

TOWN OF DAVIDSON
Consolidated Financial Statements
December 31, 2025

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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 policies 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 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.

Dudley & Company LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors
Town of Davidson

Qualified Opinion

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

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

Basis for Qualified Opinion

Municipalities are required by section 3280 of the CPA Canada Public Sector Accounting Handbook to account for and report a liability for the closure and post-closure care requirements of landfills, as well as the abatement of asbestos in buildings. The municipality did record a general estimate for closure costs, but this valuation was based on management's best estimate, and not information specific for their landfill. As the total costs have not been able to be determined with much precision at this point in time, the under or over recorded liability may be material in amount. Our audit opinion on the financial statements for the year ended December 31, 2025 was modified because of the effects of this departure from Canadian Public Accounting Standards.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated 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 opinion.

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 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 intends to dissolve 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.

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors
Town of Davidson

Qualified Opinion

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

Independent Auditors' Report (continued)

Auditors' 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 auditors' 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 material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride 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 auditors' 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
April 23, 2026

TOWN OF DAVIDSON
Statement of Consolidated Financial Position
As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash & Cash Equivalents (Note 2)	\$ 5,096,994	\$ 3,675,295
Investments	-	-
Taxes Receivable - Municipal (Note 3)	160,036	168,540
Other Accounts Receivable (Note 4)	302,119	613,194
Assets Held for Sale	-	-
Long-Term Receivable (Note 6)	39,433	43,692
Other Long-Term Investments (Note 5)	5,187	5,187
Debt Charges Recoverable	-	-
Derivative Assets	-	-
Total Financial Assets	5,603,769	4,505,908

LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 8)	174,869	406,628
Accrued Liabilities Payable	-	-
Derivative Liabilities	-	-
Deposits	35,682	34,082
Deferred Revenue (Note 9)	49,068	77,480
Asset Retirement Obligation (Note 10)	100,000	100,000
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Long-Term Debt (Note 11)	-	-
Lease Obligations	-	-
Total Liabilities	359,619	618,190

NET FINANCIAL ASSETS	5,244,150	3,887,718
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Non-Financial Assets		
Tangible Capital Assets (Schedules 6, 7)	8,303,297	7,897,298
Intangible Capital Assets (Schedules 8, 9)	-	-
Prepayment and Deferred Charges	9	293
Stock and Supplies	-	-
Other (Note 12)	9,713	12,731

Total Non-Financial Assets	8,313,019	7,910,322
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Accumulated Surplus (Deficit) (Schedule 10)	\$ 13,557,169	\$ 11,798,040
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Accumulated surplus (deficit) is comprised of:

Accumulated surplus (deficit) excluding remeasurement gains (losses)	\$ 13,557,169	\$ 11,798,040
Accumulated remeasurement gains (losses) (Statement 5)	\$ -	\$ -

The accompanying notes form an integral part of these financial statements.

TOWN OF DAVIDSON
Statement of Consolidated Operations
For the year ended December 31, 2025

Statement 2

		2025 Budget	2025	2024
Revenues				
Tax Revenue	(Schedule 1)	\$ 1,837,495	\$ 1,824,467	\$ 1,623,694
Other Unconditional Revenue	(Schedule 1)	446,398	446,067	426,445
Fees and Charges	(Schedule 4, 5)	1,049,223	1,345,138	1,125,530
Conditional Grants	(Schedule 4, 5)	176,276	1,096,510	135,148
Tangible Capital Assets - Gain(Loss)	(Schedule 4, 5)	-	800	14,949
Intangible Capital Assets - Gain(Loss)	(Schedule 4, 5)	-	-	-
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	90,000	93,297	138,411
Other Revenues	(Schedule 4, 5)	94,350	88,288	126,628
Restructurings	(Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants	(Schedule 4, 5)	66,000	79,041	420,211
Total Revenues		3,759,742	4,973,608	4,011,016

Expenses

General Government Services	(Schedule 3)	619,603	552,895	499,762
Protective Services	(Schedule 3)	254,013	311,221	279,395
Transportation Services	(Schedule 3)	820,020	726,604	509,807
Environmental and Public Health Services	(Schedule 3)	307,500	247,840	288,906
Planning and Development Services	(Schedule 3)	71,800	53,705	74,512
Recreation and Cultural Services	(Schedule 3)	795,112	929,882	911,305
Utility Services	(Schedule 3)	1,130,970	392,332	452,404
Total Expenses		3,999,018	3,214,479	3,016,091
Surplus (Deficit) of Revenues over Expenses		(239,276)	1,759,129	994,925
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year		11,798,040	11,798,040	10,803,115
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year		\$ 11,558,764	\$ 13,557,169	\$ 11,798,040

The accompanying notes form an integral part of these financial statements.

