

**TOWN OF SOUTHEY**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2024**

**TOWN OF SOUTHEY**  
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**for the year ended December 31, 2024**

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## STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Town of Southey:

The Town's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the consolidated financial statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Council is composed of elected officials who are not employees of the Town. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Town's external auditors.

Sensus Chartered Professional Accountants Ltd., as the Town's appointed external auditors, have audited the consolidated financial statements. The Auditor's Report is addressed to Council and appears on the following page. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

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Mayor

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Administrator

## INDEPENDENT AUDITOR'S REPORT

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

### Qualified Opinion

We have audited the consolidated financial statements of the Town of Southey, which comprise the consolidated statement of financial position as at December 31, 2024, the statement of operations, the statement of changes in net financial assets, the statement of cash flows, the statement of remeasurement gains (losses) for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis of Qualified Opinion paragraphs, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town of Southey as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

The Public Sector Accounting Board has introduced section PS 3280 which is a standard establishing guidance on the accounting and reporting on the retirement of tangible capital assets controlled by the Town of Southey. The Town of Southey has not provided a reasonable estimate for the asset retirement costs associated with their lagoon, wells, or buildings containing asbestos and lead paint or piping, to determine the asset retirement obligation. As such, we have qualified our audit opinion due to the departure from Canadian public sector accounting standards. The effects of this departure on the financial statements for the year ended December 31, 2024, have not been determined, as there is insufficient information available to do so.

The Touchwood Hills Regional Landfill Inc., a consolidated entity of the Town of Southey has not provided a reasonable estimate for the asset retirement costs associated with the closure and post-closure of their landfill. As a result, the asset retirement obligation could not be determined. Consequently, we have qualified our audit opinion due to the departure from Canadian public sector accounting standards. The impact of this departure on the financial statements for the year ended December 31, 2024, have not been determined, as there is insufficient information available to do so.

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

### Other Matters

Our audit opinion does not extend to the budgeted figures presented by Council.

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

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

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

Those charged with governance are responsible for overseeing the Town of Southey's financial reporting process.

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

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

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

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

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

Yorkton, Saskatchewan  
June 24, 2025



Chartered Professional Accountants Ltd.

**TOWN OF SOUTHEY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2024**

	2024	2023
<b>FINANCIAL ASSETS</b>		
Cash	\$ 2,531,776	\$ 2,399,482
Taxes receivable - municipal (Note 2)	51,019	69,978
Other accounts receivable (Note 3)	99,493	94,233
Other assets	758	703
<b>TOTAL FINANCIAL ASSETS</b>	<b>2,683,046</b>	<b>2,564,396</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	31,013	40,291
Deposits	20,161	21,568
Deferred revenue (Note 5)	253,999	202,065
Long-term debt (Note 6)	339,403	493,480
<b>TOTAL LIABILITIES</b>	<b>644,576</b>	<b>757,404</b>
<b>NET FINANCIAL ASSETS</b>	<b>2,038,470</b>	<b>1,806,992</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedules 6 and 7)	9,090,503	9,355,242
Assets held for sale (Note 4)	118,794	118,794
Prepaid expenses	1,304	1,018
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>9,210,601</b>	<b>9,475,054</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 11,249,071</b>	<b>\$11,282,046</b>
Accumulated surplus is comprised of:		
Accumulated surplus excluding remeasurement gains (losses) (Schedule 10)	\$ 11,249,071	\$11,282,046
Accumulated remeasurement gains (losses)		
	<b>\$ 11,249,071</b>	<b>\$11,282,046</b>

**TOWN OF SOUTHEY**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
for the year ended December 31, 2024

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>REVENUE</b>			
Tax revenue (Schedule 1)	\$ 710,150	\$ 717,358	\$ 707,923
Other unconditional revenue (Schedule 1)	324,830	315,277	295,388
Fees and charges (Schedules 4 and 5)	608,720	450,674	452,948
Conditional grants (Schedules 4 and 5)	17,000	51,823	42,575
Tangible capital asset sales - gain (loss) (Schedules 4 and 5)			(6,312)
Land sales - gain (loss) (Schedules 4 and 5)	20,000		
Investment income (Schedules 4 and 5)	57,000	76,809	56,813
Other revenues (Schedules 4 and 5)		37,485	63,201
	<b>1,737,700</b>	<b>1,649,426</b>	<b>1,612,536</b>
<b>EXPENSES</b>			
General government services (Schedule 3)	349,211	355,699	281,068
Protective services (Schedule 3)	174,159	155,469	205,249
Transportation services (Schedule 3)	568,196	461,650	389,794
Environmental and public health services (Schedule 3)	156,875	249,141	211,933
Planning and development services (Schedule 3)	32,000	22,744	23,029
Recreation and cultural services (Schedule 3)	153,265	149,180	159,605
Utility services (Schedule 3)	239,240	288,518	343,599
	<b>1,672,946</b>	<b>1,682,401</b>	<b>1,614,277</b>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER CAPITAL CONTRIBUTIONS</b>	<b>64,754</b>	<b>(32,975)</b>	<b>(1,741)</b>
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	54,000		
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>118,754</b>	<b>(32,975)</b>	<b>(1,741)</b>
<b>ACCUMULATED SURPLUS EXCLUDING REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR</b>	<b>11,282,046</b>	<b>11,282,046</b>	<b>11,283,787</b>
<b>ACCUMULATED SURPLUS EXCLUDING REMEASUREMENT GAINS (LOSSES), END OF YEAR</b>	<b>\$ 11,400,800</b>	<b>\$ 11,249,071</b>	<b>\$11,282,046</b>

