

Town of Churchbridge
CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2025

Town of Churchbridge

Churchbridge, Saskatchewan

December 31, 2025

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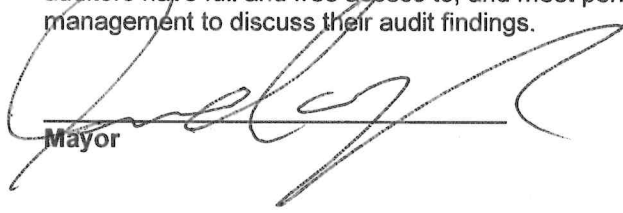
Management's Responsibility

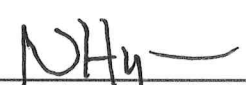
The Town's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and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

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

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

Baker Tilly SK LLP, an independent firm of chartered professional accountants, is appointed by the council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the council and management to discuss their audit findings.



Mayor

Administrator



Independent Auditors' Report

To the Council
Town of Churchbridge

Qualified Opinion

We have audited the consolidated financial statements of Town of Churchbridge, (the municipality), which comprise the consolidated Statement of Financial Position as at December 31, 2025 and the consolidated Statements of Operations, Change in Net Financial Assets and Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Qualified Opinion

PS 3280 asset retirement obligations requires the municipality to recognize a liability at the reporting date for future costs that the municipality is legally obligated to incur for the retirement of a tangible capital asset. The municipality owns several buildings constructed prior to 1990 that likely contain asbestos and require remediation upon the retirement of the building. A liability has not been recognized for these costs. As insufficient information is available with regards to the extent and expected costs of the likely remediation activities, we are unable to determine the asset retirement obligation liability that would have been recognized on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

PS 3280 asset retirement obligations also requires the municipality to recognize a liability at the reporting date for future costs that the municipality is legally obligated to incur for the post closure monitoring costs of its landfill. A liability has not been recognized for these costs. As insufficient information is available with regards to the expected costs of the decommissioning costs and extent of post closure monitoring activities, we are unable to determine the asset retirement obligation liability that would have been recognized on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

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

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

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

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

Council is responsible for overseeing the municipality's financial reporting process.



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
September 28, 2026

Town of Churchbridge
Churchbridge, Saskatchewan
Consolidated Statement of Financial Position as at December 31, 2025

Statement 1

	2025	2024 (Note 15)
Assets		
Financial Assets		
Cash and cash equivalents (note 2)	1,957,217	1,614,729
Investments (note 3)	15,157	15,043
Taxes receivable - municipal (note 4)	108,916	88,004
Other accounts receivable (note 5)	180,473	404,022
Total Financial Assets	<u>2,261,763</u>	<u>2,121,798</u>
Liabilities		
Accounts payable (note 10)	74,147	62,923
Accrued liabilities payable	2,004	6,326
Deposits	32,834	32,564
Deferred revenue (note 9)	113,333	67,175
Long-term debt (notes 11 and 12)	292,494	337,308
Total Liabilities	<u>514,812</u>	<u>506,296</u>
Net Financial Assets	<u>1,746,951</u>	<u>1,615,502</u>
Non-Financial Assets		
Tangible capital assets (schedules 6 and 7)	6,736,031	6,654,439
Prepayments and deferred charges	21,123	19,417
Stock and supplies (note 7)	124,400	130,941
Assets held for sale (note 6)	72,756	81,511
Total Non-Financial Assets	<u>6,954,310</u>	<u>6,886,308</u>
Accumulated Surplus	<u>\$ 8,701,261</u>	<u>\$ 8,501,810</u>

Approved on behalf of the council:

Mayor

Councillor

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Statement of Operations
For the year ended December 31, 2025

Statement 2

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
Revenues			
Tax revenue (schedule 1)	1,044,500	1,064,969	1,029,452
Other unconditional revenue (schedule 1)	264,810	257,306	241,669
Fees and charges (schedules 4 and 5)	857,770	832,157	937,165
Conditional grants (schedules 4 and 5)	43,500	59,517	52,260
Tangible capital asset sales - gain (schedules 4 and 5)	60,000	9,505	-
Land sales - gain (loss) (schedules 4 and 5)	38,500	(10,580)	36,972
Investment income (schedules 4 and 5)	60,000	32,178	62,312
Provincial/Federal capital grants and contributions (schedules 4 and 5)	282,240	-	793,192
Total Revenues	<u>2,651,320</u>	<u>2,245,052</u>	<u>3,153,022</u>
Expenses (schedule 3)			
General government services	335,220	283,874	315,147
Protective services	109,030	124,805	114,100
Transportation services	584,240	356,567	321,216
Environmental and public health services	321,980	287,582	335,598
Planning and development services	16,650	7,949	9,498
Recreation and cultural services	562,850	578,107	545,707
Utilities services	384,470	406,717	502,132
Total Expenses	<u>2,314,440</u>	<u>2,045,601</u>	<u>2,143,398</u>
Annual Surplus of Revenue over Expenses	336,880	199,451	1,009,624
Accumulated Surplus, Beginning of Year	<u>8,501,810</u>	<u>8,501,810</u>	<u>7,492,186</u>
Accumulated Surplus, End of Year	<u>\$ 8,838,690</u>	<u>\$ 8,701,261</u>	<u>\$ 8,501,810</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2025