TOWN OF DAVIDSON
Statement of Consolidated Changes in Net Financial Assets
For the year ended December 31, 2025

Statement 3

	2025 Budget	2025	2024
Annual Surplus (Deficit)	\$ (239,276)	\$ 1,759,129	\$ 994,925
(Acquisition) of tangible capital assets	481,010	(922,491)	(800,605)
(Acquisition) of intangible capital assets	-	-	-
Amortization of tangible capital assets	-	478,981	429,311
Amortization of intangible capital assets	-	-	-
Proceeds of disposal of tangible capital assets	-	800	16,748
Proceeds of disposal of intangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	(800)	(14,949)
Write-down of capital asset	-	37,511	-
Loss (gain) on disposal of intangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	481,010	(405,999)	(369,495)
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	-	-
(Increase) to other non-financial assets	-	-	-
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	284	2,006
Decrease to other non-financial assets	-	3,018	-
Surplus (Deficit) of other non-financial expenses over expenditures	-	3,302	2,006
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	241,734	1,356,432	627,436
Net Financial Assets - Beginning of Year	3,887,718	3,887,718	3,260,282
Net Financial Assets - End of Year	\$ 4,129,452	\$ 5,244,150	\$ 3,887,718

The accompanying notes form an integral part of these financial statements.

TOWN OF DAVIDSON
Statement of Consolidated Cash Flows
For the year ended December 31, 2025

Statement 4

	2025	2024
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 1,759,129	\$ 994,925
Amortization	478,981	429,311
Loss (gain) on disposal of tangible capital assets	(800)	(14,949)
Loss (gain) on disposal of intangible capital assets	-	-
	2,237,310	1,409,287
Changes in assets / liabilities		
Taxes Receivable - Municipal	8,504	(61,262)
Other Receivables	311,075	(350,750)
Assets Held for Sale	-	-
Accounts and Accrued Liabilities Payable	(231,759)	265,918
Derivative Liabilities	-	-
Deposits	1,600	(15)
Deferred Revenue	(28,412)	10,208
Other Liabilities	-	-
Asset Retirement Obligation	-	-
Long-Term Receivable	4,259	3,980
Stock and Supplies for Use	-	-
Prepayments and Deferred Charges	284	2,006
Other Non-Financial Assets	3,018	-
Net cash from (used for) operations	2,305,879	1,279,372
Capital:		
Cash Used to Acquire Tangible Capital Assets	(922,491)	(800,605)
Proceeds on Sale of Tangible Capital Assets	800	16,748
Work in Progress - Expensed in year	37,511	-
Net cash from (used for) capital	(884,180)	(783,857)
Investing:		
Proceeds on Disposal (Acquisition) of Investments	-	-
Other Investments	-	-
Net cash from (used for) investing	-	-
Financing:		
Debt Charges Recovered	-	-
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	-	(16,455)
Other Financing - Long Term Receivable	-	-
Net cash from (used for) financing	-	(16,455)
Increase (Decrease) in cash resources	1,421,699	479,060
Cash and Cash Equivalents - Beginning of Year	3,675,295	3,196,235
Cash and Cash Equivalents - End of Year	\$ 5,096,994	\$ 3,675,295

The accompanying notes form an integral part of these financial statements.

TOWN OF DAVIDSON
Statement of Consolidated Remeasurement Gains and Losses
As at December 31, 2025

Statement 5

	2025	2024
Accumulated remeasurement gains (losses) at the beginning of the year:	\$ -	\$ -
Unrealized gains (losses) attributable to (Note 3):		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Amounts reclassified to the Statement of Operations (Note 3):		
Derivatives	-	-
Equity investments measured at fair value	-	-
Reversal of net remeasurements of portfolio investments	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses) at end of year	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes form an integral part of these financial statements.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the municipality have been 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 adopted by the municipality are as follows:

Basis of Accounting:

The consolidated 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 consolidated financial statements report 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.

A partnership represents a contractual arrangement between the municipality and a party 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 operation of the partnership.

Entities and partnerships included in these Consolidated financial statements are as follows:

<u>Entity</u>	<u>Basis of recording</u>
Highway 11 Emergency Response Area	Proportionate consolidation

All inter-organizational transactions and balances have been eliminated.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school board 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 either expenses or revenues in the period that the events giving rise to the transfer occur, providing:

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

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

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 eligibility criteria have been met.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(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 received.

During the year, the municipality was in receipt of a donation from an estate in the amount of \$919,097. The donation was unrestricted and has been recognized in the current year financial figures for the municipality, with a portion being included in recreation and the remaining amount included in donations for environmental health.

(e) Revenue:

Revenues from transactions with no performance obligations (such as fines and penalties, for example) are recognized when the municipality has the authority to claim or retain an inflow of economic resources and has identified a past transaction or event that gives rise to an asset. For each transaction with no performance obligation, the municipality recognizes revenue at its realizable value. These revenue streams are typically non-recurring in nature.

Revenues from transactions with performance obligations (such as fees for the provision of services and the sale of goods) which are enforceable promises to provide specific goods or services to the specific payor in return for promised consideration, are recognized when (or as) the municipality satisfies a performance obligation and control of the benefits associated with the goods and services have been passed to the payor. For each performance obligation, the municipality determines whether the performance obligation is satisfied over a period of time (such as the provision of often recurring items like utility or similar services, certain rentals, etc) or at a point in time (such as a non-recurring sale of supplies, custom work orders, etc). The municipality then also considers the effects of multiple performance obligations, variable consideration, the existence of significant concessionary terms and non-cash considerations when determining the consideration to be received.

