Town of Midale

Consolidated Financial Statements

As at December 31, 2025

Town of Midale
Index to Consolidated Financial Statements
As at December 31, 2025

Page

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

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

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

Doane Grant Thornton 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.

Mr. Allan Hauglum - Mayor

Ms. Dena Scott - Administrator

Midale, SK

Doane Grant Thornton LLP
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Independent Auditor's Report

To the Council of Town of Midale

Qualified opinion

We have audited the consolidated financial statements of Town of Midale (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, cash flow, and remeasurement gains and losses 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 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 financial position of Town of Midale as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for qualified opinion

For the year ending December 31, 2025, the Municipality has not determined its liability for asset retirement obligations related to its tangible capital assets in the statement of financial position as at December 31, 2025 which is a departure from Canadian public sector accounting standards. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were not able to determine whether any adjustments might be necessary to the surplus of revenues over expenses and cash flows for the year ended December 31, 2025, tangible capital assets and asset retirement obligations as at December 31, 2025 and net financial assets as at January 1 and December 31, 2025. The audit opinion on the consolidated financial statements for the year ended December 31, 2024, was modified because of this departure from Canadian Public Sector Accounting Standards.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the 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.

Other matter

Our audit was conducted for the purpose of forming an opinion on the consolidated statement of financial position taken as a whole. Schedules 1, 2, 3, 7 and 10 are presented for purposes of additional information and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the consolidated statement of financial position taken as a whole.

Responsibilities of management and those charged with governance for the financial statements

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

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

We also:

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

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.

Doane Grant Thornton LLP

Weyburn, Canada
May 13, 2026

Chartered Professional Accountants

Town of Midale

Consolidated Statement of Financial Position

As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	797,011	870,134
Investments (Note 3)	447	397
Taxes Receivable - Municipal (Note 4)	89,046	108,172
Other Accounts Receivable (Note 5)	181,258	147,367
Assets Held for Sale (Note 6)	-	83
Long-Term Receivable	-	-
Debt Charges Recoverable	-	-
Derivative Assets	-	-
Other	-	-
Total Financial Assets	1,067,762	1,126,153
LIABILITIES		
Bank Indebtedness (Note 7)	-	-
Accounts Payable	33,646	105,043
Accrued Liabilities Payable	4,677	9,567
Derivative Liabilities	-	-
Deposits	23,332	22,507
Deferred Revenue (Note 8)	33,470	52,369
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Other Liabilities	-	-
Long-Term Debt (Note 9)	456,755	592,542
Lease Obligations	-	-
Total Liabilities	551,880	782,028
NET FINANCIAL ASSETS (DEBT)	515,882	344,125
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	4,165,523	3,970,965
Intangible Capital Assets (Schedule 8, 9)	-	-
Prepayments and Deferred Charges	1,000	895
Stock and Supplies	4,855	4,855
Other	-	-
Total Non-Financial Assets	4,171,378	3,976,716
ACCUMULATED SURPLUS (DEFICIT)	**4,687,260**	**4,320,840**
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) Excluding Remeasurement Gains (Losses) (Schedule 8)	4,687,260	4,320,840
Accumulated Remeasurement Gains (Losses) (Statement 5)	-	-

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

Town of Midale
Consolidated Statement of Operations
As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	754,949	727,040	707,725
Other Unconditional Revenue (Schedule 1)	152,364	152,364	143,155
Fees and Charges (Schedule 4, 5)	627,751	592,671	443,430
Conditional Grants (Schedule 4, 5)	169,254	204,856	43,195
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	-	(7,372)
Intangible Capital Assets - Gain (Schedule 8, 9)	-	-	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	(3,855)	-
Investment Income (Note 3) (Schedule 4, 5)	36,000	27,220	39,352
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	11,211	80,511	20,000
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	40,160	67,219	97,075
Total Revenues	**1,791,689**	**1,848,026**	**1,486,560**
EXPENSES			
General Government Services (Schedule 3)	531,491	456,391	415,578
Protective Services (Schedule 3)	148,205	148,332	130,238
Transportation Services (Schedule 3)	443,216	362,837	307,407
Environmental and Public Health Services (Schedule 3)	70,693	70,279	66,595
Planning and Development Services (Schedule 3)	7,100	5,344	11,091
Recreation and Cultural Services (Schedule 3)	168,517	166,424	151,184
Utility Services (Schedule 3)	323,714	271,999	438,896
Restructurings (Schedule 3)	-	-	-
Total Expenses	**1,692,936**	**1,481,606**	**1,520,989**
Annual Surplus (Deficit) of Revenues over Expenses	**98,753**	**366,420**	**(34,429)**
Accumulated Surplus (Deficit) Excluding Remeasurement Gains (Losses), Beginning of Year	4,320,840	4,320,840	4,355,269
Accumulated Surplus (Deficit) Excluding Remeasurement Gains (Losses), End of Year	**4,419,593**	**4,687,260**	**4,320,840**