**TOWN OF SOUTHEY****CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS****for the year ended December 31, 2024**

	<b>2024 Budget Unaudited (Note 1)</b>	<b>2024 Actual</b>	<b>2023 Actual</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 118,754</b>	<b>\$ (32,975)</b>	<b>\$ (1,741)</b>
Acquisition of tangible capital assets	(152,000)	(117,151)	(61,321)
Amortization of tangible capital assets	376,395	381,890	375,953
Loss on sale of tangible capital assets			6,312
Proceeds on sale of tangible capital assets			23,785
Decrease (increase) in prepaid expenses		(286)	222
	<b>224,395</b>	<b>264,453</b>	<b>344,951</b>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>\$ 343,149</b>	<b>231,478</b>	<b>343,210</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<b>1,806,992</b>	<b>1,463,782</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b>\$ 2,038,470</b>	<b>\$ 1,806,992</b>



**TOWN OF SOUTHEY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the year ended December 31, 2024**

	2024	2023
<b>OPERATING TRANSACTIONS</b>		
Annual deficit	\$ (32,975)	\$ (1,741)
Changes in non-cash items:		
Taxes receivable - municipal	18,959	(29,076)
Other accounts receivable	(5,260)	(7,131)
Other assets	(55)	(9)
Prepaid expenses	(286)	222
Accounts payable and accrued liabilities	(9,278)	(32,078)
Deferred revenue	51,934	54,190
Deposits	(1,407)	812
Loss on sale of tangible capital assets		6,312
Amortization of tangible capital assets	381,890	375,953
Cash provided by operating transactions	403,522	367,454
<b>CAPITAL TRANSACTIONS</b>		
Proceeds from the disposal of tangible capital assets		23,785
Acquisition of tangible capital assets	(117,151)	(61,321)
Cash applied to capital transactions	(117,151)	(37,536)
<b>FINANCING TRANSACTIONS</b>		
Long-term debt repaid	(154,077)	(150,452)
Cash applied to financing transactions	(154,077)	(150,452)
<b>CHANGE IN CASH</b>	132,294	179,466
<b>CASH, BEGINNING OF YEAR</b>	2,399,482	2,220,016
<b>CASH, END OF YEAR</b>	\$ 2,531,776	\$ 2,399,482

**TOWN OF SOUTHEY**  
**CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS (LOSSES)**  
**for the year ended December 31, 2024**

	2024 Actual	2023 Actual
<b>ACCUMULATED REMEASUREMENT GAINS (LOSSES), BEGINNING OF YEAR</b>	\$	\$
Unrealized gains (losses) attributable to:		
Derivatives		
Equity instruments measured at fair value		
Foreign exchange		
Amounts reclassified to the statement of operations:		
Derivatives		
Equity instruments measured at fair value		
Reversal of net remeasurements of portfolio investments		
Foreign exchange		
<b>NET REMEASUREMENT GAINS (LOSSES) FOR THE YEAR</b>		
<b>ACCUMULATED REMEASUREMENT GAINS (LOSSES), END OF YEAR</b>	\$	\$

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Town are prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies are as follows:

**Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

**Reporting Entity**

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

Southey and District Recreation Board

All inter-organizational transactions and balances have been eliminated.

**Partnerships**

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

Touchwood Hills Regional Landfill Inc. - 17% (2023 - 16%)

All inter-organizational transactions and balances have been eliminated.

**Collection of Funds for Other Authorities**

Collection of funds by the Town for the school board, municipal hail, and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 2.

**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:

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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

**Government Transfers (Continued)**

- 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 until eligibility criteria or stipulations are met. Earned government transfer amounts not received will be recorded as an amount receivable. Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligible criteria have been met.

**Other (Non-Government Transfer) Contributions**

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the Town if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

**Revenue**

**Revenue from Transactions with No Performance Obligations:**

Revenue is recognized for the following sources of revenue from transactions with no performance obligations:

- Tax revenue: Tax revenue is recognized when the underlying tax event occurs, which is typically when the tax is assessed or becomes due, regardless of when payment is received. These are generally recurring in nature.
- Other unconditional revenue: Unconditional revenue is recognized when it is earned and no further obligations are required. This may include certain grants or contributions that do not require a specific performance or future condition. This is considered non-recurring or recurring, depending on the nature of the revenue source.
- Fees and charges: Fees and charges for services are recognized when the service is rendered or when the related activity is performed. These are generally recurring in nature.
- Investment income: Investment income is recognized when earned. Interest income is recognized as it accrues, based on the effective interest rate method, while dividend income is recognized when the right to receive payment is established. Investment income is generally considered a recurring revenue stream, as it is earned periodically from ongoing investments.

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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

**Revenue from Transactions with Related Performance Obligations:**

Revenue is recognized for the following sources of revenue where related performance obligations exist:

- Tangible capital asset gains (losses): Gains or losses from the sale or disposal of tangible capital assets are recognized when the asset is transferred to the buyer, and the related risks and rewards of ownership have been transferred. These are typically considered non-recurring revenue streams.
- Land sale gains (losses): Revenue from land sales are recognized when the transaction is completed and ownership is transferred to the purchaser. This may involve a performance obligation related to the delivery of the property and revenue is recognized when the transfer occurs. These are typically considered non-recurring revenue streams.