(f) Deferred Revenue:

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

(g) Local Improvement Charges:

Local improvement projects financed by frontage taxes recognize the taxes as capital revenue in the period the project is undertaken and the prepayments are accepted. Any frontage taxes not prepaid are reported as a long-term asset to be reduced by the principle portion of each annual frontage tax levy.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(h) Net Financial Assets:

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

(i) Non-Financial Assets:

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

(j) Appropriated Reserves:

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

(k) Property Tax Revenue:

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

(l) Investments:

Portfolio investments are valued in accordance with the policy noted on financial instruments, less any provision 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.

(m) Assets Held for Sale:

Assets held for sale are recognized as a financial asset when the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset can be publicly seen to be for sale, there is a 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. Assets held for sale that don't meet all of the above criteria are instead recognized as non-financial assets.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(n) Financial Instruments:

Derivative and equity investments 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 methods. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

The municipality has elected to measure other specific instruments at fair value, to correspond with how they are evaluated and managed. As follows:

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

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

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

Measurement of Financial Instruments:

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

<u>Financial Statement Line Item</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Investments	Cost
Other accounts receivable	Amortized cost
Long term receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Deposit liabilities	Cost

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(o) 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; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. No amortization is claimed on capital assets in the year of acquisition. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	20 years
Buildings	25 to 50 years
Vehicles and Equipment	
Vehicles	8 to 20 years
Machinery and Equipment	5 to 20 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	30 to 75 years
Road Network Assets	30 to 40 years

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

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

Capitalization of Interest: The 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 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 lease are amortized on a straight line basis, over their estimated useful lives (or over their lease term if the asset ownership isn't passing, or likely to pass, to the municipality at the end of its term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(p) Asset Retirement Obligation:

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 use, and leased tangible capital assets.

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

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

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

(q) Trust Funds:

Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 14.

(r) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

(s) Budget Information:

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 17, 2025.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(t) 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 revenues and expenses 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 "Opening Assets Costs" of tangible capital assets have been estimated where actual costs were not available.

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.

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

Measurement financial instruments at the 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.

(u) 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: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment is comprised of items for Police and Fire protection.

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

Environmental and Public Health: The Environmental segment provides waste disposal and other environmental services. The Public Health segment provides for items relating to public health services in the municipality.

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

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

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

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

2. Cash and Cash Equivalents	2025	2024
Cash	\$ 5,258,401	\$ 3,838,125
Restricted cash	(161,407)	(162,830)
Total Cash and Cash Equivalents	\$ 5,096,994	\$ 3,675,295

Cash and cash equivalents include balances with banks, redeemable term deposits, and marketable securities and other short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Taxes Receivable	2025	2024
Municipal - Current	\$ 80,327	\$ 121,685
- Arrears	121,909	75,355
	202,236	197,040
- Less Allowance for Uncollectables	(42,200)	(28,500)
Total Municipal Taxes Receivable	160,036	168,540

School - Current	16,520	28,838
- Arrears	20,081	14,103
Total School Taxes Receivable	36,601	42,941

Other	-	-
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Total Taxes Receivable	196,637	211,481
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Deduct taxes to be collected on behalf of other organizations	(36,601)	(42,941)
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Total Taxes Receivable - Municipal	\$ 160,036	\$ 168,540
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4. Other Accounts Receivable	2025	2024
Trade receivables	\$ 83,507	\$ 46,360
Federal government	690	840
Provincial government	35,593	373,755
GST receivable	19,906	30,306
Local government	4,588	5,117
Utility accounts receivable	159,085	158,831
Total Other Accounts Receivable	303,369	615,209
Less Allowance for Uncollectables	(1,250)	(2,015)
Net Other Accounts Receivable	\$ 302,119	\$ 613,194

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

5. Other Long-Term Investments	2025	2024
BMO Computershares	\$ 4,687	\$ 4,687
Riverbend Co-operative	500	500
Total Other Long-Term Investments	\$ 5,187	\$ 5,187

6. Long-Term Receivables	2025	2024
McGregor Street Local Improvement	\$ 39,433	\$ 43,692
Total Long-Term Receivables	\$ 39,433	\$ 43,692

A special assessment was levied by the Town in 2022 for the repaving of McGregor Street. Residents were levied on a per lot basis the amount of \$4,283, with the option to prepay, or pay over 10 annual installments of \$610 with interest of 7% charged annually. Interest is recorded as income in the period it is earned.

Future principal and interest payments are as follows:

Year	Principal	Interest	Total
2026	\$ 4,557	\$ 2,760	\$ 7,317
2027	4,876	2,441	7,317
2028	5,217	2,100	7,317
2029	5,582	1,735	7,317
2030	5,973	1,344	7,317
Thereafter	13,228	1,406	14,634
Balance	\$ 39,433	\$ 11,786	\$ 51,219

7. Credit Arrangements

At December 31, 2025, the municipality had lines of credit totaling \$100,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement & annual tax levy.