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

Town of Midale

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2025 Statement 3

	2025 Budget	**2025**	2024
Annual Surplus (Deficit) of Revenues over Expenses	98,753	366,420	(34,429)
(Acquisition) of Tangible Capital Assets	(280,911)	(359,501)	(98,539)
Amortization of Tangible Capital Assets	138,959	139,541	138,889
Amortization of Intangible Capital assets	-	-	-
Impairment of Tangible Capital Assets	-	21,547	
Proceeds on Disposal of Tangible Capital Assets	-	-	1,400
Loss (Gain) on the Disposal of Tangible Capital Assets	-	3,855	7,372
Proceeds on Disposal of Intangible Capital Assets	-	-	-
Loss (gain) on the Disposal of Intangible Capital Assets	-	-	-
Asset Retirement Obligation Provision (Liabilities Extinguished)		-	-
Transfer of Assets/Liabilities in Restructuring Transactions		-	-
Surplus (Deficit) of Capital Expenses Over Expenditures	**(141,952)**	**(194,558)**	**49,122**
(Acquisition) of Supplies Inventories	-	-	-
(Acquisition) of Prepaid Expense	-	-	-
Consumption of Supplies Inventory	-	-	115,798
Use of Prepaid Expense	-	(105)	2,168
Surplus (Deficit) of Expenses of Other Non-financial Over Expenditures	**-**	**(105)**	**117,966**
Unrealized Remeasurement Gains (Losses)	**-**	**-**	**-**
Increase/Decrease in Net Financial Assets	**(43,199)**	**171,757**	**132,659**
Net Financial Assets (Debt) - Beginning of Year	344,125	344,125	211,466
Net Financial Assets (Debt) - End of Year	**300,926**	**515,882**	**344,125**

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

Town of Midale
Consolidated Statement of Cash Flow
As at December 31, 2025

Statement 4

	2025	2024
Cash Provided By (Used For) the Following Activities		
Operating:		
Annual Surplus (Deficit) of Revenues Over Expenses	366,420	(34,429)
Amortization of Tangible Capital Assets	139,541	138,889
Amortization of Intangible Capital Assets	-	-
Impairment of Tangible Capital Assets	21,547	
Loss (Gain) on Disposal of Tangible Capital Assets	3,855	7,372
	531,363	111,832
Change in Assets/Liabilities		
Taxes Receivable - Municipal	19,126	14,018
Other Receivables	(33,891)	(9,055)
Assets Held for Sale	83	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(76,286)	84,081
Derivative Liabilities	-	-
Deposits	825	540
Deferred Revenue	(18,899)	(24,500)
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Other Liabilities	-	-
Stock and Supplies	-	115,798
Prepayments and Deferred Charges	(105)	2,169
Other	-	-
Cash Provided By Operating Transactions	**422,216**	**294,883**
Capital:		
Acquisition of Capital Assets	(359,501)	(98,539)
Proceeds From the Disposal of Capital Assets	-	1,400
Cash Applied to Capital Transactions	**(359,501)**	**(97,139)**
Investing:		
Decrease (Increase) in Restricted Cash or Cash Equivalents	-	-
Proceeds From Disposal of Investments	-	-
Decrease (Increase) in Investments	(50)	-
Cash Provided By (Applied To) Investing Transactions	**(50)**	**-**
Financing:		
Debt Charges Recovered	-	-
Long-term Debt Issued		-
Long-term Debt Repaid	(135,787)	(119,851)
Other Financing	-	-
Cash Provided By (Applied To) Financing Transactions	**(135,787)**	**(119,851)**
Change in Cash and Cash Equivalents During the Year	**(73,123)**	**77,893**
Cash and Cash Equivalents - Beginning of Year	870,134	792,241
Cash and Cash Equivalents - End of Year	**797,011**	**870,134**

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

Town of Midale
Consolidated Statement of Remeasurement Gains and Losses
As at December 31, 2025

Statement 5

	2025	2024
Accumulated Remeasurement Gains (Losses) at The Beginning of the Year:	-	-
Unrealized Gains (Losses) Attributable to:		
Derivatives	-	
Equity Investments Measured at Fair Value	-	-
Foreign Exchange	-	-
	-	-
Amounts Reclassified to the Statement of Operations:		
Derivatives	-	-
Equity Investments Measured at Fair Value	-	-
Foreign Exchange	-	-
	-	-
Net Remeasurement Gains (Losses) for the Year	-	-
Accumulated Remeasurement Gains(Losses) at End of Year	-	-

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

1. Significant Accounting Policies

The Town of Midale ("the municipality") is a local government entity in the Province of Saskatchewan and is incorporated under The Municipalities Act. The municpality's principal activities include providing local government services to residents within its incorporated area.

The consolidated financial statements of the municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

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

Basis of Presentation: The consolidated financial statements of the municipality comprises the municipality's Operating, Capital, and Reserve Funds. All inter-fund balances have been eliminated.

a) Unappropriated Surplus: These funds included the General Government Protective Services, Transportation Services, Environmental and Public Health, Planning and Development, Recreation and Culture operations of the municipality. They are used to record the operating costs of the services provided by the municipality.

b) Appropriated Reserves: These funds include reserves set aside by Council for future expenditures.

c) Net Investment in Capital Assets: These funds included the General Government Protective Services, Transportation Services, Environmental and Public Health, Planning and Development, Recreation and Culture capital funds. They are used to record the acquistion and disposal property and equipment and their related financing.

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
Midale/Cymri Fire & Rescue

All inter-organizational transactions and balances have been eliminated.

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

Midale/Cymri Fire & Rescue - 50% (2024 - 50%) - proportionate consolidation

All inter-organizational transactions and balances have been eliminated.

b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, Municipal Hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.

c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

a) the transfers are authorized
b) any eligibility criteria and stipulations have been met; and
c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.
Earned government transfer amounts not received will be recorded as an amount receivable.
Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

d) **Other (Non-Government Transfer) Contributions:** Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

1. Significant Accounting Policies

e) **Revenue :** Fees and charges and other income are recorded as revenue as the specific goods or services are rendered, provided the amount to be received can be reasonably estimated and collection is reasonably assured.
Investment income is recognized as revenue in the period in which is it earned.

