Annual Financial Statements

And Supporting Schedules

For The

Town of Unity

As at December 31, 2025

Management's Responsibility for Financial Reporting

The financial statements of Town of Unity 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 Town of Unity'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 23, 2026
Date

Reeve/Mayor

CFO/Administrator

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INDEPENDENT AUDITOR'S REPORT

To the Members of Town of Unity

Qualified Opinion

We have audited the financial statements of Town of Unity (the organization), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and accumulated surplus, changes in net financial assets (debt) 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 organization 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 Unity Medical Arts Ltd., the Unity Rural Fire Association and Embergency Planning Committee which are government partnerships (Note 1a). The municipality has not recorded these interests in its financial statments using the proportionate consolidation method, which constitutes a departure from Canadian Public Sector Accounting Standards. Our audit opinion on the financial statements for the year ended December 31, 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 organization 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.

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 organization’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 organization’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 organization 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 23, 2026

Chartered Professional Accountants

Town of Unity

Statement of Financial Position

As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	**$ 3,960,735**	$ 3,716,481
Investments (Note 3)	**77,293**	76,495
Taxes Receivable - Municipal (Note 4)	**422,339**	560,874
Other Accounts Receivable (Note 5)	**547,186**	490,072
Assets Held for Sale (Note 6)	**684,328**	620,494
Long-Term Receivable		
Debt Charges Recoverable		
Derivative Assets		
Other (Specify)		
Total Financial Assets	**5,691,881**	5,464,416
LIABILITIES		
Bank Indebtedness (Note 7)		
Accounts Payable	**231,561**	585,461
Accrued Liabilities Payable	**9,386**	12,938
Derivative Liabilities		
Deposits	**127,687**	108,473
Deferred Revenue		
Asset Retirement Obligation (Note 8)	**859,337**	801,901
Liability for Contaminated Sites (Note 9)	**160,503**	217,244
Other Liabilities		
Long-Term Debt (Note 10)	**1,794,764**	2,148,642
Lease Obligations		
Total Liabilities	**3,183,238**	3,874,659
NET FINANCIAL ASSETS (DEBT)	**2,508,643**	1,589,757
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	**24,246,005**	23,228,425
Prepayments and Deferred Charges	**38,305**	314,857
Stock and Supplies	**4,357**	6,483
Other Land Reserve		
Total Non-Financial Assets	**24,288,667**	23,549,765
ACCUMULATED SURPLUS (DEFICIT)	**$ 26,797,310**	**$ 25,139,522**
Accumulated surplus (deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 8)	**$ 26,797,310**	$ 25,139,522
Accumulated remeasurement gains (losses) (Statement 5)	**$ -**	$ -

Contractual Rights (Note 13)

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

Town of Unity

Statement of Operations and Accumulated Surplus

As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Tax Revenue (Schedule 1)	$ 2,996,321	$ **2,997,996**	$ 2,731,240
Other Unconditional Revenue (Schedule 1)	737,801	**737,801**	692,732
Fees and Charges (Schedule 4, 5)	2,099,180	**2,235,305**	2,125,009
Conditional Grants (Schedule 4, 5)	84,950	**141,170**	129,045
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	**-**	14,652
Land Sales - Gain (Schedule 4, 5)	-	**20,000**	-
Investment Income (Note 3) (Schedule 4, 5)	62,500	**104,938**	115,850
Commissions (Schedule 4, 5)	-	**-**	-
Restructurings (Schedule 4,5)	-	**-**	-
Other Revenues (Schedule 4, 5)	26,250	**63,671**	27,694
Total Revenues	**6,007,002**	**6,300,881**	**5,836,222**
EXPENSES			
General Government Services (Schedule 3)	731,285	**695,051**	772,700
Protective Services (Schedule 3)	513,200	**472,617**	437,573
Transportation Services (Schedule 3)	1,645,940	**1,497,379**	1,822,031
Environmental and Public Health Services (Schedule 3)	290,130	**341,270**	412,425
Planning and Development Services (Schedule 3)	34,000	**148,083**	55,736
Recreation and Cultural Services (Schedule 3)	1,015,930	**1,173,069**	1,128,457
Utility Services (Schedule 3)	818,567	**845,087**	785,096
Restructurings (Schedule 3)	-	**-**	-
Total Expenses	**5,049,052**	**5,172,556**	**5,414,018**
Annual Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	**957,950**	**1,128,325**	**422,204**
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	253,000	529,463	2,142,832
Annual Surplus (Deficit) of Revenues over Expenses	**1,210,950**	**1,657,788**	**2,565,036**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	25,139,522	**25,139,522**	22,574,486
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	**$ 26,350,472**	**$ 26,797,310**	**$ 25,139,522**

