

VILLAGE OF LOON LAKE
AUDITORS' REPORT AND FINANCIAL STATEMENTS
December 31, 2025

Management's Responsibility

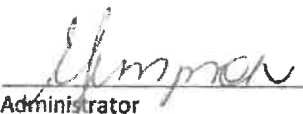
The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles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

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

The Council is composed of elected officials who are not employees of the 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.

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



Mayor

Administrator

Pinnacle Business Solutions
Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Village of Loon Lake

Opinion

We have audited the consolidated financial statements of Village of Loon Lake (the organization), which comprise the statement of financial position as at December 31, 2024, and the consolidated statements of operations, changes in accumulated surplus, changes in net financial debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS)

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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.

Other Matter

The prior period was adjusted to include revenues received after the prior period and not correctly recognized. See note 28 for the effect on the accumulated surplus.

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

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

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report to the Members of Village of Loon Lake (*continued*)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Meadow Lake, Saskatchewan
April 2, 2026

Pinnacle Business Solutions
Chartered Professional Accountants

Village of Loon Lake
Statement 1: Consolidated Statement of Financial Position
As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	\$ 1,000,139	\$ 847,691
Investments (Note 3)	433,248	414,263
Taxes Receivable - Municipal (Note 4)	133,914	102,043
Other Accounts Receivable (Note 5)	46,773	41,083
Assets Held for Sale (Note 6)	53,077	53,077
Long-Term Receivable (Note 7)	-	-
Debt Charges Recoverable (Note 8)	-	-
Derivative Assets <i>[if applicable]</i> (Note 9)	-	-
Other (Specify)		
Total Financial Assets	1,667,151	1,458,157
LIABILITIES		
Bank Indebtedness (Note 10)		
Accounts Payable	7,132	7,879
Accrued Liabilities Payable		
Derivative Liabilities <i>[if applicable]</i> (Note 9)	-	-
Deposits		
Deferred Revenue (Note 11)	20,059	17,374
Asset Retirement Obligation (Note 12)		
Liability for Contaminated Sites (Note 13)		
Infrastructure Liability <i>[if applicable]</i> (Note 27)		
Other Liabilities		
Long-Term Debt (Note 14)		
Lease Obligations (Note 15)		
Total Liabilities	27,191	25,253
NET FINANCIAL ASSETS (DEBT)	1,639,960	1,432,904
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	1,412,376	1,445,007
Intangible Capital Assets <i>[if applicable]</i> (Schedule 8, 9)		
Prepayments and Deferred Charges (Note 15)	12,024	14,891
Stock and Supplies	28,183	28,218
Other (Note 16)		
Total Non-Financial Assets	1,452,582	1,488,116
ACCUMULATED SURPLUS (DEFICIT)	\$ 3,092,542	\$ 2,921,020
Accumulated surplus is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	\$ 3,092,542	\$ 2,921,020

Contingent Assets (Note 21)
Contractual Rights (Note 22)
Contingent Liabilities (Note 16)

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

Village of Loon Lake
Statement 2: Consolidated Statement of Operations
As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	\$ 281,400	\$ 278,199	\$ 282,882
Other Unconditional Revenue (Schedule 1)	84,860	84,859	79,785
Fees and Charges (Note 28 (if applicable) , Schedule 4, 5)	380,070	479,175	447,642
Conditional Grants (Note 28 (if applicable) , Schedule 4, 5)	16,470	11,903	19,493
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	1,000
Intangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	35,100	33,596	48,948
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Note 25 (if applicable) , Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	8,250	13,250
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	9,240	26,077	9,245
Total Revenues	807,140	922,059	902,245
EXPENSES			
General Government Services (Schedule 3)	123,700	121,686	121,023
Protective Services (Schedule 3)	30,620	76,177	91,170
Transportation Services (Schedule 3)	248,285	181,433	220,237
Environmental and Public Health Services (Schedule 3)	179,123	155,420	146,062
Planning and Development Services (Schedule 3)	19,040	1,575	394
Recreation and Cultural Services (Schedule 3)	22,120	11,844	14,843
Utility Services (Schedule 3)	197,643	202,403	183,209
Restructurings (Note 25 (if applicable) , Schedule 3)	-	-	-
Total Expenses	820,531	750,537	776,938
Annual Surplus (Deficit) of Revenues over Expenses	(13,391)	171,522	125,307
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	2,921,020	2,921,020	2,795,713
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	\$ 2,907,629	\$ 3,092,542	\$ 2,921,020

