TOWN OF HAFFORD

Financial Statements

Year Ended December 31, 2025

Elizabeth M Torrens
CPA PROFESSIONAL CORPORATION

Management's Responsibility for Financial Reporting

The financial statements of Town of Hafford have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Town of Hafford's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Council is responsible for ensuring that management fulfills its responsibility for financial reporting. These responsibilities are fulfilled by the Council through the review the financial information prepared by management and discussion of relevant matters with the external auditors. The Council is responsible for the engagement or re-appointment of the external auditor.

Elizabeth M. Torrens CPA Professional Corporation, an independent auditor, has been appointed by the Municipal Council to audit and express an opinion on the Municipality's financial statements. The external auditor has full and free access to Council and management. The Independent Auditor's Report is addressed to the Council and appears on the following page.

Victoria Moses, Mayor

Devan Shorrock, Administrator

Hafford Saskatchewan
June 16, 2026

Elizabeth M Torrens
CPA PROFESSIONAL CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Town of Hafford

Opinion

I have audited the financial statements of Town of Hafford (the Town), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, comprehensive income and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises (ASPE).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Town in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, 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 Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

(continues)

- 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

Elizabeth M Torrens.

Borden, Saskatchewan
June 16, 2026

ELIZABETH M TORRENS CPA PROFESSIONAL CORPORATION

Municipality of **Town of Hafford**
Statement 1: Consolidated Statement of Financial Position
As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	910,863	772,280
Investments (Note 3)	-	-
Taxes Receivable - Municipal (Note 4)	139,727	187,838
Other Accounts Receivable (Note 5)	67,738	66,292
Assets Held for Sale (Note 6)	10,070	22,625
Long-Term Receivable (Note 7)	3,213	3,041
Debt Charges Recoverable (Note 8)	-	-
Derivative Assets *[if applicable]* (Note 9)	-	-
Other (Specify) Loan receivable	87,755	87,755
Total Financial Assets	1,219,366	1,139,831
LIABILITIES		
Bank Indebtedness (Note 10)		
Accounts Payable	33,298	22,268
Accrued Liabilities Payable		
Derivative Liabilities *[if applicable]* (Note 9)	-	-
Deposits	27,690	24,430
Deferred Revenue (Note 11)	-	-
Asset Retirement Obligation (Note 12)	-	-
Liability for Contaminated Sites (Note 13)	31,000	31,000
Infrastructure Liability *[if applicable]* (Note 27)		
Other Liabilities	9,331	(41)
Long-Term Debt (Note 14)	-	-
Lease Obligations (Note 15)		
Total Liabilities	101,319	77,657
NET FINANCIAL ASSETS (DEBT)	1,118,047	1,062,174
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	559,765	605,047
Intangible Capital Assets [*if applicable*](Schedule 8, 9)	-	-
Prepayments and Deferred Charges	62,195	7,092
Stock and Supplies		
Other (Note 16)		
Total Non-Financial Assets	621,960	612,139
ACCUMULATED SURPLUS (DEFICIT)	**1,740,007**	**1,674,313**
Accumulated surplus is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	1,740,007	1,674,313
Accumulated remeasurement gains (losses) (Statement 5)	-	-

Unrecognized Assets (Note 1 m)
Contingent Assets (Note 22)
Contractual Rights (Note 23)
Contingent Liabilities (Note 17)
Contractual Obligations and Commitments (Note 24)

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

Municipality of **Town of Hafford**
Statement 2: Consolidated Statement of Operations
As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	437,565	426,955	424,502
Other Unconditional Revenue (Schedule 1)	124,065	124,065	116,589
Fees and Charges (Note 28 (*if applicable)* , Schedule 4, 5)	305,342	322,477	299,780
Conditional Grants (Note 28 *(if applicable)* , Schedule 4, 5)	17,483	12,674	9,374
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Intangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	18,902	-	-
Investment Income (Note 3) (Schedule 4, 5)	6,500	2,528	7,092
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Note 25 *(if applicable)* , Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	26,330	25,792	25,692
Total Revenues	**936,187**	**914,491**	**883,029**
EXPENSES			
General Government Services (Schedule 3)	177,068	205,799	163,878
Protective Services (Schedule 3)	57,735	52,563	46,162
Transportation Services (Schedule 3)	287,692	268,880	223,331
Environmental and Public Health Services (Schedule 3)	110,153	93,585	104,084
Planning and Development Services (Schedule 3)	7,440	1,934	435
Recreation and Cultural Services (Schedule 3)	40,955	41,033	30,853
Utility Services (Schedule 3)	257,719	185,003	211,929
Restructurings (Note 25 *(if applicable)* , Schedule 3)	-	-	-
Total Expenses	**938,762**	**848,797**	**780,672**
Annual Surplus (Deficit) of Revenues over Expenses	**(2,575)**	**65,694**	**102,357**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	1,674,313	1,674,313	1,571,956
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	**1,671,738**	**1,740,007**	**1,674,313**

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

Municipality of **Town of Hafford**
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	(2,575)	65,694	102,357
(Acquisition) of tangible capital assets		(18,270)	(25,673)
Amortization of tangible capital assets	65,160	63,553	61,356
Amortization of intangible capital assets			
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets	(18,902)	-	-
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	**46,258**	**45,283**	**35,683**
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(55,104)	45,910
Consumption of supplies inventory			
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	**-**	**(55,104)**	**45,910**
Unrealized remeasurement gains (losses)		**-**	**-**
Increase/Decrease in Net Financial Assets	**43,683**	**55,873**	**183,950**
Net Financial Assets (Debt) - Beginning of Year	1,062,174	1,062,174	878,224
Net Financial Assets (Debt) - End of Year	**1,105,857**	**1,118,047**	**1,062,174**

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

Municipality of **Town of Hafford**
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	65,694	102,357
Amortization of tangible capital assets	63,556	61,359
Amortization of intangible capital assets	-	-
Loss (gain) on disposal of tangible capital assets	-	-
Loss (gain) on disposal of intangible capital assets	-	-
	129,250	163,716
Change in assets/liabilities		
Taxes Receivable - Municipal	48,111	(50,712)
Other Receivables	(1,618)	(14,709)
Assets Held for Sale	12,555	(11,226)
Other Financial Assets	-	
Accounts and Accrued Liabilities Payable	11,030	5,784
Derivative Liabilities *[if applicable]*	-	
Deposits	3,260	2,200
Deferred Revenue	-	
Asset Retirement Obligation	-	
Liability for Contaminated Sites	-	
Infrastructure Liability *[if applicable]*	-	
Other Liabilities	9,372	
Stock and Supplies	-	
Prepayments and Deferred Charges	(55,103)	45,907
Other (Specify)	168	2,417
Cash provided by operating transactions	**157,025**	**143,377**
Capital:		
Acquisition of capital assets	(18,270)	(25,673)
Proceeds from the disposal of capital assets	-	-
Cash applied to capital transactions	**(18,270)**	**(25,673)**
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	
Proceeds on disposal of investments		
Decrease (increase) in investments	(172)	(284)
Cash provided by (applied to) investing transactions	**(172)**	**(284)**
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	**138,583**	**117,420**
Cash and Cash Equivalents	772,280	654,860
Cash and Cash Equivalents - End of Year	**910,863**	**772,280**
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	910,863	772,280
Less: restricted portion of cash and cash equivalents (Note 2)	-	-
Temporary bank indebtedness		
	910,863	**772,280**

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

Municipality of **Please Fill in Municipality Name**
Statement 5: Consolidated Statement of Remeasurement Gains and Losses
As at December 31, 2025

Statement 5

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

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

Municipality of **Town of Hafford**
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
[Local arena board]
[Local swimming pool]
[For any internally restricted entities, provide a general description of the nature of the internal restriction.]

