

TOWN OF SOURIS
Consolidated Financial Statements
March 31, 2023

TOWN OF SOURIS
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March 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of Souris are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The council met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Souris:

Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Town of Souris

Opinion

We have audited the consolidated financial statements of the Town of Souris (the Town), which comprise the consolidated statement of financial position as at March 31, 2023, 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, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

MRSB Chartered Professional Accountants Inc.

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

September 11, 2023

TOWN OF SOURIS
Consolidated Statement of Financial Position
March 31, 2023

	2023	2022
Financial assets		
Cash and cash equivalents		
Unrestricted cash	\$ 546,078	\$ 555,200
Restricted cash	529,447	736,654
Accounts receivable (Note 3)	646,063	858,114
	1,721,588	2,149,968
Liabilities		
Accounts payable and accrued liabilities	107,650	53,146
Retiring allowances payable	75,655	69,676
Deferred revenue (Note 4)	224,044	340,612
Long term debt (Note 5)	1,109,171	1,353,666
	1,516,520	1,817,100
Net financial assets (Statement 6)	205,068	332,868
Non-financial assets		
Prepaid expense	9,820	9,085
Tangible capital assets (Schedules 1 and 2)	14,225,853	13,665,826
Intangible assets (Note 6)	32,038	-
	14,267,711	13,674,911
Accumulated surplus (Statement 5)	\$ 14,472,780	\$ 14,007,780
Contingent liability (Note 7)		

ON BEHALF OF COUNCIL

_____ *Mayor*

_____ *Councillor*

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Consolidated Statement of Operations
Year Ended March 31, 2023

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Town (Schedule 3)	\$ 1,405,005	\$ 1,617,415	\$ 1,379,743
Sewer (Schedule 5)	334,100	322,991	215,475
Water (Schedule 6)	263,100	258,941	257,325
	<u>2,002,205</u>	<u>2,199,347</u>	<u>1,852,543</u>
Expenditures			
Town (Schedule 3)	1,215,645	1,662,055	1,451,725
Sewer (Schedule 5)	226,288	373,148	330,722
Water (Schedule 6)	240,888	282,321	352,327
	<u>1,682,821</u>	<u>2,317,524</u>	<u>2,134,774</u>
Operating surplus (deficit)	<u>319,384</u>	<u>(118,177)</u>	<u>(282,231)</u>
Other revenues			
Town (Schedule 3)	176,812	462,305	904,591
Sewer (Schedule 5)	-	119,997	2,696,272
Water (Schedule 6)	-	875	478
	<u>176,812</u>	<u>583,177</u>	<u>3,601,341</u>
Annual surplus	496,196	465,000	3,319,110
Accumulated surplus - beginning of year	<u>14,007,780</u>	<u>14,007,780</u>	<u>10,688,670</u>
Accumulated surplus - end of year (Note 9)	<u>\$ 14,503,976</u>	<u>\$ 14,472,780</u>	<u>\$ 14,007,780</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2023

	Budget 2023	Actual 2023	Actual 2022
Annual surplus	\$ 496,196	\$ 465,000	\$ 3,319,110
Purchase of tangible capital assets	(581,000)	(1,062,120)	(4,422,108)
Purchase of intangible assets	-	(32,038)	-
Proceeds on disposal of tangible capital assets	-	-	55,799
Increase in prepaid expense	-	(736)	(5,708)
Amortization of tangible capital assets	-	502,094	452,699
Gain on disposal of tangible capital assets	-	-	(48,389)
	(581,000)	(592,800)	(3,967,707)
Decrease in net financial assets	(84,804)	(127,800)	(648,597)
Net financial assets - beginning of year	332,868	332,868	981,465
Net financial assets - end of year	\$ 248,066	\$ 205,068	\$ 332,868

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Consolidated Statement of Cash Flows
Year Ended March 31, 2023

	2023	2022
Cash flows from operating activities		
Annual surplus	\$ 465,000	\$ 3,319,110
Items not affecting cash:		
Amortization of tangible capital assets	502,094	452,699
Gain on disposal of tangible capital assets	-	(48,389)
	<u>967,094</u>	<u>3,723,420</u>
Changes in non-cash working capital:		
Accounts receivable	212,051	(578,921)
Prepaid expense	(735)	(5,708)
Accounts payable and accrued liabilities	54,503	(202,801)
Retiring allowance payable	5,979	15,358
Deferred revenue	(116,568)	(489,619)
	<u>155,230</u>	<u>(1,261,691)</u>
	<u>1,122,324</u>	<u>2,461,729</u>
Cash flows from capital activities		
Purchase of property and equipment	(1,062,120)	(4,422,108)
Purchase of intangible assets	(32,038)	-
Proceeds on disposal of property and equipment	-	55,799
	<u>(1,094,158)</u>	<u>(4,366,309)</u>
Cash flows from financing activities		
Proceeds from long term debt	859,045	1,023,566
Repayment of long term debt	(1,103,540)	(56,930)
	<u>(244,495)</u>	<u>966,636</u>
Decrease in cash	(216,329)	(937,944)
Cash - beginning of year	1,291,854	2,229,798
Cash - end of year	\$ 1,075,525	\$ 1,291,854
Cash consists of:		
Unrestricted cash	\$ 546,078	\$ 555,200
Restricted cash	529,447	736,654
	<u>\$ 1,075,525</u>	<u>\$ 1,291,854</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

1. DESCRIPTION OF BUSINESS

The Town of Souris (the "Town") was incorporated under the Municipalities Act of Prince Edward Island. The Town is a non-profit organization under the Income Tax Act and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met. Its principal activities include the provision of legal government services to residents of the incorporated area.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements for the Town of Souris have been prepared by management in accordance with Canadian Accounting Standards for the Public Sector.

These consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs and in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the year when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Basis of consolidation

These consolidated financial statements for the Town of Souris reflect the assets, liabilities, revenues, expenditures, and annual surplus of all funds of the Town. The Town is comprised of all organizations and committees that are accountable to the Town for the administration of their financial affairs and resources, and which are owned or controlled by the Town. This includes the Town of Souris Sewer and Water Utility Corporation.

The financial activities of certain entities associated with the Town of Souris are considered to be separate government business enterprises and are not consolidated. These entities include:

Eastern Kings Sportsplex Ltd.

Cash

Cash is comprised of cash on hand and unrestricted and restricted balances on deposit with banks.

Accounts receivable

Accounts receivable arise from sewer dues, rents, government funding, miscellaneous and Harmonized Sales Tax receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

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TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis:

Town:

Storm drains	50 years
Buildings	40 years
Beach development	25 years
Waterfront development	25 years
Sidewalks	25 years
Street improvements	25 years
Sportsfield	20 years
Multi-court development	20 years
Paving	20 years
Fire trucks	20 years
Heavy equipment	20 years
Boardwalk	15 years
Park improvements	15 years
Fencing	15 years
Equipment	15 years
Motor vehicles	10 years
Zodiac boat	10 years
Lawnmower	10 years
Computer equipment	5 years
Computer software	5 years
Signage	5 years
Costume	5 years

Utility:

Water	1.2%, 5%, and 10%
Sewer	1.2%, 5%, and 10%
Buildings	10%
Equipment	10%
Office equipment	10%

Tangible capital assets of the Sewer and Water Utility are stated at cost and amortized using the straight-line method at the following rates as directed by the Island Regulatory and Appeals Commission.

One half of the annual rate is recorded in the year of acquisition for Town tangible capital assets. no amortization is recorded in the year of disposal.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use. At year end, road Infrastructure additions of \$336,794 were not available for use and were not being amortized.

Intangible assets

The intangible assets consist of official plan stated at cost and being amortized on a straight-line basis over their estimated useful lives once all costs have been incurred and the plan approved.

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TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest capitalization

Interest costs relating to major capital projects in progress are capitalized as part of tangible capital assets. Capitalization of interest ceases when the asset is substantially complete and ready for its intended productive use. During the year, \$19,088 of interest was capitalized to the Sewer Treatment Plant.

Impairment of long lived assets

The Town tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Asset Retirement Obligation

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations. As at March 31, 2023, no asset retirement obligations have been identified by management.

Reserves

The reserve funds are credited by specific charges as a direct transfer from or to the funds.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

Employee future benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, retiring allowances, and defined contributions to employee benefit plans when it is probable that settlement will be required and they are capable of being measured reliably.

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TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 in the consolidated financial statements as revenue in the year in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

Revenue recognition

Property tax billings are based on the assessed value of real property in the Town and are payable in each calendar year. Municipal tax rates are reviewed, established, and approved annually by the Town Council. These revenues are recognized when amounts received monthly from the Province.

Sewer and water dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed quarterly and are recognized when billings come due.

The Town follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in surplus. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

Management estimates

The presentation of the consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those reported. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the consolidated statement of operations is subject to management's assessment of the estimated useful life of the Town's tangible capital assets;
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

3. ACCOUNTS RECEIVABLE

	2023	2022
Government funding receivable	\$ 437,438	\$ 656,934
Water and sewer receivables	97,131	78,048
Fiona claim	72,062	-
HST receivable	29,653	64,936
Miscellaneous receivables	12,755	9,065
Insurance proceeds	-	52,107
Allowance for doubtful accounts	(2,976)	(2,976)
	\$ 646,063	\$ 858,114

4. DEFERRED REVENUE

	2023	2022
Canada Community Building Fund	\$ 224,044	\$ 319,922
Active Transportation Fund	-	20,690
	\$ 224,044	\$ 340,612

Under the Canada Community Building Fund, the Town the Town earned interest of \$18,417 and incurred eligible expenditures of \$114,294 for the year then ended March 31, 2023.