When a single transaction requires the delivery of more than one performance obligation, the revenue recognition criteria are applied to the separately identifiable performance obligations. A performance obligation is considered to be separately identified if the product or service delivered has stand-alone value to that customer and the fair value associated with the product or service can be measured reliably. The amount recognized as revenue for each performance obligation is its fair value in relation to the fair value of the contract as a whole.

For each performance obligation, the Town must ascertain whether the obligation is satisfied over a period of time, or at a point in time. In order to do this, the characteristics of the underlying goods and/or services must be considered in order to determine when the ultimate performance obligations will be satisfied. If any of the below criteria are met, the revenue must be recognized over a period of time; otherwise, corresponding amounts are to be recognized at a point in time.

- a) The payor simultaneously receives and consumes the benefits provided by the Town's performance as they fulfil the performance obligation
- b) The Town's performance creates or enhances an asset (for example, work in progress) that the payor controls or uses as the asset is created or enhanced
- c) The Town's performance does not create an asset with an alternative use to itself, and the Town has an enforceable right to payment for performance completed to date
- d) The Town is expected to continually maintain or support the transferred good or service under the terms of the agreement
- e) The Town provides the payor with access to a specific good or service under the terms of the agreement

When determining the amounts of revenue to recognize at various stages along the point of time, determinants vary but often include percentage complete.

**Deferred Revenue**

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

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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

**Local Improvement Charges**

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

**Net Financial Assets**

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

**Non-Financial Assets**

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

**Appropriated Reserves**

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

**Property Tax Revenue**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

**Financial Instruments**

Derivative and equity instruments that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the consolidated statement of operations when there is an other than temporary decline in value.

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

When investment income and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as liabilities until the external restrictions are satisfied.

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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

**Financial Instruments (Continued)**

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

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

Measurement of Financial Instruments:

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

<u>Financial statement line item</u>	<u>Measurement</u>
Cash and cash equivalents	Cost and amortized cost
Investments	Fair value and cost/amortized cost
Other accounts receivable	Cost and amortized cost
Long-term receivables	Amortized cost
Debt charges recoverable	Amortized cost
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-term debt	Amortized cost
Derivative assets and liabilities	Fair value

**Inventories**

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

**Tangible Capital Assets**

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

<u>Asset</u>	<u>Useful Life</u>
<b>General Assets</b>	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years

# TOWN OF SOUTHEY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended December 31, 2024

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

#### Tangible Capital Assets (Continued)

<u>Asset</u>	<u>Useful Life</u>
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Leased capital assets	Lease term
<b>Infrastructure Assets</b>	
Infrastructure assets	30 to 75 years
Water & sewer	50 years
Road network assets	50 years

#### Government Contributions

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

#### Works of Art and Other Unrecognized Assets

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

#### Capitalization of Interest

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

#### Leases

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

#### Public Private Partnerships

Public private partnerships where the Town procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the consolidated statement of financial position and are initially recognized at cost. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset; and all costs directly attributable to the acquisition, construction, development or betterment of the infrastructure asset. Infrastructure assets are amortized over the assets useful life and recognized as an expense in the consolidated statement of operations.



**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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

**Public Private Partnerships (Continued)**

When the Town has recognized an infrastructure asset in relation to a public private partnership arrangement and has an obligation to provide consideration to the private sector partner, the Town recognizes a corresponding infrastructure liability on the consolidated statement of financial position. Infrastructure liabilities are initially measured at the same amount as the related infrastructure asset, reduced for any consideration previously provided to the public sector partner. Other consideration attributable to the partnership agreement such as operating and maintenance payments are excluded from the measurement of the liability. Two common models used to measure infrastructure liabilities are the financial liability and user pay models. The financial liability model is utilized when the Town designs, builds, finances, operates and/or maintains infrastructure in exchange for a contractual right to receive cash or another asset. The reason for this being that the corresponding liability constitutes a financial liability. The user pay model is applicable when the private sector partner designs, builds, finances, operates and/or maintains the infrastructure in exchange for a right to charge the ultimate end users. This compensation granted by the Town is facilitated via the granting of rights to earn revenue from a third party. Due to such, the corresponding liability should be classified as a performance obligation.

These consolidated financial statements do not include any public private partnerships.

**Trust Funds**

Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the Town.

**Employee Benefit Plans**

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

**Liability for Contaminated Sites**

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

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

# **TOWN OF SOUTHEY**

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

**for the year ended December 31, 2024**

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

#### **Measurement Uncertainty**

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the period.

Measurement uncertainty impacts the following financial statement areas:

- Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.
- The measurement of materials and supplies are based on estimates of volume and quality.
- The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.
- Amortization is based on the estimated useful lives of tangible capital assets and intangible capital assets.
- The liability associated with asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate, and inflation.
- Measurement financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

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

#### **Basis of Segmentation/Segment Report**

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

The segments (functions) are as follows:

**General government:** Provides administration of the Town.

**Protective services:** Is comprised of expenses for police and fire protection.

**Transportation services:** Is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

# **TOWN OF SOUTHEY**

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

### **for the year ended December 31, 2024**

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

##### **Basis of Segmentation/Segment Report (Continued)**

**Environmental and public health:** Environmental segment provides waste disposal and other environmental services and the public health segment provides for expenses related to public health services in the Town.