8. Accounts Payable	2025	2024
Trade payables	\$ 101,784	\$ 368,297
Local government	2,730	1,809
Provincial government	3,186	5,617
School tax remittances	41,373	30,905
Holdback payable	25,796	-
Total Accounts Payable	\$ 174,869	\$ 406,628

9. Deferred Revenue	2025	2024
Deferred rink revenue	\$ 45,429	\$ 44,390
Deferred recreation donations	3,249	2,409
Deferred grants	390	30,681
Total Deferred Revenue	\$ 49,068	\$ 77,480

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

10. Asset Retirement Obligation	2025	2024
Balance, beginning of the year	\$ 100,000	\$ 100,000
Estimated Total Liability	\$ 100,000	\$ 100,000

Landfill

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection, and maintenance. Although an estimate has been recorded, management has not updated this liability as they are unaware of the actual closure & post closure costs of closing & decommissioning the landfill. There are expectations that costs will be significantly higher than currently estimated, therefore the audit report has been qualified for not fully following Section 3280 of the CPA Canada Public Sector Accounting Standards.

Asbestos

The municipality owns a few buildings which may contain asbestos, and therefore, the municipality is legally required to perform abatement activities upon renovation or demolition of this asset. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. The municipality has not been able to determine the liability related to the abatement of buildings at this point in time, and therefore the audit report has been qualified for not fully following Section 3280 of the CPA Canada Public Sector Accounting Standards.

11. Long-Term Debt

a) The debt limit of the municipality is \$2,857,633. 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)).

12. Other Non-Financial Assets	2025	2024
Municipal share of tax title property	\$ 18,114	\$ 32,632
Allowance to market value	(8,401)	(19,901)
Total Other Non-Financial Assets	\$ 9,713	\$ 12,731

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

13. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer 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. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2025 was \$49,442 (2024 - \$46,675). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP 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 the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$4,090,806,000, plan liabilities, including pension obligations, of \$2,571,158,000, and a resulting surplus of \$1,519,648,000.

14. Trusts Administered by the Municipality

A summary of the trust fund activity by the municipality during the year is as follows:

Davidson Health Trust	2025	2024
Balance - Beginning of Year	\$ 162,830	\$ 165,437
Revenue (Donations)	4,145	10,060
Interest revenue	5,826	7,358
Expenditure (Equipment, repairs and maintenance)	(11,394)	(20,025)
Balance - End of Year	\$ 161,407	\$ 162,830

15. Related Parties

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

16. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality arise from contractual rights to receive payments under agreements, as follows:

- AGT Foods has an agreement to provide \$15,000 annually until 2033 for naming rights to rink.

Year	Future revenue
2026	\$ 15,000
2027	15,000
2028	15,000
2029	15,000
2030	15,000
Thereafter	45,000
Total Contractual Rights	\$ 120,000

17. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for operating lease expenses. These contractual obligations will become liabilities in the future when the term of the contracts are met.

Significant contractual obligations and other commitments include:

- Annual land farm land rental - 2026 to 2028 at annual rate of \$5,175.

Year	Future expense
2026	\$ 5,175
2027	5,175
2028	5,175
Total Contractual Obligations and Commitments	\$ 15,525

TOWN OF DAVIDSON
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

18. Risk Management

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

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in doing so, cause a loss for the other party. The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The municipality does not feel that it has any financial instruments subject to liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: interest rate risk, currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The municipality does not feel that it has any financial instruments subject to currency risk as the majority of its transactions are in Canadian currency.

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity instruments. The municipality does not have any financial instruments that are affected by other price risk.

TOWN OF DAVIDSON
Schedule of Consolidated Taxes and Other Unconditional Revenue
For the year ended December 31, 2025

Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	\$ 1,910,048	\$ 1,910,049	\$ 1,686,538
Abatements and adjustments	(30,650)	(34,750)	(13,645)
Discount on current year taxes	(66,260)	(74,910)	(66,262)
Net Municipal Taxes	1,813,138	1,800,389	1,606,631
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	21,020	21,020	13,726
Special tax levy	-	-	-
Other - Interest on local improvement levy	3,337	3,058	3,337
Total Taxes	1,837,495	1,824,467	1,623,694
UNCONDITIONAL GRANTS			
Revenue Sharing	309,778	309,778	290,926
Organized Hamlet	-	-	-
Other -	-	-	-
Total Unconditional Grants	309,778	309,778	290,926
GRANTS IN LIEU OF TAXES			
Federal	4,900	5,066	3,383
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	5,200	5,323	4,029
TransGas	-	-	-
Central Services	-	-	-
SaskTel	5,150	5,521	6,741
Other -	-	-	-
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	88,920	86,962	88,917
SaskEnergy Surcharge	32,450	33,417	32,449
Other -	-	-	-
Total Grants in Lieu of Taxes	136,620	136,289	135,519
TOTAL OTHER UNCONDITIONAL REVENUE	446,398	446,067	426,445
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 2,283,893	\$ 2,270,534	\$ 2,050,139

TOWN OF DAVIDSON
 Schedule of Consolidated Operating and Capital Revenue by Function
 For the year ended December 31, 2025