5. LONG TERM DEBT

	2023	2022
<u>Town of Souris</u>		
Souris Credit Union Limited - prime; repayable in monthly blended installments of \$1,091. The loan matures on October 15, 2023 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	\$ 38,494	\$ 49,428
Souris Credit Union Limited - prime; repayable in monthly blended installments of \$1,680. The loan matures on August 26, 2026 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	68,005	84,334
Souris Credit Union Limited - prime; repaid during year	-	928,777
	106,499	1,062,539
<u>Sewer and Water Utility Corporation</u>		
Bank of Montreal - 4.06%; repayable in monthly blended installments of \$812. The loan matures on July 31, 2031.	69,826	75,807
Bank of Montreal - 3.54%; repayable in monthly blended installments of \$570. The loan matures on April 30, 2030.	43,661	48,506
Bank of Montreal - prime + 3%; repayable in monthly blended installments of \$493. The loan matures on March 31, 2029.	34,837	37,359

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TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

5. LONG TERM DEBT (continued)

	2023	2022
Souris Credit Union Limited - prime; repayable in monthly blended installments of \$3,920. The loan matures on November 15, 2027 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	545,344	-
Souris Credit Union Limited - prime; repayable in monthly blended installments of \$2,134. The loan matures on April 30, 2033 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	186,237	-
CIBC - 5.42%, repayable in monthly blended installments of \$1,007. The loan matures on February 1, 2028.	122,767	-
CIBC - 3.516%, repaid during year.	-	129,455
	1,002,672	291,127
	\$ 1,109,171	\$ 1,353,666

Principal repayments of long term debt are expected to be repaid over the next five years as follows:

2024	\$ 99,594
2025	64,959
2026	69,074
2027	70,108
2028	539,688
Thereafter	265,748

6. INTANGIBLE ASSETS

	2023	2022
Official plan	\$ 32,038	\$ -
Accumulated amortization	-	-
	\$ 32,038	\$ -

Official plan is still in progress, therefore no amortization has been recorded during the fiscal year.

7. CONTINGENT LIABILITY

A claim has been brought against the Town of Souris regarding a mechanic's lien on property owned by the Town of Souris located at PID 103713. The amount of liability, if any, is undeterminable as of the balance sheet date, and consequently, no amounts have been accrued to the financial statements.

TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

8. GOVERNMENT TRANSFERS FOR CAPITAL

	2023	2022
<u>Town</u>		
Active Transportation Fund	\$ 127,272	\$ 154,604
Canada Community Building Fund	114,295	470,123
Municipal Capital Expenditure Grant	84,653	93,810
ACOA	81,085	93,915
Province of PEI Community Revitalization Program	40,000	37,500
Province of PEI Rural Growth Initiative	14,400	47,500
Province of PEI Heat Pump Rebate Program	600	-
	462,305	897,452
 <u>Sewer</u>		
Investing in Canada Infrastructure Program	105,989	1,820,619
Municipal Capital Expenditure Grant	14,008	291,334
Canada Community Building Fund	-	543,069
	119,997	2,655,022
 <u>Water</u>		
Municipal Capital Expenditure Grant	875	478
	875	478
Total government transfers for capital	\$ 583,177	\$ 3,552,952

9. ACCUMULATED SURPLUS

	2023	2022
Unrestricted surplus	\$ 383,842	\$ 738,360
Reserve funds (Note 9)	972,260	957,260
Investment in tangible capital assets (Note 10)	13,116,678	12,312,160
	\$ 14,472,780	\$ 14,007,780

TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

10. RESERVE FUNDS

	2023	2022
Balance - beginning of year	\$ 957,260	\$ 917,260
Allocation from revenue	350,000	125,000
Reserve expenditures	(335,000)	(85,000)
Balance - end of year	972,260	957,260
 <u>Comprised of:</u>		
Fire Hall	210,000	170,000
Water tank	150,000	-
Sidewalks, streets and storm drains	138,000	138,000
Fire truck	127,160	402,160
Street equipment	110,000	90,000
Rink upgrades and replacement	100,000	-
Alternative Energy	100,000	100,000
Economic Development	24,000	24,000
Town hall	10,000	10,000
Special events	3,100	3,100
Official plan and bylaw review	-	20,000
	972,260	957,260

11. INVESTMENT IN TANGIBLE CAPITAL ASSET

	2023	2022
Tangible capital assets (Schedules 1 and 2)	\$ 22,763,592	\$ 21,701,472
Accumulated amortization (Schedules 1 and 2)	(8,537,743)	(8,035,646)
Long term debt (Note 5)	(1,109,171)	(1,353,666)
	\$ 13,116,678	\$ 12,312,160

12. RATE REGULATION

The Town is subject to rate regulation on the sewer and water utilities provided to residents in Prince Edward Island under the Island Regulatory and Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer and water utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer and water services.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

13. BUDGET FIGURES

A reconciliation of the 2023 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

	2023
Town of Souris budgeted annual surplus	\$ 112,171
Town of Souris Sewer and Water Utility Corporation budgeted annual surplus	35,025
Add: Capital expenditures	581,000
Add: Term debt principal repayments	83,000
Less: Reserve funds	(315,000)
	\$ 496,196

The budget figures provided on Statements 5 and 6 and Schedules 3 - 16 have not been audited or reviewed by the external auditor.

14. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, retiring allowances payable and long term debt.

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of March 31, 2023.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers. In order to reduce its credit risk, the Town reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is exposed to interest rate risk primarily through its floating interest rate credit facilities.