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.
Resources restricted by the agreement with an external party are recognized as revenue in the Municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

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 transacttions. Amounts designated are described in 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 following the Guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

k) **Financial Instruments:** Derivative instruments 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 as 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 as 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	Measurement
Cash & Cash Equivalents	Cost
Investments	Cost
Other Accounts Receivable	Cost
Bank Indebtedness	Cost
Accounts Payable and Accrued Liabilities	Cost
Deposit Liabilities	Cost
Long-Term Debt	Amortized cost

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

1. Significant Accounting Policies

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	N/A
Buildings	30 to 40 Yrs.
Vehicles & Equipment	
Vehicles	10, 20 Yrs.
Machinery and Equipment	10, 20, 25, 30, to 40 Yrs.
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	40 Yrs.
Water & Sewer	40 Yrs.
Road Network Assets	40 Yrs.

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

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

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

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. 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 (lease term*)* . Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

n) **Public Private Partnerships:** The municipality does not have any public private partnerships.

o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note

p) **Employee Benefit Plans:** Contributions to the municipality's multi-employer 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.

The liability is recorded at management's estimate of the cost of post remediation including operations, maintenance, and monitoring that are an integral part of the remadiation strategy for the contaminated site. The Municipality has no liability recognized under this standard as at December 31, 2025.

1. Significant Accounting Policies

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.

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

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

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

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 March 11, 2025.

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

v) **Asset Retirement Obligation:** Asset retirement obligations represent legal obligations associated with the retirement of tangible capital assets that result from their acquisition, construction, development, or normal use. These obligations can arise from assets currently in productive use, assets no longer in productive use, and leased tangible capital assets.
The municipality has not yet determined its liability related to asset retirement obligations as required under PS 3280. As a result, the financial statements do not reflect any associated adjustments for an ARO liability, tangible capital assets, or related expenses which is a departure from Canadian public sector accounting standards.

w) **Loan Guarantees:** The municipality does not provide loan guarantees.

2. Cash and Cash Equivalents

	2025	2024
Cash and temporary investments	**770,476**	826,707
Restricted Cash	**26,535**	43,427
Total Cash and Cash Equivalents	**797,011**	**870,134**

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of one year or less.

Restricted Cash - Midale/Cymri Fire & Rescue includes funds that are externally restricted, for the use of Midale/Cymri Fire & Rescue in their daily operations.

3. Investments

	2025	2024
Co-op equity	**200**	200
Conexus Credit Union - member equity	**242**	192
Conexus Credit Union - member share	**5**	5
Total investments	**447**	397

Co-op equity and Conexus Credit Union member equity and shares are recorded at cost.

4. Taxes Receivable - Municipal

		2025	2024
Municipal	- Current	**90,104**	107,503
	- Arrears	**151,974**	148,950
		242,078	256,453
	- Less Allowance for Uncollectible	**(153,032)**	(148,281)
Total municipal taxes receivable		**89,046**	108,172
School	- Current	**11,987**	17,481
	- Arrears	**21,477**	20,620
Total taxes to be collected on behalf of School Divisions		**33,464**	38,101
Other		**-**	-
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations		**122,510**	146,273
Deduct taxes to be collected on behalf of other organizations		**(33,464)**	(38,101)
Total Taxes Receivable - Municipal		**89,046**	108,172

5. Other Accounts Receivable

	2025	2024
Federal Government	**43,740**	23,444
Provincial Government	**4,966**	5,034
Local Government	**35,579**	34,510
Utility	**60,816**	65,183
Trade	**35,561**	754
Other	**7,018**	24,864
Total Other Accounts Receivable	**187,680**	153,789
Less: Allowance for Uncollectible	**(6,422)**	(6,422)
Net Other Accounts Receivable	**181,258**	147,367

6. Assets Held for Sale

	2025	2024
Tax Title Property	-	83
Allowance for market value adjustment	-	-
Net Tax Title Property	-	83
Other Land	-	-
Allowance for market value adjustment	-	-
Net Other Land	-	-
Other	-	-
Total Assets Held for Sale	-	83

7. Bank Indebtedness

Credit Arrangements

At December 31, 2025, the Municipality had lines of credit totaling $280,000 (2024 - $280,000), bearing interest at prime plus 1% (2024 - prime plus 1%) per annum, of which $nil (2024 - $nil) has been drawn. The line of credit is secured by a general security agreement.

8. Deferred Revenue

	2024	Restricted Inflows	Revenue Earned	**2025**
Canada Community-Building Fund	15,555	-	(15,555)	-
New Horizon Senior Grant	16,090	7,100	(16,090)	**7,100**
Prepaid Taxes	20,724	22,870	(20,724)	**22,870**
SUMA Gold Tourney 2026	-	3,500	-	**3,500**
Total Deferred Revenue	52,369	33,470	(52,369)	**33,470**

9. Long-Term Debt

The debt limit of the municipality is $1,119,861 (2024 - $1,061,035). 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)).

Debenture debt was repaid during the year.

