
| Total Expenses | 144,157 | 28,020 | 205,455 | 77,458 | 4,354 | 17,781 | 128,451 | 605,676 |
| Surplus (Deficit) by Function | (143,671) | (28,020) | (202,588) | (22,023) | 2,528 | (17,751) | 417,267 | 5,742 |
| Taxes and other unconditional revenue (Schedule 1) | | | | | | | | 441,720 |
| Net Surplus (Deficit) of Revenues over Expenses | | | | | | | | 447,462 |

Village of Theodore
Schedule of Segment Disclosure by Function
As at December 31, 2021

Schedule 5

| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|--------------------------------------|--------------------|---------------------|-------------------------|-------------------------------|--------------------------|------------------------|------------------|------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and Charges | 1,923 | - | 2,687 | 52,863 | 4,591 | - | 126,353 | 188,417 |
| Tangible Capital Asset Sales - Gain | - | - | - | - | - | - | - | - |
| Land Sales - Gain | - | - | - | - | - | - | - | - |
| Investment Income and Commissions | 199 | - | - | - | - | - | 1,527 | 1,726 |
| Other Revenues | 2,491 | - | - | - | 885 | 10 | - | 3,386 |
| Grants - Conditional | - | - | 1,612 | - | - | - | - | 1,612 |
| - Capital | - | - | - | - | - | - | 58,415 | 58,415 |
| Restructurings | - | - | - | - | - | - | - | - |
| Total Revenues | 4,613 | - | 4,299 | 52,863 | 5,476 | 10 | 186,295 | 253,556 |
| Expenses (Schedule 3) | | | | | | | | |
| Wages & Benefits | 93,495 | - | 59,959 | - | - | - | - | 153,454 |
| Professional/ Contractual Services | 40,151 | 19,295 | 46,344 | 69,682 | 3,138 | 4,344 | 69,114 | 252,068 |
| Utilities | 7,582 | 744 | 14,842 | - | - | 4,514 | 13,052 | 40,734 |
| Maintenance Materials and Supplies | 5,443 | 365 | 46,533 | 27 | - | 2,693 | 26,815 | 81,876 |
| Grants and Contributions | 1,935 | - | - | - | - | 20,000 | - | 21,935 |
| Amortization | 2,818 | 3,619 | 27,976 | - | - | - | 22,060 | 56,473 |
| Interest | - | - | - | - | - | - | - | - |
| Allowance for Uncollectibles | 34,601 | - | - | 3,398 | - | - | 7,174 | 45,173 |
| Restructurings | - | - | - | - | - | - | - | - |
| Other | 179 | - | - | - | - | 200 | - | 379 |
| Total Expenses | 186,204 | 24,023 | 195,654 | 73,107 | 3,138 | 31,751 | 138,215 | 652,092 |
| Surplus (Deficit) by Function | (181,591) | (24,023) | (191,355) | (20,244) | 2,338 | (31,741) | 48,080 | (398,536) |

Taxes and other unconditional revenue (Schedule 1)

527,995

Net Surplus (Deficit) of Revenues over Expenses

129,459

Village of Theodore
Schedule of Tangible Capital Assets by Object
As at December 31, 2022

Schedule 6

2021

2022

| | General Assets | | | | | Infrastructure Assets | | General/ Infrastructure Assets Under Construction | Total | Total |
|---|----------------|----------------------|----------------|----------------|-----------------------------|-----------------------|----------|--|------------------|------------------|
| | Land | Land Improvements | Buildings | Vehicles | Machinery & Equipment | Linear assets | | | | |
| Asset cost | | | | | | | | | | |
| Opening Asset costs | 4,510 | - | 164,548 | 103,597 | 332,674 | 2,254,832 | - | - | 2,860,161 | 2,860,161 |
| Additions during the year | - | - | 551,885 | 6,413 | - | 103,353 | - | - | 661,651 | - |
| Disposals and write-downs during the year | - | - | - | (6,000) | - | - | - | - | (6,000) | - |
| Transfers (from) assets under construction restructuring | - | - | - | - | - | - | - | - | - | - |
| Closing Asset Costs | 4,510 | - | 716,433 | 104,010 | 332,674 | 2,358,185 | - | - | 3,515,812 | 2,860,161 |
| Accumulated Amortization Cost | | | | | | | | | | |
| Opening Accumulated Amortization Costs | - | - | 142,966 | 53,604 | 191,550 | 1,485,440 | - | - | 1,873,560 | 1,817,087 |
| Add: Amortization taken | - | - | 3,178 | 5,711 | 13,229 | 34,538 | - | - | 56,656 | 56,473 |
| Less: Accumulated amortization on disposals Transfer of Capital Assets related to restructuring | - | - | - | (1,680) | - | - | - | - | (1,680) | - |
| Closing Accumulated Amortization Costs | - | - | 146,144 | 57,635 | 204,779 | 1,519,978 | - | - | 1,928,536 | 1,873,560 |
| Net Book Value | 4,510 | - | 570,289 | 46,375 | 127,895 | 838,207 | - | - | 1,587,276 | 986,601 |