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

Town of Unity

Statement of Change in Net Financial Assets (Debt)

As at December 31, 2025

Statement 3

	2025 Budget	2025	2024
Annual Surplus (Deficit) of Revenues over Expenses	$ 1,210,950	**$ 1,657,788**	$ 2,565,036
(Acquisition) of tangible capital assets	(1,635,950)	**(2,350,138)**	(1,501,847)
Amortization of tangible capital assets		**1,220,028**	985,463
Proceeds on disposal of tangible capital assets			294,811
Write down of tangible capital assets		**112,530**	
Loss (gain) on the disposal of tangible capital assets		**-**	(14,652)
Transfer of assets/liabilities in restructuring transactions			
Surplus (Deficit) of capital expenses over expenditures	**(1,635,950)**	**(1,017,580)**	**(236,225)**
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			(294,609)
Consumption of supplies inventory		**2,126**	314
Use of prepaid expense		**276,552**	
Surplus (Deficit) of expenses of other non-financial over expenditures	**-**	**278,678**	**(294,295)**
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	**(425,000)**	**918,886**	**2,034,516**
Net Financial Assets (Debt) - Beginning of Year	1,589,757	**1,589,757**	(444,759)
Net Financial Assets (Debt) - End of Year	**$ 1,164,757**	**$ 2,508,643**	**$ 1,589,757**

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

Town of Unity
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	$ 1,657,788	$ 2,565,036
Amortization	1,220,028	985,463
Loss (gain) on disposal of tangible capital assets	-	(14,652)
	2,877,816	3,535,847
Change in assets/liabilities		
Taxes Receivable - Municipal	138,535	(259,469)
Other Receivables	(57,114)	66,172
Assets Held for Sale	(63,834)	-
Long-Term Receivable	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	(357,452)	(288,537)
Derivative Liabilities *[if applicable]*	-	-
Deposits	19,214	4,882
Deferred Revenue	-	(27,320)
Asset Retirement Obligation	57,436	131,462
Liability for Contaminated Sites	(56,741)	3,210
Other Liabilities	-	-
Stock and Supplies	2,126	314
Prepayments and Deferred Charges	276,552	(294,609)
Other (Specify)	-	-
Cash provided by operating transactions	**2,836,538**	**2,871,952**
Capital:		
Acquisition of capital assets	(2,350,138)	(1,501,847)
Write down of capital assets	112,530	
Proceeds from the disposal of capital assets		294,811
Cash applied to capital transactions	**(2,237,608)**	**(1,207,036)**
Investing:		
Decrease (increase) in restricted cash and cash equivalents	(441,287)	(36,588)
Proceeds from disposal of investments		
Decrease (increase) in investments	(798)	88
Cash provided by (applied to) investing transactions	**(442,085)**	**(36,500)**
Financing:		
Debt charges recovered		
Long-term debt issued	244,500	2,700,000
Long-term debt repaid	(598,378)	(3,412,589)
Other financing		
Cash provided by (applied to) financing transactions	**(353,878)**	**(712,589)**
Change in Cash and Cash Equivalents during the year	**(197,033)**	**915,827**
Cash and Cash Equivalents - Beginning of Year	**2,374,958**	1,459,131
Cash and Cash Equivalents - End of Year	**$ 2,177,925**	**$ 2,374,958**
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	3,960,735	3,716,481
Less: restricted portion of cash and cash equivalents (Note 2)	(1,782,810)	(1,341,523)
Temporary bank indebtness		
	$ 2,177,925	**$ 2,374,958**

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

Town of Unity
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	-	-

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
Town of Unity

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:

Unity Medical Arts Ltd. - not consolidated
Unity Rural Fire Association Inc. - not consolidated
Emergency Planning Committee - 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.

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.

1. Significant Accounting Policies - continued

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.

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	5 to 20 Yrs.
Buildings	10 to 50 Yrs.
Vehicles & Equipment	
Vehicles	5 to 10 Yrs.
Machinery and Equipment	5 to 10 Yrs.
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	
Water & Sewer	30 to 75 Yrs
Road Network Assets	30 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. The municipality does not administer any trust funds.

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 8, 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.

2. Cash and Cash Equivalents

	2025	2024
Cash	$ **2,177,925**	$ 2,374,958
Short-term investments - amortized cost		
Restricted Cash	**1,782,810**	1,341,523
Total Cash and Cash Equivalents	$ **3,960,735**	$ 3,716,481

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 $1,040,559 and $592,805 as of December 31, 2025 and 2024, respectively.

