Annual Financial Statements

And Supporting Schedules

For The

Village of Neilburg

As at December 31, 2025

Management's Responsibility for Financial Reporting

The financial statements of Village of Neilburg have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. 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 Village of Neilburg'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 and is ultimately responsible for reviewing and approving the financial statements. The Council is responsible for the design, implementation and maintenance of internal control to prevent and detect fraud. The Council is composed of elected officials, who are not employees of the municipality, and meets periodically with management to review significant accounting, reporting and internal control matters. The Council is also responsible for the approval of the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by HRO Chartered Professional Accountants, in accordance with Canadian public sector accounting standards.

June 8, 2026

Date

Mayor

Administrator

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INDEPENDENT AUDITOR'S REPORT

To the Ratepayers of Village of Neilburg

Qualified Opinion

We have audited the financial statements of Village of Neilburg (the municipality), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the 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 financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Qualified Opinion

The municipality has interests in the Neilburg Community Hall Board, Manitou Pioneers Museum Board, Neilburg Recreation Board, Neilburg Fire Board, Neilburg Library Board and Neilburg Bowling Association which are government partnerships (Note 1a). The municipality has not recorded these interests in its financial statements using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. The effect on the financial statements has not been determined for the fiscal 2025 and 2024 years. Our audit opinion on the financial statements for the year ended December 31, 20235 and 2024 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the municipality in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit 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 PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

(continues)

In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the municipality to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

HRO

North Battleford, Saskatchewan
June 8, 2026

Chartered Professional Accountants

Village of Neilburg

Statement 1: Statement of Financial Position

As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	$ 2,995,486	$ 2,465,362
Investments (Note 3)	9,765	557,900
Taxes Receivable - Municipal (Note 4)	106,537	128,192
Other Accounts Receivable (Note 5)	87,555	147,844
Assets Held for Sale (Note 6)	228,286	264,678
Long-Term Receivable		
Debt Charges Recoverable		
Derivative Assets		
Other (Specify)		
Total Financial Assets	**3,427,629**	**3,563,976**
LIABILITIES		
Bank Indebtedness (Note 7)		
Accounts Payable	1,245,971	980,450
Accrued Liabilities Payable	36,695	39,945
Derivative Liabilities		
Deposits	2,584	2,584
Deferred Revenue (Note 8)	6,579	9,086
Asset Retirement Obligation		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 9)	932,535	1,027,828
Lease Obligations		
Total Liabilities	**2,224,364**	**2,059,893**
NET FINANCIAL ASSETS (DEBT)	**1,203,265**	**1,504,083**
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	12,223,995	9,405,849
Prepayments and Deferred Charges		1,432
Stock and Supplies		
Other		
Total Non-Financial Assets	**12,223,995**	**9,407,281**
ACCUMULATED SURPLUS (DEFICIT)	**$ 13,427,260**	**$ 10,911,364**
Accumulated surplus (deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 8)	13,427,260	10,911,364
Accumulated remeasurement gains (losses) (Statement 5)	-	-

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

Village of Neilburg
Statement 2: Statement of Operations and Accumulated Surplus
As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	$ 513,383	$ 529,322	$ 517,474
Other Unconditional Revenue (Schedule 1)	111,389	111,389	104,690
Fees and Charges (Schedule 4, 5)	355,241	384,042	400,192
Conditional Grants (Schedule 4, 5)	-	8,631	2,863
Tangible Capital Asset Sales - Gain (loss) (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Note 3) (Schedule 4, 5)	23,000	71,150	140,397
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	800	-
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	2,886,741	2,403,240	1,084,607
Total Revenues	**3,889,754**	**3,508,574**	**2,250,223**
EXPENSES			
General Government Services (Schedule 3)	154,514	171,190	158,879
Protective Services (Schedule 3)	70,420	84,806	69,099
Transportation Services (Schedule 3)	219,888	126,109	154,287
Environmental and Public Health Services (Schedule 3)	47,383	52,639	43,980
Planning and Development Services (Schedule 3)	48,760	34,445	50,459
Recreation and Cultural Services (Schedule 3)	77,730	115,758	119,178
Utility Services (Schedule 3)	393,781	407,731	326,722
Restructurings (Schedule 3)	-	-	-
Total Expenses	**1,012,476**	**992,678**	**922,604**
Annual Surplus (Deficit) of Revenues over Expenses	**2,877,278**	**2,515,896**	**1,327,619**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	10,911,364	10,911,364	9,583,745
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	**$ 13,788,642**	**$ 13,427,260**	**$ 10,911,364**