TOWN OF SOURIS
Notes to the Consolidated Financial Statements
Year Ended March 31, 2023

15. SEGMENT DISCLOSURES

The Town is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes, the Town's operations and activities are organized and reported by segment. The major segments are as follows:

General Government

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual consolidated audited financial statements, development of the annual budget, human resource functions for the entire Town, maintenance of bylaws and policies, oversight of public works, maintenance of Town facilities, and administration of Town services.

Fire Department

This segment is responsible for the maintenance and operations of the fire department services provided to residents and other customers.

Water Utility

This segment is responsible for the maintenance and operations of water services provided to residents and other customers.

Sewer Utility

This segment is responsible for the maintenance and operations of sewer services provided to residents and other customers.

TOWN OF SOURIS
Schedules to Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2023

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Town									
Land	\$ 247,738	\$ 69,847	\$ -	\$ 317,585	\$ -	\$ -	\$ -	\$ -	\$ 317,585
Storm drains	781,099	-	-	781,099	293,046	15,623	-	308,669	472,430
Road infrastructure	244,500	92,294	-	336,794	-	-	-	-	336,794
Buildings	2,660,609	41,633	-	2,702,242	1,426,822	65,130	-	1,491,952	1,210,290
Beach development	1,216,167	900	-	1,217,067	318,079	48,682	-	366,761	850,306
Waterfront development	889,867	-	-	889,867	881,423	751	-	882,174	7,693
Sidewalks	930,568	120,356	-	1,050,924	432,296	33,827	-	466,123	584,801
Street improvements	336,169	5,735	-	341,904	319,354	2,245	-	321,599	20,305
Sportsfield	290,951	-	-	290,951	211,247	6,425	-	217,672	73,279
Multicourt development	61,808	-	-	61,808	47,136	838	-	47,974	13,834
Paving	178,450	-	-	178,450	86,092	8,692	-	94,784	83,666
Fire trucks	1,047,716	314,896	-	1,362,612	659,621	49,460	-	709,081	653,531
Heavy equipment	348,160	-	-	348,160	123,811	15,924	-	139,735	208,425
Boardwalk	579,561	172,069	-	751,630	117,972	47,158	-	165,130	586,500
Park improvements	55,539	7,046	-	62,585	28,258	4,173	-	32,431	30,154
Fencing	20,035	-	-	20,035	8,877	1,336	-	10,213	9,822
Equipment	1,097,604	32,325	-	1,129,929	739,454	38,322	-	777,776	352,153
Motor vehicles	60,974	-	-	60,974	30,768	6,097	-	36,865	24,109
Zodiac boat	23,181	-	-	23,181	11,011	2,318	-	13,329	9,852
Lawnmower	25,155	-	-	25,155	22,338	923	-	23,261	1,894
Computer equipment	39,618	22,216	-	61,834	36,409	3,535	-	39,944	21,890

(continues)

Notes 1 to 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedules to Consolidated Financial Statements (continued)
Tangible Capital Assets
Year Ended March 31, 2023

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Computer software	13,149	-	-	13,149	12,846	303	-	13,149	-
Signage	76,556	-	-	76,556	51,857	3,614	-	55,471	21,085
Costume	3,745	-	-	3,745	3,696	49	-	3,745	-
	\$ 11,228,919	\$ 879,317	\$ -	\$ 12,108,236	\$ 5,862,413	\$ 355,425	\$ -	\$ 6,217,838	\$ 5,890,398
Sewer and Water									
Land	\$ 24,289	\$ -	\$ -	\$ 24,289	\$ -	\$ -	\$ -	\$ -	\$ 24,289
Water	2,964,407	9,621	-	2,974,028	886,556	35,898	-	922,454	2,051,574
Sewer	7,204,109	173,180	-	7,377,289	1,141,168	95,743	-	1,236,911	6,140,378
Buildings	112,611	-	-	112,611	108,915	528	-	109,443	3,168
Equipment	145,052	-	-	145,052	14,505	14,505	-	29,010	116,042
Office equipment	22,087	-	-	22,087	22,087	-	-	22,087	-
	\$ 10,472,555	\$ 182,801	\$ -	\$ 10,655,356	\$ 2,173,231	\$ 146,674	\$ -	\$ 2,319,905	\$ 8,335,451
Total	\$ 21,701,474	\$ 1,062,120	\$ -	\$ 22,763,592	\$ 8,035,644	\$ 502,094	\$ -	\$ 8,537,743	\$ 14,225,853

Notes 1 to 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedules to Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2022