3. Investments

	2025	2024
Investments carried at cost:		
Delta Co-operative Association Limited - equity	$ **14,493**	$ 13,695
North West Terminal Ltd. - shares	**10,000**	10,000
Unity Medical Arts Ltd. - shares	**52,800**	52,800
Total investments	$ **77,293**	$ 76,495

	2025	2024
Investment Income		
Interest	$ **774**	
Total investment income	$ **774**	$

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

4. Taxes Receivable - Municipal

		2025	2024
Municipal	- Current	$ **118,165**	$ 122,805
	- Arrears	**123,629**	165,454
		241,794	288,259
	- Less Allowance for Uncollectible	**(89,917)**	(152,469)
Total municipal taxes receivable		**151,877**	135,790
School	- Current	**25,091**	**11,852**
	- Arrears	**2,779**	**38,102**
Total taxes to be collected on behalf of School Divisions		**27,870**	49,954
Other		**270,462**	425,084
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations		**450,209**	610,828
Deduct taxes to be collected on behalf of other organizations		**(27,870)**	(49,954)
Total Taxes Receivable - Municipal		$ **422,339**	$ 560,874

5. Other Accounts Receivable

	2025	2024
Federal Government	**$ 58,744**	$ 36,838
Provincial Government	**42,271**	53,117
Local Government	**1,040**	15,255
Utility	**135,111**	141,601
Trade	**268,878**	205,603
Other (Interest)	**41,142**	37,658
Total Other Accounts Receivable	**547,186**	490,072
Less: Allowance for Uncollectible	**-**	-
Net Other Accounts Receivable	**$ 547,186**	$ 490,072

6. Assets Held for Sale

	2025	2024
Tax Title Property	**$ 159,990**	$ 96,156
Allowance for market value adjustment		
Net Tax Title Property	**159,990**	96,156
Other Land	**524,338**	524,338
Allowance for market value adjustment		
Net Other Land	**524,338**	524,338
Other (Describe)	**-**	-
Total Assets Held for Sale	**$ 684,328**	$ 620,494

7. Credit Facility Agreement

The municipality has a credit facility agreement with its financial institution that covers its long-term debt facilities referred to in Note 10, credit cards in the amount of $30,000, and revolving operating lines of credit in the amount of $100,000 and $250,000.

Interest on these lines of credit is prime plus .25% and prime plus 0%, respectively. Security for the lines of credit is the assignment of the municipality's municipal taxes receivable. The balance owing at year end under these lines of credit was nil (2024 - $nil).

8. Asset Retirement Obligation

		2025		2024
Balance, beginning of the year	$	**801,901**	$	670,439
Liabilities incurred				
Liabilities settled				
Accretion expense		**57,436**		131,462
Changes in estimated cash flows				
Estimated total liability	**$**	**859,337**	**$**	**801,901**

Landfill

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 25-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 7,967 cubic meters of its total estimated capacity of 46,863 cubic meters and its estimated remaining life is 3.1 years; the land fill space per year requirement is 2,600 cubic meters. The period for post-closure care is estimated to be 25 years.

The estimated liability for these expenses is recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 3% (2024 - 3%). By its nature, this estimate is subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

9. Liability for Contaminated Sites

The municipality recognizes and estimates a liability of $160,503 (2024 - $217,244) for remediation of site 199, 1st Avenue East (former Pool's Auto). It is believed that this site may have been contaminated due to the fact that this site was previously occupied by a fuel and service station. The assessment figure is based on the findings of McElhanney Project Engineers after a Phase II Environmental Site Assessment (ESA) was conducted. It is estimated that approximately 950 cubic meters (1,900 metric tonnes) of petroleum hydrocarbon impacted soil exceeding the applicable regulatory guidelines will require remediation. The recommended remediation methodology will be in the form of excavation, transportation to an approved facility and replacement with clean, imported fill material. Groundwater is assumed to naturally attenuate over time as the contaminated material is replaced. As such, no active groundwater cleanup costs are included since such costs are not deemed necessary at the current time.

10. Long-Term Debt

a) The debt limit of the municipality is $4,726,100. The debt limit for the municipality has been established by the Saskatchewan Municipal Board (the *Municipalities Act* section 161(2)).

b) The Scotiabank loan is secured by a vehicle with a net book value of $24,449. The loan is interest free and repayable monthly in principal payments of $610. The loan is due July, 2027.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025				$ 7,317
2026	$ 7,317		$ 7,317	7,317
2027	4,270		4,270	4,270
Balance	**$ 11,587**		**$ 11,587**	**$ 18,904**