Schedule 2-1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 1,730	\$ 12,597	\$ 1,155
- Sales of supplies	-	120	3,143
- Other - Licences and tax certificates	1,750	2,318	1,785
Total Fees and Charges	3,480	15,035	6,083
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	90,000	93,297	138,411
- Other -	-	-	-
Total Other Segmented Revenue	93,480	108,332	144,494
Conditional Grants			
- Targeted Sector Support	-	6,732	12,111
- Donations	-	500	-
- Other - FCM Management	30,680	51,849	18,711
Total Conditional Grants	30,680	59,081	30,822
Total Operating	124,160	167,413	175,316
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total General Government Services	\$ 124,160	\$ 167,413	\$ 175,316

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Fire charges & policing fines	\$ 130,500	\$ 393,840	\$ 187,240
Total Fees and Charges	130,500	393,840	187,240
- Tangible capital asset sales - gain (loss)	-	800	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Interest income	-	837	-
Total Other Segmented Revenue	130,500	395,477	187,240
Conditional Grants			
- Donations	-	1,220	2,216
- Local Government	47,926	7,317	7,906
- Other - SaskPower Grant	-	-	-
Total Conditional Grants	47,926	8,537	10,122
Total Operating	178,426	404,014	197,362
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Donations	-	14,000	-
- Other -	-	-	-
Total Capital	-	14,000	-
Restructuring Revenues/Expenses	-	-	-
Total Protective Services	\$ 178,426	\$ 418,014	\$ 197,362

TOWN OF DAVIDSON
Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-2

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ -	\$ -	\$ -
- Sales of supplies	-	-	1,250
- Road maintenance, restoration agreements	-	-	-
- Frontage	-	-	-
- Other - Airport rentals	1,500	1,500	1,000
Total Fees and Charges	1,500	1,500	2,250
- Tangible capital asset sales - gain (loss)	-	-	8,473
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	1,500	1,500	10,723
Conditional Grants			
- RIRG (CTP)	390	390	-
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	390	390	-
Total Operating	1,890	1,890	10,723
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	66,000	65,041	65,483
- ICIP	-	-	-
- RIRG (CTP, Bridge/ Large Culvert, Rd Const)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	66,000	65,041	65,483
Restructuring Revenues/Expenses	-	-	-
Total Transportation Services	\$ 67,890	\$ 66,931	\$ 76,206

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 183,600	\$ 189,071	\$ 184,073
- Other - Rentals & cemetery fees	20,250	21,555	24,348
Total Fees and Charges	203,850	210,626	208,421
- Tangible capital asset sales - gain (loss)	-	-	6,476
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Housing authority surplus	-	2,340	1,887
Total Other Segmented Revenue	203,850	212,966	216,784
Conditional Grants			
- Recycling	24,570	24,566	24,566
- TAPD	1,150	709	1,149
- Local Government	2,000	1,689	2,300
- Other - Donations	-	133,799	1,415
Total Conditional Grants	27,720	160,763	29,430
Total Operating	231,570	373,729	246,214
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Environmental and Public Health Services	\$ 231,570	\$ 373,729	\$ 246,214

TOWN OF DAVIDSON
 Schedule of Consolidated Operating and Capital Revenue by Function
 For the year ended December 31, 2025

Schedule 2-3

	2025 Budget	2025	2024
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ -	\$ -
- Other - Building permits	10,000	5,543	15,026
Total Fees and Charges	10,000	5,543	15,026
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Irrigated land revenue	60,000	50,906	90,385
Total Other Segmented Revenue	70,000	56,449	105,411
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	70,000	56,449	105,411
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Planning and Development Services	\$ 70,000	\$ 56,449	\$ 105,411

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees, rentals, other sales	\$ 287,743	\$ 285,110	\$ 294,050
Total Fees and Charges	287,743	285,110	294,050
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Sponsorships	19,640	19,594	19,638
Total Other Segmented Revenue	307,383	304,704	313,688
Conditional Grants			
- Rink Affordability/Summer student	5,000	10,625	-
- Local Government	40,840	40,841	40,841
- Donations	-	792,555	2,715
- Community Initiative Fund	7,500	7,500	5,000
- Other - Saskatchewan Lotteries	16,220	16,218	16,218
Total Conditional Grants	69,560	867,739	64,774
Total Operating	376,943	1,172,443	378,462
Capital			
Conditional Grants			
- Canada Community Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Donations	-	-	21,076
- Other - Community Initiative Fund	-	-	-
Total Capital	-	-	21,076
Restructuring Revenues/Expenses	-	-	-
Total Recreation and Cultural Services	\$ 376,943	\$ 1,172,443	\$ 399,538

TOWN OF DAVIDSON
Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-4

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 281,100	\$ 301,883	\$ 281,101
- Sewer	76,000	76,645	76,306
- Other - Infrastructure & connection fees	55,050	54,956	55,053
Total Fees and Charges	412,150	433,484	412,460
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Interest & rentals	14,710	14,611	14,718
Total Other Segmented Revenue	426,860	448,095	427,178
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	426,860	448,095	427,178
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	333,652
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	333,652
Restructuring Revenues/Expenses	-	-	-
Total Utility Services	\$ 426,860	\$ 448,095	\$ 760,830

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 1,475,849	\$ 2,703,074	\$ 1,960,877
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SUMMARY