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Town									
Land	\$ 247,738	\$ -	\$ -	\$ 247,738	\$ -	\$ -	\$ -	\$ -	\$ 247,738
Storm drains	781,099	-	-	781,099	277,424	15,622	-	293,046	488,053
Road infrastructure	-	244,500	-	244,500	-	-	-	-	244,500
Buildings	2,626,617	33,992	-	2,660,609	1,362,670	64,152	-	1,426,822	1,233,787
Beach development	1,212,317	3,850	-	1,216,167	269,509	48,570	-	318,079	898,088
Waterfront development	889,867	-	-	889,867	880,672	751	-	881,423	8,444
Sidewalks	550,340	380,228	-	930,568	409,462	22,834	-	432,296	498,272
Street improvements	336,169	-	-	336,169	317,338	2,016	-	319,354	16,815
Sportsfield	290,951	-	-	290,951	204,822	6,425	-	211,247	79,704
Multi-court development	61,808	-	-	61,808	46,298	838	-	47,136	14,672
Paving	178,450	-	-	178,450	77,400	8,692	-	86,092	92,358
Fire trucks	915,441	132,275	-	1,047,716	632,521	27,100	-	659,621	388,095
Heavy equipment	288,797	59,363	-	348,160	107,887	15,924	-	123,811	224,349
Boardwalk	448,147	131,414	-	579,561	91,047	26,925	-	117,972	461,589
Park improvements	55,539	-	-	55,539	24,556	3,702	-	28,258	27,281
Fencing	20,035	-	-	20,035	7,542	1,335	-	8,877	11,158
Backhoe	21,177	-	(21,177)	-	13,766	-	(13,766)	-	-
Equipment	983,711	113,893	-	1,097,604	697,411	42,043	-	739,454	358,150
Motor vehicles	60,974	-	-	60,974	24,670	6,098	-	30,768	30,206
Zodiac boat	23,181	-	-	23,181	8,693	2,317	-	11,011	12,170
Lawnmower	25,155	-	-	25,155	20,310	2,028	-	22,338	2,817
Computer equipment	38,248	1,370	-	39,618	34,770	1,639	-	36,409	3,209
Computer software	13,149	-	-	13,149	11,636	1,210	-	12,846	303

(continues)

Notes 1 to 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedules to Consolidated Financial Statements (continued)
Tangible Capital Assets
Year Ended March 31, 2022

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Signage	51,696	24,860	-	76,556	48,108	3,749	-	51,857	24,699
Costume	3,745	-	-	3,745	3,499	197	-	3,696	49
	\$ 10,124,351	\$ 1,125,745	\$ (21,177)	\$ 11,228,919	\$ 5,572,011	\$ 304,167	\$ (13,766)	\$ 5,862,413	\$ 5,366,506
Sewer and Water									
Land	\$ 24,289	\$ -	\$ -	\$ 24,289	\$ -	\$ -	\$ -	\$ -	\$ 24,289
Water	2,959,154	5,253	-	2,964,407	850,389	36,165	-	886,556	2,077,851
Sewer	4,058,049	3,146,060	-	7,204,109	1,047,361	93,807	-	1,141,168	6,062,941
Buildings	112,611	-	-	112,611	104,865	4,050	-	108,915	3,696
Equipment	63,532	145,052	(63,532)	145,052	63,532	14,505	(63,532)	14,505	130,547
Office equipment	22,087	-	-	22,087	22,087	-	-	22,087	-
	\$ 7,239,722	\$ 3,296,365	\$ (63,532)	\$ 10,472,555	\$ 2,088,234	\$ 148,527	\$ (63,532)	\$ 2,173,231	\$ 8,299,324
Total	\$ 17,364,073	\$ 4,422,108	\$ (84,709)	\$ 21,701,472	\$ 7,660,245	\$ 452,699	\$ (77,298)	\$ 8,035,646	\$ 13,665,826

Notes 1 to 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Statement of Operations - Town
Year Ended March 31, 2023

(Schedule 3)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Municipal taxes	\$ 807,119	\$ 888,628	\$ 797,488
Municipal grant	242,586	286,767	230,962
Fire dues	202,000	206,748	202,429
Fiona claims	-	72,063	-
Interest	15,000	41,220	32,176
Matthew MacLean building rent	40,000	40,114	41,914
Miscellaneous	33,500	29,267	20,092
Beachfront rentals	25,000	20,600	23,500
Sportsplex contribution	12,000	10,934	11,721
Fines	14,000	9,562	7,376
Rent	3,600	3,600	3,600
Music in the Park	2,500	2,600	2,400
Newsletter	3,000	2,275	2,418
License fees	1,500	1,495	1,015
Souvenir sales	3,000	1,454	2,519
History book sales	200	88	133
	1,405,005	1,617,415	1,379,743
Expenditures			
Amortization of tangible capital assets	-	355,421	304,169
Economic Development (Schedule 4)	1,500	-	-
Emergency Measures Operations (Schedule 4)	1,500	1,452	619
Fire Department (Schedule 4)	116,500	118,906	102,927
Fire protection water supply	85,000	117,431	82,476
Gateway Park (Schedule 4)	40,055	43,417	35,967
General Administration (Schedule 4)	249,595	246,556	211,106
Improvement and Beautification (Schedule 4)	25,500	26,581	21,270
Information Technology (Schedule 4)	8,800	8,209	5,962
Matthew MacLean Building (Schedule 4)	37,555	38,401	37,725
Police Protection	105,000	105,303	98,287
Public Property (Schedule 4)	30,860	34,645	28,698
Publicity and Town Promotion (Schedule 4)	51,750	48,680	42,116
Recreation and Youth (Schedule 4)	26,200	18,996	15,147
Seniors grant	1,500	900	1,000
Streets and Sidewalks (Schedule 4)	430,180	497,019	463,931
Tourism (Schedule 4)	4,150	138	325
	1,215,645	1,662,055	1,451,725
Operating surplus (deficit)	189,360	(44,640)	(71,982)
Other revenues			
Government transfers for capital (Note 8)	176,812	462,305	897,452
Gain on disposal of tangible capital assets	-	-	7,139
	176,812	462,305	904,591
Annual surplus	\$ 366,172	\$ 417,665	\$ 832,609