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

Village of Loon Lake
Statement 3: Consolidated Statement of Change in Net Financial Assets
As at December 31, 2025

Statement 3

	2025 Budget	2025	2024
Annual Surplus (Deficit) of Revenues over Expenses	\$ (13,391)	\$ 171,522	\$ 125,307
(Acquisition) of tangible capital assets		(62,574)	(5,000)
Amortization of tangible capital assets		95,205	97,102
Amortization of intangible capital assets			
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets		1,000	(1,000)
Proceeds on disposal of intangible capital assets			
Loss (gain) on the disposal of intangible capital assets		-	-
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	-	33,631	91,102
(Acquisition) of supplies inventories			846
(Acquisition) of prepaid expense		2,867	(2,258)
Consumption of supplies inventory		36	
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	2,903	(1,412)
Unrealized remeasurement gains (losses)			
Increase/Decrease in Net Financial Assets	(13,391)	208,056	214,997
Net Financial Assets (Debt) - Beginning of Year	1,431,904	1,431,904	1,216,907
Net Financial Assets (Debt) - End of Year	\$ 1,639,960	\$ 1,431,904	

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

Village of Loon Lake
Statement 4: Consolidated Statement of Cash Flow
As at December 31, 2025

Statement 4

	2025	2024
Cash provided by (used for) the following activities		
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	\$ 171,522	\$ 125,307
Amortization of tangible capital assets	95,205	97,102
Amortization of intangible capital assets	-	-
Loss (gain) on disposal of tangible capital assets	-	(1,000)
Loss (gain) on disposal of intangible capital assets	-	-
	266,726	221,409
Change in assets/liabilities		
Taxes Receivable - Municipal	(31,871)	(47,496)
Other Receivables	(5,690)	56,282
Assets Held for Sale	(0)	
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	(747)	185
Derivative Liabilities [if applicable]	-	
Deposits	-	1,849
Deferred Revenue	2,685	
Asset Retirement Obligation	-	
Liability for Contaminated Sites	-	
Infrastructure Liability [if applicable]	-	
Other Liabilities	-	
Stock and Supplies	36	848
Prepayments and Deferred Charges	2,867	(2,258)
Other (Specify)	-	
Cash provided by operating transactions	234,007	230,819
Capital:		
Acquisition of capital assets	(62,574)	(5,000)
Proceeds from the disposal of capital assets	-	1,000
Cash applied to capital transactions	(62,574)	(4,000)
Investing:		
Decrease (increase) in restricted cash or cash equivalents	(228,082)	(39,793)
Proceeds on disposal of investments		
Decrease (increase) in investments	(18,985)	(21,224)
Cash provided by (applied to) investing transactions	(247,067)	(61,017)
Financing:		
Debt charges recovered		
Long-term debt issued		
Long-term debt repaid		
Other financing		
Cash provided by (applied to) financing transactions	-	-
Change in Cash and Cash Equivalents	(75,634)	165,802
Cash and Cash Equivalents	436,143	270,341
Cash and Cash Equivalents - End of Year	\$ 360,509	\$ 436,143
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	1,000,139	847,691
Less: restricted portion of cash and cash equivalents (Note 2)	(639,630)	(411,548)
Temporary bank indebtedness	-	-
	\$ 360,509	\$ 436,143

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

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

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

Entity
Village of Loon Lake
Evergreen Terrance
Loon Lake Fire Department

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
 - b) any eligibility criteria and stipulations 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 eligibility criteria have been met.

- 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.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- e) Revenue from transactions with no performance obligations is recognized as revenue at realizable value when the municipality has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event giving rise to an asset.

For Revenue items with related performance obligations:

Revenue from transactions with performance obligations is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor. User fees are recognized over the period of use, sales of goods and services are recognized when goods are delivered. Licenses and permits are recognized over the license or permit as the performance obligation is satisfied.

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.

Revenue from services to other governments, sales of services, fire protection, and other revenue are recognized when services are performed and/or when earned as long as amounts can be reasonably estimated and collection is reasonably assured.

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

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

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

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

- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) **Non-financial Assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- i) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
- k) **Financial Instruments:** Derivative and equity instruments (or other portfolio 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 method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

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.

Long-term receivable:

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

Measurement of Financial Instruments:

The municipalities financial assets and liabilities are measured as follows:

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash & Cash Equivalents	Cost and amortized cost
Investments	Amoritized Cost
Other Accounts Receivable	Cost and amortized cost
Long term receivable	Amoritized Cost
Debt Charges Recoverable	Amoritized Cost
Bank Indebtedness	Amoritized Cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-Term Debt	Amoritized Cost
Derivative Assets and Liabilities	Fair Value

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

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

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

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	40 Yrs
Road Network Assets	40 Yrs

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

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

[List other unrecognized assets, if any].