Statement 3

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
Surplus	<u>336,880</u>	<u>199,451</u>	<u>1,009,624</u>
(Acquisition) of tangible capital assets	-	(435,694)	(170,363)
Amortization of tangible capital assets	-	303,607	297,775
Proceeds on disposal of tangible capital assets	-	60,000	-
Loss (gain) on the disposal of tangible capital assets	<u>-</u>	<u>(9,505)</u>	<u>-</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>-</u>	<u>(81,592)</u>	<u>127,412</u>
(Acquisition) of supplies inventories	-	-	(9,001)
(Acquisition) of prepaid expense	-	(1,706)	(1,652)
Consumption of supplies inventory	-	6,541	-
(Acquisition) of other non-financial assets	-	-	(2,514)
Use (disposal) of other non-financial assets	<u>-</u>	<u>8,755</u>	<u>-</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>-</u>	<u>13,590</u>	<u>(13,167)</u>
Increase in Net Financial Assets	336,880	131,449	1,123,869
Net Financial Assets, beginning of year	<u>1,615,502</u>	<u>1,615,502</u>	<u>491,633</u>
Net Financial Assets, End of Year	<u>\$ 1,952,382</u>	<u>\$ 1,746,951</u>	<u>\$ 1,615,502</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Statement of Cash Flow
For the year ended December 31, 2025

Statement 4

	2025	2024 (Note 15)
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	199,451	1,009,624
Amortization	303,607	297,775
Loss (gain) on disposal of tangible capital assets	<u>(9,505)</u>	<u>-</u>
	493,553	1,307,399
Change in Assets/Liabilities		
Taxes receivable - municipal	(20,913)	1,026
Other receivables	223,550	(193,039)
Land for resale	8,755	(2,513)
Accrued liabilities payable	(4,322)	5,720
Accounts payable and accrued liabilities	11,226	(696,960)
Utility deposits	270	490
Deferred revenue	46,157	49,984
Other liabilities	-	(448,292)
Stock and supplies for use	6,542	(9,001)
Prepayments and deferred charges	<u>(1,706)</u>	<u>(1,654)</u>
Cash Provided by Operating Transactions	<u>763,112</u>	<u>13,160</u>
Capital:		
Acquisition of capital assets	(435,695)	(170,362)
Proceeds from the disposal of capital assets	<u>60,000</u>	<u>-</u>
Cash Applied to Capital Transactions	<u>(375,695)</u>	<u>(170,362)</u>
Investing:		
Acquisition of investment	<u>(115)</u>	<u>(149)</u>
Financing:		
Long-term debt issued	158,182	-
Long-term debt repaid	<u>(202,996)</u>	<u>(165,268)</u>
Cash Provided by (Applied to) Financing Transactions	<u>(44,814)</u>	<u>(165,268)</u>
Change in Cash and Cash Equivalents During the Year	342,488	(322,619)
Cash and cash equivalents, beginning of year	<u>1,614,729</u>	<u>1,937,348</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,957,217</u>	<u>\$ 1,614,729</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended 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:

(a) 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.

(b) 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	Basis of Recording
Churchbridge Recreation Board	Full consolidation
Churchbridge Arena	Full consolidation

All inter-organizational transactions and balances have been eliminated.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 4.

(d) 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 are 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:

- (i) the transfers are authorized;
- (ii) any eligibility criteria and stipulations have been met; and
- (iii) a reasonable estimate of the amount 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.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(e) 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 to the extent that they would be paid for on the normal operations of the municipality's activities and the fair value can be reasonably estimated.

(f) Deferred revenue - fees and charges

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

(g) Local improvement charges

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

(h) Net financial assets

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

(i) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the 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.

(j) Appropriated reserves

Reserves are established at the discretion of council to designate surplus for future operating and capital transactions. Amounts so designated are described on schedule 8.

(k) Property tax revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council 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.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(l) Financial instruments

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

Interest and dividends attributable to financial instruments are reported in the statement of operations. If there are any unrealized gains and losses, they are recognized in the statement of remeasurement gains and losses. When the investment is disposed of, the accumulated gains or losses are reclassified to the statement of operations.

Long-term debt:

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

Long-term receivables:

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

Measurement of Financial Instruments:

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

<u>Financial statement line item</u>	<u>Measurement</u>
Cash and cash equivalents	cost or amortized cost
Investments	cost or amortized cost
Other accounts receivable	cost or amortized cost
Accounts payable and accrued liabilities	cost or amortized cost
Deposit liabilities	cost or amortized cost
Long-term debt	cost or amortized cost

(m) Stock and supplies

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 first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(n) 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. The municipality's tangible capital assets useful lives are estimated as follows:

General Assets	
Land	Indefinite
Land improvements	10-25 years
Buildings	50-75 years
Vehicles	10-30 years
Machinery and equipment	10-30 years
Leased capital assets	15 years
Infrastructure Assets	
Linear assets	15-75 years

(o) 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.

(p) 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.