All inter-organizational transactions and balances have been eliminated.

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

Partnership # 1 (consolidated %) (2021 – consolidated %) -(proportionate consolidation or modified equity method).
Partnership # 1 (consolidated %) (2021 – consolidated %) -(proportionate consolidation or modified equity method).

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.

1. Significant Accounting Policies - continued

e) **Revenue -** *[Revenue source(s)]* from transactions with no performance obligations is recognized as revenue *[insert the basis for accounting being used and any specific policies applied including timing of recognition for each revenue line item; as well as, whether the revenue stream(s) referenced are recurring or non-recurring in nature*].

For Revenue items with related performance obligations:
[Revenue source(s)] is recorded as revenue [*insert the basis for accounting being used and any specific policies applied including timing of recognition and related performance obligation for each revenue line item; as well as, whether the revenue stream(s) referenced are recurring in nature.]*

E.g.: Contracts are recorded as revenue as the service or contract activity is performed, provided that at the time of performance ultimate collection is reasonably assured. If payment is not received at the time the service or contract activity is performed, accounts receivable will be recorded.

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

For each performance obligation, the 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 complete.

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 10.

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.

[*If applicable:*
The municipality has elected to measure other specific instruments at fair value, to correspond with how they are evaluated and managed. As follows:
- *List any financial instruments elected to be measured at fair 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.

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

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

Long-term 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:

Financial Statement line item	Measurement
Cash & Cash Equivalents	[*Insert measurement basis; e.g.* : Cost and amortized cost]
Investments	*[Insert measurement basis; e.g.* Fair value and cost/amortized cost]
Other Accounts Receivable	[*Insert measurement basis; e.g.* : Cost and amortized cost]
Long term receivable	[*Insert measurement basis* ; e.g. Amortized cost]
Debt Charges Recoverable	[*Insert measurement basis* ; e.g. Amortized cost]
Bank Indebtedness	[*Insert measurement basis* ; e.g. Amortized cost]
Accounts payable and accrued liabilities	[*Insert measurement basis; e.g.* Cost]
Deposit liabilities	*[Insert measurement basis; e.g.* Cost]
Long-Term Debt	*[Insert measurement basis; e.g.* Amortized 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.

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:

Asset	***Useful Life***
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	(*Insert*)
Road Network Assets	(*Insert*)

[If method other than straight line used the method must be separately disclosed]

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.

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.

Key estimation techniques used are as follows; *[insert key estimates made including the basis for such]* . (For reference key estimation techniques may include independent market appraisals, relevant past transactions or quotes generated by other bidders). Key assumptions also include *[insert key assumptions made including the basis for such]* .

[If applicable: If the prescribed discount rates per PS 3160.55-.56 were determined unavailable and an alternative discount rate was used to calculate the finance charge embedded in the financial liability, include an explanation of why the prescribed discount rates were determined to be unavailable : The municipality has utilized a discount rate of [rate] to reflect financing charges that are inherent in existing public private partnerships. The reason that this rate was applied in lieu of the implicit contract rate, weighted cost of capital or [private sector partner]'s cost of capital is [insert reason].]

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.

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.
Include if there are materially significant measurement uncertainties associated with revenues:
The municipality is subject to material uncertainties specifically pertaining to *[revenue source].* These estimates along with their corresponding assumptions are monitored for continued accuracy on an ongoing basis. Further details regarding these uncertainties have been detailed as applicable below.

[For each uncertainty the nature must be disclosed in conjunction with any applicable amounts or associated timings. Such uncertainty may pertain to identifying performance obligations, determining the transaction price or difficulties defining when the performance obligations are ultimately satisfied. Ultimately the level of detailed needs to be shaped by the usefulness of the information to the user's interpretation of the financial statements].

Include if there are materially significant measurement uncertainties associated with public private partnerships:
The municipality is subject to material uncertainties specifically pertaining to [*infrastructure asset / liability*]. These estimates along with their corresponding assumptions are monitored for continued accuracy on an ongoing basis. Further details regarding these uncertainties have been detailed as applicable below.

[For each uncertainty the nature must be disclosed in conjunction with any applicable amounts or associated timings. Such uncertainty may pertain to significant terms of the arrangement such as minimum guarantees, renegotiations, repricing, deductions related to non-performance, etc. Ultimately the level of detailed needs to be shaped by the usefulness of the information to the user's interpretation of the financial statements].

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.

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 *[insert approval date]* .

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.

1. Significant Accounting Policies - continued

w) **Loan Guarantees:** The municipality provides loan guarantees for various (describe) organizations, which are not consolidated as part of the municipality's Statements. As the guarantees represent potential financial commitments for the municipality, these amounts are considered as contingent liabilities and not formally recognized as liabilities until the municipality considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The municipality monitors the status of the organizations, loans, and lines of credit annually and in the event that payment by the municipality is likely to occur, a provision will be recognized in the Statements.

x) *[Only include this section if applicable; otherwise, remove prior to final presentation.]*

Intangible capital assets: Identifiable intangible capital assets are initially recorded at *[insert basis for measurement*], less accumulated amortization and any accumulated impairment losses. Purchased intangibles are recognized as non-financial assets in the financial statements.

The carrying value of identifiable intangible capital assets with finite lives are amortized over the asset's useful life.

Asset	***Useful Life***
[List intangible capital asset and useful life]	

1. Significant Accounting Policies - continued

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

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

[Include only one of the relevant transitional provision provided below; i.e.: Retroactive or Prospective. ***Provisions not used can be removed for final presentation*** *.]*

PSG-8, Purchased intangibles, provides guidance on accounting for and reporting on purchased intangible capital assets. It provides clarity on the recognition criteria, along with instances of assets that would not meet the definition of such. Application may be made either retroactively or prospectively in accordance with PS 2120 Accounting Changes.

[Include only one of the relevant transitional provision provided below; i.e.: Retroactive or Prospective. ***Provisions not used can be removed for final presentation*** *.]*

PS 3160, Public private partnerships, a new standard establishing guidance on how to account for and report on partnerships between public and private sector entities. Specifically those in which the entity in the public sector procures infrastructure in conjunction with a private sector entity. In these scenarios the private sector entity must have obligations to design, build, acquire or improve existing infrastructure. Furthermore they must also finance the transaction past the point in which the asset is initially ready for use along with operating and/or maintaining such on an ongoing basis. The standard may be applied either retroactively (with or without prior period restatement) or prospectively.

[The provisions provided below are to be inserted above as applicable. Any provisions that are not used can be removed for final presentation.]