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 consolidated 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 leases and recorded as tangible capital assets. 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 *[amortization method]* basis, over their estimated useful lives *[lease term]* . Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- n) **Public Private Partnerships:** Public private partnerships where the municipality procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the 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 Statement of Operations. *[Where a performance obligation is recognized, disclose how revenue is being recognized.]*

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

The Village does not have any public-private partnerships.

- o) **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 municipality. Trust fund activities administered by the municipality are disclosed in Note 20.
- p) **Employee Benefit Plans:** Contributions to the municipality's multiemployer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

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

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

Measurement financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

The values associated with the initial recognition and impairment tests of intangible capital assets involve significant estimates and assumptions, including those with respect to future cash inflows and outflows, discount rates and asset lives.

These determinations will affect the amount of amortization expense on intangible capital assets recognized in future periods. Management assesses impairment by comparing the recoverable amount of an intangible capital asset with its carrying value. The determination of the recoverable amount involves significant estimation by management.

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.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

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

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

Planning and Development: Provides for neighbourhood development and sustainability.

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

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

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 3, 2025

- u) **Assets Held for Sale:** the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

- v) **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 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 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.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

2. Cash and Cash Equivalents

	2025	2024
Cash	\$ 360,509	\$ 436,143
Short-term investments - amortized cost		
Restricted Cash	639,630	411,548
Total Cash and Cash Equivalents	\$ 1,000,139	\$ 847,691

Cash and cash equivalents includes balances with banks and short-term deposits with maturities of three months or less. [Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.]

3. Investments

	2025	2024
Investments carried at fair value:		
Equity instruments quoted in an active market		
Other portfolio investments		
Derivatives		
Investments carried at amortized cost:		
Other Term-Deposit CIBC 3.0% expires June 2026	\$ 433,248	\$ 414,263
Government/government guaranteed bonds		
Total investments	\$ 433,248	\$ 414,263

Short-term notes and deposits have effective interest rates of [% to % (Prior - % to %)] and mature in less than one year. Government and government guaranteed bonds have effective interest rates of [% to % (Prior - % to %)] with maturity dates from [date].

Investment Income

	2025	2024
Interest	\$ 33,471	\$ 48,769
Dividends		
Realized gains (losses) previously recognized in the statement of remeasurement		
Realized gains (losses) on disposal		
Impairment charges		
Net settlement on derivative financial instruments		
Total investment income	\$ 33,471	\$ 48,769

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

4. Taxes Receivable - Municipal

	2025	2024
Municipal - Current	\$ 40,611	\$ 50,905
- Arrears	95,894	53,730
	136,505	104,635
- Less Allowance for Uncollectible	(2,592)	(2,592)
Total municipal taxes receivable	133,914	102,043
School -Current	3,015	4,890
-Arrears	5,534	4,338
Total taxes to be collected on behalf of School Divisions	8,549	9,228
Other		
Total taxes and grants in lieu receivable or to be collected on behalf of other organization	142,462	111,271
Deduct taxes to be collected on behalf of other organizations	(8,549)	(9,228)
Total Taxes Receivable - Municipal	133,914	102,043

5. Other Accounts Receivable

Federal Government	11,337	11,471
Provincial Government	4,516	4,685
Local Government		
Utility	19,769	17,554
Trade	11,151	7,373
Other (Specify)		
Total Other Accounts Receivable	46,773	41,083
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	\$ 46,773	\$ 41,083

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

6. Assets Held for Sale

	2025	2024
Tax Title Property	\$ 8,925	\$ 8,925
Allowance for market value adjustment		
Net Tax Title Property	8,925	8,925
Other Land	44,152	44,152
Allowance for market value adjustment		
Net Other Land	44,152	44,152
Other (Describe)		
Total Assets Held for Sale	\$ 53,077	\$ 53,077

7. Long-Term Receivable

	2025	2024
Sask Assoc. of Rural Municipalities - Self Insurance Fund		
Other (Specify)		
Total Long-Term Receivables	-	-

8. Debt Charges Recoverable

	2025	2024
Current debt charges recoverable		
Non-current debt charges recoverable		
Total Debt Charges Recoverable	-	-

The Village does not have any debt charges recoverable.