(q) Capitalization of interest

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

(r) Leases

All leases are recorded on the consolidated financial statement as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risks associated with the leased asset is classified as 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 present value of the minimum lease payments, excluding executory costs. Assets under capital leases are amortized on a straight-line basis over their estimated useful lives (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(s) Employee benefits plan

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

(t) Revenue

Revenue from transactions with no performance obligations are recognized as received or as the municipality becomes aware of, provided collection is reasonably assured.

Investment income is recognized as earned.

For revenue items with related performance obligations:

Fees and charges are transactions with performance obligations. A performance obligation is a promise to provide a distinct good or service, or services, or distinct goods or services to a payor for consideration. The municipality recognizes revenue when the performance obligations are satisfied and the payor obtains control of the asset or benefits from the service provided.

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 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 fulfill 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.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(t) Revenue - continued

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

Non-exchange transactions are transactions or events where there is no direct transfer of goods or services to a payor. The municipality receives an increase in economic resources for which the payor does not receive any direct goods or services in return. Revenue for non-exchange transactions is recognized when the municipality has the authority and identifies a past transaction or event that gives rise to an asset.

Revenue from product sales is recognized when the significant rewards of ownership of the products have passed to the buyer, usually on the delivery of products.

(u) Use of estimates

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

Use of estimates 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.

The liability associated with asset retirement obligations is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate and inflation.

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.

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

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

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(v) 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.

(w) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 21, 2025.

(x) 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.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. Significant Accounting Policies - continued

(y) Asset retirement obligation

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

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the municipality to incur costs in relation to a specific Tangible Capital Asset (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.

(z) 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:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The municipality:
 - a) Is directly responsible; or
 - b) Accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

1. **Significant Accounting Policies** - continued

(aa) New accounting standards and amendments to standards

A new conceptual framework was issued in December 2022 with an effective date of April 1, 2026, replacing the conceptual aspects of Sections PS 1000, Financial Statement Concepts and PS 1100, Financial Statement Objectives. This revised conceptual framework is a guide for the Public Sector Accounting Board as it develops new standards or amends existing ones. The purpose of the revised framework is to guide public sector entities as they need to develop accounting policies when no other standards in the PSA Handbook specifically apply to a transaction.

A new PS 1202, Financial Statement Presentation, standard was issued in November 2023, with an effective date of April 1, 2026, to replace previous PS 1201, Financial Statement Presentation, and to incorporate other relevant aspects of previous Sections 1000 and PS 1100.

The extent of the impact on adoption of these future standards is not known at this time.

	2025	2024
2. Cash and Cash Equivalents		
Cash	1,881,833	1,541,825
Short-term investments - amortized cost	<u>75,384</u>	<u>72,904</u>
Total Cash and Cash Equivalents	<u>\$ 1,957,217</u>	<u>\$ 1,614,729</u>

Cash and cash equivalents includes balances with banks and short-term deposits with maturities of three months or less.

	2025	2024
3. Investments		
Investment carried at amortized cost:		
Other portfolio investments	<u>\$ 15,157</u>	<u>\$ 15,043</u>
Investment Income		
Interest	32,178	62,306
Dividends	<u>-</u>	<u>6</u>
Total investment income	<u>\$ 32,178</u>	<u>\$ 62,312</u>

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

	2025	2024
4. Taxes and Grants In Lieu Receivable		
Taxes receivable - municipal current	69,522	48,918
Taxes receivable - municipal arrears	<u>39,395</u>	<u>39,086</u>
	108,917	88,004
Less: Allowance for uncollectibles	<u>-</u>	<u>-</u>
Total municipal taxes receivable	<u>108,917</u>	<u>88,004</u>
 Taxes receivable - school current	 11,804	 10,962
Taxes receivable - school arrears	<u>5,152</u>	<u>4,423</u>
Total school taxes receivable	<u>16,956</u>	<u>15,385</u>
 Total taxes and grants in lieu receivable	 125,873	 103,389
 Deduct taxes to be collected on behalf of other organizations	 <u>(16,957)</u>	 <u>(15,385)</u>
 Municipal and Grants In Lieu Taxes Receivable	 <u>\$ 108,916</u>	 <u>\$ 88,004</u>
5. Other Accounts Receivable		
Federal government	70,326	288,251
Provincial government	21,112	21,112
Utility	38,369	47,262
Trade	50,566	47,297
Other	<u>100</u>	<u>100</u>
 Net Other Accounts Receivable	 <u>\$ 180,473</u>	 <u>\$ 404,022</u>
6. Assets Held for Sale		
Tax title property	15,621	40,960
Allowance for market value adjustment	<u>(15,621)</u>	<u>(34,169)</u>
Net tax title property	-	6,791
Other land	<u>72,756</u>	<u>74,720</u>
 Total Assets Held for Sale	 <u>\$ 72,756</u>	 <u>\$ 81,511</u>
Tax title property has been classified as a non-financial asset as there is no active market for these assets nor are they reasonably estimated to be sold within a year.		
	2025	2024
7. Stock and Supplies		
Stock and supplies are comprised of the following:		
Gravel	29,806	29,708
Water and sewer supplies	<u>94,594</u>	<u>101,233</u>
	<u>\$ 124,400</u>	<u>\$ 130,941</u>

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

8. Bank Indebtedness

Credit arrangements:

At 2025, the municipality had lines of credit totaling \$100,000, none of which were drawn. Assets pledged as security are assignment of taxes and receivables.

9. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Canada Community Building Fund	26,413	53,952	-	80,365
Overpaid taxes	10,677	7,794	10,677	7,794
Other	30,085	58,402	63,313	25,174
	<u>\$ 67,175</u>	<u>\$ 120,148</u>	<u>\$ 73,990</u>	<u>\$ 113,333</u>
			2025	2024

10. Accounts Payable

Accounts payable are comprised of the following items:

Accounts payable	28,367	40,156
Due to school	20,003	(294)
Payroll deductions payable	25,777	23,061
	<u>\$ 74,147</u>	<u>\$ 62,923</u>

11. Long-Term Debt

The debt limit of the municipality for 2026 is \$1,728,870. 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)).

- (a) Bank loan is repayable in annual installments of \$92,086 including principal and interest of 3.2% due June 30, maturing 2027. The bank loan is secured by a general assignment of property taxes receivable and grants.

Future principal repayments are estimated as follows:

	Principal	Interest	2025 Total	2024 Principal
2025	-	-	-	165,684
2026	86,449	5,638	92,087	86,448
2027	85,005	3,029	88,034	85,176
	<u>\$ 171,454</u>	<u>\$ 8,667</u>	<u>\$ 180,121</u>	<u>\$ 337,308</u>

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

12. Lease Obligations

The lease obligation is repayable at monthly payments with a combined principal and interest of \$4,505 at a rate of 5.49% and is scheduled to mature in 2028.

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

	2025
2026	57,310
2027	57,310
2028	<u>14,327</u>
Total future minimum lease payments	128,947
Amounts representing interest	<u>(7,907)</u>
Capital lease liability	<u>\$ 121,040</u>

Amount of amortization included in determination of operating results is \$14,545.

The interest expense related to lease liabilities is \$5,511.

Cost and accumulated amortization of capital assets under capital leases included in machinery and equipment are \$218,182 and \$14,545 respectively.

13. Employee Benefits Plans

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. 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.

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

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2025	2024
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 34,269	\$ 34,028
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As per the most recently audited consolidated financial statements dated December 31, 2024, the plan surplus is \$1,511,598 (in thousands).

14. Commitments

During 2023, the town recognized funding for the water treatment system upgrades received through the New Building Canada - Small Communities Fund which requires the town to retain title and ownership of the project assets for at least five years. Failure to do so could result in the town having to repay funding received.

During 2024, the town recognized funding for the landfill decommissioning project received through the Investing in Canada Infrastructure Program which requires the town to retain title and ownership of the project assets for at least five years. Failure to do so could result in the town having to repay funding received.

15. Comparative Figures

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

16. Risk Management

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in so doing, cause a loss for the other party. The financial instruments that potentially subject the municipality to credit risk consist of taxes receivable and trade receivables.

The municipality has mitigated its exposure to credit risk on financial instruments through the ability to pursue tax enforcement under The Municipal Act.

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.

It is management's opinion that they are not exposed to any significant liquidity risk.

Market risk

Market risk is the risk that the fair value of 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.

It is management's opinion that the municipality is not exposed to any significant market risk.

Town of Churchbridge
Notes to Consolidated Financial Statements
For the year ended December 31, 2025

17. Correction of Prior Period Error

Subsequent to the year ended December 31, 2025, the municipality identified errors in deferred revenue and inventory. Due to these errors, the municipality's deferred revenue has decreased and inventory has decreased. The prior period comparative amounts have been restated from those previously reported to correct for these errors. The correction of these errors has impacted the municipality's consolidated financial statements as follows:

Prior year deferred revenue has decreased by \$37,501, inventory has decreased by \$47,800 and accumulated surplus has decreased by \$10,298.