Total Other Segmented Revenue	\$ 1,233,573	\$ 1,527,523	\$ 1,405,518
Total Conditional Grants	176,276	1,096,510	135,148
Total Capital Grants and Contributions	66,000	79,041	420,211
Restructuring Revenue	-	-	-

TOTAL REVENUE BY FUNCTION	\$ 1,475,849	\$ 2,703,074	\$ 1,960,877
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TOWN OF DAVIDSON
Schedule of Consolidated Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 32,500	\$ 37,838	\$ 28,743
Wages and benefits	226,350	201,054	225,518
Professional/Contractual services	307,612	252,117	201,440
Utilities	19,600	18,960	6,050
Maintenance, materials, and supplies	29,801	22,084	15,923
Grants and contributions - operating	3,740	3,738	3,438
- capital	-	3,019	-
Amortization of tangible capital assets	-	1,150	1,150
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligations	-	-	-
Allowance for uncollectables	-	12,935	17,500
Other -	-	-	-
Total General Government Services	\$ 619,603	\$ 552,895	\$ 499,762

PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	69,850	64,769	63,099
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-
Fire Protection			
Wages and benefits	37,001	68,164	38,605
Professional/Contractual services	95,162	87,588	68,660
Utilities	15,500	12,364	13,614
Maintenance, materials, and supplies	36,500	30,293	47,367
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	48,043	48,043
Amortization of intangible capital assets	-	-	-
Interest	-	-	7
Accretion of asset retirement obligation	-	-	-
Other - Allowance for uncollectables	-	-	-
Total Protective Services	\$ 254,013	\$ 311,221	\$ 279,395

TRANSPORTATION SERVICES			
Wages and benefits	\$ 251,880	\$ 252,477	\$ 159,611
Council remuneration and travel	-	-	-
Professional/Contractual services	351,800	172,494	81,297
Utilities	51,340	50,834	52,238
Maintenance, materials, and supplies	140,000	132,329	107,763
Gravel	25,000	10,811	20,687
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	107,659	88,147
Amortization of intangible capital assets	-	-	-
Interest	-	-	64
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Transportation Services	\$ 820,020	\$ 726,604	\$ 509,807

TOWN OF DAVIDSON
Schedule of Consolidated Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 74,100	\$ 30,553	\$ 34,946
Professional/Contractual services	203,630	161,619	188,193
Utilities	10,570	11,269	11,128
Maintenance, materials, and supplies	19,200	12,228	23,785
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization of tangible capital assets	-	32,171	30,854
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Environmental and Public Health Services	\$ 307,500	\$ 247,840	\$ 288,906
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PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ 4,500	\$ 4,819	\$ 4,009
Professional/Contractual services	24,000	8,578	10,792
Utilities	2,300	2,342	2,456
Maintenance, materials, and supplies	19,500	25,347	23,210
Grants and contributions - operating	21,500	12,619	34,045
- capital	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-

Total Planning and Development Services	\$ 71,800	\$ 53,705	\$ 74,512
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RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ 343,160	\$ 337,914	\$ 324,236
Professional/Contractual services	220,662	168,892	171,200
Utilities	125,590	132,523	149,317
Maintenance, materials, and supplies	89,480	85,762	82,507
Grants and contributions - operating	16,220	17,083	26,218
- capital	-	-	-
Amortization of tangible capital assets	-	187,708	157,827
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-

Total Recreation and Cultural Services	\$ 795,112	\$ 929,882	\$ 911,305
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TOWN OF DAVIDSON
 Schedule of Consolidated Total Expenses by Function
 For the year ended December 31, 2025

Schedule 3-3

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	\$ 98,500	\$ 62,612	\$ 94,172
Professional/Contractual services	902,700	123,943	127,380
Utilities	49,070	41,888	52,722
Maintenance, materials, and supplies	80,700	61,639	74,840
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	102,250	103,290
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	\$ 1,130,970	\$ 392,332	\$ 452,404
TOTAL EXPENSES BY FUNCTION	\$ 3,999,018	\$ 3,214,479	\$ 3,016,091

TOWN OF DAVIDSON
Schedule of Consolidated Segment Disclosure by Function
For the year ended December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 15,035	\$ 393,840	\$ 1,500	\$ 210,626	\$ 5,543	\$ 285,110	\$ 433,484	\$ 1,345,138
Tangible Capital Asset Sales - Gain (Loss)	-	800	-	-	-	-	-	800
Investment Income and Commissions	93,297	-	-	-	-	-	-	93,297
Other Revenues	-	837	-	2,340	50,906	19,594	14,611	88,288
Grants - Conditional	59,081	8,537	390	160,763	-	867,739	-	1,096,510
- Capital	-	14,000	65,041	-	-	-	-	79,041
Total Revenues	167,413	418,014	66,931	373,729	56,449	1,172,443	448,095	2,703,074
Expenses (Schedule 3)								
Wages and Benefits	238,892	68,164	252,477	30,553	4,819	337,914	62,612	995,431
Professional / Contractual Services	252,117	152,357	172,494	161,619	8,578	168,892	123,943	1,040,000
Utilities	18,960	12,364	50,834	11,269	2,342	132,523	41,888	270,180
Maintenance, Materials, and Supplies	22,084	30,293	143,140	12,228	25,347	85,762	61,639	380,493
Grants and Contributions	6,757	-	-	-	12,619	17,083	-	36,459
Amortization of Tangible Capital Assets	1,150	48,043	107,659	32,171	-	187,708	102,250	478,981
Allowance for Uncollectables	12,935	-	-	-	-	-	-	12,935
Total Expenses	552,895	311,221	726,604	247,840	53,705	929,882	392,332	3,214,479
Surplus (Deficit) by Function	\$ (385,482)	\$ 106,793	\$ (659,673)	\$ 125,889	\$ 2,744	\$ 242,561	\$ 55,763	\$ (511,405)