**Planning and development:** Provides for neighbourhood development and sustainability.

**Recreation and culture:** Provides for community services through provision of recreation and leisure services.

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

##### **Budget Information**

Budget information is presented on a basis consistent with that used for the actual results. The budget was approved by Council on June 25, 2024.

##### **Assets Held for Sale**

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

##### **Asset Retirement Obligations**

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

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Town to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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

**Asset Retirement Obligations (Continued)**

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

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

**Loan Guarantees**

The Town has not provided loan guarantees for any organizations.

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

**New Accounting Policies Adopted During the Year:**

**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. This accounting policy has been applied on a prospective basis.

**PSG-8, Purchased Intangibles**, provides guidance on accounting for and reporting on purchased intangible capital assets. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. This accounting policy has been applied on a prospective basis.

**PS3160, Public Private Partnerships**, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. This accounting policy has been applied on a prospective basis.

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended December 31, 2024

**2. TAXES RECEIVABLE - MUNICIPAL**

	2024	2023
Municipal		
- Current	\$ 38,325	\$ 46,639
- Arrears	12,694	23,339
Total municipal taxes receivable	51,019	69,978
School		
- Current	16,145	20,715
- Arrears	3,994	7,446
Total taxes to be collected on behalf of School Divisions	20,139	28,161
Total taxes and grants-in-lieu receivable	71,158	98,139
Deduct taxes to be collected on behalf of other organizations	(20,139)	(28,161)
Total taxes receivable - municipal	\$ 51,019	\$ 69,978

**3. OTHER ACCOUNTS RECEIVABLE**

	2024	2023
Utility	\$ 64,190	\$ 67,022
Federal government	24,245	17,694
Organizations and individuals	7,816	8,580
Touchwood Hills Regional Landfill Inc. - consolidated	3,242	937
Total other accounts receivable	\$ 99,493	\$ 94,233

**4. ASSETS HELD FOR SALE**

	2024	2023
Other assets held for sale	\$ 118,794	\$ 118,794

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended December 31, 2024

**5. DEFERRED REVENUE**

	2023	Restricted inflows	Revenue earned	2024
Canada Community - Building Fund	\$ 135,864	\$ 51,184	\$	\$ 187,048
Insurance proceeds	53,201			53,201
Land sale deposits	13,000			13,000
Lease revenue		750		750
Total deferred revenue	<u>\$ 202,065</u>			<u>\$ 253,999</u>

**6. LONG-TERM DEBT**

The debt limit of the Town is \$1,221,648. The debt limit for a Town is the total amount of the Town's own source revenues for the preceding year (the *Municipalities Act* section 161(1)).

	2024	2023
Loan payable to Royal Bank of Canada, interest at 3.74%, payable at \$121,700 annually including interest, maturing 2027.	\$ 339,403	\$ 444,480
Loan payable to 101172130 Saskatchewan Ltd., interest-free, payable at \$49,000 annually. The loan was repaid in full in April 2024.		49,000
	<u>\$ 339,403</u>	<u>\$ 493,480</u>

Future principal and interest payments are as follows:

	Principal	Interest	Total
2025	\$ 109,007	\$ 12,693	\$ 121,700
2026	113,083	8,617	121,700
2027	117,313	4,387	121,700
Balance	<u>\$ 339,403</u>	<u>\$ 25,697</u>	<u>\$ 365,100</u>

**7. PRIOR YEAR'S FIGURES**

The prior year's figures have been restated to reflect the correction of the deferral treatment for the Canada Community - Building Fund program. This correction results in a decrease to the accumulated surplus and increase to deferred revenue of \$135,864. The restatement impacts prior year balances, specifically increasing deferred revenue and decreasing grant revenue for the same amount. This restatement ensures compliance with the accounting treatment for government transfers as mentioned in Note 1 of the consolidated financial statements.

# **TOWN OF SOUTHEY**

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

### **for the year ended December 31, 2024**

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#### **8. PENSION PLAN**

The Town is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration benefits. The Town's pension expense in 2024 was \$25,972 (2023 - \$22,320). The benefits accrued to the Town's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS 3250.

Total current service contributions by the Town to the MEPP in 2024 were \$25,972 (2023 - \$22,320). Total current service contributions by the employees of the Town to the MEPP in 2024 were \$25,972 (2023 - \$22,320).

As of the audit report date, the December 31, 2024 MEPP actuarial deficiency/surplus has not yet been released. As of December 31, 2023, the actuarial valuation of the financial position of the plan shows MEPP is 125.7 percent funded, with an actuarial surplus of \$744,391,000.

For further information of the amount of MEPP deficiency/surplus information see: <https://mepp.peba.ca/fund-information/plan-reporting>.

#### **9. RISK MANAGEMENT**

Through its financial assets and liabilities, the Town is exposed to various risks as outlined below.

##### **Price risk**

Price risk associated with investments in shares is the risk that their fair value will fluctuate because of changes in market prices. It is management's opinion the Town is not exposed to price risks arising from these financial instruments due to the Town not holding any investments in shares.