Prospective application: During the year, the municipality [changed its accounting policy *or* adopted a new acccounting policy] with respect to (*provide a description and details of the accounting policy*). The municipality now accounts for such transactions *(describe new accounting policy).* Prior to this, the municipality accounted for these transactions *(describe old accounting policy/treatment*). The [change in *or* adoption of] accounting policy has impacted the municipality's consolidated financial statements as follows: *(describe impact on current amounts)* .

Retroactive with restatement of prior period comparatives: During the year, the municipality [changed its accounting policy *or* adopted a new accounting policy] with respect to (*provide a description and details of the accounting policy*). The municipality now accounts for such transactions (*describe new accounting policy*). Prior to this change, the municipality accounted for these transactions (*describe old accounting policy/treatment*). The municipality believes the new policy provides a fair presentation of the results and the financial position of the municipality. This [change in *or* adoption of] policy has been applied retroactively with restatement of prior period comparative amounts. The impact on the municipality's consolidated financial statements is as follows: (*describe impact on current and prior period amounts*).

(Retroactive with restatement of prior periods, unless the necessary financial data are not reasonably determinable. The liability is measured as of the date it was incurred and the discount rate and assumptions used are those as of the date the legal obligation was incurred.)

Retroactive adjustment of opening accumulated surplus without restatement of prior period comparatives: During the year, the municipality [changed its accounting policy *or* adopted a new accounting policy] with respect to (*provide a description and details of the accounting policy)* . The municipality now accounts for such transactions (*describe new accounting polic* y). Prior to this, the municipality accounted for these transactions (*describe old accounting policy/treatment*). The municipality believes the new policy provides a fair presentation of the results and the financial position of the municipality.
(Or state that the effect of the new accounting policy is not reasonably determinable for individual prior periods)

2. Cash and Cash Equivalents

	2025	2024
Cash	388451	364552
Short-term investments - amortized cost	522412	407728
Restricted Cash		
Total Cash and Cash Equivalents	**910,863**	772,280

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:		
[List if any; e.g.:]		
Equity instruments quoted in an active market		
Other portfolio investments		
Derivatives		
Investments carried at amortized cost:		
[List if any; e.g.:]		
Short-term notes and deposits		
Government/government guaranteed bonds		
Total investments	**-**	-

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 [d*ate*].

Investment Income	**2025**	2024
Interest		
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	**-**	-

Unrealized gains on equity investments carried at fair value of *[$$ (Prior - $$)]* have been recognized in the statement of remeasurement gains and losses.

4. Taxes Receivable - Municipal

		2025	2024
Municipal	- Current	**70784**	90469
	- Arrears	**68943**	97369
		139,727	**187,838**
	- Less Allowance for Uncollectible		
Total municipal taxes receivable		**139,727**	187,838
School	-Current	**8362**	11787
	-Arrears	**7041**	10850
Total taxes to be collected on behalf of School Divisions		**15,403**	**22,637**
Other			
Total taxes and grants in lieu receivable or to be collected on behalf of other organizatio		**155,130**	210,475
Deduct taxes to be collected on behalf of other organizations		**(15,403)**	**(22,637)**
Total Taxes Receivable - Municipal		**139,727**	187,838

5. Other Accounts Receivable

Federal Government	**3909**	6475
Provincial Government		
Local Government		
Utility	**50272**	54878
Trade	**13557**	4939
Other (Specify)		
Total Other Accounts Receivable	**67,738**	66,292
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	**67,738**	66,292

6. Assets Held for Sale

	2025	2024
Tax Title Property	**90,788**	81,483
Allowance for market value adjustment	**(61,784)**	(57,440)
Net Tax Title Property	**29,004**	24,043
Other Land	**(18,934)**	(1,418)
Allowance for market value adjustment		
Net Other Land	**(18,934)**	(1,418)
Other (Describe)		
Total Assets Held for Sale	**10,070**	22,625

7. Long-Term Receivable

	2025	2024
Sask Assoc. of Rural Municipalities - Self Insurance Fund		
Other (*Specify)* Credit Union Shares and Coop Equity	3213	3041
Total Long-Term Receivables	**3,213**	**3,041**

8. Debt Charges Recoverable

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

The municipality has undertaken a project with *[describe nature of project and identify partners]* . The municipality assumed the long-term financing of *[$ - amount]* ; however, *[$ - amount]* plus interest at *[#]* % is recoverable from *[name of municipality]* with respect to this financing. Amounts are recoverable in annual principal instalments of *[$]* plus interest, and mature *[date]* .

Future debt charges recoverable are as follows:

Year	Principal	Interest	Total
2026			-
2027			-
2028			-
2029			-
2030			-
Thereafter			-
Balance	-	-	-

9. Financial Instruments - Fair Value Disclosures

	Fair value hierarchy level	2025		2024	
Financial assets carried at fair value	Level 1 / 2 / 3	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
[List if any; e.g.:]					
Equity instruments quoted in an active market					
Other portfolio investments					
Derivative assets					
Total financial assets carried at fair value		-	-	-	-

	Fair value hierarchy level	2025		2024	
Financial liabilities carried at fair value	Level 1 / 2 / 3	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
[List if any; e.g.:]					
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 identifcal 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 observaable 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.]*

[If there were no significant transfers during the period, use the following : There were no signficant transfers between Fair Value Hierarchy Levels during the period.

If there were significant transfers between levels include the applicable following sections; ***any sections not used can be removed for final presentation*** *:]*

[*Insert the following if there were transfers between Levels 1 and 2 during the period.* ***Remove if not applicable.]***

Information on Financial Instruments designated to fair value category levels 1 & 2:	2025
Significant transfers from level 1 to level 2	-
Significant transfers from level 2 to level 1	-

Transfers from level 1 to level 2 were made because *[describe reason*].

Transfers from level 2 to level 1 were made because *[describe reason*].

[Insert the following if there were transfers from/to Level 3 during the period. ***Remove if not applicable*** *.]*

Reconciliation of level 3 fair value financial instruments	2025	2024
Opening balance	-	-
Remeasurement gains (losses) for the period	-	-
Purchases	-	-
Sales	-	-
Transfers to level 3 from *[level 1 or 2]*	-	-
Transfers from level 3 from *[level 1 or 2]*	-	-
Closing balance	**-**	**-**

Transfers to level 3 to level [*1 or 2*] were made because *[describe reason*].

Transfers from level 3 to level *[1 or 2]* were made because *[describe reason*].

10. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to [*$*] ([*prior year*] - [*$*]) and bearing interest at prime plus [*# %*]. Assets pledged as collateral are [*describe assets*].

Credit Arrangements

[Disclosure appropriate where lines of credit have been authorized, but no amount is drawn at the financial statement date]

At [*date*], the Municipality had lines of credit totaling [*$*], none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement; and
- Hypothecation of certain preferred shares (market value at [*date*] of [*$*]).