Debenture debt in the amount of $219,364 bearing interest at 4.60% per annum, repayable in annual blended payments of $79,949. The debenture matures on September 11, 2028 and is unsecured.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025	-	-	-	66,786
2026	69,859	10,091	79,949	69,859
2027	73,072	6,877	79,949	73,072
2028	76,433	3,516	79,949	76,434
2029	-	-	-	-
2030	-	-	-	-
Thereafter	-	-	-	-
Balance	**219,364**	**20,484**	**239,848**	**286,151**

Rural Municipality of Cymri No. 36 has a loan in the amount of $168,000. The loan is interest free and repayable in annual principal only payments of $56,000. The loan matures on Janaury 5, 2028 and is unsecured.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025	-	-	-	56,000
2026	56,000	-	56,000	56,000
2027	56,000	-	56,000	56,000
2028	56,000	-	56,000	56,000
2029	-	-	-	-
2030	-	-	-	-
Thereafter	-	-	-	-
Balance	**168,000**	**-**	**168,000**	**224,000**

The Midale/Cymri Fire & Rescue has a $138,782 loan payable to the Rural Municipality of Cymri No. 36. The loan is interest free, and repayable in annual principal only payments of $26,000. The loan matures in 2034. The Municipality's liability consists of $69,391 which is their 50% proportionate consolidated interest.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025	-	-	-	13,000
2026	13,000	-	13,000	13,000
2027	13,000	-	13,000	13,000
2028	13,000	-	13,000	13,000
2029	13,000	-	13,000	13,000
2030	13,000	-	13,000	13,000
Thereafter	4,391	-	4,391	4,391
Balance	**69,391**	**-**	**69,391**	**82,391**

Total long-term debt:	Balance	**456,755**	**20,484**	**477,239**	**592,542**

10. Pension Plan

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 Municipality pension expense in 2025 was $27,723 (2024 - $28,145). 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding, with the most recent actuarial valuation completed on December 31, 2024. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these consolidated financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	2025	2024
Details of MEPP		
Number of active members	**6**	5
Member contribution rates (percentage of salary):		
Employee contribution - general members	**9.00%**	9.00%
Employer contribution - general members	**9.00%**	9.00%
Member contributions for the year	**27,723**	28,145
Employer contributions for the year	**27,723**	28,145
Financial position of the plan		
Plan assets	***	3,602,822,000
Plan liabilities	***	2,441,485,000
Plan surplus	***	1,161,337,000

*** 2025 financial position of the plan was not available as of the date of this report.

2025 year's maximum pensionable amount (YMPE) $71,300 (2024 - $68,500).

11. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	2025
Budget surplus per Statement of Operations	**98,753**
Less: Long-term debt repaid	**(124,746)**
Less: Capital purchases	**(280,911)**
Less: Consolidation - Midale/Cymri Fire & Rescue	**15,559**
Add: Amortization	**138,959**
Approved Cash Budget	**(152,386)**

12. Government Partnership

The Rural Municipality of Cymri No. 36 and the Town of Midale (the "owners") jointly operate the Midale/Cymri Fire & Rescue (the "partnership") to provide fire and rescue services to the residents of the RM of Cymri and the Town of Midale.

The partners have agreed to proportionately provide any sums of money required by the Midale/Cymri Fire & Rescue to carry out its powers and duties, on an equally shared basis. The following is 100% of the financial position and results of operations of the partnership, of which 50% has been proportionately consolidated into the financial statements of the Town.

	2025	2024
Financial Position		
Assets	**2,287,915**	2,369,214
Liabiliites	**(164,726)**	(164,782)
Net Assets	**2,123,189**	2,204,432
Operations		
Revenue	**122,309**	145,642
Expenses	**(203,553)**	(184,142)
Deficiency of revenue over expenses	**(81,244)**	**(38,500)**
Net Assets, opening	**2,204,433**	2,242,932
Net Assets, closing	**2,123,189**	2,204,432

13. Trusts Administered by the Municipality

The below Trust Funds are not included in the Municipality's Financial statements

Rafferty Regional Pipeline	**2025**	2024
Balance - Beginning of Year	**46,573**	46,573
Contributions	**-**	-
Interest revenue	**-**	-
Expenditure		-
Balance - End of Year	**46,573**	46,573

14. Financial Instruments

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

<u>Credit Risk</u>
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:

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

	2025
Taxes Receivable	242,078
Other Accounts Receivable	187,680
Maximum credit risk exposure	**429,758**

The municipality has mitigated its exposure to credit risk on financial instruments through the ability to take title on tax due properties.

At December 31 the following were past due but not impaired:

	30 days	**60 days**	**90 days**	**Over 120**
Taxes receivable	-	-	-	89,046
Other Accounts Receivable	163,947	-	17,313	-
Net total	**163,947**	**-**	**17,313**	**89,046**

14. Financial Instruments Continued:

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 and accounts payable.

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

	Total	**2025**	**2026**	**2027**	**Post 2027**
Accounts payable	33,646	33,646			
Accrued accounts payable	4,677	4,677			
	38,323	**38,323**	**-**	**-**	**-**

15. Collection for Other Governments

The municipality collects and remitted the following taxes on behalf of other Governments.