10. Long-Term Debt (continued)

c) The Scotiabank loan is secured by a vehicle with a net book value of $25,774. The loan is interest free and repayable monthly in principal payments of $643. The loan is due July, 2027.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025				$ 7,714
2026	$ 7,714		$ 7,714	7,714
2027	4,499		4,499	4,499
Balance	**12,213**	-	**12,213**	**19,927**

d) The Unity Credit Union mortgage is secured by land and building with net book value of 368,336 . The loan is repayable in annual payments of $88,925 including interest at 4.49%. The mortgage is due February, 2028.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025				
2026	82,159	6,767	88,926	
2027	81,702	7,224	88,926	
2028	80,639	3,588	84,227	
Balance	**244,500**	**17,579**	**262,079**	-

e) The Unity Credit Union loan is secured by a general assignment of property taxes, grants and other revenues receivable. The loan is repayable in monthly payments of $59,744 including interest at 7.24%. The loan is due March, 2028.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Principal
2025				583,259
2026	626,917	90,010	716,927	626,917
2027	673,843	43,084	716,927	673,843
2028	225,704	3,691	229,395	225,792
Balance	**1,526,464**	**136,785**	**1,663,249**	**2,109,811**
Total Long-term Debt	**$ 1,794,764**	**$ 154,364**	**$ 1,949,128**	**$ 2,148,642**

11. 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 $108,590 (2024 - $100,526). 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 $217,181 (2024 - $201,052). Total current service contributions by the employees of the municipality to the MEPP in 2025 were $108,590 (2024 - $100,526).

At December 31, 2024, the MEPP disclosed an actuarial 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 employees participate in a defined contribution pension plan. The municipality’s contributions to the plan are expensed when due.

12. Comparative Figures

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

13. Contractual Rights

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

Contractual Rights Type		2026	2027	2028	Maturity Date	Current Year Total	Prior Year Total
Future lease revenue:							
Lease agreement #1		18,000	10,500		2027	28,500	46,500
Lease agreement #2		13,227	13,628	13,628	2028	40,483	53,710
Lease agreement #3		22,464	22,464	5,616	2028	50,544	73,008
Total		**53,691**	**46,592**	**19,244**		**119,527**	**173,218**

14. Risk Management

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 Taxes Receivable, Other Accounts Receivable, Long-Term Receivable, Other (Specify). The municipality has a significant number of customers which minimizes concentration of credit risk. There was an allowance for doubtful accounts for December 31, 2025 was $152,469 (2024 - $152,469).

<u>Liquidity Risk</u>

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.

15. Risk Management (continued)

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency and other price risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of 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.

Town of Unity

Schedule of Taxes and Other Unconditional Revenue

As at December 31, 2025

Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	$ 2,777,321	$ 2,775,634	$ 2,505,681
Abatements and adjustments		(12,136)	
Discount on current year taxes	(50,000)	(52,027)	(48,134)
Net Municipal Taxes	2,727,321	2,711,471	2,457,547
Potash tax share			
Trailer license fees	6,000	6,146	6,520
Penalties on tax arrears	36,000	42,649	35,850
Special tax levy			
Other (Specify)			
Total Taxes	**2,769,321**	**2,760,266**	**2,499,917**
UNCONDITIONAL GRANTS			
Revenue Sharing	737,801	737,801	692,732
(Organized Hamlet)			
Safe Restart			
Other (Specify)			
Total Unconditional Grants	**737,801**	**737,801**	**692,732**
GRANTS IN LIEU OF TAXES			
Federal			10,466
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services	6,900	6,808	3,194
SaskTel	6,200	6,371	4,030
Other (Many Island Pipelines)	4,900	7,807	
Local/Other			
Housing Authority	1,800	1,733	1,796
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Local municipalities)	5,200	5,196	1,769
Other Government Transfers			
S.P.C. Surcharge	140,000	142,789	142,835
Sask Energy Surcharge	62,000	67,026	67,233
Other (Specify)			
Total Grants in Lieu of Taxes	**227,000**	**237,730**	**231,323**
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	**$ 3,734,122**	**$ 3,735,797**	**$ 3,423,972**

Town of Unity
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			
- Custom work	$ 3,500	$ 4,460.00	$ 3,425.00
- Sales of supplies	1,300	1,942	1,248
- Other (Rentals, licenses, permits)	83,780	92,254	92,885
Total Fees and Charges	88,580	98,656	97,558
- Tangible capital asset sales - gain (loss)			7,781
- Land sales - gain		20,000	
- Investment income	62,500	104,938	115,850
-Commissions			
- Other (Donations, refunds)		32,388	1,209
Total Other Segmented Revenue	151,080	255,982	222,398
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	151,080	255,982	222,398
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	**151,080**	**255,982**	**222,398**
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	50,500	37,138	50,177
- Other (Pound fees, fire fees, tower usage fees)		15,175	15,499
Total Fees and Charges	50,500	52,313	65,676
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	50,500	52,313	65,676
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	50,500	52,313	65,676
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Donation)			15,000
Total Capital	-	-	15,000
Restructuring Revenue (Specify, if any)			
Total Protective Services	**50,500**	**52,313**	**80,676**