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

Village of Neilburg
Statement 3: 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	$ 2,877,278	$ 2,515,896	$ 1,327,619
(Acquisition) of tangible capital assets		(3,061,389)	(2,601,175)
Amortization of tangible capital assets		243,243	230,261
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets		-	-
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	**-**	**(2,818,146)**	**(2,370,914)**
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			(90)
Consumption of supplies inventory			
Use of prepaid expense		1,432	
Surplus (Deficit) of expenses of other non-financial over expenditures	**-**	**1,432**	**(90)**
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	**2,877,278**	**(300,818)**	**(1,043,385)**
Net Financial Assets (Debt) - Beginning of Year		1,504,083	2,547,468
Net Financial Assets (Debt) - End of Year		**$ 1,203,265**	**$ 1,504,083**

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

Village of Neilburg
Statement 4: 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	$ 2,515,896	$ 1,327,619
Amortization	243,243	230,261
Loss (gain) on disposal of tangible capital assets	-	-
	2,759,139	1,557,880
Change in assets/liabilities		
Taxes Receivable - Municipal	21,655	(6,324)
Other Receivables	60,289	(89,616)
Assets Held for Sale	36,392	(17,801)
Long-Term Receivable	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	262,271	883,314
Derivative Liabilities	-	-
Deposits	-	510
Deferred Revenue	(2,507)	870
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	-
Prepayments and Deferred Charges	1,432	(90)
Other (Specify)	-	-
Cash provided by operating transactions	**3,138,671**	**2,328,743**
Capital:		
Acquisition of capital assets	(3,061,389)	(2,601,175)
Proceeds from the disposal of capital assets	-	-
Cash applied to capital transactions	**(3,061,389)**	**(2,601,175)**
Investing:		
Decrease (increase) in restricted cash and cash equivalents	(578)	(4,850)
Proceeds from disposal of investments		
Decrease (increase) in investments	548,135	(29,633)
Cash provided by (applied to) investing transactions	**547,557**	**(34,483)**
Financing:		
Debt charges recovered		
Long-term debt issued		1,000,000
Long-term debt repaid	(95,293)	(13,914)
Other financing		
Cash provided by (applied to) financing transactions	**(95,293)**	**986,086**
Change in Cash and Cash Equivalents during the year	529,546	679,171
Cash and Cash Equivalents - Beginning of Year	2,435,474	1,756,303
Cash and Cash Equivalents - End of Year	**$ 2,965,020**	**$ 2,435,474**
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	2,995,486	2,465,362
Less: restricted portion of cash and cash equivalents (Note 2)	(30,466)	(29,888)
Temporary bank indebtness		
	$ 2,965,020	$ 2,435,474

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

Village of Neilburg
Statement 5: 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		
Foreign exchange (if applicable)		
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains(losses) at end of year	-	-

Village of Neilburg
Notes to the Financial Statements
As at December 31, 2025

1. Significant Accounting Policies

The 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 financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

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

Entity
Village of Neilburg

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:

Manitou Pioneers Museum Board - not consolidated
Neilburg Bowling Association - not consolidated
Neilburg Community Hall Board - not consolidated
Neilburg Fire Board - not consolidated
Neilburg Library Board - not consolidated
Neilburg Recreation Board - not consolidated

The municipality is unable to consolidate the above government partnerships because audited financial statements at December 31, 2025 for each are unavailable at the time of completion.

