

## INDEPENDENT AUDITOR'S REPORT

To Council of Town of Herbert:

### Qualified Opinion

We have audited the financial statements of Town of Herbert, which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net financial assets, cash flow and remeasurement gains and losses for the year then ended, and notes to the 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

Public Sector Accounting Standards requires the town to accrue a liability for any Asset Retirement Obligations it may have. The municipality has an asset retirement obligation regarding the landfill site and is responsible for the closure and post-closure care costs. Due to problems associated with estimations and environmental requirements, we were unable to obtain sufficient appropriate audit evidence over the extent of landfill closure adjustments required to the town's financial statements as at December 31, 2024 and December 31, 2023.

Public Sector Accounting Standards require that the town accrue a liability for the estimated remediation costs for town-owned contaminated sites. The town is the owner of a site for which an environmental assessment has detected contamination, however the future cost of remediation has not been determined and accordingly no such liability has been recorded. Accordingly, we were unable to obtain sufficient and appropriate audit evidence over the cost adjustments required to the town's financial statements as at December 31, 2024 and December 31, 2023.

Public Sector Accounting Standards require that controlled entities be consolidated into the financial statements of the Town, as they make up part of the Town's government reporting entity. As explained in Note 1 (a), the Town has not consolidated certain entities that it controls or jointly controls. Known entities are listed in Note 1 (a), but we were unable to obtain sufficient and appropriate audit evidence over the completeness and accuracy of the list. Financial statements for these entities were unavailable at the time of our audit and, therefore, we were unable to obtain sufficient and appropriate audit evidence over the extent of adjustments required to the Town's financial statements as at December 31, 2024 and December 31, 2023.

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 the 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 opinion.

### Other Matter

The additional information listed in Schedules 1 to 13 has been taken from the accounting records of the organization but has not been audited by us other than in the course of our examination of the aforementioned financial statements to the extent necessary to allow us to render an opinion thereon.

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

As management, the Council is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

## INDEPENDENT AUDITOR'S REPORT (continued)

### Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)

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.

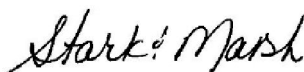
### Auditor's Responsibility for the Audit of the Financial Statements

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.



CPA LLP  
Chartered Professional Accountants

Swift Current, Saskatchewan  
April 28, 2025

## Management's Responsibility

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The municipality's management is responsible for the preparation and presentation of the accompanying 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 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 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.

Stark & Marsh CPA LLP, an independent firm of Chartered Professional Accountant, is appointed by the Council to audit the financial statements and report directly to them. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.



Mayor - Town of Herbert



CAO



Date

	2024	2023
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents (Note 2)	921,769	768,779
Investments (Note 3)	44,070	43,235
Taxes Receivable - Municipal (Note 4)	142,909	147,317
Other Accounts Receivable (Note 5)	155,058	142,290
Assets Held for Sale (Note 6)		
Long-Term Receivable (Note 7)	-	-
Debt Charges Recoverable (Note 8)		
Derivative Assets (Note 9)		
Other (Specify)		
<b>Total Financial Assets</b>	<b>1,263,806</b>	<b>1,101,621</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 10)		
Accounts Payable	122,535	100,117
Accrued Liabilities Payable		
Derivative Liabilities (Note 9)		
Deposits	42,617	41,610
Deferred Revenue (Note 11)	13,549	9,120
Asset Retirement Obligation (Note 12)		
Liability for Contaminated Sites (Note 13)		
Infrastructure Liability (Note 27)		
Other Liabilities		
Long-Term Debt (Note 14)	153,743	233,099
Lease Obligations (Note 15)		
<b>Total Liabilities</b>	<b>332,444</b>	<b>383,946</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>931,362</b>	<b>717,675</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	3,998,781	4,128,071
Intangible Capital Assets (Schedule 8, 9)		
Prepayments and Deferred Charges		
Stock and Supplies (Note 1 I)		
Other (Note 16)		
<b>Total Non-Financial Assets</b>	<b>3,998,781</b>	<b>4,128,071</b>
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<b>4,930,143</b>	<b>4,845,746</b>
Accumulated surplus is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) (Schedule 10)	4,930,143	4,845,746
Accumulated remeasurement gains (losses) (Statement 5)	-	-
Unrecognized Assets (Note 1 m)		
Contingent Assets (Note 22)		
Contractual Rights (Note 23)		
Contingent Liabilities (Note 17)		
Contractual Obligations and Commitments (Note 24)		