Town of Unity
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 (Airport land lease, snow dumping fees)	16,500	16,367	15,878
Total Fees and Charges	16,500	16,367	15,878
- Tangible capital asset sales - gain (loss)			6,871
- Other (Specify)			
Total Other Segmented Revenue	16,500	16,367	22,749
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	16,500	16,367	22,749
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	153,000	155,501	158,721
- ICIP	100,000	54,998	1,969,111
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			-
Total Capital	253,000	210,499	2,127,832
Restructuring Revenue (*Specify, if any*)			
Total Transportation Services	**269,500**	**226,866**	**2,150,581**
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	333,500	396,650	325,628
- Other (Handi-van, cemetery, columbarium, pets)	36,000	43,851	44,628
Total Fees and Charges	369,500	440,501	370,256
- Tangible capital asset sales - gain (loss)			
- Other (Donations, SARRC)	13,000	14,449	14,831
Total Other Segmented Revenue	382,500	454,950	385,087
Conditional Grants			
- Student Employment			
- TAPD			132
- Local government	2,500	2,500	2,500
- MEEP			
- Other (MMRSP, MMSW)	50,150	75,178	50,108
Total Conditional Grants	52,650	77,678	52,740
Total Operating	435,150	532,628	437,827
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	**435,150**	**532,628**	**437,827**

Town of Unity
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 (Economic Dev.)		150	100
Total Fees and Charges	-	150	100
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	-	150	100
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	-	150	100
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	**-**	**150**	**100**

	2025 Budget	2025	2024
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	175,600	191,948	183,441
- Other (Custom Work)	6,500	5,701	6,818
Total Fees and Charges	182,100	197,649	190,259
- Tangible capital asset sales - gain (loss)			
- Other (TIP, Goupex, SPRA, WCB)	13,250	16,834	11,654
Total Other Segmented Revenue	195,350	214,483	201,913
Conditional Grants			
- Student Employment	4,000	4,200	3,920
- Local government	18,400	20,413	20,413
- MEEP			44,208
- Other (Library, Rink)	9,900	38,879	7,764
Total Conditional Grants	32,300	63,492	76,305
Total Operating	227,650	277,975	278,218
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Field of dreams)		318,964	
Total Capital	-	318,964	-
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	**227,650**	**596,939**	**278,218**

Town of Unity
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	622,000	639,664	618,397
- Sewer	240,000	246,076	237,932
- Other (Sewer infrastructure levy)	530,000	543,929	528,953
Total Fees and Charges	1,392,000	1,429,669	1,385,282
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	1,392,000	1,429,669	1,385,282
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	1,392,000	1,429,669	1,385,282
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Utility Services	**1,392,000**	**1,429,669**	**1,385,282**
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	**$ 2,525,880**	**$ 3,094,547**	**$ 4,555,082**

SUMMARY

Total Other Segmented Revenue	2,187,930	2,423,914	2,283,205
Total Conditional Grants	84,950	141,170	129,045
Total Capital Grants and Contributions	253,000	529,463	2,142,832
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	**$ 2,525,880**	**$ 3,094,547**	**$ 4,555,082**

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

Schedule 3 - 1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	$ 57,650	$ 51,173	$ 49,722
Wages and benefits	489,500	475,081	441,517
Professional/Contractual services	129,635	129,843	119,807
Utilities	9,400	8,871	9,642
Maintenance, materials and supplies	39,800	39,419	42,225
Grants and contributions - operating	1,300	-	1,300
- capital			
Amortization tangible capital assets		41,124	25,742
Accretion of asset retirement obligation			
Interest	4,000	6,282	3,795
Allowance for uncollectible (recovery)		(60,200)	77,961
Other (Sask. Housing)	-	3,458	989
General Government Services	**731,285**	**695,051**	**772,700**
Restructuring (Specify, if any)			
Total General Government Services	**731,285**	**695,051**	**772,700**
PROTECTIVE SERVICES			
Police protection			
Wages and benefits	80,400	83,100	66,647
Professional/Contractual services	272,550	244,384	238,680
Utilities	4,700	4,427	4,448
Maintenance, material and supplies	12,700	11,052	10,513
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify)			
Fire protection			
Wages and benefits	65,000	56,900	53,024
Professional/Contractual services	32,200	20,535	23,014
Utilities	3,400	3,710	2,815
Maintenance, material and supplies	42,250	27,171	19,856
Grants and contributions - operating			
- capital			
Amortization tangible capital assets		21,338	18,576
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Protective Services	**513,200**	**472,617**	**437,573**
Restructuring (Specify, if any)			
Total Protective Services	**513,200**	**472,617**	**437,573**
TRANSPORTATION SERVICES			
Wages and benefits	478,820	436,945	464,090
Professional/Contractual Services	684,920	96,001	517,462
Utilities	82,300	79,507	81,238
Maintenance, materials, and supplies	216,700	271,296	203,320
Gravel	42,000	34,312	44,369
Grants and contributions - operating	7,200	5,761	2,200
- capital			
Amortization tangible capital assets		443,530	338,413
Interest	134,000	130,027	170,939
Accretion of asset retirement obligation			
Other (Specify)			
Transportation Services	**1,645,940**	**1,497,379**	**1,822,031**
Restructuring (Specify, if any)			
Total Transportation Services	**1,645,940**	**1,497,379**	**1,822,031**