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.

e) **Revenue** - Revenue source(s) from transactions with no performance obligations is recognized as revenue on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The municipality's sources of revenue include the following:
i. Property tax revenue - see note 1) j)
ii. Fees and services - revenue from fees and services are recognized in the year they are earned
iii. Government transfers - see note 1) c)
iv. Interest and dividends - see note 1) k)
v. Other (Non-Government Transfer) contributions - see note 1) d)

For Revenue items with related performance obligations: 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.

1. Significant Accounting Policies - continued

Revenue continued

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 8.

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. 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.

1. Significant Accounting Policies - continued

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

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

Long-term 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 municipalities financial assets and liabilities are measured as follows:

Financial Statement line item	Measurement
Cash & Cash Equivalents	Cost and amortized cost
Investments	Cost
Other Accounts Receivable	Cost and amortized cost
Long term receivables	Cost
Debt Charges Recoverable	Amortized cost
Bank Indebtedness	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Long-Term Debt	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.

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	15 Yrs.
Buildings	40 Yrs.
Vehicles & Equipment	
Vehicles	10 Yrs.
Machinery and Equipment	10 Yrs.
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	
Water & Sewer	40 to 75 Yrs.
Road Network Assets	15 to 75 Yrs.

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

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

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital 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 straight-line basis, over their estimated useful lives. 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:** The municipality does not have any public private partnership arrangements at December 31, 2025.

o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the financial statements as they are not controlled by the municipality. There are no trust fund activities administered by the municipality.

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.

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

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

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

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

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.
Planning and Development: Provides for neighbourhood development and sustainability.
Recreation and Culture: Provides for community services through the provision of recreation and leisure services.
Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

t) **Budget Information**: Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on ***April 7, 2025***.

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

v) **Tax Title Property:** Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of the carrying amount (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

w) **Land Sales:** Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and the ability to collect is reasonably assured.

1. **Significant Accounting Policies - continued**

x) **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, 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.

y) **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.

Village of Neilburg
Notes to the Financial Statements
As at December 31, 2025

2. Cash and Cash Equivalents

	2025	2024
Cash	$ 2,965,020	$ 2,435,474
Short-term investments - amortized cost		
Restricted Cash	30,466	29,888
Total Cash and Cash Equivalents	**$ 2,995,486**	**$ 2,465,362**

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.

The municipality has set aside funds (restricted cash) to finance future expenditures based upon appropriated reserves (Schedule 8) determined by council; these funds are internally restricted. The appropriated reserves are overfunded by $1,186 and underfunded by $379 as of December 31, 2025 and 2024, respectively. However, there are sufficient funds in the general accounts to fund their reserves.

3. Investments

	2025	2024
Investments carried at cost:		
Lloydminster & District Co-op. - equity	$ 1,597	$ 1,583
Synergy Credit Union - equity	8,163	6,459
Synergy Credit Union - shares	5	5
Synergy Credit Union - term deposit	-	549,853
Total investments	**$ 9,765**	**$ 557,900**

The short term deposit has an effective interest rate of 3.95% (2024 - 3.95%) and mature in less than one year.

	2025	2024
Investment Income		
Interest	$ 69,353	$ 139,267
Dividends	1,797	1,129
Total investment income	**$ 71,150**	**$ 140,396**

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

4. Taxes Receivable - Municipal

		2025	2024
Municipal	- Current	$ 40,008	$ 43,138
	- Arrears	81,529	100,054
		121,537	143,192
	- Less Allowance for Uncollectible	(15,000)	(15,000)
Total municipal taxes receivable		106,537	128,192
School	- Current	9,608	6,459
	- Arrears	7,730	10,389
Total taxes to be collected on behalf of School Divisions		17,338	16,848
Other			
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations		123,875	145,040
Deduct taxes to be collected on behalf of other organizations		(17,338)	(16,848)
Total Taxes Receivable - Municipal		**$ 106,537**	**$ 128,192**

Village of Neilburg
Notes to the Financial Statements
As at December 31, 2025

5. Other Accounts Receivable

	2025	2024
Federal Government	$ 52,743	$ 106,471
Provincial Government	2,502	2,451
Local Government		
Utility	29,590	33,402
Trade	2,720	715
Other (Accrued interest)		4,805
Total Other Accounts Receivable	87,555	147,844
Less: Allowance for Uncollectible		
Net Other Accounts Receivable	**$ 87,555**	**$ 147,844**