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

	2024 Budget	2024	2023
<b>REVENUES</b>			
	<b>(unaudited)</b>		
Tax Revenue (Schedule 1)	862,090	856,180	841,351
Other Unconditional Revenue (Schedule 1)	188,000	234,751	188,059
Fees and Charges (Note 28, Schedule 4, 5)	758,630	783,180	763,056
Conditional Grants (Note 28, Schedule 4, 5)	74,390	89,741	114,791
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	35,500
Intangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	-
Land Sales - Gain (Schedule 4, 5)	-	-	7,999
Investment Income (Note 3) (Schedule 4, 5)	31,700	40,567	43,657
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	500	1,370	9,649
<b>Total Revenues</b>	<b>1,915,310</b>	<b>2,005,789</b>	<b>2,004,062</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	298,110	322,596	280,888
Protective Services (Schedule 3)	145,170	137,256	125,060
Transportation Services (Schedule 3)	492,600	501,332	604,695
Environmental and Public Health Services (Schedule 3)	602,460	236,821	256,565
Planning and Development Services (Schedule 3)	55,610	42,594	37,950
Recreation and Cultural Services (Schedule 3)	190,400	237,101	193,125
Utility Services (Schedule 3)	428,550	536,342	489,887
Restructurings (Schedule 3)	-	-	-
<b>Total Expenses</b>	<b>2,212,900</b>	<b>2,014,042</b>	<b>1,988,170</b>
Annual Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(297,590)	(8,253)	15,892
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	364,000	92,650	99,217
Annual Surplus (Deficit) of Revenues over Expenses	66,410	84,397	115,109
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year	4,845,746	4,845,746	4,730,637
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year	4,912,156	4,930,143	4,845,746

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

Town of Herbert  
Statement of Change in Net Financial Assets  
For the fiscal year ended December 31, 2024

Statement 3

	2024 Budget (unaudited)	2024	2023
Annual Surplus (Deficit) of Revenues over Expenses	66,410	84,397	115,109
(Acquisition) of tangible capital assets		(69,736)	(528,655)
Amortization of tangible capital assets		199,026	190,409
Amortization of intangible capital assets			
Proceeds on disposal of tangible capital assets			35,500
Loss (gain) on the disposal of tangible capital assets		-	(35,500)
Proceeds on disposal of intangible capital assets		-	-
Loss (gain) on the disposal of intangible capital assets		-	-
Transfer of assets/liabilities in restructuring transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	-	129,290	(338,246)
(Acquisition) of supplies inventories, net			
(Acquisition) of prepaid expense, net			
Consumption of supplies inventory, net			
Use of prepaid expense, net			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	-	-
Unrealized remeasurement gains (losses)		-	-
Increase/Decrease in Net Financial Assets	66,410	213,687	(223,137)
Net Financial Assets (Debt) - Beginning of Year	717,675	717,675	940,812
Net Financial Assets (Debt) - End of Year	784,085	931,362	717,675

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

Town of Herbert  
Statement of Cash Flow  
For the fiscal year ended December 31, 2024

Statement 4

	2024	2023
Cash provided by (used for) the following activities		
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	84,397	115,109
Amortization of tangible capital assets	199,026	190,409
Amortization of intangible capital assets	-	-
Loss (gain) on disposal of tangible capital assets	-	(35,500)
Loss (gain) on disposal of intangible capital assets	-	-
	283,423	270,018
Change in assets/liabilities		
Taxes Receivable - Municipal	4,408	(22,811)
Other Receivables	(12,768)	(17,247)
Assets Held for Sale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	22,418	(36,060)
Derivative Liabilities	-	-
Deposits	1,007	45
Deferred Revenue	4,429	6,620
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Other Liabilities	-	-
Stock and Supplies	-	-
Prepayments and Deferred Charges	-	-
Other (Specify)	-	-
Cash provided by operating transactions	302,917	200,565
Capital:		
Acquisition of capital assets	(69,736)	(528,655)
Proceeds from the disposal of capital assets	-	35,500
Cash applied to capital transactions	(69,736)	(493,155)
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	(835)	(525)
Cash provided by (applied to) investing transactions	(835)	(525)
Financing:		
Debt charges recovered	-	93,997
Long-term debt issued	-	(59,506)
Long-term debt repaid	(79,356)	-
Other financing	-	-
Cash provided by (applied to) financing transactions	(79,356)	34,491
Change in Cash and Cash Equivalents	152,990	(258,624)
Cash and Cash Equivalents - Beginning of Year	768,779	1,027,403
Cash and Cash Equivalents - End of Year	921,769	768,779
Cash and cash equivalents is made up of:		
Cash and cash equivalents (Note 2)	921,769	768,779
Less: restricted portion of cash and cash equivalents (Note 2)	-	-
Temporary bank indebtedness	-	-
	921,769	768,779

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

Town of Herbert  
Statement of Remeasurement Gains and Losses  
For the fiscal year ended December 31, 2024

Statement 5

	2024	2023
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		
	-	-
Amounts reclassified to the Statement of Operations (Note 3):		
Derivatives		
Equity Investments measured at fair value		
Reversal of net remeasurements of portfolio investments		
Foreign exchange		
	-	-
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 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 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 not included in these financial statements are as follows:

Entity

Herbert and District Sports Complex, Inc.