##### **Credit risk**

The Town is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. Credit risk is primarily associated with accounts receivable, which total \$150,512 as at year-end.

The composition of receivables is as follows:

- Property taxes receivable: \$51,019
- Utility receivables: \$64,190
- GST receivable: \$24,245
- Organizations and individuals receivable: \$7,816
- Touchwood Hills Regional Landfill Inc. receivables: \$3,242

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

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

**TOWN OF SOUTHEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended December 31, 2024**

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**9. RISK MANAGEMENT (CONTINUED)**

**Credit risk (continued)**

The \$3,242 receivable from the Touchwood hills Regional Landfill Inc. represents a receivable of the landfill itself, consolidated into the Town's financial statements. As this amount does not arise from a transaction with an external party, it does not contribute to the Town's overall credit risk exposure.

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

At year-end, \$25,746 of total receivables are considered past due (i.e., greater than 30 days outstanding). The Town monitors receivables on an ongoing basis and establishes allowances as necessary based on historical collection patterns and specific account assessments.

**Liquidity risk**

Liquidity risk is the risk that the Town will encounter difficulty in meeting financial obligations as they fall due. The Town undertakes regular cash flow analyses to ensure there are sufficient cash resources to meet all obligations.

Trade accounts payable and accrued liabilities are generally paid within 30 days.

**Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the Town to interest rate risk consists of long-term debt. The risk associated with long-term debt is reduced as current interest rates are above locked-in rates, thus reducing exposure.



**TOWN OF SOUTHEY****SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES****for the year ended December 31, 2024**

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>TAXES</b>			
General municipal tax levy	\$ 740,000	\$ 743,020	\$ 737,674
Abatements and adjustments	(6,500)	(6,362)	(6,441)
Discount on current year taxes	(29,000)	(28,332)	(28,455)
<b>Net Municipal Taxes</b>	<b>704,500</b>	<b>708,326</b>	<b>702,778</b>
Penalties on tax arrears	5,650	9,032	5,145
<b>Total Taxes</b>	<b>710,150</b>	<b>717,358</b>	<b>707,923</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing	232,260	232,261	203,039
<b>Total Unconditional Grants</b>	<b>232,260</b>	<b>232,261</b>	<b>203,039</b>
<b>GRANTS-IN-LIEU OF TAXES</b>			
Federal	2,300	2,295	2,295
Provincial			
SaskTel	1,870	1,866	1,866
Department of Highways	7,500	7,303	7,303
Local/Other			
Housing Authority	6,500	6,245	6,502
Other Government Transfers			
S.P.C. Surcharge	49,300	44,410	49,283
SaskEnergy Surcharge	25,100	20,897	25,100
<b>Total Grants-in-Lieu of Taxes</b>	<b>92,570</b>	<b>83,016</b>	<b>92,349</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,034,980</b>	<b>\$ 1,032,635</b>	<b>\$ 1,003,311</b>

# TOWN OF SOUTHEY

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION for the year ended December 31, 2024

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 3,060	\$ 9,007	\$ 870
- Sales of supplies	177,480	17,538	2,292
- Other (pet licenses, tax certificates, general office services)			14,450
Total Fees and Charges	180,540	26,545	17,612
- Tangible capital asset sales - gain (loss)			(6,312)
- Land sales - gain (loss)	20,000		
- Investment income	57,000	76,809	56,813
Total Other Segmented Revenue	257,540	103,354	68,113
<b>Total Operating</b>	<b>257,540</b>	<b>103,354</b>	<b>68,113</b>
<b>Total General Government Services</b>	<b>257,540</b>	<b>103,354</b>	<b>68,113</b>
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Fire fees	103,800	81,473	100,757
Total Fees and Charges	103,800	81,473	100,757
- Other (fundraising, donations)			9,201
Total Other Segmented Revenue	103,800	81,473	109,958
<b>Total Operating</b>	<b>103,800</b>	<b>81,473</b>	<b>109,958</b>
<b>Total Protective Services</b>	<b>103,800</b>	<b>81,473</b>	<b>109,958</b>

# TOWN OF SOUTHEY

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION for the year ended December 31, 2024

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 45,000	\$ 32,840	\$ 39,138
- Sales of supplies			30
Total Fees and Charges	45,000	32,840	39,168
Total Other Segmented Revenue	45,000	32,840	39,168
<b>Total Operating</b>	45,000	32,840	39,168
<b>Total Transportation Services</b>	45,000	32,840	39,168
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	55,000	85,119	73,043
- Cemetery fees and building rentals	10,800	12,750	10,800
Total Fees and Charges	65,800	97,869	83,843
- Touchwood Hills Regional Landfill Inc.		22,786	2,131
Total Other Segmented Revenue	65,800	120,655	85,974
Conditional Grants			
- Touchwood Hills Regional Landfill Inc.		32,172	25,237
- Multi-Material Stewardship Western	17,000	18,331	17,338
Total Conditional Grants	17,000	50,503	42,575
<b>Total Operating</b>	82,800	171,158	128,549
<b>Total Environmental and Public Health Services</b>	82,800	171,158	128,549