11. Deferred Revenue

	2024	Restricted Inflows	Revenue Earned	**2025**
[*Identify deferred revenue (example MEEP, CCBF, Revenue Sharing)*]				
Total Deferred Revenue	-	-	-	-

12. Asset Retirement Obligation

	2025	2024
Balance, beginning of the year	$ -	$ -
Liabilities incurred		
Liabilities settled		
Accretion expense	-	-
Changes in estimated cash flows		
Estimated total liability	-	-

Landfill

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a *[# of years]* -year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is *[%]* – *[#]* cubic metres (*prior year* - % - *[#]* cubic metres) of its total estimated capacity of *[#]* cubic metres and its estimated remaining life is *[#]* years (prior year – *[#]* years). The period for post-closure care is estimated to be *[#]* years (*prior year* – [#]).

The unfunded liability for the landfill will be paid for *[explain how will be financed]* .

Asbestos

[If applicable] The municipality owns a *[asset]* which contains asbestos, and therefore, the municipality is legally required to perform abatement activities upon renovation or demolition of this asset. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. Undiscounted future cash flows expected are an abatement cost in *[year]* of $*[value]* . The estimated total liability of $*[amount]* (Prior year 20X2- $[*amount])* is based on the sum of discounted future cash flows for abatement activities using a discount rate of *[rate]* % and assuming annual inflation of *[rate]* %. The municipality has (not) designated *funds* for settling the abatement activities.

[Note: the below will need to be completed for significant ARO's that are not included above]

On *[date]* , the municipality *[completed construction of /acquired]* an *[asset name*] that has an estimated useful life of *[number]* years. The municipality is legally required to [*description of the obligation]* at [*the end of its useful life/other applicable time*]. The [*asset/asset category*] is amortized over this period using the [*amortization method*]. In accordance with PS 3280, Asset Retirement Obligations, the municipality recognized the an Asset Retirement Obligation in the amount of [*dollar value, initially discounted future value of the estimated remediation amount*]. This balance was derived from an estimated undiscounted future remediation expenditure of [*amount*], expected to be incurred in [*number*] of years. The associated discount rate applied was [*number*]%. [*If applicable, revisions to prior estimates associated with AROs should also be disclosed- including the nature, rationale and impact on net income*]. The above table describes all changes to the aforementioned ARO liability.

[*In extenuating circumstances only, how any requirements for financial assurance and funding associated with asset retirement obligations, if legally required, are being met must also be disclosed*]
[In some circumstances, recoveries may also be applicable. If this is the case, a disclosure of both the nature and amount should be made]

[*In extenuating circumstances only* :
As of 31 December 20XX, the municipality is not able to reasonably estimate the ARO for [*the tangible capital asset*], because of [*reasons*]. This obligation is [*either disclosed or accrued as liability*] in accordance with PS 3200, Liabilities. [*Any other information related to the liability that would contribute to the user's overall understanding of the matter should also be included*].]

13. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of $31,000 (2024 - $31,000) for remediation of former service station location using *a market reclamation estimate.* The nature of the liability is *contaminated soil due to fuel spillage* . The assumptions used in estimating the liability include *reliance on estimates provided by soil reclamation company.* Thre is no estimated recovery.

[Note: additional disclosure is required of the estimated total undiscounted expenditures and discount rate (when a net present value technique is used), as well as the reason for not recognizing a liability, if appropriate.]

14. Long-Term Debt

[Select one of the following as applicable:]

a) The debt limit of the municipality is $704,357. 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)).

or

b) The debt limit of the municipality is $_____. The debt limit for the municipality has been established by the Saskatchewan Municipal Board (the *Municipalities Act* section 161(2)).

Debenture debt is repayable at *[describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].*

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2026			-	
2027			-	
2028			-	
2029			-	
2030			-	
Thereafter			-	
Balance	-	-	-	-

Bank loans are repayable *[describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].* The bank loans are secured by a general assignment of property taxes receivable.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2026			-	
2027			-	
2028			-	
2029			-	
2030			-	
Thereafter			-	
Balance	-	-	-	-

15. Lease Obligations

[Description of capital leases including interest rates, expiry dates and significant conditions of the lease agreements]

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 gross amount of leased tangible capital assets is *[$_____]* and related accumulated amortization is *[$_____]* .
Amount of amortization included in determination of operating results is *[$_____]* .
The interest expense related to lease liabilities is *[$_____]* .

16. Other Non-financial Assets

[List if any]

	2025	2024

17. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

The municipality is also contingently liable for the following:

The following contingent liability amounts are estimates based on the audited financial statements of 16 to 43 Waste Management Corporation as at December 31, 2025.

The Town is contingently liable for its proportionate share of 16 to 43 Waste Management Corportion's loan with Innovation Credit Union. The total loan balance outstanding at December 31, 2024 is $599,688 [2024 - $665,817] of which the Town has guaranteed an amount of $125,934 [2024 - $139,822] [21%]. The loan is in good standing as of December 31, 2025 and matures February 25, 2026.

The Town has signed a guarantee on behalf of 16 to 43 Waste Management Corporation's loan with Innovation Credit Union. The total loan balance is $102,193 [2024 - $128,852], of which the Town is contingently liable for its proportionate share of $21,461 [2024 - $27,059] [21%].

Additionally, the Town has lent 16-43 Waste Management Corporation funds to support operations. The total loan receivable at the end of 2025 is $87,755 [2024 - $87,755].

18. 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 $11.702. 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.

current service contributions by the employees of the municipality to the MEPP in 2025 were $11,702 (2024 - $12,216).

At December 31, 2025, the MEPP disclosed an actuarial deficiency/surplus of *[$]* .

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

Defined Contribution Plans: The municipality's *[specify applicable employee groups]* participate in a defined contribution pension plan. The municipality's contributions to the plan are expensed when due.

[General description of benefit plans, contribution formulae, and funding policy.]

[Description of significant changes to benefit plans during the period.]

19. Comparative Figures

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

20. Trusts Administered by the Municipality

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

[Description of Trust i.e. Cemetery]

	Current Year Total	Prior Year Total
Balance - Beginning of Year		
Revenue (*Specify*)		
Interest revenue		
Expenditure (*Specify*)		
Balance - End of Year	**-**	-

21. Related Parties

The consolidated financial statements include transactions with related parties. The municipality is related to *[list related parties]* under the common control of the Council.
[Select one of the following as applicable:]
Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

or

[If there are non-arm's length transactions recognized by the municipality at an amount other than normal trade terms during the year use the disclosure below.]

Certain transactions with the following related parties were settled at an amount other than normal trade terms.

[For each related party transaction describe:
- *Adequate information about the nature of the relationship with the related parties involved in related party transactions;*
- *The type and amount of related party transaction that have been recognized by financial statement category;*
- *The basis of measurement used;*
- *The amount of outstanding balances and the terms and conditions attached to them;*
- *Contractual obligations and/or contingent liabilities with related parties separate from other contractual obligations and contingent liabilities;*
- *The types of related party transactions that have occurred for which no amount has been recognized. Items of a similar nature should be disclosed in aggregate.]*

22. Contingent Assets

The municipality has the following contingent asset(s) for which the probability of *[future event that would result in the asset(s)]* occurring is likely, resulting in *[describe the nature of the contingent asset]* where the estimated or known assets are, or exceed *[$]* at December 31 *[current year]* (*[prior year* : *$]*). The future receipt of these assets is dependent on *[describe nature of future event that will confirm existence of asset]. [When the disclosed amount is based on an estimate, explain basis of estimation]* .
Contingent assets are not recorded in the financial statements.