6. Assets Held for Sale

	2025	2024
Tax Title Property	$ 41,218	$ 67,215
Allowance for market value adjustment		
Net Tax Title Property	41,218	67,215
Other Land	187,068	197,463
Allowance for market value adjustment		
Net Other Land	187,068	197,463
Other (Describe)	-	-
Total Assets Held for Sale	**$ 228,286**	**$ 264,678**

7. Credit Facility

The municipality has a credit card with a $5,000 limit. The balance at December 31, 2025 was $107 (2024 - $322). Interest on the credit card is 22.99%.

8. Deferred Revenue

	2024	Restricted	Revenue Earned	2025
Prepaid Taxes	$ 7,516	$ 6,579	$ 7,516	$ 6,579
Prepaid Utilities	1,570	-	1,570	-
Total Deferred Revenue	**$ 9,086**	**$ 6,579**	**$ 9,086**	**$ 6,579**

9. Long-Term Debt

a) The debt limit of the municipality is $2,250,223. 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)).

b) The Rural Municipality of Hillsdale No. 440 office renovation and addition loan is secured by the building. Annual payments are $13,914 and the loan does not bear interest. The debt matures in 2026. The net book value of the Village's one third share of the renovation is $111,316.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025				$ 13,914
2026	$ 13,914		$ 13,914	13,914
Balance	**$ 13,914**		**$ 13,914**	**$ 27,828**

c) Debenture debt is repayable to individuals and bears interest at a rate of 4.5%. The debt matures in 2034.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025				$ 81,379
2026	$ 85,041	$ 41,338	$ 126,379	85,041
2027	88,868	37,511	126,379	88,868
2028	92,867	33,512	126,379	92,867
2029	97,046	29,333	126,379	97,046
2030	101,413	24,966	126,379	101,413
2031	105,976	20,402	126,378	105,976
2032	110,745	15,633	126,378	110,745
2033	115,729	10,650	126,379	115,729
2034	120,936	5,442	126,378	120,936
Balance	**$ 918,621**	**$ 218,787**	**$ 1,137,408**	**$ 1,000,000**

	Principal	Interest	Current Year Total	Prior Year Principal
Total Long-term Debt	**$ 932,535**	**$ 218,787**	**$ 1,151,322**	**$ 1,027,828**

10. 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 $4,852 (2024 - $4,482). The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

Total current service contributions by the municipality to the MEPP in 2025 were $4,852 (2024 - $4,482). Total current service contributions by the employees of the municipality to the MEPP in 2025 were $4,852 (2024 - $4,482).

At December 31, 2024, the MEPP disclosed an actuarial deficiency/surplus of $819,117,000.

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

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

11. Comparative Figures

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

12. 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, other accounts receivable, and long-term receivable. The municipality has a significant number of customers which minimizes concentration of credit risk. There was no allowance for doubtful accounts for December 31, 2025 and 2024.

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 accounts payable, accrued liabilities payable, and long-term debt.

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 investments, bank indebtedness and credit facilities.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The municipality is exposed to foreign currency exchange risk on accounts payable in U.S. dollars.

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity investments. The financial instruments that potentially subject the municipality to other price risk consist of investments. There has been no change in exposure from the prior period.