Town of Unity

Total Expenses by Function

As at December 31, 2025

Schedule 3 - 2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	81,300	77,222	80,174
Professional/Contractual services	176,230	170,707	164,209
Utilities	2,100	2,244	1,594
Maintenance, materials and supplies	30,500	18,212	17,087
Grants and contributions - operating			
○ Waste disposal			
○ Public Health			
- capital			
○ Waste disposal			
○ Public Health			
Amortization tangible capital assets		12,191	14,689
Interest			
Accretion of asset retirement obligation		57,435	131,462
Other (Contaminated sites)		3,259	3,210
Environmental and Public Health Services	**290,130**	**341,270**	**412,425**
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	**290,130**	**341,270**	**412,425**
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits			
Professional/Contractual Services	22,000	30,960	25,096
Grants and contributions - operating	12,000	4,593	30,640
- capital			
Amortization tangible capital assets			
Interest			
Accretion of Asset Retirement Obligation			
Other (Write off assets under construction)		112,530	
Planning and Development Services	**34,000**	**148,083**	**55,736**
Restructuring (Specify, if any)			
Total Planning and Development Services	**34,000**	**148,083**	**55,736**
RECREATION AND CULTURAL SERVICES			
Wages and benefits	489,300	494,897	468,498
Professional/Contractual services	119,300	109,157	100,237
Utilities	147,530	134,259	143,326
Maintenance, materials and supplies	244,800	193,906	196,314
Grants and contributions - operating	15,000	15,000	15,000
- capital			
Amortization tangible capital assets		225,850	204,037
Interest			1,045
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	**1,015,930**	**1,173,069**	**1,128,457**
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	**1,015,930**	**1,173,069**	**1,128,457**

Town of Unity

Total Expenses by Function

As at December 31, 2025

Schedule 3 - 3

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	98,000	101,389	87,371
Professional/Contractual services	588,867	164,368	157,633
Utilities	60,400	56,707	59,576
Maintenance, materials and supplies	71,300	46,628	96,510
Grants and contributions - operating			
- capital			
Amortization tangible capital assets		475,995	384,006
Interest			
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (Specify)			
Utility Services	**818,567**	**845,087**	**785,096**
Restructuring (Specify, if any)			
Total Utility Services	**818,567**	**845,087**	**785,096**
TOTAL EXPENSES BY FUNCTION	**$ 5,049,052**	**$ 5,172,556**	**$ 5,414,018**