Taxation and Other Unconditional Revenue (Schedule 1) \$ 2,270,534

Net Surplus (Deficit)	\$ 1,759,129
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TOWN OF DAVIDSON
Schedule of Consolidated Segment Disclosure by Function
For the year ended December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6,083	\$ 187,240	\$ 2,250	\$ 208,421	\$ 15,026	\$ 294,050	\$ 412,460	\$ 1,125,530
Tangible Capital Asset Sales - Gain (Loss)	-	-	8,473	6,476	-	-	-	14,949
Investment Income and Commissions	138,411	-	-	-	-	-	-	138,411
Other Revenues	-	-	-	1,887	90,385	19,638	14,718	126,628
Grants - Conditional	30,822	10,122	-	29,430	-	64,774	-	135,148
- Capital	-	-	65,483	-	-	21,076	333,652	420,211
Total Revenues	175,316	197,362	76,206	246,214	105,411	399,538	760,830	1,960,877
Expenses (Schedule 3)								
Wages and Benefits	254,261	38,605	159,611	34,946	4,009	324,236	94,172	909,840
Professional / Contractual Services	201,440	131,759	81,297	188,193	10,792	171,200	127,380	912,061
Utilities	6,050	13,614	52,238	11,128	2,456	149,317	52,722	287,525
Maintenance, Materials, and Supplies	15,923	47,367	128,450	23,785	23,210	82,507	74,840	396,082
Grants and Contributions	3,438	-	-	-	34,045	26,218	-	63,701
Amortization of Tangible Capital Assets	1,150	48,043	88,147	30,854	-	157,827	103,290	429,311
Interest	-	7	64	-	-	-	-	71
Allowance for Uncollectables	17,500	-	-	-	-	-	-	17,500
Total Expenses	499,762	279,395	509,807	288,906	74,512	911,305	452,404	3,016,091
Surplus (Deficit) by Function	\$ (324,446)	\$ (82,033)	\$ (433,601)	\$ (42,692)	\$ 30,899	\$ (511,767)	\$ 308,426	\$ (1,055,214)

Taxation and Other Unconditional Revenue (Schedule 1) \$ 2,050,139

Net Surplus (Deficit)	\$ 994,925
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TOWN OF DAVIDSON
 Schedule of Consolidated Tangible Capital Assets by Object
 For the year ended December 31, 2025

Schedule 6

	2025							2024		
	General Assets					Infrastructure Assets		General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships			
Asset Cost										
Opening Asset Costs	\$ 405,539	\$ 210,883	\$ 7,823,772	\$ 197,071	\$ 2,976,437	\$ 5,468,499	\$ -	\$ 56,383	\$ 17,138,584	\$ 16,463,779
Additions during the year	-	-	33,414	-	249,538	371,349	-	268,190	922,491	800,605
Disposals and write downs during the year	-	-	-	-	(8,500)	-	-	(37,511)	(46,011)	(125,800)
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ 405,539	\$ 210,883	\$ 7,857,186	\$ 197,071	\$ 3,217,475	\$ 5,839,848	\$ -	\$ 287,062	\$ 18,015,064	\$ 17,138,584
Accumulated Amortization										
Opening Accum. Amort. Cost	\$ -	\$ 99,565	\$ 4,197,359	\$ 133,154	\$ 1,816,217	\$ 2,994,991	\$ -	\$ -	\$ 9,241,286	\$ 8,935,975
Add: Amortization taken	-	18,313	157,060	18,274	141,038	144,296	-	-	478,981	429,311
Less: Accum. Amort. on Disposals	-	-	-	-	(8,500)	-	-	-	(8,500)	(124,000)
Closing Accumulated Amort.	\$ -	\$ 117,878	\$ 4,354,419	\$ 151,428	\$ 1,948,755	\$ 3,139,287	\$ -	\$ -	\$ 9,711,767	\$ 9,241,286
Net Book Value	\$ 405,539	\$ 93,005	\$ 3,502,767	\$ 45,643	\$ 1,268,720	\$ 2,700,561	\$ -	\$ 287,062	\$ 8,303,297	\$ 7,897,298

1. Total contributed/donated assets received in 2025: \$ 5,000
2. List of assets recognized at nominal value in 2025 are:
- Infrastructure assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2025: \$ -

TOWN OF DAVIDSON
Schedule of Consolidated Tangible Capital Assets by Function
For the year ended December 31, 2025