Village of Neilburg

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	$ 526,125	$ 526,079	$ 516,823
	Abatements and adjustments	(30,000)	(30,000)	(31,000)
	Discount on current year taxes	(18,220)	(19,386)	(18,221)
	Net Municipal Taxes	477,905	476,693	467,602
	Potash tax share			
	Trailer license fees			
	Penalties on tax arrears	4,500	14,177	13,930
	Special tax levy			
	Other (Specify)			
Total Taxes		**482,405**	**490,870**	**481,532**
UNCONDITIONAL GRANTS				
	Revenue Sharing	111,389	111,389	104,690
	(Organized Hamlet)			
	Safe Restart			
	Other (Specify)			
Total Unconditional Grants		**111,389**	**111,389**	**104,690**
GRANTS IN LIEU OF TAXES				
Federal		1,898	2,380	1,899
Provincial				
	S.P.C. Electrical			
	SaskEnergy Gas			
	TransGas			
	Central Services			
	SaskTel	6,180	8,509	6,181
	Other (Specify)			
Local/Other				
	Housing Authority			
	C.P.R. Mainline			
	Treaty Land Entitlement			
	Other (Specify)			
Other Government Transfers				
	S.P.C. Surcharge	22,900	27,563	27,862
	Sask Energy Surcharge			
	Other (Specify)			
Total Grants in Lieu of Taxes		**30,978**	**38,452**	**35,942**
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE		**$ 624,772**	**$ 640,711**	**$ 622,164**

Village of Neilburg
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	$ 525	$ 5,869	$ 1,451
- Sales of supplies			
- Other (General office services)	1,250	4,277	2,710
Total Fees and Charges	1,775	10,146	4,161
- Tangible capital asset sales - gain (loss)			
- Land sales - gain			
- Investment income	23,000	71,150	140,397
- Commissions			
- Other (Donations)		800	
Total Other Segmented Revenue	24,775	82,096	144,558
Conditional Grants			
- Student Employment		2,025	1,960
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	2,025	1,960
Total Operating	24,775	84,121	146,518
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	**24,775**	**84,121**	**146,518**

	2025 Budget	2025	2024
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (SGI refund)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Contributed assets)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Protective Services	**-**	**-**	**-**

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

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	23,480	23,113	23,481
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	23,480	23,113	23,481
Restructuring Revenue (Specify, if any)			
Total Transportation Services	**23,480**	**23,113**	**23,481**

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	9,000	8,860	9,292
- Other (Cemetery)	150	970	1,835
Total Fees and Charges	9,150	9,830	11,127
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	9,150	9,830	11,127
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other (MMSW grant)		4,106	903
Total Conditional Grants	-	4,106	903
Total Operating	9,150	13,936	12,030
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	**9,150**	**13,936**	**12,030**

Village of Neilburg
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			4,104
- Other (Rent)	41,488	39,892	41,455
Total Fees and Charges	41,488	39,892	45,559
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	41,488	39,892	45,559
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	41,488	39,892	45,559
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	**41,488**	**39,892**	**45,559**
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other (Donations, welcome basket)		16,536	32,011
Total Fees and Charges	-	16,536	32,011
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	16,536	32,011
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Community Rink Affordability Grant)		2,500	
Total Conditional Grants	-	2,500	-
Total Operating	-	19,036	32,011
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	**-**	**19,036**	**32,011**

Village of Neilburg
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	133,400	134,895	135,748
- Sewer	43,000	45,483	45,158
- Other (Infrastructure fees)	126,428	127,260	126,428
Total Fees and Charges	302,828	307,638	307,334
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	302,828	307,638	307,334
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	302,828	307,638	307,334
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP	2,863,261	2,380,127	1,061,126
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	2,863,261	2,380,127	1,061,126
Restructuring Revenue (Specify, if any)			
Total Utility Services	**3,166,089**	**2,687,765**	**1,368,460**
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	**$ 3,264,982**	**$ 2,867,863**	**$ 1,628,059**

SUMMARY

	2025 Budget	2025	2024
Total Other Segmented Revenue	$ 378,241	$ 455,992	$ 540,589
Total Conditional Grants	-	8,631	2,863
Total Capital Grants and Contributions	2,886,741	2,403,240	1,084,607
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	**$ 3,264,982**	**$ 2,867,863**	**$ 1,628,059**