(or, in cases where the extent cannot be measured or when disclosure of the extent would have an adverse effect on the outcome, consider the following)

The municipality has the following contingent asset(s) for which the probability of *[future event that would result in the asset(s)]* occurring is likely, resulting in *[describe the nature of the contingent asset]* . The future receipt of these assets is dependent on *[describe nature of future event that will confirm existence of asset]* . *[Describe the reason for non-disclosure of the extent of the contingent asset]* .

Contingent assets are not recorded in the financial statements.

23. Contractual Rights

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

Contractual Rights Type	**Describe Nature Time and Extent**	**2025**	**2026**	**2027**	**2028**	**2029**	**Thereafter**	**No Fixed Maturity Date**	**Current Year Total**	**Prior Year Total**
[i.e. future lease revenue]		*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	-	*[$]*
Contractual Rights 1									-	
Contractual Rights 2									-	
Contractual Rights 3									-	
[Other Specify]									-	
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

24. Contractual Obligations and Commitments

The municipality has entered into multiple-year contracts for the delivery of services and the construction of tangible capital assets *[identify those that apply]* . These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type[1]	Describe Nature Time and Extent	2025	2026	2027	2028	2029	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
[*i.e. future lease payments]*		*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*[$]*	*$ -*	*[$]*
Contractual Rights 1									-	
Contractual Rights 2									-	
Contractual Rights 3									-	
[Other Specify]									-	
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

[1] See Note 15 for Capital Lease obligations.

25. Restructuring Transactions

[Select one of the following if applicable:]

On [insert restructuring date], the [Town/City/Village of XXX] received the transfer of [insert brief description of assets (and liabilities)] and the responsibility for the ongoing operation of the asset(s)] from [insert transferring organization's name]. The transfer was due to [brief description of why the restructuring transaction occurred].

The assets [and liabilities] have been recorded as [e.g., tangible capital assets, A/R etc.], at the [insert transferring organization's name] carrying value at the time of the transfer, totaling $XX. This amount has been recorded as revenue [expense] during the year. Under the transfer, the [Town/City/Village of XXX] also assumed responsibility for [contingent liabilities (describe) and/or contractual obligations (describe) if applicable].

The [Town/City/Village of XXX] also received compensation of $XX for [outline the purpose -what it is for – if applicable].

The [Town/City/Village of XXX] incurred $XX in restructuring costs related to [brief description of the cause of the costs incurred if significant e.g., legal, accounting, professional services – if applicable].

From the date of transfer to December 31, 2025, revenues and expenses related to the operation of the assets were as follows: revenue of $XX; salaries of $XX; goods and services of $XX; amortization of $XX; and debt service $XX.

or

On *[insert restructuring date here]* , the *[Town/City/Village of XXX]* transferred *[insert brief description of assets (and liabilities)* and the responsibility for the ongoing operation of the asset(s)] to *[insert receiving organization's name]* . *[Contingent liabilities (describe) and/or contractual obligations (describe) if applicable] are also transferred to [insert receiving organization's name]* .

The transfer was due to *[brief description of why the restructuring transaction occurred]* .

The carrying amount of the assets *[and liabilities]* transferred of $XX is recorded as an expense *(revenue)* during the year.

The *[Town/City/Village of XXX*] also provided compensation of $XX for *[outline the purpose -what it is for – if applicable]* .

The *[Town/City/Village of XXX]* incurred $XX in restructuring costs related to *[brief description of the cause of the costs incurred if significant e.g., legal, accounting, professional services – if applicable].*

26. Risk Management

Through its financial assets and liabilities, the municipality is exposed to various risks *[include applicable sections below].*

[If section is not applicable: It is managements opinion that the municipality is not exposed to significant [*credit / interest / exchange / liquidity]* risks arising from these financial instruments.]

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**
[Financial instrument class #1]	
[Financial instrument class #2]	
Maximum credit risk exposure	**-**

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**
[Financial instrument class #1]				
[Financial instrument class #2]				
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**
[Financial liability - e.g.: non-derivative]					
[Financial liability - e.g.: derivative]					
	-	**-**	**-**	**-**	**-**

26. Risk Management continued

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.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of *[financial statement line items impacted, how this risk is mitigated and any changes in exposure to the risk from prior period*].

[If applicable: The municipality obtained a loan from *[the loaner]* in *[year]* with an interest rate of *[%]* plus prime rate. Since 2022, with significant inflation occurred, Bank of Canada has increased the prime rate from 2.70% to *[current prime rate, 5.45% as of September 2022].* This change has result in an increase on interest payable on *[the loan] by [amount]* from 31 December 2024 to 31 December 2025, which may also increase the deficiency.

To mitigate this interest rate risk, *[the municipality]* entered into *[a forward rate agreement or future contract]* with *[the bank]* on terms of *[contract terms].* The income earns from the *[forward/futures contract]* will offset the increase on the interest payable.

[Disclose the purpose for each class of derivatives held by the entity; including how derivatives support managing the nature and extent of interest rate risk].

Sensitivity Analysis of Interest Rate Changes:

	2025	
	1% increase in interest rate	**1% decrease in interest rate**
Increase (decrease to operating surplus (deficit)		
Increase (decrease to remeasurement gains (losses)		

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. [*Disclose reference to purchases in US Dollars that result in exposure to currency risk and how this risk is mitigated*].

[Disclose the purpose for each class of derivatives held by the entity; including how derivatives support managing the nature and extent of currency risk].

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 *[financial statement line items impacted and how this risk is mitigated and any changes in exposure to the risk from prior period*].

27. Public Private Partnerships:

[Only applicable if the municipality has entered into a P3 Partnership]
The [*municipality*] has entered into a public private partnership with [consider *name of party*]. Significant terms of the agreement are as follows; [*insert details about the agreement to the extent that they detail the amount, timing and uncertainties associated with future cashflows*]. Under this agreement key rights and obligations of the municipality are [*detail the rights and obligations of the municipality under the agreement*]. Key rights and obligations of [*private organization name*] are [*detail the rights and obligations of the private sector party under the agreement*].

An asset has been recognized on the face of the statements in order to account for the [*describe the nature of the asset recognized*]. An infrastructure liability has also been reflected in the statements to account for the [*describe the nature of the liability recognized*]. During the [*current reporting period*], [*detail any changes in the terms of the agreement that occurred during the reporting period*].

Required assumptions made pertain to (include as applicable) the basis of recognition, discount rate and [*insert others as applicable*]. [*Insert basis for the underlying assumptions made*].

[Disclose any other key components of the agreement such as renewal options, termination options, rights to receive assets, access obligations and rights granted to the partner].

28. Revenue

If applicable, disclose collection uncertainties associated with revenues:
The municipality has entered into a contract with [*payor*] to [*details of contract*]. The municipality does not expect to collect payments contractually owed in the amount of $[*amount*].

If applicable, disclose significant concessionary terms associated with revenues:
The municipality has entered into a contract with [*payor*] to [*details of contract]* . The original amount of the transaction price associated with this contract was $[*amount*]. Significant concessionary terms inclusive in this contract are [*insert description of concessionary terms*].