# TOWN OF SOUTHEY

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

for the year ended December 31, 2024

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Community hall fees	\$ 5,000	\$ 6,945	\$ 4,870
Total Fees and Charges	5,000	6,945	4,870
- Southey and District Recreation Board		14,699	51,869
Total Other Segmented Revenue	5,000	21,644	56,739
Conditional Grants			
- Canadian Heritage		1,320	
Total Conditional Grants		1,320	
<b>Total Operating</b>	<b>5,000</b>	<b>22,964</b>	<b>56,739</b>
<b>Total Recreation and Cultural Services</b>	<b>5,000</b>	<b>22,964</b>	<b>56,739</b>
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	113,550	109,813	111,866
- Sewer	51,030	51,212	51,028
- Infrastructure fees	44,000	43,977	43,804
Total Fees and Charges	208,580	205,002	206,698
Total Other Segmented Revenue	208,580	205,002	206,698
<b>Total Operating</b>	<b>208,580</b>	<b>205,002</b>	<b>206,698</b>
<b>Capital</b>			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	54,000		
<b>Total Capital</b>	<b>54,000</b>		
<b>Total Utility Services</b>	<b>262,580</b>	<b>205,002</b>	<b>206,698</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 756,720</b>	<b>\$ 616,791</b>	<b>\$ 609,225</b>

## TOWN OF SOUTHEY

### SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION for the year ended December 31, 2024

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 685,720	\$ 564,968	\$ 566,650
Total Conditional Grants	17,000	51,823	42,575
Total Capital Grants and Contributions	54,000		
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 756,720</b>	<b>\$ 616,791</b>	<b>\$ 609,225</b>

**TOWN OF SOUTHEY**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
**for the year ended December 31, 2024**

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 20,600	\$ 21,356	\$ 21,898
Wages and benefits	162,000	173,526	135,984
Professional/Contractual services	67,985	76,902	64,577
Utilities	13,600	14,262	13,501
Maintenance, materials, and supplies	81,750	66,070	42,137
Amortization of tangible capital assets	3,276	3,276	2,971
Allowance for uncollectibles		307	
<b>Total General Government Services</b>	<b>349,211</b>	<b>355,699</b>	<b>281,068</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Professional/Contractual services	95,000	97,357	93,060
Maintenance, materials, and supplies	2,345	2,345	2,235
<b>Fire protection</b>			
Wages and benefits	1,000	1,000	1,000
Professional/Contractual services	31,300	21,077	11,034
Utilities	5,200	5,072	3,526
Maintenance, materials, and supplies	30,700	15,509	65,017
Grants and contributions			
- Operating			9,201
Amortization of tangible capital assets	7,614	13,109	19,953
Other (long service awards)	1,000		223
<b>Total Protective Services</b>	<b>174,159</b>	<b>155,469</b>	<b>205,249</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	209,820	101,057	90,640
Professional/Contractual services	44,800	28,811	30,153
Utilities	21,000	21,250	20,132
Maintenance, materials, and supplies	139,335	159,779	98,134
Gravel	7,000	4,512	7,011
Amortization of tangible capital assets	146,241	146,241	143,724
<b>Total Transportation Services</b>	<b>568,196</b>	<b>461,650</b>	<b>389,794</b>

# TOWN OF SOUTHEY

## SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION for the year ended December 31, 2024

	2024 Budget Unaudited (Note 1)	2024 Actual	2023 Actual
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$	\$ 53,229	\$ 46,052
Professional/Contractual services	16,111	40,736	31,338
Utilities	10,100	10,468	10,875
Maintenance, materials, and supplies	23,600	39,295	32,393
Grants and contributions			
- Operating			
• Waste disposal	32,000	31,075	26,864
• Public Health	1,000	162	199
Amortization of tangible capital assets	74,064	74,064	64,105
Interest		9	9
Touchwood Hills Regional Landfill Inc.		103	98
<b>Total Environmental and Public Health Services</b>	<b>156,875</b>	<b>249,141</b>	<b>211,933</b>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Professional/Contractual services	4,000	7,423	3,873
Interest	28,000	15,321	19,156
<b>Total Planning and Development Services</b>	<b>32,000</b>	<b>22,744</b>	<b>23,029</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits		15	45
Professional/Contractual services	26,414	3,154	5,552
Utilities	12,020	11,073	11,854
Maintenance, materials, and supplies	42,822	46,588	16,516
Grants and contributions			
- Operating	19,500	20,887	63,735
Amortization of tangible capital assets	52,509	52,509	52,509
Southey and District Recreation Board		14,954	9,394
<b>Total Recreation and Cultural Services</b>	<b>153,265</b>	<b>149,180</b>	<b>159,605</b>
<b>UTILITY SERVICES</b>			
Wages and benefits	550	87,472	86,361
Professional/Contractual services	7,560	7,150	7,222
Utilities	38,639	40,286	34,059
Maintenance, materials, and supplies	99,800	60,919	123,266
Amortization of tangible capital assets	92,691	92,691	92,691
<b>Total Utility Services</b>	<b>239,240</b>	<b>288,518</b>	<b>343,599</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 1,672,946</b>	<b>\$ 1,682,401</b>	<b>\$ 1,614,277</b>