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

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	$ 15,100	$ 16,068	$ 13,280
Wages and benefits	73,460	74,459	71,049
Professional/Contractual services	37,805	39,677	42,909
Utilities	5,170	4,453	4,195
Maintenance, materials and supplies	18,886	17,531	16,088
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	4,093	3,786	3,786
Accretion of asset retirement obligation			
Interest			51
Allowance for uncollectible		14,868	7,413
Other (Appeal fees, title transfer fees)		348	108
General Government Services	154,514	171,190	158,879
Restructuring (Specify, if any)			
Total General Government Services	154,514	171,190	158,879
PROTECTIVE SERVICES			
Police protection			
Wages and benefits			
Professional/Contractual services	25,000	22,472	21,947
Utilities			
Maintenance, material and supplies			
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify)			
Fire protection			
Wages and benefits			
Professional/Contractual services	24,086	21,624	21,624
Utilities	780	780	784
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	20,151	39,527	24,744
Interest			
Accretion of asset retirement obligation			
Other (Extinguisher maintenance)	403	403	
Protective Services	70,420	84,806	69,099
Restructuring (Specify, if any)			
Total Protective Services	70,420	84,806	69,099
TRANSPORTATION SERVICES			
Wages and benefits	10,961	7,111	7,659
Professional/Contractual Services	128,560	48,054	75,606
Utilities	13,800	13,083	13,456
Maintenance, materials, and supplies	10,600	6,564	7,736
Gravel	9,000	4,282	2,864
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	46,967	47,015	46,966
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Transportation Services	219,888	126,109	154,287
Restructuring (Specify, if any)			
Total Transportation Services	219,888	126,109	154,287

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

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits			
Professional/Contractual services	41,890	45,558	38,268
Utilities	500	638	487
Maintenance, materials and supplies	1,900	3,350	2,132
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization of tangible capital assets	3,093	3,093	3,093
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Environmental and Public Health Services	47,383	52,639	43,980
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	47,383	52,639	43,980
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	70		74
Professional/Contractual Services	21,164	13,062	24,815
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	9,414	9,414	9,632
Interest			
Accretion of Asset Retirement Obligation			
Other (Utilities, maintenance, and supplies)	18,112	11,969	15,938
Planning and Development Services	48,760	34,445	50,459
Restructuring (Specify, if any)			
Total Planning and Development Services	48,760	34,445	50,459
RECREATION AND CULTURAL SERVICES			
Wages and benefits			
Professional/Contractual services	14,735	15,318	14,714
Utilities	17,150	14,522	16,156
Maintenance, materials and supplies	210	386	188
Grants and contributions - operating	17,000	56,665	59,486
- capital			
Amortization of tangible capital assets	28,635	28,867	28,634
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	77,730	115,758	119,178
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	77,730	115,758	119,178

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

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	79,500	**83,989**	74,258
Professional/Contractual services	92,470	**115,757**	56,315
Utilities	32,500	**27,889**	27,204
Maintenance, materials and supplies	33,335	**26,806**	11,744
Grants and contributions - operating			
- capital			
Amortization of tangible capital assets	114,638	**111,541**	113,406
Interest	41,338	**41,749**	43,795
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (Specify)			
Utility Services	**393,781**	**407,731**	**326,722**
Restructuring (Specify, if any)			
Total Utility Services	**393,781**	**407,731**	**326,722**

TOTAL EXPENSES BY FUNCTION	**$ 1,012,476**	**$ 992,678**	**$ 922,604**

Village of Neilburg
Schedule 4: Schedule of Segment Disclosure by Function
As at December 31, 2025