18. Statement of Remeasurement Gains and Losses

There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

Town of Churchbridge

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

Schedule 1

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
Taxes			
General municipal tax levy	933,010	933,013	913,647
Abatements and adjustments	(17,280)	(7,545)	(20,135)
Discount on current year taxes	<u>(33,150)</u>	<u>(31,159)</u>	<u>(33,154)</u>
Net municipal taxes	882,580	894,309	860,358
Potash tax share	45,190	47,274	43,665
Trailer license fees	3,500	4,700	11,600
Penalties on tax arrears	<u>8,390</u>	<u>11,018</u>	<u>8,393</u>
Total Taxes	<u>939,660</u>	<u>957,301</u>	<u>924,016</u>
Unconditional Grants			
Revenue sharing	257,310	257,306	241,669
Other	<u>7,500</u>	<u>-</u>	<u>-</u>
Total Unconditional Grants	<u>264,810</u>	<u>257,306</u>	<u>241,669</u>
Grants In Lieu of Taxes			
Federal	1,950	3,896	1,954
Provincial			
Other	-	1,527	-
Local/Other			
Housing authority	34,340	31,191	34,337
Other Government Transfers			
S.P.C. surcharge	47,950	48,729	46,273
Sask Energy surcharge	<u>20,600</u>	<u>22,325</u>	<u>22,872</u>
Total Grants In Lieu of Taxes	<u>104,840</u>	<u>107,668</u>	<u>105,436</u>
Total Taxes and Other Unconditional Revenue	<u>\$ 1,309,310</u>	<u>\$ 1,322,275</u>	<u>\$ 1,271,121</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-1
For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	5,990	5,826	6,013
Other	250	3,300	1,053
Total Fees and Charges	<u>6,240</u>	<u>9,126</u>	<u>7,066</u>
Tangible capital asset sales - gain	60,000	-	-
Land sales - gain	38,500	(10,580)	36,972
Investment income	60,000	32,178	62,312
Total Other Segmented Revenue	<u>164,740</u>	<u>30,724</u>	<u>106,350</u>
Total General Government Services	<u>\$ 164,740</u>	<u>\$ 30,724</u>	<u>\$ 106,350</u>
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Fire fees	37,620	28,632	52,251
Other	470	1,702	468
Total Other Segmented Revenue	<u>38,090</u>	<u>30,334</u>	<u>52,719</u>
Total Protective Services	<u>\$ 38,090</u>	<u>\$ 30,334</u>	<u>\$ 52,719</u>
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Sale of supplies	750	2,863	1,378
Tangible capital asset sales - gain	-	9,505	-
Total Other Segmented Revenue	<u>750</u>	<u>12,368</u>	<u>1,378</u>
Conditional Grants			
Student employment	11,000	-	11,410
Total Conditional Grants	<u>11,000</u>	<u>-</u>	<u>11,410</u>
Total Transportation Services	<u>\$ 11,750</u>	<u>\$ 12,368</u>	<u>\$ 12,788</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-2
For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Waste and disposal fees	28,480	18,036	33,276
Expense recovery	-	-	115,106
Other	3,820	5,058	3,916
Total Fees and Charges	<u>32,300</u>	<u>23,094</u>	<u>152,298</u>
Total Other Segmented Revenue	<u>32,300</u>	<u>23,094</u>	<u>152,298</u>
Conditional Grants			
Multi-Material Recycling Program	22,500	22,381	22,381
Total Conditional Grants	<u>22,500</u>	<u>22,381</u>	<u>22,381</u>
Total Operating	<u>54,800</u>	<u>45,475</u>	<u>174,679</u>
Capital			
Conditional Grants			
Investing in Canada Infrastructure	259,000	-	793,192
Total Capital	<u>259,000</u>	<u>-</u>	<u>793,192</u>
Total Environmental and Public Health Services	<u>\$ 313,800</u>	<u>\$ 45,475</u>	<u>\$ 967,871</u>
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Recreation fees	182,800	209,358	157,178
Donation revenue	75,800	29,774	55,910
Other	3,280	4,354	4,067
Total Fees and Charges	<u>261,880</u>	<u>243,486</u>	<u>217,155</u>
Total Other Segmented Revenue	<u>261,880</u>	<u>243,486</u>	<u>217,155</u>
Conditional Grants			
Other	-	-	665
Provincial Government	10,000	37,136	17,804
Total Conditional Grants	<u>10,000</u>	<u>37,136</u>	<u>18,469</u>
Total Recreation and Cultural Services	<u>\$ 271,880</u>	<u>\$ 280,622</u>	<u>\$ 235,624</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-3
For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Water	236,680	243,430	229,227
Sewer	113,970	112,340	109,460
Other utilities	167,860	167,484	167,862
Total Other Segmented Revenue	<u>518,510</u>	<u>523,254</u>	<u>506,549</u>
Total Operating	<u>518,510</u>	<u>523,254</u>	<u>506,549</u>
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	<u>23,240</u>	<u>-</u>	<u>-</u>
Total Capital	<u>23,240</u>	<u>-</u>	<u>-</u>
Total Utility Services	<u>\$ 541,750</u>	<u>\$ 523,254</u>	<u>\$ 506,549</u>
Total Operating and Capital Revenue by Function	<u>\$ 1,342,010</u>	<u>\$ 922,777</u>	<u>\$ 1,881,901</u>
Summary			
Total Other Segmented Revenue	1,016,270	863,260	1,036,449
Total Conditional Grants	43,500	59,517	52,260
Total Capital Grants and Contributions	<u>282,240</u>	<u>-</u>	<u>793,192</u>
Total Operating and Capital Revenue by Function	<u>\$ 1,342,010</u>	<u>\$ 922,777</u>	<u>\$ 1,881,901</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-1