**TOWN OF SOUTHEY**  
**SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**for the year ended December 31, 2024**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 26,545	\$ 81,473	\$ 32,840	\$ 97,869	\$	\$ 6,945	\$ 205,002	\$ 450,674
Tangible Capital Asset Sale - Gain (Loss)								
Intangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income	76,809							76,809
Commissions								
Other Revenues				22,786		14,699		37,485
Grants - Conditional				50,503		1,320		51,823
- Capital								
<b>Total revenues</b>	<b>103,354</b>	<b>81,473</b>	<b>32,840</b>	<b>171,158</b>		<b>22,964</b>	<b>205,002</b>	<b>616,791</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	194,882	1,000	101,057	53,229		15	87,472	437,655
Professional/Contractual Services	76,902	118,434	28,811	40,736	7,423	3,154	7,150	282,610
Utilities	14,262	5,072	21,250	10,468		11,073	40,286	102,411
Maintenance, Materials, Supplies	66,070	17,854	164,291	39,295		46,588	60,919	395,017
Grants and Contributions				31,237		20,887		52,124
Amortization of Tangible Capital Assets	3,276	13,109	146,241	74,064		52,509	92,691	381,890
Amortization of Intangible Capital Assets								
Interest				9	15,321			15,330
Accretion of asset retirement obligation								
Allowance for Uncollectibles								
Other	307							307
<b>Total expenses</b>	<b>355,699</b>	<b>155,469</b>	<b>461,650</b>	<b>249,141</b>	<b>22,744</b>	<b>14,954</b>	<b>288,518</b>	<b>1,682,401</b>
<b>Surplus (Deficit) by Function</b>	<b>(252,345)</b>	<b>(73,996)</b>	<b>(428,810)</b>	<b>(77,983)</b>	<b>(22,744)</b>	<b>(126,216)</b>	<b>(83,516)</b>	<b>(1,065,610)</b>
Taxation and other unconditional revenue (Schedule 1)								1,032,635
<b>Net Surplus (Deficit)</b>								<b>\$ (32,975)</b>



**TOWN OF SOUTHEY**  
**SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2023**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 17,612	\$ 100,757	\$ 39,168	\$ 83,843	\$	\$	\$ 206,698	\$ 452,948
Tangible Capital Asset Sale - Gain (Loss)	(6,312)							(6,312)
Intangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income	56,813							56,813
Commissions								
Other Revenues		9,201		2,131		51,869		63,201
Grants - Conditional				42,575				42,575
- Capital								
<b>Total revenues</b>	<b>68,113</b>	<b>109,958</b>	<b>39,168</b>	<b>128,549</b>		<b>56,739</b>	<b>206,698</b>	<b>609,225</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	157,882	1,000	90,640	46,052		45	86,361	381,980
Professional/Contractual Services	64,577	104,094	30,153	31,338	3,873	5,552	7,222	246,809
Utilities	13,501	3,526	20,132	10,875		11,854	34,059	93,947
Maintenance, Materials, Supplies	42,137	67,252	105,145	32,393		16,516	123,266	386,709
Grants and Contributions		9,201		27,063		63,735		99,999
Amortization of Tangible Capital Assets	2,971	19,953	143,724	64,105		52,509	92,691	375,953
Amortization of Intangible Capital Assets								
Interest				9	19,156			19,165
Accretion of asset retirement obligation								
Allowance for Uncollectibles								
Other		223		98		9,394		9,715
<b>Total expenses</b>	<b>281,068</b>	<b>205,249</b>	<b>389,794</b>	<b>211,933</b>	<b>23,029</b>	<b>159,605</b>	<b>343,599</b>	<b>1,614,277</b>
<b>Surplus (Deficit) by Function</b>	<b>(212,955)</b>	<b>(95,291)</b>	<b>(350,626)</b>	<b>(83,384)</b>	<b>(23,029)</b>	<b>(102,866)</b>	<b>(136,901)</b>	<b>(1,005,052)</b>
Taxation and other unconditional revenue (Schedule 1)								1,003,311
<b>Net Surplus (Deficit)</b>								<b>\$ (1,741)</b>

**TOWN OF SOUTHEY**  
**SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**  
**for the year ended December 31, 2024**

Cost	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment			2024	2023
Opening costs	\$ 529,430	\$ 473,681	\$ 4,775,535	\$ 112,782	\$ 1,476,596	\$ 11,081,731	\$ 263,764	\$ 18,713,519	\$ 18,692,170
Additions during the year		9,135	769	37,438	17,222	21,607	30,980	117,151	61,321
Disposals and write downs									(39,972)
Transfers from assets under construction			263,764				(263,764)		
Closing costs	529,430	482,816	5,040,068	150,220	1,493,818	11,103,338	30,980	18,830,670	18,713,519
<b>Accumulated Amortization</b>									
Opening accumulated amortization		237,374	3,020,158	73,962	877,007	5,149,776		9,358,277	8,992,199
Amortization		19,039	105,829	9,663	80,457	166,902		381,890	375,953
Disposals and write downs									(9,875)
Closing accumulated amortization		256,413	3,125,987	83,625	957,464	5,316,678		9,740,167	9,358,277
Net Book Value	\$ 529,430	\$ 226,403	\$ 1,914,081	\$ 66,595	\$ 536,354	\$ 5,786,660	\$ 30,980	\$ 9,090,503	\$ 9,355,242