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	$ 10,146	$	$	$ 9,830	$ 39,892	$ 16,536	$ 307,638	$ 384,042
Tangible Capital Asset Sales - Gain (loss)	-	-	-	-	-	-	-	-
Land Sales - Gain	-							-
Investment Income	71,150							71,150
Commissions	-							-
Other Revenues	800	-	-	-	-	-	-	800
Grants - Conditional	2,025	-	-	4,106	-	2,500	-	8,631
- Capital	-	-	23,113	-	-	-	2,380,127	2,403,240
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**84,121**	**-**	**23,113**	**13,936**	**39,892**	**19,036**	**2,687,765**	**2,867,863**
Expenses (Schedule 3)								
Wages & Benefits	90,527	-	7,111	-	-	-	83,989	181,627
Professional/ Contractual Services	39,677	44,096	48,054	45,558	13,062	15,318	115,757	321,522
Utilities	4,453	780	13,083	638		14,522	27,889	61,365
Maintenance Materials and Supplies	17,531	-	10,846	3,350		386	26,806	58,919
Grants and Contributions	-	-	-	-	-	56,665	-	56,665
Amortization of Tangible Capital Assets	3,786	39,527	47,015	3,093	9,414	28,867	111,541	243,243
Interest	-	-	-	-	-	-	41,749	41,749
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	14,868					-	-	14,868
Restructurings	-	-	-	-	-	-	-	-
Other	348	403	-	-	11,969	-	-	12,720
Total Expenses	**171,190**	**84,806**	**126,109**	**52,639**	**34,445**	**115,758**	**407,731**	**992,678**
Surplus (Deficit) by Function	**$ (87,069)**	**$ (84,806)**	**$ (102,996)**	**$ (38,703)**	**$ 5,447**	**$ (96,722)**	**$ 2,280,034**	**$ 1,875,185**
Taxes and other unconditional revenue (Schedule 1)								640,711
Net Surplus (Deficit)								**$ 2,515,896**

Village of Neilburg
Schedule 5: Schedule of Segment Disclosure by Function
As at December 31, 2024

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	$ 4,161	$	$	$ 11,127	$ 45,559	$ 32,011	$ 307,334	$ 400,192
Tangible Capital Asset Sales - Gain (loss)	-	-	-	-	-	-	-	-
Land Sales - Gain	-							-
Investment Income	140,397							140,397
Commissions	-							-
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	1,960	-	-	903	-	-	-	2,863
- Capital	-	-	23,481	-	-	-	1,061,126	1,084,607
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**146,518**	**-**	**23,481**	**12,030**	**45,559**	**32,011**	**1,368,460**	**1,628,059**
Expenses (Schedule 3)								
Wages & Benefits	84,329	-	7,659	-	74	-	74,258	166,320
Professional/ Contractual Services	42,909	43,571	75,606	38,268	24,815	14,714	56,315	296,198
Utilities	4,195	784	13,456	487		16,156	27,204	62,282
Maintenance Materials and Supplies	16,088	-	10,600	2,132		188	11,744	40,752
Grants and Contributions	-	-	-	-	-	59,486	-	59,486
Amortization of Tangible Capital Assets	3,786	24,744	46,966	3,093	9,632	28,634	113,406	230,261
Interest	51	-	-	-	-	-	43,795	43,846
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	7,413					-	-	7,413
Restructurings	-	-	-	-	-	-	-	-
Other	108	-	-	-	15,938	-	-	16,046
Total Expenses	**158,879**	**69,099**	**154,287**	**43,980**	**50,459**	**119,178**	**326,722**	**922,604**
Surplus (Deficit) by Function	**$ (12,361)**	**$ (69,099)**	**$ (130,806)**	**$ (31,950)**	**$ (4,900)**	**$ (87,167)**	**$ 1,041,738**	**$ 705,455**
Taxes and other unconditional revenue (Schedule 1)								622,164
Net Surplus (Deficit)								**$ 1,327,619**

Village of Neilburg
Schedule 6: 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	Assets Under Construction	Total	Total
Asset cost									
Opening Asset costs	$ 439,624	$ 199,020	$ 2,483,598	$ 15,000	$ 633,649	$ 8,023,175	$ 3,015,398	$ 14,809,464	$ 12,208,289
Additions during the year							3,061,389	3,061,389	2,601,175
Disposals and write-downs during the year								-	-
Transfers (from) assets under construction								-	-
Transfer of Capital Assets related to restructuring								-	-
Closing Asset Costs	439,624	199,020	2,483,598	15,000	633,649	8,023,175	6,076,787	17,870,853	14,809,464
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	158,752	1,380,227	1,339	254,789	3,608,508	-	5,403,615	5,173,354
Add: Amortization taken		9,047	41,435	1,339	42,596	148,826		243,243	230,261
Less: Accumulated amortization on disposals								-	-
Transfer of Capital Assets related to restructuring								-	-
Closing Accumulated Amortization Costs	-	167,799	1,421,662	2,678	297,385	3,757,334	-	5,646,858	5,403,615
Net Book Value	$ 439,624	$ 31,221	$ 1,061,936	$ 12,322	$ 336,264	$ 4,265,841	$ 6,076,787	$ 12,223,995	$ 9,405,849