Village of Loon Lake

Notes to the Consolidated Financial Statements
As at December 31, 2025

9. Financial Instruments - Fair Value Disclosures

Financial assets carried at fair value	Fair value hierarchy level Level 1 / 2 / 3	2025		2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Equity instruments quoted in an active market					
Other portfolio investments					
Derivative assets					
Total financial assets carried at fair value		-	-	-	-

Financial liabilities carried at fair value	Fair value hierarchy level Level 1 / 2 / 3	2025		2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Derivative liability					
Total financial liabilities carried at fair value		-	-	-	-

For those instruments measured at cost / amortized cost the carrying value approximates the fair value.

Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category, as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets / liabilities;
- Level 2 - Inputs other than those in Level 1, that are either directly or indirectly observable for the assets or liabilities; and
- Level 3 - Inputs that are not based on observable market data (unobservable inputs).

Fair value is determined by [For each group of financial instrument measured at fair value specify the methods and, when a valuation technique is used, the assumptions (e.g.: prepayment rates, rates of estimated credit losses, interest rates, discount rates) applied in determining fair values for each class of financial assets or financial liabilities. If there has been a change in valuation technique, a government discloses that change and the reasons for making it.]

There were no significant transfers between Fair Value Hierarchy Levels during the period.

Village of Loon Lake

Notes to the Consolidated Financial Statements

As at December 31, 2025

10. Bank Indebtedness

The Village does not have any bank indebtedness.

11. Deferred Revenue

	2024	Restricted Inflows	Revenue Earned	2025
Water deposits	\$ 8,400		-	\$ 9,160
Damage deposits	8,974			10,899
Total Deferred Revenue	\$ 17,374	\$ -	\$ -	\$ 20,059

12. Asset Retirement Obligation

	0	0
Balance, beginning of the year	\$ -	\$ -
Liabilities incurred		
Liabilities settled		
Accretion expense	-	-
Changes in estimated cash flows		
Estimated total liability	-	-

Landfill

The Village does not maintain a waste disposal site.

Asbestos

The Village does not have any assets they are aware of with asbestos and thus no liability has been recorded.

13. Long-Term Debt

a) The debt limit of the municipality is \$734,245. 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)).

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

14. Lease Obligations

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	Payment Amount
2026	-
2027	-
2028	-
2029	-
2030	-
Thereafter	-
Total future minimum lease payments	-
Amounts representing interest at a weighted average rate of _____%	-
Capital Lease Liability	-

The Village does not have any lease obligations.

15. Other Non-financial Assets

	2025	2024
Prepaid expenses	\$ 12,024	\$ 14,891

16. Contingent Liabilities

The village does not have any contingent liabilities.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

17. 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. The municipality's pension expense in 2025 was \$9,801. 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.

Total current service contributions by the municipality to the MEPP in 2025 were \$9,801 (2024 - \$9,025). Total current service contributions by the employees of the municipality to the MEPP in 2025 were \$9,801 (2024 - \$9,025).

At December 31, 2024, the MEPP disclosed an actuarial surplus of \$819,117,000. There was no information available at December 31, 2025.

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

18. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

19. Trusts Administered by the Municipality

The Village does not administer any Trusts.

	<u>Current Year Total</u>	<u>Prior Year Total</u>
Balance - Beginning of Year		
Revenue (<i>Specify</i>)		
Interest revenue		
Expenditure (<i>Specify</i>)		
Balance - End of Year	<u>-</u>	<u>-</u>

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

20. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to *the mayor and council* under the common control of the Council.

Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

21. Contingent Assets

Contingent assets are not recorded in the financial statements.

22. Contractual Rights

The Village does not have any contractual rights.

Village of Loon Lake
Notes to the Consolidated Financial Statements
As at December 31, 2025

23. 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 so doing, cause a loss for the other party. The financial instruments that potentially subject the municipality to credit risk consist of *[financial statement line items impacted, how this risk is mitigated and any changes in exposure to the risk from prior period]*.

The municipalities maximum exposure to credit risk as at December 31 is as follows:

	2025
<i>Municipal taxes receivable</i>	136,505
<i>Trade accounts receivable</i>	3,727
Maximum credit risk exposure	140,232

The municipality has mitigated its exposure to credit risk on financial instruments through *[description of collateral or other means to reduce credit risk by each class of financial instruments]*. At December 31 the municipality held *[description of collateral received]* with a carrying value of *[insert \$]*. *[insert policy for disposing of collateral assets if the items held are not readily converted to cash.]*

At December 31 the following *[insert financial asset category]* were past due but not impaired:

	30 days	60 days	90 days	Over 120
<i>[Financial instrument class #1]</i>				
<i>[Financial instrument class #2]</i>				
Net total	-	-	-	-

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 financial instruments that potentially subject the municipality to liquidity risk consist of *[financial statement line items impacted and how this risk is mitigated and any changes in exposure to the risk from prior period]*.