	2025
Provincial Government - South East Cornerstone School Division	176,713
	176,713

Town of Midale

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2025 Schedule 1

		2025 Budget	2025	2024
TAXES				
	General Municipal Tax Levy	687,000	662,030	646,080
	Abatements and Adjustments	-	(4,200)	(3,296)
	Discount on Current Year Taxes	(26,000)	(27,805)	(25,705)
	Net Municipal Taxes	**661,000**	**630,025**	**617,079**
	Potash Tax Share	-	-	-
	Trailer License Fees	-	-	-
	Penalties on Tax Arrears	30,687	30,685	26,696
	Special Tax Levy	-	-	-
	Other	-	-	-
Total Taxes		**691,687**	**660,710**	**643,775**
UNCONDITIONAL GRANTS				
	Revenue Sharing	152,364	152,364	143,155
	(Organized Hamlet)	-	-	-
	Safe Restart	-	-	-
	Other	-	-	-
Total Unconditional Grants		**152,364**	**152,364**	**143,155**
GRANTS IN LIEU OF TAXES				
Federal		2,322	2,503	2,503
Provincial				
	S.P.C. Electrical	-	-	-
	SaskEnergy Gas	15,500	16,273	15,303
	TransGas	-	-	-
	Central Services	-	-	-
	SaskTel	1,450	2,570	2,339
	Other	-	-	-
Local/Other				
	Housing Authority	8,490	8,490	8,444
	C.P.R. Mainline	-	-	-
	Treaty Land Entitlement	-	-	-
	Other	-	-	-
Other Government Transfers				
	S.P.C. Surcharge	35,500	36,494	35,361
	Sask Energy Surcharge	-	-	-
	Other	-	-	-
Total Grants in Lieu of Taxes		**63,262**	**66,330**	**63,950**
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE		**907,313**	**879,404**	**850,880**

Town of Midale
Schedule of Operating and Capital Revenue by Function
As at December 31, 2025 Schedule 2 - 1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	209,570	150,650	23,062
- Custom Work	3,500	12,282	1,512
- Sales of Supplies	-	875	45
- Other	-	-	-
Total Fees and Charges	213,070	163,807	24,619
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Land Sales - Gain (Loss)	-	(3,855)	-
- Investment Income	36,000	27,220	39,352
- Commissions	-	-	-
- Other	11,211	80,511	20,000
Total Other Segmented Revenue	260,281	267,683	83,971
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	260,281	267,683	83,971
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total General Government Services	**260,281**	**267,683**	**83,971**
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	66,918	64,942	71,453
- Other	-	-	-
Total Fees and Charges	66,918	64,942	71,453
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	66,918	64,942	71,453
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	66,918	64,942	71,453
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Protective Services	**66,918**	**64,942**	**71,453**

Town of Midale
Schedule of Operating and Capital Revenue by Function
As at December 31, 2025

Schedule 2 - 2

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Custom Work	-	-	-
- Sales of Supplies	-	-	-
- Road Maintenance and Restoration Agreements	-	-	-
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible Capital Asset Sales - Gain (Loss)	-	-	(7,372)
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	(7,372)
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	7,754	6,979	-
Total Conditional Grants	7,754	6,979	-
Total Operating	7,754	6,979	(7,372)
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	1,050	-	1,050
- RIRG (CTP, Bridge and Large Culvert, Road Const.)	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	1,050	-	1,050
Restructuring Revenue			
Total Transportation Services	**8,804**	**6,979**	**(6,322)**

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	81,713	82,984	79,816
- Other	-	-	-
Total Fees and Charges	81,713	82,984	79,816
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	81,713	82,984	79,816
Conditional Grants			
- Student Employment	-	-	-
- TAPD	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	81,713	82,984	79,816
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Environmental and Public Health Services	**81,713**	**82,984**	**79,816**

Town of Midale
Schedule of Operating and Capital Revenue by Function
As at December 31, 2025

Schedule 2 - 3

	2025 Budget	2025	2024
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring Revenue	-	-	-
Total Planning and Development Services	**-**	**-**	**-**

	2025 Budget	2025	2024
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	25,500	33,365	25,612
- Other	1,950	1,696	1,934
Total Fees and Charges	27,450	35,061	27,546
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	27,450	35,061	27,546
Conditional Grants			
- Student Employment	-	-	-
- Local Government	6,000	14,834	14,834
- MEEP	-	-	-
- Other - Donations & Sask Lotteries	155,500	183,043	28,361
Total Conditional Grants	161,500	197,877	43,195
Total Operating	188,950	232,938	70,741
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	8,000	19,891	16,815
Total Capital	8,000	19,891	16,815
Restructuring Revenue	-	-	-
Total Recreation and Cultural Services	**196,950**	**252,829**	**87,556**

Town of Midale
Schedule of Operating and Capital Revenue by Function
As at December 31, 2025 Schedule 2 - 4

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	-	-	-
- Water	201,100	206,138	200,355
- Sewer	2,000	600	1,950
- Other	35,500	39,139	37,691
Total Fees and Charges	238,600	245,877	239,996
- Tangible Capital Asset Sales - Gain (Loss)	-	-	-
- Intangible Capital Asset Sales - Gain (Loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	238,600	245,877	239,996
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	238,600	245,877	239,996
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	31,110	47,328	79,210
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	31,110	47,328	79,210
Restructuring Revenue	-	-	-
Total Utility Services	**269,710**	**293,205**	**319,206**
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	**884,376**	**968,622**	**635,680**

SUMMARY

Total Other Segmented Revenue	674,962	696,547	495,410
Total Conditional Grants	169,254	204,856	43,195
Total Capital Grants and Contributions	40,160	67,219	97,075
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	**884,376**	**968,622**	**635,680**