Schedule 7

	2025							Total	2024
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
Asset Cost									
Opening Asset Costs	\$ 125,713	\$ 1,137,338	\$ 2,787,148	\$ 708,995	\$ 5,000	\$ 7,931,371	\$ 4,443,019	\$ 17,138,584	\$ 16,463,779
Additions during the year	-	14,000	263,000	6,394	-	33,414	605,683	922,491	800,605
Disposals and write-downs during the year	-	-	(37,511)	-	-	-	(8,500)	(46,011)	(125,800)
Closing Asset Costs	\$ 125,713	\$ 1,151,338	\$ 3,012,637	\$ 715,389	\$ 5,000	\$ 7,964,785	\$ 5,040,202	\$ 18,015,064	\$ 17,138,584
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ 12,850	\$ 465,185	\$ 1,620,914	\$ 424,036	\$ -	\$ 4,114,068	\$ 2,604,433	\$ 9,241,286	\$ 8,935,975
Add: Amortization taken	1,150	48,043	107,659	32,171	-	187,708	102,250	478,981	429,311
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	(8,500)	(8,500)	(124,000)
Closing Accumulated Amortization	\$ 13,800	\$ 513,228	\$ 1,728,573	\$ 456,207	\$ -	\$ 4,301,776	\$ 2,698,183	\$ 9,711,767	\$ 9,241,286
Net Book Value	\$ 111,913	\$ 638,110	\$ 1,284,064	\$ 259,182	\$ 5,000	\$ 3,663,009	\$ 2,342,019	\$ 8,303,297	\$ 7,897,298

TOWN OF DAVIDSON
Schedule of Consolidated Intangible Capital Assets by Object
For the year ended December 31, 2025

Schedule 8

	2025						2024		
	General Intangible Assets								
	Patents	Trademarks	Copyrights	Customer Relationships	Goodwill	Other	Intangibles under development	Total	Total
Asset Cost									
Opening Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write downs during the year	-	-	-	-	-	-	-	-	-
Transfers (from) assets under development	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization									
Opening Accdm. Amort. Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Amortization taken	-	-	-	-	-	-	-	-	-
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amort.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TOWN OF DAVIDSON
 Schedule of Consolidated Intangible Capital Assets by Function
 For the year ended December 31, 2025

Schedule 9

	2025						Total	2024
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture		
Asset Cost								
Opening Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the year	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization								
Opening Accum. Amort. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Amortization taken	-	-	-	-	-	-	-	-
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TOWN OF DAVIDSON
 Schedule of Consolidated Accumulated Surplus
 For the year ended December 31, 2025

Schedule 10

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	\$ 1,799,180	\$ (207,139)	\$ 1,592,041
APPROPRIATED RESERVES			
Public Reserve	638	-	638
Recreation	285,836	131,482	417,318
Cemetery	25,933	134,540	160,473
Building	25,000	25,000	50,000
Communiplax	-	396,567	396,567
Swimming pool	19,266	395,661	414,927
Senior's	3,031	74	3,105
Communities in Bloom	215	(115)	100
Highway 11 - equipment	-	6,100	6,100
Highway 11 fire board	-	215,765	215,765
Fire Department	8,230	-	8,230
Pavement	585,166	12,599	597,765
Sidewalks	70,000	50,000	120,000
Environmental Health	185,932	74,288	260,220
Library	6,145	-	6,145
Utility Surplus	732,985	15,630	748,615
Coffee Pot	7,514	183	7,697
Equipment	145,671	26,275	171,946
Town fire	-	76,220	76,220
Total Appropriated	2,101,562	1,560,269	3,661,831
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	7,897,298	405,999	8,303,297
Intangible Capital Assets (Schedule 8, 9)	-	-	-
Net Investment in Tangible Capital Assets	7,897,298	405,999	8,303,297
OTHER	-	-	-
Total Accumulated Surplus	\$ 11,798,040	\$ 1,759,129	\$ 13,557,169

TOWN OF DAVIDSON
 Schedule of Consolidated Mill Rates and Assessments
 For the year ended December 31, 2025

Schedule 11

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 474,210	\$ 66,948,880	\$ 1,579,280	\$ -	\$ 20,919,180	\$ -	\$ 89,921,550
Regional Park Assessment							-
Total Assessment							89,921,550
Mill Rate Factor(s)	0.3000	0.3612	0.3612	-	1.0000		
Total Base Tax	-	339,600	4,900	-	76,600		421,100
Total Municipal Tax Levy	\$ 4,624	\$ 1,125,513	\$ 23,439	\$ -	\$ 756,473		\$ 1,910,049

MILL RATES:	MILLS
Average Municipal*	21.241
Average School*	4.742
Potash Mill Rate	-
Uniform Municipal Mill Rate	32.500

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

TOWN OF DAVIDSON
 Schedule of Consolidated Council Remuneration
 For the year ended December 31, 2025

Schedule 12

Name	Remuneration	Reimbursed Costs	Total
Keith LePoudre	\$ 8,530	\$ 369	\$ 8,899
Stacey Siroski-Belisle	3,222	-	3,222
Adrian Schmiedge	5,895	120	6,015
Arlene Low	4,726	-	4,726
Kirby Manz	3,083	-	3,083
Gene Stangland	4,370	-	4,370
Terrance Epp	4,649	-	4,649
Total	\$ 34,475	\$ 489	\$ 34,964