The following table outlines the maturity analysis of certain non-derivative and derivative financial liabilities as at December 31:

	Total	2025	2026	2027	Post 2027
<i>[Financial liability - e.g.: non-derivative]</i>					
<i>[Financial liability - e.g.: derivative]</i>					
	-	-	-	-	-

Village of Loon Lake
Notes to the Consolidated Financial Statements

As at December 31, 2025

23. Risk Management continued

Market Risk

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The Village undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations. The financial instruments that potentially subject the municipality to liquidity risk consist of accounts payables and accrued liabilities.

Market Risk

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

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 Village is exposed to foreign currency exchange risk on accounts payable in US dollars. This risk is mitigated by minimal purchases in US dollars.

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 investments. The financial instruments that potentially subject the municipality to other price risk consist of Investments. There has been no change in exposure from the prior period.

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Village of Loon Lake

Schedule 1: Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2025

Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	\$ 240,000	\$ 240,000	\$ 237,053
Abatements and adjustments	(3,000)	(908)	(4,249)
Discount on current year taxes	(9,000)	(9,166)	(8,398)
Net Municipal Taxes	228,000	229,926	224,406
Potash tax share			
Trailer license fees			
Penalties on tax arrears	4,500	16,916	9,583
Special tax levy			
Other (Specify)			
Total Taxes	232,500	246,842	233,989
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	84,860	84,859	79,785
Safe Restart			
Other (Specify)			
Total Unconditional Grants	84,860	84,859	79,785
GRANTS IN LIEU OF TAXES			
Federal	17,330		17,326
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services	1,640	1,709	1,643
SaskTel	2,320	2,319	2,319
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	18,820	17,028	18,819
Sask Energy Surcharge	8,790	10,301	8,786
Other (Specify)			
Total Grants in Lieu of Taxes	48,900	31,357	48,893
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 366,260	\$ 363,058	\$ 362,667

Village of Loon Lake
 Schedule 2: Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025

Schedule 2 - 1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 4,400	\$ 5,553	\$ 4,404
- Sales of supplies	2,820	8,262	2,507
- Building permits		1,875	
Total Fees and Charges	7,220	15,690	6,911
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income	35,100	33,596	48,948
- Commissions			
- Other (Evergreen Terrace)			5,000
Total Other Segmented Revenue	42,320	49,286	60,859
Conditional Grants			
- Student Employment			
- MEEP			
- Other (TSS-EMO)	5,000	-	7,590
Total Conditional Grants	5,000	-	7,590
Total Operating	47,320	49,286	68,449
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total General Government Services	47,320	49,286	68,449

PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges		46,153	43,254
- Other (Interest Income)		5,703	7,423
Total Fees and Charges	-	51,856	50,677
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Unconditional grants)		8,250	8,250
Total Other Segmented Revenue	-	60,106	58,927
Conditional Grants			
- Student Employment			
- Local government		3,430	3,430
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	3,430	3,430
Total Operating	-	63,536	62,357
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Protective Services	\$ -	\$ 63,536	\$ 62,357

Village of Loon Lake
 Schedule 2: Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025

Schedule 2 - 2

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 4,500	\$ 7,450	\$ 6,048
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges	4,500	7,450	6,048
- Tangible capital asset sales - gain (loss)	-		1,000
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	4,500	7,450	7,048
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	4,500	7,450	7,048
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue <i>(Specify, if any)</i>			
Total Transportation Services	4,500	7,450	7,048

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	36,000	34,939	35,119
- Other <i>(Evergreen Terrace Rent Income)</i>	115,000	143,374	119,168
- Other <i>(Pet license fees, doctor house rent)</i>	9,900	10,528	12,182
Total Fees and Charges	160,900	188,841	166,469
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	160,900	188,841	166,469
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other (MMSE Recycling)	8,470	8,473	8,473
Total Conditional Grants	8,470	8,473	8,473
Total Operating	169,370	197,314	174,942
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue <i>(Specify, if any)</i>			
Total Environmental and Public Health Services	\$ 169,370	\$ 197,314	\$ 174,942