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedule of Expenditures - Town
Year Ended March 31, 2023

(Schedule 4)

	Budget 2023	Actual 2023	Actual 2022
Economic Development			
Economic development	\$ 1,500	\$ -	\$ -
	<u>1,500</u>	<u>-</u>	<u>-</u>
Emergency Measures Operations			
Policy updates and training	1,000	1,452	619
Presentation	500	-	-
	<u>1,500</u>	<u>1,452</u>	<u>619</u>
Fire Department			
Advertising	1,000	1,181	209
Electricity	7,500	5,739	5,981
Firehall - fuel	5,000	7,142	3,782
Firehall - maintenance	5,600	2,697	3,569
Firemen's life insurance	4,600	4,468	4,160
Firemen's recreation	7,000	5,586	4,827
Fire truck - fuel	4,000	3,836	2,654
Fire truck - maintenance	9,000	15,192	6,148
Licenses and fees	4,000	2,292	3,403
Monitor repairs and maintenance	1,000	463	466
Phone system	4,300	3,253	2,914
Supplies and maintenance	18,000	16,149	23,797
Telephone	2,700	2,734	2,934
Training	10,000	11,319	2,505
Wages	32,000	36,095	35,075
Water and sewer	800	654	503
Property tax	-	106	-
	<u>116,500</u>	<u>118,906</u>	<u>102,927</u>
Gateway Park			
Electricity and internet	6,500	4,409	6,381
Garbage removal	3,000	2,508	2,035
Insurance	2,400	2,323	2,395
Maintenance and supplies	11,000	10,994	8,739
Maintenance wages	16,500	22,529	15,914
Water and sewer	655	654	503
	<u>40,055</u>	<u>43,417</u>	<u>35,967</u>

(continues)

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedule of Expenditures - Town *(continued)*
Year Ended March 31, 2023

(Schedule 4)

	Budget 2023	Actual 2023	Actual 2022
General Administration			
Advertising	2,500	2,572	4,388
Bank charges	150	127	661
Bookkeeper salary	5,570	5,474	4,702
Bylaw enforcement officer	12,500	12,480	12,480
Council and administrative travel	3,000	2,170	1,811
Council honoraria	20,000	18,381	18,590
Donations	8,000	4,481	3,900
Election	-	521	-
Employee benefits	8,500	11,874	9,050
Events coordinator	48,800	45,569	43,845
Federation fees	2,700	2,625	2,638
Federation meeting	500	693	297
Generator	1,000	2,534	757
Hospitality	2,000	2,261	2,169
Insurance	22,000	18,530	19,198
Mayor's expense	1,000	665	224
Office and supplies	7,000	9,156	6,839
Professional fees	14,000	9,661	7,820
Retiring allowance	8,800	2,082	833
Scholarships	1,200	1,200	200
Seniors development	10,000	-	6,881
Staff training	1,000	-	855
Sundry	2,000	1,941	1,639
Telephone	4,575	4,458	4,193
Town administrator salary and benefits	59,400	59,571	56,412
Unightly premises	-	24,818	-
Workers compensation	3,400	2,712	724
	249,595	246,556	211,106
Improvement and Beautification			
Flowers and trees	2,500	1,405	2,185
Flower bed planting and maintenance	23,000	25,176	19,085
	25,500	26,581	21,270
Information Technology			
Computer repairs and website maintenance	1,000	2,617	1,001
Computer training staff/council	800	-	-
Miscellaneous	2,000	1,055	974
Sharepoint system	4,000	4,537	3,987
Software	1,000	-	-
	8,800	8,209	5,962

(continues)

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedule of Expenditures - Town (continued) **(Schedule 4)**
Year Ended March 31, 2023

	Budget 2023	Actual 2023	Actual 2022
Matthew MacLean Building			
Electricity	12,000	11,748	11,168
Elevator maintenance and inspection	1,000	579	628
Garbage removal	2,500	2,427	2,427
Insurance	6,000	5,473	5,908
Janitor	5,500	3,628	4,627
Maintenance and repairs	6,000	10,049	8,631
Property tax	3,900	3,843	3,833
Water and sewer	655	654	503
	<u>37,555</u>	<u>38,401</u>	<u>37,725</u>
Public Property			
Alarm monitoring	800	446	671
Electricity	6,300	6,993	6,910
Elevator maintenance contract	3,000	3,197	3,097
Fuel	6,500	9,080	8,336
Property tax	3,500	3,262	3,237
Repairs and maintenance	10,000	11,013	5,944
Water and sewer	760	654	503
	<u>30,860</u>	<u>34,645</u>	<u>28,698</u>
Publicity and Town Promotion			
Beach sign electricity	1,350	1,407	664
Canada Day	14,000	10,823	11,231
Christmas parade	4,500	6,352	4,984
Event advertisements	500	344	-
Float construction and decorations	2,500	1,018	765
Home lighting contest	700	500	700
Music in the Park	3,800	2,190	2,875
Newsletter	1,500	1,257	1,144
Other events	9,500	7,619	3,671
Queen's Jubilee	2,400	5,866	-
Seaglass festival	4,000	8,756	6,909
Souvenirs	7,000	2,548	9,173
	<u>51,750</u>	<u>48,680</u>	<u>42,116</u>
Recreation and Youth			
Eastern Kings Sportsplex water and sewer	2,500	1,633	1,052
Maintenance, repairs and electricity	4,200	6,333	4,062
Miscellaneous	1,000	94	794
Playground and sports equipment	3,000	986	3,071
Property tax	2,500	1,983	2,469
Recreation grants	3,000	2,225	1,500
Sundry events	10,000	5,742	2,199
	<u>26,200</u>	<u>18,996</u>	<u>15,147</u>