Town of Midale

Total Expenses by Function

As at December 31, 2025 Schedule 3 - 1

		2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES				
	Council Remuneration and Travel	30,000	32,950	29,625
	Wages and Benefits	209,425	202,028	194,371
	Professional/Contractual Services	190,610	121,871	95,067
	Utilities	12,990	14,479	11,030
	Maintenance, Materials and Supplies	57,400	63,088	18,084
	Grants and Contributions - Operating	11,000	6,428	10,104
	- Capital	-	21,547	-
	Amortization of Tangible Capital Assets	5,786	7,340	5,786
	Amortization of Intangible Capital Assets	-	-	-
	Accretion of Asset Retirement Obligation	-	-	-
	Interest	13,780	9,836	11,763
	Allowance for Uncollectible	500	(23,176)	39,748
	Other	-	-	-
General Government Services		**531,491**	**456,391**	**415,578**
Restructuring		-	-	-
Total General Government Services		**531,491**	**456,391**	**415,578**
PROTECTIVE SERVICES				
	Police Protection			
	Wages and Benefits	-	-	-
	Professional/Contractual Services	33,695	32,112	33,235
	Utilities	-	-	-
	Maintenance, Material and Supplies	-	-	-
	Amortization of Tangible Capital Assets	-	-	-
	Amortization of Intangible Capital Assets	-	-	-
	Accretion of Asset Retirement Obligation	-	-	-
	Grants and Contributions - Operating	-	-	-
	- Capital	-	-	-
	Other	-	-	-
	Fire Protection			
	Wages and Benefits	-	-	-
	Professional/Contractual Services	80,077	83,470	67,640
	Utilities	-	-	-
	Maintenance, Material and Supplies	-	-	-
	Grants and Contributions - Operating	10,000	10,000	5,000
	- Capital	-	-	-
	Amortization of Tangible Capital Assets	24,433	22,750	24,363
	Amortization of Intangible Capital Assets	-	-	-
	Interest	-	-	-
	Accretion of Asset Retirement Obligation	-	-	-
	Other	-	-	-
Protective Services		**148,205**	**148,332**	**130,238**
Restructuring		-	-	-
Total Protective Services		**148,205**	**148,332**	**130,238**
TRANSPORTATION SERVICES				
	Wages and Benefits	120,000	105,916	113,122
	Professional/Contractual Services	66,100	69,816	54,355
	Utilities	26,350	26,559	26,038
	Maintenance, Materials, and Supplies	148,242	85,146	39,332
	Gravel	20,000	12,123	12,036
	Grants and Contributions - Operating	-	-	-
	- Capital	-	-	-
	Amortization of Tangible Capital Assets	61,391	62,144	61,391
	Amortization of Intangible Capital Assets	-	-	-
	Interest	-	-	-
	Accretion of Asset Retirement Obligation	-	-	-
	Other	1,133	1,133	1,133
Transportation Services		**443,216**	**362,837**	**307,407**
Restructuring		-	-	-
Total Transportation Services		**443,216**	**362,837**	**307,407**

Town of Midale
Total Expenses by Function
As at December 31, 2025

Schedule 3 - 2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	18,500	16,754	16,903
Professional/Contractual Services	48,500	51,703	46,033
Utilities	-	-	-
Maintenance, Materials and Supplies	-	-	-
Grants and Contributions - Operating	3,100	1,229	3,066
- Waste Disposal	-	-	-
- Public Health	-	-	-
- Capital	-	-	-
Amortization of Tangible Capital Assets	593	593	593
Amortization of Intangible Capital Assets	-	-	-
Interest	-	-	-
Accretion of Asset Retirement Obligation	-	-	-
Other	-	-	-
Environmental and Public Health Services	**70,693**	**70,279**	**66,595**
Restructuring	-	-	-
Total Environmental and Public Health Services	**70,693**	**70,279**	**66,595**
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	6,600	4,844	7,022
Grants and Contributions - Operating	500	500	500
- Capital	-	-	-
Amortization of Tangible Capital Assets	-	-	-
Amortization of Intangible Capital Assets	-	-	-
Interest	-	-	-
Accretion of Asset Retirement Obligation	-	-	-
Other	-	-	3,569
Planning and Development Services	**7,100**	**5,344**	**11,091**
Restructuring	-	-	-
Total Planning and Development Services	**7,100**	**5,344**	**11,091**
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	77,103	81,599	66,031
Professional/Contractual Services	3,525	3,073	2,084
Utilities	8,100	6,713	7,354
Maintenance, Materials and Supplies	34,300	14,985	16,080
Grants and Contributions - Operating	39,881	41,965	45,172
- Capital	-	-	-
Amortization of Tangible Capital Assets	5,608	6,807	5,608
Amortization of Intangible Capital Assets	-	-	-
Interest	-	-	-
Accretion of Asset Retirement Obligation	-	-	-
Allowance for Uncollectible	-	-	-
Other - New Horizon's Senior Grant	-	11,282	8,855
Recreation and Cultural Services	**168,517**	**166,424**	**151,184**
Restructuring	-	-	-
Total Recreation and Cultural Services	**168,517**	**166,424**	**151,184**