Town of Unity
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	$ 98,656	$ 52,313	$ 16,367	$ 440,501	$ 150	$ 197,649	$ 1,429,669	**$ 2,235,305**
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	**-**
Land Sales - Gain	20,000							**20,000**
Investment Income	104,938							**104,938**
Commissions	-							**-**
Other Revenues	32,388	-	-	14,449	-	16,834	-	**63,671**
Grants - Conditional	-	-	-	77,678	-	63,492	-	**141,170**
- Capital	-	-	210,499	-	-	318,964	-	**529,463**
Restructurings	-	-	-	-	-	-	-	**-**
Total Revenues	**255,982**	**52,313**	**226,866**	**532,628**	**150**	**596,939**	**1,429,669**	**3,094,547**
Expenses (Schedule 3)								
Wages & Benefits	526,254	140,000	436,945	77,222	-	494,897	101,389	**1,776,707**
Professional/ Contractual Services	129,843	264,919	96,001	170,707	30,960	109,157	164,368	**965,955**
Utilities	8,871	8,137	79,507	2,244		134,259	56,707	**289,725**
Maintenance Materials and Supplies	39,419	38,223	305,608	18,212		193,906	46,628	**641,996**
Grants and Contributions	-	-	5,761	-	4,593	15,000	-	**25,354**
Amortization of Tangible Capital Assets	41,124	21,338	443,530	12,191	-	225,850	475,995	**1,220,028**
Interest	6,282	-	130,027	-	-	-	-	**136,309**
Accretion of Asset Retirement Obligation	-	-	-	57,435	-	-	-	**57,435**
Allowance for Uncollectible	(60,200)					-	-	**(60,200)**
Restructurings	-	-	-	-	-	-	-	**-**
Other	3,458	-	-	3,259	112,530	-	-	**119,247**
Total Expenses	**695,051**	**472,617**	**1,497,379**	**341,270**	**148,083**	**1,173,069**	**845,087**	**5,172,556**
Surplus (Deficit) by Function	**$ (439,069)**	**$ (420,304)**	**$ (1,270,513)**	**$ 191,358**	**$ (147,933)**	**$ (576,130)**	**$ 584,582**	**$ (2,078,009)**
Taxes and other unconditional revenue **(Schedule 1)**								**3,735,797**
Net Surplus (Deficit)								**$ 1,657,788**

Town of Unity
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	$ 97,558	$ 65,676	$ 15,878	$ 370,256	$ 100	$ 190,259	$ 1,385,282	**$ 2,125,009**
Tangible Capital Asset Sales - Gain	7,781	-	6,871	-	-	-	-	**14,652**
Land Sales - Gain	-							**-**
Investment Income	115,850							**115,850**
Commissions	-							**-**
Other Revenues	1,209	-	-	14,831	-	11,654	-	**27,694**
Grants - Conditional	-	-	-	52,740	-	76,305	-	**129,045**
- Capital	-	15,000	2,127,832	-	-	-	-	**2,142,832**
Restructurings	-	-	-	-	-	-	-	**-**
Total Revenues	**222,398**	**80,676**	**2,150,581**	**437,827**	**100**	**278,218**	**1,385,282**	**4,555,082**
Expenses (Schedule 3)								
Wages & Benefits	491,239	119,671	464,090	80,174	-	468,498	87,371	**1,711,043**
Professional/ Contractual Services	119,807	261,694	517,462	164,209	25,096	100,237	157,633	**1,346,138**
Utilities	9,642	7,263	81,238	1,594		143,326	59,576	**302,639**
Maintenance Materials and Supplies	42,225	30,369	247,689	17,087		196,314	96,510	**630,194**
Grants and Contributions	1,300	-	2,200	-	30,640	15,000	-	**49,140**
Amortization of Tangible Capital Assets	25,742	18,576	338,413	14,689	-	204,037	384,006	**985,463**
Interest	3,795	-	170,939	-	-	1,045	-	**175,779**
Accretion of Asset Retirement Obligation	-	-	-	131,462	-	-	-	**131,462**
Allowance for Uncollectible	77,961					-	-	**77,961**
Restructurings	-	-	-	-	-	-	-	**-**
Other	989	-	-	3,210	-	-	-	**4,199**
Total Expenses	**772,700**	**437,573**	**1,822,031**	**412,425**	**55,736**	**1,128,457**	**785,096**	**5,414,018**
Surplus (Deficit) by Function	**$ (550,302)**	**$ (356,897)**	**$ 328,550**	**$ 25,402**	**$ (55,636)**	**$ (850,239)**	**$ 600,186**	**$ (858,936)**
Taxes and other unconditional revenue **(Schedule 1)**								3,423,972
Net Surplus (Deficit)								**$ 2,565,036**

Town of Unity
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
Assets									
Asset cost									
Opening Asset costs	$ 454,647	$ 3,257,715	$ 7,280,369	$ 1,357,420	$ 1,958,874	$ 21,428,879	$ 313,269	**$ 36,051,173**	$ 34,993,754
Additions during the year	381,482	163,509	605,396		178,318	216,922	804,511	**2,350,138**	1,501,847
Disposals and write-downs during the year							(112,530)	**(112,530)**	(444,428)
Transfers (from) assets under construction						356,282	(356,282)	-	-
Transfer of Capital Assets related to restructuring								-	-
Closing Asset Costs	**836,129**	**3,421,224**	**7,885,765**	**1,357,420**	**2,137,192**	**22,002,083**	**648,968**	**38,288,781**	**36,051,173**
Amortization									
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs		1,698,814	2,596,513	945,437	1,109,714	6,472,270		**12,822,748**	12,001,554
Add: Amortization taken		141,995	178,408	52,833	92,297	754,495		**1,220,028**	985,463
Less: Accumulated amortization on disposals									(164,269)
Transfer of Capital Assets related to restructuring									
Closing Accumulated Amortization Costs		**1,840,809**	**2,774,921**	**998,270**	**1,202,011**	**7,226,765**	**-**	**14,042,776**	**12,822,748**
Net Book Value	**$ 836,129**	**$ 1,580,415**	**$ 5,110,844**	**$ 359,150**	**$ 935,181**	**$ 14,775,318**	**$ 648,968**	**$ 24,246,005**	**$ 23,228,425**