(continues)

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedule of Expenditures - Town *(continued)*
Year Ended March 31, 2023

(Schedule 4)

	Budget 2023	Actual 2023	Actual 2022
Streets and Sidewalks			
Backhoe, holder and dump truck fuel	11,000	12,955	10,432
Backhoe maintenance	2,400	440	527
EDA and casual wages	12,000	9,876	2,259
Electricity	52,000	49,625	49,202
Fiona	-	44,781	-
Garage maintenance and repairs	5,000	5,533	4,797
Garbage cans and disposal	4,000	2,767	2,789
Holder maintenance	30,000	40,242	40,569
Ice control	18,000	23,022	18,331
Interest on long term debt	3,700	3,833	1,339
Lawnmower supplies and maintenance	3,500	6,809	3,809
Maintenance and repairs	15,000	23,457	26,406
Paving and patching	70,000	63,273	106,603
Plowing and sanding streets	102,080	118,617	100,175
Salaries and benefits	57,500	69,528	65,498
Sidewalk replacement and repairs	15,000	903	53
Sidewalk salting and sanding	1,000	880	413
Street decorations	5,000	2,578	3,561
Street signs and advertising	2,000	163	529
Staff overtime	14,000	13,646	18,970
Tree removal	1,000	-	715
Truck maintenance	6,000	4,091	6,954
	430,180	497,019	463,931
Tourism			
Advertising	4,150	138	325
	4,150	138	325

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Statement of Operations - Sewer
Year Ended March 31, 2023

(Schedule 5)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Sewer rates			
Domestic sewer	\$ 224,000	\$ 191,510	\$ 139,286
Metered sewer	109,000	108,899	75,264
Government transfers for operations	-	21,427	-
Connection fees and interest	1,100	1,155	925
	<u>334,100</u>	<u>322,991</u>	<u>215,475</u>
Expenditures			
Administration			
Amortization of tangible capital assets	-	103,259	103,085
Council fees	100	4,949	5,005
Insurance	2,500	2,512	2,405
Island Regulatory and Appeals Commission	2,600	550	2,814
Office	6,425	4,941	3,870
Professional fees	3,250	2,191	2,226
Property tax	800	825	791
Rent	1,800	1,800	1,800
Telephone	425	513	463
Wages and wage levies	42,100	42,615	51,689
	<u>60,000</u>	<u>164,155</u>	<u>174,148</u>
Operating			
Backhoe	1,000	6,015	4,571
Electricity	44,000	37,886	38,082
Fuel	500	-	-
Garage			
Fuel	2,000	2,634	2,399
Insurance	1,000	1,008	975
Property tax	450	572	416
Repairs	250	322	181
Utilities	1,800	1,636	1,790
Water and sewer	328	245	189
Repairs and maintenance	31,000	49,361	20,787
Supplies	1,000	468	958
Wages, travel allowance and benefits	77,960	70,418	66,676
	<u>161,288</u>	<u>170,565</u>	<u>137,024</u>
Other			
Interest on advances from the Town of Souris	-	16,011	13,875
Interest on long term debt	5,000	22,417	5,675
	<u>5,000</u>	<u>38,428</u>	<u>19,550</u>
	<u>226,288</u>	<u>373,148</u>	<u>330,722</u>
Operating surplus (deficit)	<u>107,812</u>	<u>(50,157)</u>	<u>(115,247)</u>
Other revenues			
Government transfers for capital (Note 8)	-	119,997	2,655,022
Gain on disposal of tangible capital assets	-	-	41,250
	<u>-</u>	<u>119,997</u>	<u>2,696,272</u>
Annual surplus	<u>\$ 107,812</u>	<u>\$ 69,840</u>	<u>\$ 2,581,025</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Statement of Operations - Water
Year Ended March 31, 2023