Town of Midale

Total Expenses by Function

As at December 31, 2025 Schedule 3 - 3

	2025 Budget	**2025**	2024
UTILITY SERVICES			
Wages and Benefits	48,100	42,264	46,470
Professional/Contractual Services	122,500	81,798	105,083
Utilities	50,250	49,093	51,392
Maintenance, Materials and Supplies	60,500	54,652	189,584
Grants and Contributions - Operating	-	-	-
- Capital	-	-	-
Amortization of Tangible Capital Assets	41,148	39,907	41,148
Amortization of Intangible Capital Assets	-	-	-
Interest	-	3,069	4,003
Accretion of Asset Retirement Obligation	-	-	-
Allowance for Uncollectible	-	-	-
Other	1,216	1,216	1,216
Utility Services	**323,714**	**271,999**	**438,896**
Restructuring	-	-	-
Total Utility Services	**323,714**	**271,999**	**438,896**
TOTAL EXPENSES BY FUNCTION	**1,692,936**	**1,481,606**	**1,520,989**

Town of Midale
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	163,807	64,942	-	82,984	-	35,061	245,877	592,671
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Intangible Capital Asset Sales - Gain			-	-	-	-	-	-
Land Sales - Gain	(3,855)	-	-	-	-	-	-	(3,855)
Investment Income	27,220	-	-	-	-	-	-	27,220
Commissions	-	-	-	-	-	-	-	-
Other Revenues	80,511	-	-	-	-	-	-	80,511
Grants - Conditional	-	-	6,979	-	-	197,877	-	204,856
- Capital	-	-	-	-	-	19,891	47,328	67,219
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**267,683**	**64,942**	**6,979**	**82,984**	**-**	**252,829**	**293,205**	**968,622**
Expenses (Schedule 3)								
Wages & Benefits	234,978	-	105,916	16,754	-	81,599	42,264	481,511
Professional/ Contractual Services	121,871	115,582	69,816	51,703	4,844	3,073	81,798	448,687
Utilities	14,479	-	26,559	-	-	6,713	49,093	96,844
Maintenance Materials and Supplies	63,088	-	97,269	-	-	14,985	54,652	229,994
Grants and Contributions	27,975	10,000	-	1,229	500	41,965	-	81,669
Amortization of Tangible Capital Assets	7,340	22,750	62,144	593	-	6,807	39,907	139,541
Amortization of Intangible Capital Assets	-	-	-	-	-	-	-	-
Interest	9,836	-	-	-	-	-	3,069	12,905
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	(23,176)	-	-	-	-	-	-	(23,176)
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	1,133	-	-	11,282	1,216	13,631
Total Expenses	**456,391**	**148,332**	**362,837**	**70,279**	**5,344**	**166,424**	**271,999**	**1,481,606**
Surplus (Deficit) by Function	**(188,708)**	**(83,390)**	**(355,858)**	**12,705**	**(5,344)**	**86,405**	**21,206**	**(512,984)**
Taxes and Other Unconditional Revenue (Schedule 1)								879,404
Net Surplus (Deficit)								**366,420**

Town of Midale
Consolidated Schedule of Segment Disclosure by Function
As at December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	24,619	71,453	-	79,816	-	27,546	239,996	443,430
Tangible Capital Asset Sales - Gain	-	-	(7,372)	-	-	-	-	(7,372)
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	39,352	-	-	-	-	-	-	39,352
Commissions	-	-	-	-	-	-	-	-
Other Revenues	20,000	-	-	-	-	-	-	20,000
Grants - Conditional	-	-	-	-	-	43,195	-	43,195
- Capital	-	-	1,050	-	-	16,815	79,210	97,075
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	**83,971**	**71,453**	**(6,322)**	**79,816**	**-**	**87,556**	**319,206**	**635,680**
Expenses (Schedule 3)								
Wages & Benefits	223,996	-	113,122	16,903	-	66,031	46,470	466,522
Professional/ Contractual Services	95,067	100,875	54,355	46,033	7,022	2,084	105,083	410,519
Utilities	11,030	-	26,038	-	-	7,354	51,392	95,814
Maintenance Materials and Supplies	18,084	-	51,368	-	-	16,080	189,584	275,116
Grants and Contributions	10,104	5,000	-	3,066	500	45,172	-	63,842
Amortization of Tangible Capital Assets	5,786	24,363	61,391	593	-	5,608	41,148	138,889
Amortization of Intangible Capital Assets	-	-	-	-	-	-	-	-
Interest	11,763	-	-	-	-	-	4,003	15,766
Accretion of Asset Retirement Obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	39,748	-	-	-	-	-	-	39,748
Restructurings	-	-	-	-	-	-	-	-
Other	-	-	1,133	-	3,569	8,855	1,216	14,773
Total Expenses	**415,578**	**130,238**	**307,407**	**66,595**	**11,091**	**151,184**	**438,896**	**1,520,989**
Surplus (Deficit) by Function	**(331,607)**	**(58,785)**	**(313,729)**	**13,221**	**(11,091)**	**(63,628)**	**(119,690)**	**(885,309)**
Taxes and Other Unconditional Revenue (Schedule 1)								850,880
Net Surplus (Deficit)								**(34,429)**

Town of Midale
Consolidated Schedule of Tangible Capital Assets by Object
As at December 31, 2025