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
General Government Services			
Council remuneration and travel	28,000	22,134	19,912
Wages and benefits	180,420	172,464	196,146
Professional/Contractual services	83,490	56,795	66,935
Utilities	2,750	2,400	2,568
Maintenance, materials and supplies	34,890	37,968	25,419
Grants and contributions - operating	250	973	360
Amortization	4,330	1,674	1,674
Interest	1,090	4,156	1,217
Allowance for uncollectibles	-	(16,413)	-
Other	-	1,723	916
	<u> </u>	<u> </u>	<u> </u>
Total General Government Services	\$ 335,220	\$ 283,874	\$ 315,147
	<u> </u>	<u> </u>	<u> </u>
Protective Services			
Police protection			
Professional/Contractual services	52,500	52,564	51,230
Fire protection			
Wages and benefits	8,000	7,761	7,345
Professional/Contractual services	11,450	12,091	5,505
Utilities	5,120	6,085	4,976
Maintenance, materials and supplies	28,340	26,028	24,768
Amortization	3,620	20,276	20,276
	<u> </u>	<u> </u>	<u> </u>
Total Protective Services	\$ 109,030	\$ 124,805	\$ 114,100
	<u> </u>	<u> </u>	<u> </u>
Transportation Services			
Wages and benefits	161,620	147,842	108,840
Professional/Contractual services	234,000	45,093	52,098
Utilities	51,230	48,275	47,166
Maintenance, materials and supplies	92,000	55,179	49,344
Gravel	30,000	8,653	24,420
Amortization	15,390	45,684	39,348
Interest	-	5,841	-
	<u> </u>	<u> </u>	<u> </u>
Total Transportation Services	\$ 584,240	\$ 356,567	\$ 321,216
	<u> </u>	<u> </u>	<u> </u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-2

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 15)
Environmental and Public Health Services			
Wages and benefits	23,360	21,835	15,751
Professional/Contractual services	290,500	260,771	314,152
Maintenance, materials and supplies	8,120	4,642	5,361
Amortization	-	334	334
	<u> </u>	<u> </u>	<u> </u>
Total Environmental and Public Health Services	\$ 321,980	\$ 287,582	\$ 335,598
	<u> </u>	<u> </u>	<u> </u>
Planning and Development Services			
Professional/Contractual services	9,970	2,359	3,803
Grants and contributions - operating	5,000	4,832	5,000
Maintenance, materials and supplies	1,680	758	695
	<u> </u>	<u> </u>	<u> </u>
Total Planning and Development Services	\$ 16,650	\$ 7,949	\$ 9,498
	<u> </u>	<u> </u>	<u> </u>
Recreation and Cultural Services			
Wages and benefits	252,390	237,397	219,612
Professional/Contractual services	89,620	53,100	83,681
Utilities	70,560	77,079	64,627
Maintenance, materials and supplies	112,870	118,979	92,679
Grants and contributions - operating	32,750	32,892	27,953
Amortization	4,350	58,660	56,845
Interest	310	-	310
	<u> </u>	<u> </u>	<u> </u>
Total Recreation and Cultural Services	\$ 562,850	\$ 578,107	\$ 545,707
	<u> </u>	<u> </u>	<u> </u>
Utility Services			
Wages and benefits	64,790	62,765	108,851
Professional/Contractual services	144,920	37,749	58,439
Utilities	48,440	37,182	45,068
Maintenance, materials and supplies	115,700	80,981	93,814
Amortization	10,620	176,979	179,299
Interest	-	11,061	16,661
	<u> </u>	<u> </u>	<u> </u>
Total Utility Services	\$ 384,470	\$ 406,717	\$ 502,132
	<u> </u>	<u> </u>	<u> </u>
Total Expenses by Function	\$ 2,314,440	\$ 2,045,601	\$ 2,143,398
	<u> </u>	<u> </u>	<u> </u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2025

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues (schedule 2)								
Fees and charges	9,126	30,334	2,863	23,094	-	243,486	523,254	832,157
Tangible capital asset sales - gain	-	-	9,505	-	-	-	-	9,505
Land sales - gain (loss)	(10,580)	-	-	-	-	-	-	(10,580)
Investment income	32,178	-	-	-	-	-	-	32,178
Grants - conditional	-	-	-	22,381	-	37,136	-	59,517
Total Revenues	30,724	30,334	12,368	45,475	-	280,622	523,254	922,777
Expenses (schedule 3)								
Wages and benefits	194,598	7,761	147,842	21,835	-	237,397	62,765	672,198
Professional/contractual services	56,795	64,655	45,093	260,771	2,359	53,100	37,749	520,522
Utilities	2,400	6,085	48,275	-	-	77,079	37,182	171,021
Maintenance materials and supplies	37,968	26,028	63,832	4,642	758	118,979	80,981	333,188
Grants and contributions - operating	973	-	-	-	4,832	32,892	-	38,697
Amortization of tangible capital assets	1,674	20,276	45,684	334	-	58,660	176,979	303,607
Interest	4,156	-	5,841	-	-	-	11,061	21,058
Allowance for uncollectibles	(16,413)	-	-	-	-	-	-	(16,413)
Other	1,723	-	-	-	-	-	-	1,723
Total Expenses	283,874	124,805	356,567	287,582	7,949	578,107	406,717	2,045,601
Surplus (Deficit) by Function	\$ (253,150)	\$ (94,471)	\$ (344,199)	\$ (242,107)	\$ (7,949)	\$ (297,485)	\$ 116,537	(1,122,824)
Taxation and other unconditional revenue (schedule 1)								<u>1,322,275</u>
Net Surplus								<u>\$ 199,451</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Schedule of Segment Disclosure by Function
For the year ended December 31, 2024