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 $ -

Town of Unity
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	$ 1,214,240	$ 742,575	$ 12,136,051	$ 960,069	$	$ 5,983,290	$ 15,014,948	**$ 36,051,173**	$ 34,993,754
	Additions during the year	796,906	58,586	500,097	115,148		702,029	177,372	**2,350,138**	1,501,847
	Disposals and write-downs during the year			(94,032)	(8,645)		(9,853)		**(112,530)**	(444,428)
	Transfer of Capital Assets related to restructuring								-	-
	Closing Asset Costs	**2,011,146**	**801,161**	**12,542,116**	**1,066,572**	**-**	**6,675,466**	**15,192,320**	**38,288,781**	**36,051,173**
Amortization	**Accumulated Amortization Cost**									
	Opening Accumulated Amortization Costs	436,472	545,962	4,187,354	873,330	-	2,008,873	4,770,757	**12,822,748**	12,001,554
	Add: Amortization taken	41,124	21,338	443,530	12,191	-	225,850	475,995	**1,220,028**	985,463
	Less: Accumulated amortization on disposals								-	(164,269)
	Transfer of Capital Assets related to restructuring								-	-
	Closing Accumulated Amortization Costs	**477,596**	**567,300**	**4,630,884**	**885,521**	**-**	**2,234,723**	**5,246,752**	**14,042,776**	**12,822,748**
	Net Book Value	**$ 1,533,550**	**$ 233,861**	**$ 7,911,232**	**$ 181,051**	**-**	**$ 4,440,743**	**$ 9,945,568**	**$ 24,246,005**	**$ 23,228,425**

Town of Unity

Schedule of Accumulated Surplus

As at December 31, 2025

Schedule 8

		2024	Changes	2025
UNAPPROPRIATED SURPLUS		**$ 3,347,609**	**$ 256,207**	**$ 3,603,816**
APPROPRIATED RESERVES				
	Cemetery	73,661		**73,661**
	Contaminated Sites	180,000	30,000	**210,000**
	Dedicated Lands	33,421	30,121	**63,542**
	Food Bank	7,310		**7,310**
	General Reserve	78,009	(70,000)	**8,009**
	Landfill	240,000	40,000	**280,000**
	Library Fund	15,103		**15,103**
	Machinery and Equipment	10,596		**10,596**
	Municipal Airport	7,386		**7,386**
	Road Infrastructure	12,815		**12,815**
	Swimming Pool	53,829		**53,829**
Total Appropriated		**712,130**	**30,121**	**742,251**
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS				
	Tangible capital assets **(Schedule 6, 7)**	23,228,425	1,017,580	**24,246,005**
	Less: Related debt	(2,148,642)	353,880	**(1,794,762)**
Net Investment in Tangible Capital Assets		**21,079,783**	**1,371,460**	**22,451,243**
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)		**$ 25,139,522**	**$ 1,657,788**	**$ 26,797,310**

Town of Unity
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	$ 1,342,990	$ 146,181,430	$ 11,569,680		$ 52,671,564		**$ 211,765,664**
Regional Park Assessment							
Total Assessment							211,765,664
Mill Rate Factor(s)	0.8050	0.8050	0.8050		1.1500		
Total Base/Minimum Tax (generated for each property class)		741,000	8,550		121,125		870,675
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	$ 13,751	$ 1,762,578	$ 122,222		$ 877,083		**$ 2,775,634**

MILL RATES:	**MILLS**
Average Municipal*	13.11
Average School*	4.80
Potash Mill Rate	
Uniform Municipal Mill Rate	12.72

* 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 Unity
Schedule of Council Remuneration
As at December 31, 2025 Schedule 10
(Unaudited)

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Robert Abel	$ 8,507	$ 404	**$ 8,911**
Councillor	Ryan Sernecky	6,125		**6,125**
Councillor	Brent Weber	6,125		**6,125**
Councillor	Daryl Stubbs	6,804	777	**7,581**
Councillor	Brett Lang	5,775		**5,775**
Councillor	Curtis McLean	6,125		**6,125**
Councillor	Christopher Halter	6,300		**6,300**
Total		**$ 45,761**	**$ 1,181**	**$ 46,942**