Schedule 6

		2025									2024
		General Assets					Infrastructure Assets		General/ Infrastructure		
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Public Private Partnerships	Assets Under Construction	Total	Total
Assets	**Asset cost**										
	Opening Asset Costs	169,388	47,257	1,682,343	223,221	1,400,033	3,434,447	-	-	6,956,689	6,872,770
	Additions During the Year	13,711	-	57,600	-	99,493	188,698	-	-	359,501	98,539
	Disposals and Write-Downs During the Year	(3,855)	-	(21,546) -	-	-	-	-	-	(25,401)	(14,620)
	Transfers (From) Assets Under Construction	-	-	-	-	-	-	-	-	-	-
	Transfer of Capital Assets Related to Restructuring	-	-	-	-	-	-	-	-	-	-
	Closing Asset Costs	**179,244**	**47,257**	**1,718,397**	**223,221**	**1,499,526**	**3,623,145**	**-**	**-**	**7,290,789**	**6,956,689**
Amortization	**Accumulated Amortization Cost**										
	Opening Accumulated Amortization Costs	-	15,636	362,889	212,502	742,123	1,652,575	-	-	2,985,725	2,852,684
	Add: Amortization Taken	-	1,182	31,253	1,800	45,709	59,597	-	-	139,541	138,889
	Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-	-	(5,848)
	Transfer of Capital Assets Related to Restructuring	-	-	-	-	-	-	-	-	-	-
	Closing Accumulated Amortization	**-**	**16,818**	**394,142**	**214,302**	**787,832**	**1,712,172**	**-**	**-**	**3,125,266**	**2,985,725**
	Net Book Value	**179,244**	**30,439**	**1,324,256**	**8,919**	**711,694**	**1,910,973**	**-**	**-**	**4,165,523**	**3,970,965**

Town of Midale
Consolidated Schedule of Tangible Capital Assets by Function
As at December 31, 2025

Schedule 7

		2025								2024
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	**Asset cost**									
	Opening Asset Costs	243,304	1,371,860	2,387,893	23,705	131,398	261,312	2,537,217	6,956,689	6,872,770
	Additions During the Year	11,318	-	68,067	-	-	70,702	209,414	359,501	98,539
	Disposals and Write-downs During the Year	(25,402)	-	-	-	-	-	-	(25,402)	(14,620)
	Transfer of Capital Assets Related to Restructuring	-	-	-	-	-	-	-	-	-
	Closing Asset Costs	**229,221**	**1,371,860**	**2,455,960**	**23,705**	**131,398**	**332,014**	**2,746,631**	**7,290,789**	**6,956,689**
Amortization	**Accumulated**									
	Opening Accumulated Amortization Costs	144,936	256,106	875,547	6,522		88,590	1,614,024	2,985,725	2,852,684
	Add: Amortization Taken	7,340	22,750	62,144	593	-	6,807	39,907	139,541	138,889
	Less: Accumulated Amortization on Disposals	-	-	-	-	-	-	-	-	(5,848)
	Transfer of Capital Assets Related to Restructuring	-	-	-	-	-	-	-	-	-
	Closing Accumulated Amortization Costs	**152,276**	**278,856**	**937,691**	**7,115**	**-**	**95,397**	**1,653,931**	**3,125,266**	**2,985,725**
	Net Book Value	**76,945**	**1,093,004**	**1,518,269**	**16,590**	**131,398**	**236,617**	**1,092,700**	**4,165,523**	**3,970,965**

1. Total contributed/donated assets received in 2025 $ 69,300

Town of Midale

Consolidated Schedule of Accumulated Surplus

As at December 31, 2025

Schedule 8

	2024	**Changes**	**2025**
UNAPPROPRIATED SURPLUS	**469,269**	**(106,758)**	**362,512**
APPROPRIATED RESERVES			
Utility	104,200	-	104,200
Pool	64,810	229,709	294,519
Public Reserve	8,465	-	8,465
Fire Truck	-	-	-
Other - Midale/Cymri Fire & Rescue	71,673	(30,877)	40,796
Total Appropriated	**249,148**	**198,832**	**447,980**
ORGANIZED HAMLETS			
Organized Hamlet of	-	-	-
Total Organized Hamlets	**-**	**-**	**-**
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets **(Schedule 6, 7)**	3,970,965	194,558	4,165,523
Intangible Capital Assets	-	-	-
Less: Related Debt	(368,542)	79,787	(288,755)
Net Investment in Tangible Capital Assets	**3,602,423**	**274,345**	**3,876,768**
Accumulated Surplus (Deficit) Excluding Remeasurement Gains (Losses)	**4,320,840**	**366,420**	**4,687,260**

Town of Midale
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	186,065	27,100,320	-	-	7,765,825	-	35,052,210
Regional Park Assessment							
Total Assessment							35,052,210
Mill Rate Factor(s)	1.0000	1.0000	-	-	1.2500		
Total Base/Minimum Tax (Generated for Each Property Class)	1,450	346,800	-	-	38,000		386,250
Total Municipal Tax Levy (Include Base and/or Minimum Tax and Special Levies)	2,976	569,023	-	-	117,600		689,598

MILL RATES:	**MILLS**
Average Municipal*	19.6735
Average School*	4.6456
Potash Mill Rate	-
Uniform Municipal Mill Rate	8.2000

* Average Mill Rates (Multiply the Total Tax Levy for Each Taxing Authority by 1000
and Divide By the Total Assessment for the Taxing Authority).

Town of Midale
Schedule of Council Remuneration
As at December 31, 2025

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Allan Hauglum	7,625	671	8,296
Councillor	Gregg Prawdzik	5,625	-	5,625
Councillor	Armond Hauglum	3,400	347	3,747
Councillor	Clinton Lund	3,800	-	3,800
Councillor	Ryan Thompson	4,500	495	4,995
Councillor	Melissa Schimmel	4,500	495	4,995
Councillor	Willy Wieler	3,500	-	3,500
Total		**32,950**	**2,008**	**34,958**