Assets

Village of Theodore
Schedule of Tangible Capital Assets by Function
As at December 31, 2022

Schedule 7

| | 2022 | | | | | | 2021 | |
|---|--------------------|---------------------|-------------------------|-------------------------------|------------------------|----------------------|------------------|------------------|
| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning & Development | Recreation & Culture | Water & Sewer | Total |
| Asset cost | | | | | | | | |
| Opening Asset costs | 117,558 | 78,719 | 1,179,474 | 5,000 | - | 23,413 | 1,455,997 | 2,860,161 |
| Additions during the year | - | - | 6,413 | - | - | - | 655,238 | 661,651 |
| Disposals and write-downs during the year | - | - | (6,000) | - | - | - | - | (6,000) |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - |
| Closing Asset Costs | 117,558 | 78,719 | 1,179,887 | 5,000 | - | 23,413 | 2,111,235 | 3,515,812 |
| Accumulated Amortization Cost | | | | | | | | |
| Opening Accumulated Amortization Costs | 109,523 | 68,052 | 921,280 | 5,000 | - | 22,911 | 746,794 | 1,817,087 |
| Add: Amortization taken | 2,818 | 3,616 | 28,162 | - | - | - | 22,060 | 56,473 |
| Less: Accumulated amortization on disposals | - | - | (1,680) | - | - | - | - | - |
| Transfer of Capital Assets related to restructuring | - | - | - | - | - | - | - | - |
| Closing Accumulated Amortization Costs | 112,341 | 71,668 | 947,762 | 5,000 | - | 22,911 | 768,854 | 1,928,536 |
| Net Book Value | 5,217 | 7,051 | 232,125 | - | - | 502 | 1,342,381 | 986,601 |

Village of Theodore
Schedule of Accumulated Surplus
As at December 31, 2022

Schedule 8
2022

| | 2021 | Changes | |
|--|------------------|-----------------|------------------|
| UNAPPROPRIATED SURPLUS | 350,909 | 62,598 | 413,507 |
| APPROPRIATED RESERVES | | | |
| Machinery and Equipment | - | - | - |
| Public Reserve | - | - | - |
| Capital Trust | - | - | - |
| Utility | 45,260 | (45,260) | - |
| Other | - | - | - |
| Total Appropriated | 45,260 | (45,260) | - |
| NET INVESTMENT IN TANGIBLE CAPITAL ASSETS | | | |
| Tangible capital assets (Schedule 6, 7) | 986,601 | 600,675 | 1,587,276 |
| Less: Related debt | - | (170,551) | (170,551) |
| Net Investment in Tangible Capital Assets | 986,601 | 430,124 | 1,416,725 |
| Total Accumulated Surplus | 1,382,770 | 447,462 | 1,830,232 |

See Accompanying Notes

Village of Theodore
Schedule of Mill Rates and Assessments
As at December 31, 2022

Schedule 9

| | PROPERTY CLASS | | | | | |
|---|----------------|-------------|-------------------------|----------------------|-------------------------|----------------|
| | Agriculture | Residential | Residential Condominium | Seasonal Residential | Commercial & Industrial | Potash Mine(s) |
| Taxable Assessment | 128,755 | 8,606,080 | - | - | 1,419,840 | - |
| Regional Park Assessment | | | | | | |
| Total Assessment | | | | | | 10,154,675 |
| Mill Rate Factor(s) | 1.0000 | 1.0000 | - | - | 3.0000 | |
| Total Base/Minimum Tax (generated for each property class) | 1,800 | 169,260 | - | - | 13,920 | 184,980 |
| Total Municipal Tax Levy (include base and/or minimum tax and special levies) | 3,345 | 264,065 | - | - | 64,958 | 332,368 |

MILL RATES:

| | MILLS |
|-----------------------------|--------|
| Average Municipal* | 32.731 |
| Average School* | 4.820 |
| Uniform Municipal Mill Rate | 11.000 |

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

Schedule 10

See Accompanying Notes
27