Village of Loon Lake
 Schedule 2: Schedule of Operating and Capital Revenue by Function
 As at 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 (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services	-	-	-

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Specify)	\$ -	\$ -	\$ 2,160
Total Fees and Charges	-	-	2,160
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	2,160
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (TIPPS)	3,000	-	
Total Conditional Grants	3,000	-	-
Total Operating	3,000	-	2,160
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	\$ 3,000	\$ -	\$ 2,160

Village of Loon Lake
Schedule 2: Schedule of Operating and Capital Revenue by Function
As at December 31, 2025

Schedule 2 - 4

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 135,000	\$ 142,457	\$ 142,416
- Sewer	34,000	34,199	33,867
- Other (On/Off Fee, Lake Charges, Infra.Fee)	38,450	38,682	39,094
Total Fees and Charges	207,450	215,338	215,377
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	207,450	215,338	215,377
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	207,450	215,338	215,377
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	9,240	26,077	9,245
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	9,240	26,077	9,245
Restructuring Revenue (Specify, if any)			
Total Utility Services	216,690	241,415	224,622
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 440,880	\$ 559,001	\$ 539,578

SUMMARY

Total Other Segmented Revenue	\$ 415,170	\$ 521,021	\$ 510,840
Total Conditional Grants	16,470	11,903	19,493
Total Capital Grants and Contributions	9,240	26,077	9,245
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	\$ 440,880	\$ 559,001	\$ 539,578

Village of Loon Lake

Schedule 3: Total Expenses by Function

As at December 31, 2025

Schedule 3 - 1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 9,420	\$ 3,831	\$ 5,170
Wages and benefits			
Professional/Contractual services	112,520	115,381	114,198
Utilities			
Maintenance, materials and supplies	1,700	2,324	1,599
Grants and contributions - operating		150	
- capital			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Interest	60	-	56
Allowance for uncollectible			
Misc			
General Government Services	123,700	121,686	121,023
Restructuring (Specify, if any)			
Total General Government Services	123,700	121,686	121,023

PROTECTIVE SERVICES

Police protection

Wages and benefits			
Professional/Contractual services	27,600	27,513	43,608
Utilities			
Maintenance, material and supplies			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify)			

Fire protection

Wages and benefits		16,701	17,033
Professional/Contractual services	1,160	7,802	2,396
Utilities		2,698	2,058
Maintenance, material and supplies		11,856	14,821
Grants and contributions - operating	1,860	2,609	2,359
- capital			
Amortization of Tangible Capital Assets		6,998	8,895
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			

Protective Services	30,620	76,177	91,170
Restructuring (Specify, if any)			
Total Protective Services	30,620	76,177	91,170

TRANSPORTATION SERVICES

Wages and benefits	93,290	97,819	91,416
Professional/Contractual Services	6,590	5,544	5,665
Utilities	23,840	22,743	22,907
Maintenance, materials, and supplies	101,370	33,953	78,040
Gravel	4,000	2,181	3,015
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets	19,195	19,194	19,194
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			

Transportation Services	248,285	181,433	220,237
Restructuring (Specify, if any)			
Total Transportation Services	\$ 248,285	\$ 181,433	\$ 220,237

Village of Loon Lake
 Schedule 3: Total Expenses by Function
 As at December 31, 2025

Schedule 3 - 2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 30,500	\$ 25,221	\$ 27,283
Professional/Contractual services	47,390	52,260	50,755
Utilities	38,000	35,909	29,116
Maintenance, materials and supplies	49,440	28,240	25,119
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization of Tangible Capital Assets	13,733	13,729	13,729
Amortization of Intangible capital assets			
Interest	60	60	60
Accretion of asset retirement obligation			
Other (Specify)			
Environmental and Public Health Services	179,123	155,420	146,062
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	179,123	155,420	146,062

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual Services	19,040	1,575	394
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Planning and Development Services	19,040	1,575	394
Restructuring (Specify, if any)			
Total Planning and Development Services	19,040	1,575	394

RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	9,440	7,702	9,439
Utilities	10,430	2,802	2,749
Maintenance, materials and supplies	2,250	1,340	2,655
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	22,120	11,844	14,843
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	\$ 22,120	\$ 11,844	\$ 14,843