**TOWN OF SOUTHEY**  
**SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**for the year ended December 31, 2024**

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2024	2023
Opening costs	\$ 1,122,842	\$ 997,141	\$ 5,760,020	\$ 1,544,491	\$	\$ 2,192,707	\$ 7,096,318	\$18,713,519	\$ 18,692,170
Additions during the year	1,625		49,795	34,751			30,980	117,151	61,321
Disposals and write downs									(39,972)
Closing costs	1,124,467	997,141	5,809,815	1,579,242		2,192,707	7,127,298	18,830,670	18,713,519
<b>Accumulated Amortization</b>									
Opening accumulated amortization	972,515	634,226	2,917,540	325,213		1,570,849	2,937,934	9,358,277	8,992,199
Amortization	3,276	13,109	146,241	74,064		52,509	92,691	381,890	375,953
Disposals and write downs									(9,875)
Closing accumulated amortization	975,791	647,335	3,063,781	399,277		1,623,358	3,030,625	9,740,167	9,358,277
Net Book Value	\$ 148,676	\$ 349,806	\$ 2,746,034	\$ 1,179,965	\$	\$ 569,349	\$ 4,096,673	\$ 9,090,503	\$ 9,355,242

**TOWN OF SOUTHEY**  
**SCHEDULE 8 - SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY OBJECT**  
**for the year ended December 31, 2024**

	General Assets					Asset Category TBD		Asset Category TBD	Totals	
	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Assets Under Construction	2024	2023
<b>Cost</b>										
Opening costs	\$					\$		\$		\$
Additions during the year										
Disposals and write downs										
Transfers from assets under construction										
Closing costs										
<b>Accumulated Amortization</b>										
Opening accumulated amortization										
Amortization										
Disposals and write downs										
Closing accumulated amortization										
Net Book Value	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

**TOWN OF SOUTHEY**  
**SCHEDULE 9 - SCHEDULE OF INTANGIBLE CAPITAL ASSETS BY FUNCTION**  
**for the year ended December 31, 2024**

Cost		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
									2024	2023
Opening costs	\$			\$	\$	\$	\$	\$	\$	\$
Additions during the year										
Disposals and write downs										
Closing costs										
<b>Accumulated Amortization</b>										
Opening accumulated amortization										
Amortization										
Disposals and write downs										
Closing accumulated amortization										
Net Book Value	\$		\$	\$	\$	\$	\$	\$	\$	\$

**TOWN OF SOUTHEY**  
**SCHEDULE 10 - SCHEDULE OF ACCUMULATED SURPLUS**  
**for the year ended December 31, 2024**

	2023	Changes	2024
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 1,043,676</b>	<b>\$ (60,736)</b>	<b>\$ 982,940</b>
<b>APPROPRIATED RESERVES</b>			
Fire Equipment Replacement Reserve	21,183	10,876	32,059
Health Centre Reserve	85,592	3,539	89,131
Splash Park Reserve	4,068	2,168	6,236
Dedicated Lands Reserve	10,000	10,414	20,414
Equipment Reserve	120,315	59,975	180,290
Subdivision Reserve	268,708	21,112	289,820
Infrastructure Reserve	849,957	24,645	874,602
Museum and Cemetery Reserve	16,785	5,694	22,479
<b>Total appropriated</b>	<b>1,376,608</b>	<b>138,423</b>	<b>1,515,031</b>
<b>NET INVESTMENT IN CAPITAL ASSETS</b>			
Tangible capital assets (Schedules 6 and 7)	9,355,242	(264,739)	9,090,503
Intangible capital assets (Schedules 8 and 9)			
Less: Related debt	(493,480)	154,077	(339,403)
<b>Net investment in capital assets</b>	<b>8,861,762</b>	<b>(110,662)</b>	<b>8,751,100</b>
<b>ACCUMULATED SURPLUS excluding remeasurement gains (losses)</b>	<b>\$ 11,282,046</b>	<b>\$ (32,975)</b>	<b>\$ 11,249,071</b>

**TOWN OF SOUTHEY**  
**SCHEDULE 11 - SCHEDULE OF MILL RATES AND ASSESSMENTS**  
for the year ended December 31, 2024

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	93,610	59,109,440			10,281,730		69,484,780
Regional Park Assessment							
Total Assessment							69,484,780
Mill Rate Factor(s)	1.00	1.00			3.75		
Total Base/Minimum Tax	1,080	291,940			39,410		332,430
Total Municipal Tax Levy	1,473	540,200			201,347		743,020

**MILL RATES:**

	MILLS
Average Municipal	10.6933
Average School	4.8971
Potash Mill Rate	
Uniform Municipal Mill Rate	4.2000

**TOWN OF SOUTHEY**  
**SCHEDULE 12 - SCHEDULE OF COUNCIL REMUNERATION**  
**for the year ended December 31, 2024**

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Leigh Bishop	\$ 2,700	\$	2,700
Mayor - Greg Adelman	220		220
Councilor - Gordon Baragar	3,060	176	3,236
Councilor - Ralph Boehmer	3,020		3,020
Councilor - Harvey McEwen	2,400		2,400
Councilor - Susan Hillier	1,850		1,850
Councilor - Rob Dukes	1,550		1,550
Councilor - Christina Getz	350		350
Councilor - Robert Geiger	200		200
Councilor - Lisa Macomber	100		100
Councilor - Courtney Geiger	100		100
	<u>\$ 15,550</u>	<u>\$ 176</u>	<u>\$ 15,726</u>