29. Correction of Prior Period Error

Subsequent to the year ended December 31, 2025, the municipality identified an error in (describe error). Due to this error, the municipality's (describe misstatements that resulted from the error). The prior period comparative amounts have been restated from those previously reported to correct for this error. The correction of this error has impacted the municipality's consolidated financial statements as follows: (describe impact on current and prior period amounts).

30. Subsequent Events

[Describe the nature of the event, and an estimate of the financial effect, or a statement that an estimate cannot be made.]

31. Loan Guarantees

The municipality currently guarantees (describe loan guarantee and policy). The municipality monitors the status of these lines of credit, loans, and the financial position of the organizations. As at December 31, 2025 all loans and lines of credit (are in good standing and no provision has been recorded (2024 – $nil) or provision of ($___) has been recorded (2024 – $). Organizations that have received a guarantee from the municipality also pledged (or not) various assets for security.

In 2025, the municipality provided capital loan guarantees to various organizations amounting to $_____ (2024 – $_____). The municipality's guarantees are set to expire between 2026 and 20XX (2024 – 2025 and 20XX).

In 2025, the municipality provided line of credit guarantees that have an aggregate value of $_____ (2024 – $_____).

Municipality of **Town of Hafford**

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	365,415	362,250	360,349
Abatements and adjustments	(2,000)	(3,907)	(5,967)
Discount on current year taxes	(9,250)	(11,580)	(9,140)
Net Municipal Taxes	**354,165**	**346,763**	**345,242**
Potash tax share			
Trailer license fees			
Penalties on tax arrears	34,000	28,056	28,250
Special tax levy			
Other (*Specify*)			
Total Taxes	**388,165**	**374,819**	**373,492**
UNCONDITIONAL GRANTS			
Revenue Sharing	124,065	124,065	116,589
(Organized Hamlet)			
Safe Restart			
Other (*Specify*)			
Total Unconditional Grants	**124,065**	**124,065**	**116,589**
GRANTS IN LIEU OF TAXES			
Federal	5,500	10,130	5,585
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel			
Other (*Specify*)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (*Specify*)	7,900	7,963	7,991
Other Government Transfers			
S.P.C. Surcharge	25,000	23,830	25,732
Sask Energy Surcharge	11,000	10,213	11,702
Other (*Specify*)			
Total Grants in Lieu of Taxes	**49,400**	**52,136**	**51,010**
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	**561,630**	**551,020**	**541,091**

Municipality of **Town of Hafford**
Schedule 2: Schedule of Operating and Capital Revenue by Function
As at December 31, 2025

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	4,966	4,421	1,212
- Sales of supplies			
- Other (*Specify*)			
Total Fees and Charges	4,966	4,421	1,212
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Land sales - gain	18,902		
- Investment income	6,500	2,528	7,092
'-Commissions			
- Other (*Specify*)			
Total Other Segmented Revenue	30,368	6,949	8,304
Conditional Grants			
- Student Employment			
- MEEP			
- Other (*Specify*)			
Total Conditional Grants	-	-	-
Total Operating	30,368	6,949	8,304
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	**30,368**	**6,949**	**8,304**
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (*Specify*) Fines	50		55
Total Fees and Charges	50	-	55
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (*Specify*)			
Total Other Segmented Revenue	50	-	55
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (*Specify*)			
Total Conditional Grants	-	-	-
Total Operating	50	-	55
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	**50**	**-**	**55**

Municipality of **Town of Hafford**
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	1,500	11,668	1,486
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (*Specify*)			
Total Fees and Charges	1,500	11,668	1,486
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (*Specify*)			
Total Other Segmented Revenue	1,500	11,668	1,486
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (*Specify*)			
Total Conditional Grants	-	-	-
Total Operating	1,500	11,668	1,486
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	26,330	25,792	25,692
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (*Specify*)			
Total Capital	26,330	25,792	25,692
Restructuring Revenue (*Specify, if any*)			
Total Transportation Services	**27,830**	**37,460**	**27,178**

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	98,426	97,523	96,488
- Other (*Specify*) Transit Fees	3,000	2,731	4,499
Total Fees and Charges	101,426	100,254	100,987
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (*Specify*)			
Total Other Segmented Revenue	101,426	100,254	100,987
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other (*Specify*) Transit Grant	16	32	16
Total Conditional Grants	16	32	16
Total Operating	101,442	100,286	101,003
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (*Specify*)			
Total Capital	-	-	-
Restructuring Revenue (*Specify, if any*)			
Total Environmental and Public Health Services	**101,442**	**100,286**	**101,003**

Municipality of **Town of Hafford**
Schedule 2: Schedule of Operating and Capital Revenue by Function
As at December 31, 2025

	2025 Budget	2025	2024
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	600	1,525	600
- Other (*Specify*)			
Total Fees and Charges	600	1,525	600
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (*Specify*)			
Total Other Segmented Revenue	600	1,525	600
Conditional Grants			
- Student Employment			
- MEEP			
- Other (*Specify*)			
Total Conditional Grants	-	-	-
Total Operating	600	1,525	600
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	**600**	**1,525**	**600**

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and 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			
- Local government			
- MEEP			
- Other (*Spe* Sask Lotteries and Sask Parks	17,467	12,642	9,358
Total Conditional Grants	17,467	12,642	9,358
Total Operating	17,467	12,642	9,358
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	**17,467**	**12,642**	**9,358**

Municipality of **Town of Hafford**

Schedule 2: Schedule of Operating and Capital Revenue by Function

As at December 31, 2025

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	140,800	149,135	141,002
- Sewer	56,000	55,474	54,438
- Other (*Specify*)			
Total Fees and Charges	196,800	204,609	195,440
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (*Specify*)			
Total Other Segmented Revenue	196,800	204,609	195,440
Conditional Grants			
- Student Employment			
- MEEP	-		
- Other (*Specify*)			
Total Conditional Grants	-	-	-
Total Operating	196,800	204,609	195,440
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (*Specify*)			
Total Capital	-	-	-
Restructuring Revenue (*Specify, if any*)			
Total Utility Services	**196,800**	**204,609**	**195,440**
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	**374,557**	**363,471**	**341,938**

SUMMARY

Total Other Segmented Revenue	330,744	325,005	306,872
Total Conditional Grants	17,483	12,674	9,374
Total Capital Grants and Contributions	26,330	25,792	25,692
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	**374,557**	**363,471**	**341,938**