Village of Loon Lake

Schedule 3: Total Expenses by Function

As at December 31, 2025

Schedule 3 - 3

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	\$ 62,000	\$ 60,244	\$ 58,927
Professional/Contractual services	27,360	25,910	13,821
Utilities	20,295	16,847	19,252
Maintenance, materials and supplies	32,700	44,119	35,925
Grants and contributions - operating - capital			
Amortization of Tangible Capital Assets	55,288	55,284	55,284
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (Specify)			
Utility Services	197,643	202,403	183,209
Restructuring (Specify, if any)			
Total Utility Services	197,643	202,403	183,209
 TOTAL EXPENSES BY FUNCTION	 \$ 820,531	 \$ 750,537	 \$ 776,938

Village of Loon Lake
 Schedule 4: Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 15,690	\$ 51,856	\$ 7,450	\$ 188,841	\$ -	\$ -	\$ 215,338	\$ 479,175
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	33,596	-	-	-	-	-	-	33,596
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	8,250	-	-	-	-	-	8,250
Grants - Conditional	-	3,430	-	8,473	-	-	-	11,903
- Capital	-	-	-	-	-	-	26,077	26,077
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	49,286	63,536	7,450	197,314	-	-	241,415	559,001
Expenses (Schedule 3)								
Wages & Benefits	3,831	16,701	97,819	25,221	-	-	60,244	203,816
Professional/ Contractual Services	115,381	35,315	5,544	52,260	1,575	7,702	25,910	243,686
Utilities	-	2,698	22,743	35,909	-	2,802	16,847	80,999
Maintenance Materials and Supplies	2,324	11,856	36,134	28,240	-	1,340	44,119	124,012
Grants and Contributions	150	2,609	-	-	-	-	-	2,759
Amortization of Tangible Capital Assets	-	6,998	-	13,729	-	-	55,284	95,205
Amortization of Intangible Capital Assets	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	60	-	-	-	60
Allowance for Uncollectible Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	121,686	76,177	181,433	155,420	1,575	11,844	202,403	750,537
Surplus (Deficit) by Function	\$ (72,400)	\$ (12,641)	\$ (173,983)	\$ 41,894	\$ (1,575)	\$ (11,844)	\$ 39,012	\$ (191,537)
Taxes and other unconditional revenue (Schedule 1)								363,058
Net Surplus (Deficit)								\$ 171,522

Village of Loon Lake
 Schedule 5: Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6,911	\$ 50,677	\$ 6,048	\$ 166,469	\$ -	\$ 2,160	\$ 215,377	\$ 447,642
Tangible Capital Asset Sales - Gain	-	-	1,000	-	-	-	-	1,000
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	48,948	-	-	-	-	-	-	48,948
Commissions	-	-	-	-	-	-	-	-
Other Revenues	5,000	8,250	-	-	-	-	-	13,250
Grants - Conditional	7,590	3,430	-	8,473	-	-	-	19,493
- Capital Restructurings	-	-	-	-	-	-	9,245	9,245
Total Revenues	68,449	62,357	7,048	174,942	-	2,160	224,622	539,578
Expenses (Schedule 3)								
Wages & Benefits	5,170	17,033	91,416	27,283	-	-	58,927	199,829
Professional/ Contractual Services	114,198	46,004	5,665	50,755	394	9,439	13,821	240,276
Utilities	-	2,058	22,907	29,116	-	2,749	19,252	76,082
Maintenance Materials and Supplies	1,599	14,821	81,055	25,119	-	2,655	35,925	161,174
Grants and Contributions	-	2,359	-	-	-	-	-	2,359
Amortization of Tangible Capital Assets	-	8,895	19,194	13,729	-	-	55,284	97,102
Amortization of Intangible capital assets	-	-	-	-	-	-	-	-
Interest	56	-	-	60	-	-	-	116
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible Restructurings	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenses	121,023	91,170	220,237	146,062	394	14,843	183,209	776,938
Surplus (Deficit) by Function	\$ (52,574)	\$ (28,813)	\$ (213,189)	\$ 28,880	\$ (394)	\$ (12,683)	\$ 41,413	\$ (237,360)
Taxes and other unconditional revenue (Schedule 1)								362,667
Net Surplus (Deficit)								\$ 125,307

Village of Loon Lake
 Schedule 6: Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2025