Assets / Amortization

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 $ -

Village of Neilburg
Schedule 7: 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	$ 143,452	$ 858,167	$ 2,336,554	$ 159,492	$ 435,348	$ 1,472,463	$ 9,403,988	$ 14,809,464	$ 12,208,289
	Additions during the year							3,061,389	3,061,389	2,601,175
	Disposals and write-downs during the year								-	-
	Transfer of Capital Assets related to restructuring								-	-
	Closing Asset Costs	**143,452**	**858,167**	**2,336,554**	**159,492**	**435,348**	**1,472,463**	**12,465,377**	**17,870,853**	**14,809,464**
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	25,886	200,431	1,574,275	108,481	254,174	911,402	2,328,966	5,403,615	5,173,354
	Add: Amortization taken	3,786	39,527	47,015	3,093	9,414	28,867	111,541	243,243	230,261
	Less: Accumulated amortization on disposals								-	-
	Transfer of Capital Assets related to restructuring								-	-
	Closing Accumulated Amortization Costs	**29,672**	**239,958**	**1,621,290**	**111,574**	**263,588**	**940,269**	**2,440,507**	**5,646,858**	**5,403,615**
	Net Book Value	**$ 113,780**	**618,209**	**$ 715,264**	**$ 47,918**	**$ 171,760**	**$ 532,194**	**$ 10,024,870**	**$ 12,223,995**	**$ 9,405,849**

Village of Neilburg
Schedule 8: Schedule of Accumulated Surplus
As at December 31, 2025

Schedule 8

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	**$ 2,503,106**	**$ (396,586)**	**$ 2,106,520**
APPROPRIATED RESERVES			
Machinery and Equipment	-		-
Public Reserve	8,009		8,009
Capital Trust	-		-
Utility	-		-
Other (Cemetery/Village Green)	22,228	(957)	21,271
Total Appropriated	**30,237**	**(957)**	**29,280**
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets **(Schedule 6, 7)**	9,405,849	2,818,146	12,223,995
Less: Related debt	(1,027,828)	95,293	(932,535)
Net Investment in Tangible Capital Assets	**8,378,021**	**2,913,439**	**11,291,460**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	**$ 10,911,364**	**$ 2,515,896**	**$ 13,427,260**

Village of Neilburg
Schedule of Mill Rates and Assessments
As at December 31, 2025

Schedule 9

	PROPERTY CLASS						
	Agriculture	**Residential**	**Residential Condominium**	**Seasonal Residential**	**Commercial & Industrial**	**Potash Mine(s)**	**Total**
Taxable Assessment	$ 69,795	$ 22,123,760			$ 5,375,740		**$ 27,569,295**
Regional Park Assessment							
Total Assessment							27,569,295
Mill Rate Factor(s)	6.0000	1.0000			4.0000		
Total Base/Minimum Tax (generated for each property class)		214,375			113,500		327,875
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	$ 1,884	$ 313,932			$ 210,263		**$ 526,079**

MILL RATES:	**MILLS**
Average Municipal*	19.0821
Average School*	6.8600
Potash Mill Rate	
Uniform Municipal Mill Rate	4.5000

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

Village of Neilburg
Schedule of Council Remuneration
As at December 31, 2025
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Wiens, Brent	$ 1,020		**$ 1,020**
Councilor	Ducherer, Ernie	2,105		**2,105**
Councilor	Forbes, Tara	2,020	$ 282	**2,302**
Councilor	Lamb, Jim	595		**595**
Councilor	Olchowecki, Cindy	2,445	481	**2,926**
Total		**$ 8,185**	**$ 763**	**$ 8,948**