Municipality of **Town of Hafford**

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	15,000	14,334	11,252
Wages and benefits	68,131	66,613	62,013
Professional/Contractual services	71,784	61,512	65,772
Utilities	6,500	5,396	5,779
Maintenance, materials and supplies	10,500	5,870	6,878
Grants and contributions - operating	100	50	50
- capital			
Amortization of Tangible Capital Assets	2,453	319	319
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Interest	100	275	94
Allowance for uncollectible	2,500		3,435
Other (*Specify*)		51,430	8,286
General Government Services	**177,068**	**205,799**	**163,878**
Restructuring *(Specify, if any)*			
Total General Government Services	**177,068**	**205,799**	**163,878**
PROTECTIVE SERVICES			
Police protection			
Wages and benefits			
Professional/Contractual services	42,756	40,535	39,589
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			
Professional/Contractual services	4,229	4,229	3,774
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	5,000	5,000	
- capital			
Amortization of Tangible Capital Assets	5,750	2,799	2,799
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (*Specify*)			
Protective Services	**57,735**	**52,563**	**46,162**
Restructuring *(Specify, if any)*			
Total Protective Services	**57,735**	**52,563**	**46,162**
TRANSPORTATION SERVICES			
Wages and benefits	114,340	126,113	94,334
Professional/Contractual Services	33,420	27,598	25,421
Utilities	18,800	16,718	16,960
Maintenance, materials, and supplies	78,795	52,591	42,995
Gravel			
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets	42,337	45,818	43,621
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (*Specify*)		42	
Transportation Services	**287,692**	**268,880**	**223,331**
Restructuring *(Specify, if any)*			
Total Transportation Services	**287,692**	**268,880**	**223,331**

Municipality of **Town of Hafford**

Schedule 3: Total Expenses by Function

As at December 31, 2025

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	10,850	1,200	10,850
Professional/Contractual services	95,863	87,814	88,855
Utilities	2,000	3,058	3,247
Maintenance, materials and supplies	940	1,013	132
Grants and contributions - operating	500	500	1,000
○ Waste disposal			
○ Public Health			
- capital			
○ Waste disposal			
○ Public Health			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (*Specify*)			
Environmental and Public Health Services	**110,153**	**93,585**	**104,084**
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	**110,153**	**93,585**	**104,084**
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual Services	7,440	1,934	435
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	**7,440**	**1,934**	**435**
Restructuring (Specify, if any)			
Total Planning and Development Services	**7,440**	**1,934**	**435**
RECREATION AND CULTURAL SERVICES			
Wages and benefits	1,200	13,600	
Professional/Contractual services	29,372	22,751	16,222
Utilities	1,800	1,663	1,776
Maintenance, materials and supplies	1,220	1,439	1,132
Grants and contributions - operating	6,533	750	10,893
- capital			
Amortization of Tangible Capital Assets	830	830	830
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (*Specify*)			
Recreation and Cultural Services	**40,955**	**41,033**	**30,853**
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	**40,955**	**41,033**	**30,853**

Municipality of **Town of Hafford**

Schedule 3: Total Expenses by Function

As at December 31, 2025

Schedule 3 - 3

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	54,000	58,540	52,524
Professional/Contractual services	137,049	78,713	104,526
Utilities	15,480	13,687	13,996
Maintenance, materials and supplies	37,400	20,273	27,093
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets	13,790	13,790	13,790
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (*Specify*)			
Utility Services	**257,719**	**185,003**	**211,929**
Restructuring (Specify, if any)			
Total Utility Services	**257,719**	**185,003**	**211,929**
TOTAL EXPENSES BY FUNCTION	**938,762**	**848,797**	**780,672**

Municipality of **Town of Hafford**
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	4,421	-	11,668	100,254	1,525	-	204,609	322,477
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-							-
Investment Income	2,528							2,528
Commissions	-							-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	32	-	12,642	-	12,674
- Capital	-	-	25,792	-	-	-	-	25,792
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**6,949**	**-**	**37,460**	**100,286**	**1,525**	**12,642**	**204,609**	**363,471**
Expenses (Schedule 3)								
Wages & Benefits	80,947	-	126,113	1,200	-	13,600	58,540	280,400
Professional/ Contractual Services	61,512	44,764	27,598	87,814	1,934	22,751	78,713	325,086
Utilities	5,396	-	16,718	3,058		1,663	13,687	40,522
Maintenance Materials and Supplies	5,870	-	52,591	1,013		1,439	20,273	81,186
Grants and Contributions	50	5,000	-	500	-	750	-	6,300
Amortization of Tangible Capital Assets	319	2,799	45,818	-	-	830	13,790	63,556
Amortization of Intangible capital assets	-	-	-	-	-	-	-	-
Interest	275	-	-	-	-	-	-	275
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-					-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	51,430	-	42	-	-	-	-	51,472
Total Expenses	**205,799**	**52,563**	**268,880**	**93,585**	**1,934**	**41,033**	**185,003**	**848,797**
Surplus (Deficit) by Function	**(198,850)**	**(52,563)**	**(231,420)**	**6,701**	**(409)**	**(28,391)**	**19,606**	**(485,326)**

Taxes and other unconditional revenue **(Schedule 1)**	551,020
Net Surplus (Deficit)	**65,694**

Municipality of **Town of Hafford**
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	1,212	55	1,486	100,987	600	-	195,440	299,780
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-							-
Investment Income	7,092							7,092
Commissions	-							-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	-	16	-	9,358	-	9,374
- Capital	-	-	25,692	-	-	-	-	25,692
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**8,304**	**55**	**27,178**	**101,003**	**600**	**9,358**	**195,440**	**341,938**
Expenses (Schedule 3)								
Wages & Benefits	73,265	-	94,334	10,850	-	-	52,524	230,973
Professional/ Contractual Services	65,772	43,363	25,421	88,855	435	16,222	104,526	344,594
Utilities	5,779	-	16,960	3,247		1,776	13,996	41,758
Maintenance Materials and Supplies	6,878	-	42,995	132		1,132	27,093	78,230
Grants and Contributions	50	-	-	1,000	-	10,893	-	11,943
Amortization of Tangible Capital Assets	319	2,799	43,621	-	-	830	13,790	61,359
Amortization of Intangible capital assets	-	-	-	-	-	-	-	-
Interest	94	-	-	-	-	-	-	94
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	3,435					-	-	3,435
Restructurings	-	-	-	-	-	-	-	-
Other	8,286	-	-	-	-	-	-	8,286
Total Expenses	**163,878**	**46,162**	**223,331**	**104,084**	**435**	**30,853**	**211,929**	**780,672**
Surplus (Deficit) by Function	**(155,574)**	**(46,107)**	**(196,153)**	**(3,081)**	**165**	**(21,495)**	**(16,489)**	**(438,734)**
Taxes and other unconditional revenue **(Schedule 1)**								541,091
Net Surplus (Deficit)								**102,357**

Municipality of **Town of Hafford**
Schedule 6: Consolidated Schedule of Tangible Capital Assets by Object
As at December 31, 2025

Schedule 6

		2025								2024
		General Assets					Infrastructure Assets		General/ Infrastructure		
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Public Private Partnerships	Assets Under Construction	Total	Total
Assets	**Asset cost**										
	Opening Asset costs	27,191		245,772	76,654	522,000	881,705			1,753,322	1,727,649
	Additions during the year				13,500	4,770				18,270	25,673
	Disposals and write-downs during the year									-	
	Transfers (from) assets under construction									-	
	Transfer of Capital Assets related to restructuring **(Schedule 13)**									-	
	Closing Asset Costs	**27,191**	**-**	**245,772**	**90,154**	**526,770**		**-**	**-**	**1,771,592**	**1,753,322**
Amortization	**Accumulated Amortization Cost**										
	Opening Accumulated Amortization Costs			214,853	44,017	434,946	454,458			1,148,274	1,086,919
	Add: Amortization taken			2,030	5,925	36,513	19,085			63,553	61,356
	Less: Accumulated amortization on disposals									-	
	Transfer of Capital Assets related to restructuring **(Schedule 13)**									-	
	Closing Accumulated Amortization	**-**	**-**	**216,883**	**49,942**	**471,459**		**-**	**-**	**1,211,827**	**1,148,275**
	Net Book Value	**27,191**	**-**	**28,889**	**40,212**	**55,311**		**-**	**-**	**559,765**	**605,047**