	2025						2024			
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Public/Private Partnerships	General/ Infrastructure Assets Under Construction	Total	Total
Assets										
Opening Asset costs	\$ 23,784	\$ 1,307,186	\$ 1,162,700	\$ 130,239	\$ 466,116	\$ 829,420			\$ 3,919,445	\$ 3,914,445
Additions during the year						62,574			62,574	5,000
Disposals and write-downs during the year									-	-
Transfers (from) assets under construction									-	-
Transfer of Capital Assets related to restructuring (Schedule 13)									-	-
Closing Asset Costs	23,784	1,307,186	1,162,700	130,239	466,116	891,994			3,982,019	3,919,445
Amortization										
Accumulated Amortization Cost										
Opening Accumulated Amortization Costs		732,789	739,213	96,267	247,532	658,637			2,474,438	2,377,336
Add: Amortization taken		30,832	12,343	7,046	30,174	14,811			95,205	97,102
Less: Accumulated amortization on disposals									-	-
Transfer of Capital Assets related to restructuring (Schedule 13)									-	-
Closing Accumulated Amortization		763,621	751,556	103,313	277,706	673,448			2,569,643	2,474,438
Net Book Value	\$ 23,784	\$ 543,566	\$ 411,145	\$ 26,926	\$ 188,410	\$ 218,546	\$ -	\$ -	\$ 1,412,376	\$ 1,445,007

- Total contributed/donated assets received in 2025
- List of assets recognized at nominal value in 2025 are:
 - Infrastructure Assets
 - Vehicles
 - Machinery and Equipment
- Amount of interest capitalized in Schedule 6

Village of Loon Lake
 Schedule 7: Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2025

Schedule 7

	2025							2024	
Assets									
Asset cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Opening Asset costs	\$ 553,989	\$ 145,447	\$ 661,392	\$ 106,895		\$ 510,276	\$ 1,941,446	\$ 3,919,445	\$ 3,914,445
Additions during the year			62,574					62,574	5,000
Disposals and write-downs during the year								-	-
Transfer of Capital Assets related to restructuring (Schedule 13)								-	-
Closing Asset Costs	553,989	145,447	723,966	106,895	-	510,276	1,941,446	3,982,019	3,919,445
Amortization									
Accumulated									
Opening Accumulated Amortization Costs	74,881	22,960	479,603	118,297		587,820	1,190,877	2,474,438	2,377,336
Add: Amortization taken		6,998	19,194	13,729			55,284	95,205	97,102
Less: Accumulated amortization on disposals								-	-
Transfer of Capital Assets related to restructuring (Schedule 13)								-	-
Closing Accumulated Amortization Costs	74,881	29,958	498,797	132,026	-	587,820	1,246,161	2,569,643	2,474,438
Net Book Value	\$ 479,108	\$ 115,489	\$ 225,169	\$ (25,131)	\$ -	\$ (77,544)	\$ 695,285	\$ 1,412,376	\$ 1,445,007

Village of Loon Lake
 Schedule 8: Consolidated Schedule of Accumulated Surplus
 As at December 31, 2025

Schedule 10

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	\$ 1,064,465	\$ (23,928)	\$ 1,040,537
APPROPRIATED RESERVES			
Machinery and Equipment			-
Infrastructure	136,286		136,286
Evergreen Terrace	91,213		91,213
Utility	135,436	212,081	347,517
Building, columbarium and library	48,613	16,000	64,613
Total Appropriated	411,548	228,081	639,629
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	1,445,007	(32,631)	1,412,376
Intangible capital assets (Schedule 8, 9)			
Less: Related debt			-
Net Investment in Capital Assets	1,445,007	(32,631)	1,412,376
Accumulated Surplus (Deficit) excluding rereasurement gains (losses)	\$ 2,921,020	\$ 171,522	\$ 3,092,542

Village of Loon Lake
 Schedule 9: Schedule of Mill Rates and Assessments
 As at December 31, 2025

Schedule 11

	PROPERTY CLASS					Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	
Taxable Assessment		\$ 8,021,040			\$ 911,710	\$ 8,932,750
Regional Park Assessment						
Total Assessment						8,932,750
Mill Rate Factor(s)		1.2500			3.7000	
Total Base/Minimum Tax (generated for each property class)		113,450			17,600	131,050
Total Municipal Tax Levy (include base and/or minimum tax and special levies)		\$ 188,667			\$ 51,333	\$ 240,000

MILL RATES:

MILLS

Average Municipal*	26.87
Average School*	4.48
Potash Mill Rate	-
Uniform Municipal Mill Rate	10.00

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

Village of Loon Lake
 Schedule 10: Schedule of Council Remuneration
 As at December 31, 2025

Schedule 12

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Brian Hirschfeld	\$ 840		\$ 840
Councillor	Jon Kemp	715		715
Councillor	Joni Taylor	845		845
Councillor	Mathew Heon	520		520
Councillor	Mindy Lorenz	780		780
Total		\$ 3,700	\$ -	\$ 3,700