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues (schedule 2)								
Fees and charges	7,066	52,719	1,378	152,298	-	217,155	506,549	937,165
Land sales - gain	36,972	-	-	-	-	-	-	36,972
Investment income	62,312	-	-	-	-	-	-	62,312
Grants - conditional	-	-	11,410	22,381	-	18,469	-	52,260
Grants - capital	-	-	-	793,192	-	-	-	793,192
Total Revenues	106,350	52,719	12,788	967,871	-	235,624	506,549	1,881,901
Expenses (schedule 3)								
Wages and benefits	216,058	7,345	108,840	15,751	-	219,612	108,851	676,457
Professional/contractual services	66,935	56,735	52,098	314,152	3,803	83,681	58,439	635,843
Utilities	2,568	4,976	47,166	-	-	64,627	45,068	164,405
Maintenance materials and supplies	25,419	24,768	73,764	5,361	695	92,679	93,814	316,500
Grants and contributions - operating	360	-	-	-	5,000	27,953	-	33,313
Amortization of tangible capital assets	1,674	20,276	39,348	334	-	56,845	179,299	297,776
Interest	1,217	-	-	-	-	310	16,661	18,188
Other	916	-	-	-	-	-	-	916
Total Expenses	315,147	114,100	321,216	335,598	9,498	545,707	502,132	2,143,398
Surplus (Deficit) by Function	<u>\$ (208,797)</u>	<u>\$ (61,381)</u>	<u>\$ (308,428)</u>	<u>\$ 632,273</u>	<u>\$ (9,498)</u>	<u>\$ (310,083)</u>	<u>\$ 4,417</u>	<u>(261,497)</u>
Taxation and other unconditional revenue (schedule 1)								<u>1,271,121</u>
Net Surplus								<u>\$ 1,009,624</u>

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Town of Churchbridge
Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2025

Schedule 6

	General Assets					Infrastruct. Assets		General/ Infrastruct.	
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Constr.	Total
Asset Cost									
Opening Asset Cost	7,048	155,312	2,181,777	295,198	779,166	7,327,867	-	-	10,746,368
Additions during the year	6,491	-	-	14,310	267,023	147,870	-	-	435,694
Disposals and write-down during the year	-	-	-	-	(189,950)	-	-	-	(189,950)
Closing Asset Costs	13,539	155,312	2,181,777	309,508	856,239	7,475,737	-	-	10,992,112
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	56,872	1,222,600	99,674	465,906	2,246,877	-	-	4,091,929
Add: Amortization taken	-	8,058	58,417	11,697	38,142	187,293	-	-	303,607
Less: Accumulated amortization on disposals	-	-	-	-	139,455	-	-	-	139,455
Closing Accumulated Amortization Costs	-	64,930	1,281,017	111,371	364,593	2,434,170	-	-	4,256,081
Net Book Value	\$ 13,539	\$ 90,382	\$ 900,760	\$ 198,137	\$ 491,646	\$ 5,041,567	\$ -	\$ -	\$ 6,736,031

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Town of Churchbridge
Consolidated Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2024

Schedule 6

	General Assets					Infrastruct. Assets	General/ Infrastruct.		
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Constr.	Total
Asset Cost									
Opening Asset Cost	7,048	155,312	2,172,808	295,198	721,626	7,224,013	-	-	10,576,005
Additions during the year	-	-	8,969	-	57,540	103,854	-	-	170,363
Closing Asset Costs	7,048	155,312	2,181,777	295,198	779,166	7,327,867	-	-	10,746,368
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	48,814	1,163,159	88,931	430,070	2,063,180	-	-	3,794,154
Add: Amortization taken	-	8,058	59,441	10,743	35,836	183,697	-	-	297,775
Closing Accumulated Amortization Costs	-	56,872	1,222,600	99,674	465,906	2,246,877	-	-	4,091,929
Net Book Value	\$ 7,048	\$ 98,440	\$ 959,177	\$ 195,524	\$ 313,260	\$ 5,080,990	\$ -	\$ -	\$ 6,654,439

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2025

Schedule 7

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	448,566	496,977	1,669,009	12,995	-	1,883,589	6,235,232	10,746,368
Additions during the year	-	-	401,974	-	-	33,720	-	435,694
Disposals and write-down during the year	-	-	(189,950)	-	-	-	-	(189,950)
Closing Asset Costs	<u>448,566</u>	<u>496,977</u>	<u>1,881,033</u>	<u>12,995</u>	<u>-</u>	<u>1,917,309</u>	<u>6,235,232</u>	<u>10,992,112</u>
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	68,426	177,820	1,233,169	6,263	-	959,187	1,647,064	4,091,929
Add: Amortization taken	1,674	20,276	45,684	334	-	58,660	176,979	303,607
Less: Accumulated amortization on disposals	-	-	139,455	-	-	-	-	139,455
Closing Accumulated Amortization Costs	<u>70,100</u>	<u>198,096</u>	<u>1,139,398</u>	<u>6,597</u>	<u>-</u>	<u>1,017,847</u>	<u>1,824,043</u>	<u>4,256,081</u>
Net Book Value	<u>\$ 378,466</u>	<u>\$ 298,881</u>	<u>\$ 741,635</u>	<u>\$ 6,398</u>	<u>\$ -</u>	<u>\$ 899,462</u>	<u>\$ 4,411,189</u>	<u>\$ 6,736,031</u>

*The notes to consolidated financial statements are an integral
part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2024