(Schedule 6)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Fire protection and water supply	\$ 85,000	\$ 117,431	\$ 82,476
Water rates			
Domestic	74,000	71,940	63,208
Metered	103,500	68,775	58,969
Interest	600	795	565
Insurance proceeds	-	-	52,107
	<u>263,100</u>	<u>258,941</u>	<u>257,325</u>
Expenditures			
Administration			
Amortization of tangible capital assets	-	43,414	45,445
Council fees	100	4,949	5,005
Dues and fees	125	102	181
Insurance	2,500	2,512	2,405
Island Regulatory and Appeals Commission	2,600	550	2,814
Office	6,300	4,839	3,870
Professional fees	3,250	2,191	2,226
Property tax	800	825	791
Rent	1,800	1,800	1,800
Telephone	425	513	463
Wages and wage levies	42,100	42,615	40,706
	<u>60,000</u>	<u>104,310</u>	<u>105,706</u>
Operating			
Backhoe	1,000	6,015	4,571
Electricity	45,000	37,335	35,364
Garage			
Fuel	2,000	2,634	2,399
Insurance	1,000	1,008	975
Property tax	450	572	416
Repairs	250	322	181
Utilities	1,800	1,636	1,790
Water and sewer	328	245	189
Repairs and maintenance	45,100	32,788	114,507
Supplies	1,000	468	958
Wages, travel allowance and benefits	77,960	70,418	65,721
	<u>175,888</u>	<u>153,441</u>	<u>227,071</u>
Other			
Interest on advances from the Town of Souris	-	16,011	13,875
Interest on long term debt	5,000	8,559	5,675
	<u>5,000</u>	<u>24,570</u>	<u>19,550</u>
	<u>240,888</u>	<u>282,321</u>	<u>352,327</u>
Operating surplus (deficit)	<u>22,212</u>	<u>(23,380)</u>	<u>(95,002)</u>
Other revenues			
Government transfers for capital (Note 8)	-	875	478
Annual surplus (deficit)	<u>\$ 22,212</u>	<u>\$ (22,505)</u>	<u>\$ (94,524)</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedules to Consolidated Financial Statements (Schedule 7)
Segment Disclosures
Year Ended March 31, 2023

	Town	Sewer	Water	Elimination	Consolidated 2023
Revenues					
Property taxes	\$ 888,628	\$ -	\$ -	\$ -	\$ 888,628
Equalization grant	286,767	-	-	-	286,767
Fire dues	206,748	-	-	-	206,748
Matthew MacLean building rent	40,114	-	-	-	40,114
Other	122,404	1,155	-	(3,600)	119,959
Interest	41,220	-	795	(32,022)	9,993
Beachfront rentals	20,600	-	-	-	20,600
Sportsplex contribution	10,934	-	-	-	10,934
Sewer	-	300,409	-	(2,970)	297,439
Water	-	-	140,715	(1,115)	139,600
Fire protection and water supply	-	-	117,431	(117,431)	-
	1,617,415	301,564	258,941	(157,138)	2,020,782
Expenditures					
Salaries and benefits	297,337	117,982	117,982	-	533,301
Goods and services	1,001,155	113,479	96,355	(125,116)	1,085,873
Amortization of tangible capital assets	355,421	103,259	43,414	-	502,094
Interest	3,960	38,428	24,570	(32,022)	34,936
	1,657,873	373,148	282,321	(157,138)	2,156,204
Operating surplus (deficit)	(40,458)	(71,584)	(23,380)	-	(135,422)
Other revenues	462,305	141,424	875	-	604,604
Annual surplus (deficit)	\$ 421,847	\$ 69,840	\$ (22,505)	\$ -	\$ 469,182

Notes 1 to 15 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Schedules to Consolidated Financial Statements (Schedule 8)
Segment Disclosures
Year Ended March 31, 2022

	Town	Sewer	Water	Elimination	Consolidated 2022
Revenues					
Property taxes	\$ 797,488	\$ -	\$ -	\$ -	\$ 797,488
Equalization grant	230,962	-	-	-	230,962
Fire dues	202,429	-	-	-	202,429
Matthew MacLean building rent	41,914	-	-	-	41,914
Interest	32,176	-	565	(27,750)	4,426
Other	39,553	925	52,107	(3,600)	88,985
Government transfer for operations	-	-	-	-	88,985
Beachfront rentals	23,500	-	-	-	4,426
Sportsplex contribution	11,721	-	-	-	11,721
Sewer	-	214,550	-	(2,025)	212,525
Water	-	-	122,177	(914)	121,263
Fire protection and water supply	-	-	82,476	(82,476)	-
	<u>1,379,743</u>	<u>215,475</u>	<u>257,325</u>	<u>(116,765)</u>	<u>1,735,778</u>
Expenditures					
Salaries and benefits	271,872	123,370	111,432	-	506,674
Goods and services	873,684	84,717	175,900	(89,015)	1,045,286
Amortization of tangible capital assets	304,169	103,085	45,445	-	452,699
Interest	2,000	19,550	19,550	(27,750)	13,350
	<u>1,451,725</u>	<u>330,722</u>	<u>352,327</u>	<u>(116,765)</u>	<u>2,018,009</u>
Operating surplus (deficit)	<u>(71,982)</u>	<u>(115,247)</u>	<u>(95,002)</u>	<u>-</u>	<u>(282,231)</u>
Other revenues	904,591	2,696,272	478	-	3,601,341
Annual surplus (deficit)	<u>\$ 832,609</u>	<u>\$ 2,581,025</u>	<u>\$ (94,524)</u>	<u>\$ -</u>	<u>\$ 3,319,110</u>

Notes 1 to 15 are an integral part of these consolidated financial statements