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

Municipality of **Town of Hafford**
Schedule 7: Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2025

Schedule 7

		2025								2024
		General Government	**Protective Services**	**Transportation Services**	**Environmental & Public Health**	**Planning & Development**	**Recreation & Culture**	**Water & Sewer**	**Total**	Total
Assets	**Asset cost**									
	Opening Asset costs	104,915	144,773	658,648	67,736	16,287	96,198	664,765	1,753,322	1,727,649
	Additions during the year			18,270					18,270	25,673
	Disposals and write-downs during the year								-	
	Transfer of Capital Assets related to restructuring **(Schedule 13)**								-	
	Closing Asset Costs	**104,915**	**144,773**	**676,918**	**67,736**	**16,287**	**96,198**	**664,765**	**1,771,592**	**1,753,322**
Amortization	**Accumulated**									
	Opening Accumulated Amortization Costs	94,656	120,097	433,093	67,733		85,404	347,291	1,148,274	1,086,919
	Add: Amortization taken	319	2,799	45,815			830	13,790	63,553	61,356
	Less: Accumulated amortization on disposals								-	
	Transfer of Capital Assets related to restructuring **(Schedule 13)**								-	
	Closing Accumulated Amortization Costs	**94,975**	**122,896**	**478,908**	**67,733**	**-**	**86,234**	**361,081**	**1,211,827**	**1,148,275**
	Net Book Value	**9,940**	**21,877**	**198,010**	**3**	**16,287**	**9,964**	**303,684**	**559,765**	**605,047**

Municipality of **Town of Hafford**
Schedule 8: Consolidated Schedule of Intangible Capital Assets by Object
As at December 31, 2025

Schedule 8

		2025								2024
		General Assets					*Asset Category TBD*	*Asset Category TBD*		
		TBD	*TBD*	*TBD*	*TBD*	*TBD*	*TBD*	Assets Under Construction	Total	Total
Assets	**Asset cost**									
	Opening Asset costs								-	
	Additions during the year								-	
	Disposals and write-downs during the year								-	
	Transfers (from) assets under construction								-	
	Transfer of Intangible Capital Assets related to restructuring **(Schedule 13)**								-	
	Closing Asset Costs	-	-	-	-	-	-	-	-	-
Amortization	**Accumulated Amortization Cost**									
	Opening Accumulated Amortization Costs								-	
	Add: Amortization taken								-	
	Less: Accumulated amortization on disposals								-	
	Transfer of Intangible Capital Assets related to restructuring **(Schedule 13)**								-	
	Closing Accumulated Amortization	-	-	-	-	-	-	-	-	-
	Net Book Value	-	-	-	-	-	-	-	-	-

1. Total contributed/donated assets received in 2025	$	-
2. List of assets recognized at nominal value in 2025 are:		
- Infrastructure Assets	$	-
- Vehicles	$	-
- Machinery and Equipment	$	-
3. Amount of interest capitalized in Schedule 8	$	-

Municipality of **Town of Hafford**
Schedule 9: Consolidated Schedule of Intangible Capital Assets by Function
As at December 31, 2025

Schedule 9

		2025								2024
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	**Asset cost**									
	Opening Asset costs								-	
	Additions during the year								-	
	Disposals and write-downs during the year								-	
	Transfer of Intangible Capital Assets related to restructuring **(Schedule 13)**								-	
	Closing Asset Costs	-	-	-	-	-	-	-	-	-
Amortization	**Accumulated Amortization Cost**									
	Opening Accumulated Amortization Costs								-	
	Add: Amortization taken								-	
	Less: Accumulated amortization on disposals								-	
	Transfer of Intangible Capital Assets related to restructuring **(Schedule 13)**								-	
	Closing Accumulated Amortization Costs	-	-	-	-	-	-	-	-	-
	Net Book Value	-	-	-	-	-	-	-	-	-

Municipality of **Town of Hafford**
Schedule 10: Consolidated Schedule of Accumulated Surplus
As at December 31, 2025

Schedule 10

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	**661,538**	**(3,708)**	**657,830**
APPROPRIATED RESERVES			
Machinery and Equipment	108,500	100,457	208,957
Public Reserve			-
Capital Trust			-
Utility	152,418	134,353	286,771
Other (Specify) CCBF	146,810	(120,126)	26,684
Total Appropriated	**407,728**	**114,684**	**522,412**
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)**	605,047	(45,282)	559,765
Intangible capital assets **(Schedule 8, 9)**	-	-	-
Less: Related debt			-
Net Investment in Capital Assets	**605,047**	**(45,282)**	**559,765**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	**1,674,313**	**65,694**	**1,740,007**

Municipality of **Town of Hafford**
Schedule 11: Schedule of Mill Rates and Assessments
As at December 31, 2025

Schedule 11

	PROPERTY CLASS						
	Agriculture	**Residential**	**Residential Condominium**	**Seasonal Residential**	**Commercial & Industrial**	**Potash Mine(s)**	**Total**
Taxable Assessment	13,246,400	120,450			1,347,080		14,713,930
Regional Park Assessment							
Total Assessment							14,713,930
Mill Rate Factor(s)	1.0000	0.8500			1.0000		
Total Base/Minimum Tax (generated for each property class)	209,350				27,985		237,335
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	321,944	870	39,435				362,249

MILL RATES:	**MILLS**
Average Municipal*	24.6195
Average School*	4.4361
Potash Mill Rate	
Uniform Municipal Mill Rate	8.5000

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

Municipality of **Town of Hafford**
Schedule 12: Schedule of Council Remuneration
As at December 31, 2025 Schedule 12

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve/Mayor	**Victoria Moses**	4,490		4,490
Councillor	John Kuzyk	2,250		2,250
Councillor	Sylvester Kohut	2,300		2,300
Councillor	David Wintonyk	2,478		2,478
Councillor	Mary Linnell	2,400		2,400
Councillor				-
Councillor				-
Councillor				-
Councillor				-
Councillor				-
Councillor				-
				-
				-
				-
Total		**13,918**	**-**	**13,918**

Municipality of **Town of Hafford**
Schedule 13: Schedule of Restructuring
As at December 31, 2025 Schedule 13

	2025
Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date:	
Cash and Cash Equivalents	-
Investments	-
Taxes Receivable - Municipal	-
Other Accounts Receivable	-
Assets Held for Sale	-
Long-Term Receivable	-
Debt Charges Recoverable	-
Derivative Assets	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Derivative Liabilities	-
Deposits	-
Deferred Revenue	-
Asset Retirement Obligation	-
Liability for Contaminated Sites	-
Infrastructure Liability	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Intangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	**-**