Schedule 7

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	448,566	480,603	1,584,779	12,995	-	1,874,620	6,174,442	10,576,005
Additions during the year	-	16,374	84,230	-	-	8,969	60,790	170,363
Closing Asset Costs	448,566	496,977	1,669,009	12,995	-	1,883,589	6,235,232	10,746,368
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	66,752	157,544	1,193,822	5,929	-	902,342	1,467,765	3,794,154
Add: Amortization taken	1,674	20,276	39,347	334	-	56,845	179,299	297,775
Closing Accumulated Amortization Costs	68,426	177,820	1,233,169	6,263	-	959,187	1,647,064	4,091,929
Net Book Value	\$ 380,140	\$ 319,157	\$ 435,840	\$ 6,732	\$ -	\$ 924,402	\$ 4,588,168	\$ 6,654,439

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part of these consolidated financial statements.*

Town of Churchbridge
Consolidated Schedule of Accumulated Surplus
For the year ended December 31, 2025

Schedule 8

	2024	Changes	2025
Unappropriated Surplus	<u>1,245,925</u>	<u>(248,165)</u>	<u>997,760</u>
Appropriated Surplus			
Machinery and equipment			
Computer	1,690	4,330	6,020
Machinery and equipment	2,350	4,330	6,680
Recreation capital	154,919	24,350	179,269
Future capital expenditure	<u>50,000</u>	<u>18,000</u>	<u>68,000</u>
	<u>208,959</u>	<u>51,010</u>	<u>259,969</u>
Capital trust reserve	<u>84,100</u>	<u>-</u>	<u>84,100</u>
Utility			
Waterworks	51,081	-	51,081
Sewer lagoon dredging	20,000	-	20,000
Utility building/machine	5,580	10,620	16,200
Line repair/water breaks	<u>13,480</u>	<u>13,480</u>	<u>26,960</u>
	<u>90,141</u>	<u>24,100</u>	<u>114,241</u>
Other			
Solar panel reserve	1,000	-	1,000
Recycling fund	5,048	-	5,048
Shop roof	50,668	-	50,668
Development costs	117,637	-	117,637
Dedicated lands	2,750	-	2,750
Arts and culture	11,524	-	11,524
Emergency reserve	69,760	-	69,760
Dog park	916	-	916
Culverts/Drainage	21,688	-	21,688
Christmas food hampers donations	-	2,600	2,600
Unspecified	9,475	-	9,475
Swimming pool liner	30,800	120,000	150,800
Hall	33,600	-	33,600
Cemetery committee	7,357	407	7,764
Health care	2,543	-	2,543
Fire Department	87,105	72,033	159,138
Care Home	2,000	-	2,000
Library	12,500	-	12,500
Disc golf	60	-	60
Churchbridge in Bloom	6,549	-	6,549
Trail and biking fund	4,285	-	4,285
Veteran's photo archive	1,713	-	1,713
Accessibility playground	1,073	-	1,073
Hanging baskets	1,873	-	1,873
Asbestos removal	10,000	-	10,000
Arena rink compressor	10,000	(10,000)	-
Infrastructure	3,630	11,060	14,690
Paving	<u>50,000</u>	<u>50,000</u>	<u>100,000</u>
	<u>555,554</u>	<u>246,100</u>	<u>801,654</u>
Total Appropriated	<u>938,754</u>	<u>321,210</u>	<u>1,259,964</u>
Net Investments in Tangible Capital Assets			
Tangible capital assets (schedule 6 and 7)	6,654,439	81,592	6,736,031
Less: Related debt	<u>337,308</u>	<u>(44,814)</u>	<u>292,494</u>
Net Investment in Tangible Capital Assets	<u>6,317,131</u>	<u>126,406</u>	<u>6,443,537</u>
Accumulated Surplus	<u>\$ 8,501,810</u>	<u>\$ 199,451</u>	<u>\$ 8,701,261</u>

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Town of Churchbridge
Schedule of Mill Rates and Assessments
For the year ended December 31, 2025

Schedule 9

	Property Class						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	293,480	45,274,000	-	-	3,215,550	-	48,783,030
Regional Park Assessment							-
Total Assessment							48,783,030
Mill Rate Factor(s)	1.6900	1.0000	-	-	2.4800		
Total Base/Minimum Tax (generated for each property class)	1,950	505,400	-	-	60,200		567,550
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	5,323	813,263	-	-	114,427		933,013
Mill Rates:	Mills						
Average Municipal*	19.1258						
Average School*	4.3900						
Potash Mill Rate	-						
Uniform Municipal Mill Rate	6.8000						

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

Town of Churchbridge
Schedule of Council Remuneration
For the year ended December 31, 2025

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Jared Melnyk	4,210	-	4,210
Councillor	Jonathan Jenson	1,540	-	1,540
Councillor	Terissa James	1,685	-	1,685
Councillor	James Gallant	1,370	-	1,370
Councillor	James Zelmer	940	-	940
Councillor	Tracy Swereda	1,640	-	1,640
Councillor	Jocelyn Griffin	1,990	-	1,990
		<u>\$ 13,375</u>	<u>\$ -</u>	<u>\$ 13,375</u>