**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. There are no partnerships incorporated in these financial statements.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- c) **Government Transfers:** Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
  - b) any eligibility criteria and stipulations have been met; and
  - c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

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

1. Significant Accounting Policies - continued

- e) Revenue - An amount received from transactions with no performance obligations is recognized as revenue.

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.

- f) Local Improvement Charges: Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- g) Net Financial Assets: Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- h) Non-financial Assets: Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- i) Appropriated Reserves: Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 10.

1. Significant Accounting Policies - continued

- j) **Property Tax Revenue:** Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.
  
- k) **Financial Instruments:** Derivative and equity instruments (or other portfolio investments) that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

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 receivable:

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

Measurement of Financial Instruments:

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

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash & Cash Equivalents	Cost
Investments	Cost
Taxes receivable	Cost
Other Accounts Receivable	Cost and amortized 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 - continued

- m) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
Leased capital assets	Lease term
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	
Road Network Assets	

**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:** Public private partnerships where the municipality procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the Statement of Financial Position and are initially recognized at cost. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset; and all costs directly attributable to the acquisition, construction, development or betterment of the infrastructure asset. Infrastructure assets are amortized over the assets useful life and recognized as an expense in the Statement of Operations.

When the municipality has recognized an infrastructure asset in relation to a public private partnership arrangement and has an obligation to provide consideration to the private sector partner, the municipality recognizes a corresponding infrastructure liability on the Statement of Financial Position. Infrastructure liabilities are initially measured at the same amount as the related infrastructure asset, reduced for any consideration previously provided to the public sector partner. Other consideration attributable to the partnership agreement such as operating and maintenance payments are excluded from the measurement of the liability. Two common models used to measure infrastructure liabilities are the financial liability and user pay models. The financial liability model is utilized when the municipality designs, builds, finances, operates and/or maintains infrastructure in exchange for a contractual right to receive cash or another asset. The reason for this being that the corresponding liability constitutes a financial liability. The user pay model is applicable when the private sector partner designs, buildings, finances, operates and/or maintains the infrastructure in exchange for a right to charge the ultimate end users. This compensation granted by the municipality is facilitated via the granting of rights to earn revenue from a third party. Due to such, the corresponding liability should be classified as a performance obligation.

- 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. Trust fund activities administered by the municipality are disclosed in Note 20.
- p) **Employee Benefit Plans:** Contributions to the municipality's multiemployer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **Liability for Contaminated Sites:** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:
  - a) an environmental standard exists;
  - b) contamination exceeds the environmental standard;
  - c) the municipality:
    - i. is directly responsible; or
    - ii. accepts responsibility;
  - d) it is expected that future economic benefits will be given up; and
  - e) a reasonable estimate of the amount can be made.

1. Significant Accounting Policies - continued

- r) **Measurement Uncertainty:** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period.

Measurement uncertainty impacts the following financial statement areas:

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets and intangible capital assets.

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.

1. Significant Accounting Policies - continued

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

The segments (functions) are as follows:

General Government: Provides for the administration of the municipality.

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

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

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

- t) Budget Information: Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 13, 2024.
- u) Assets Held for Sale: the municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.
- v) Asset Retirement Obligation: Asset Retirement Obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible assets include but not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the municipality to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

1. Significant Accounting Policies - continued

- w) Loan Guarantees: A municipality may provide loan guarantees for various 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.

1. Significant Accounting Policies - continued

y) New Accounting Policies Adopted During the Year:

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

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

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

Town of Herbert  
Notes to the financial Statements  
For the fiscal year ended December 31, 2024

2. Cash and Cash Equivalents	2024	2023
Cash	921,769	768,779
Short-term investments - amortized cost		
Restricted Cash		
<b>Total Cash and Cash Equivalents</b>	<b>921,769</b>	<b>768,779</b>

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

3. Investments	2024	2023
Investments carried at fair value:		
The town has no investments carried at fair value		
Investments carried at amortized cost:		
Short-term notes and deposits	43,970	43,135
Co-op share	100	100
<b>Total investments</b>	<b>44,070</b>	<b>43,235</b>

Short-term notes and deposits have effective interest rates of 2.45 % (Prior year 1.75 %) and mature in less than one year.

Investment Income	2024	2023
Interest	835	525
<b>Total investment income</b>	<b>835</b>	<b>525</b>

Town of Herbert  
Notes to the financial Statements  
For the fiscal year ended December 31, 2024

4. Taxes Receivable - Municipal

	2024	2023
Municipal - Current	109,072	119,397
- Arrears	63,837	57,920
	172,909	177,317
- Less Allowance for Uncollectible	(30,000)	(30,000)
Total municipal taxes receivable	142,909	147,317
School -Current	18,036	22,108
-Arrears	10,769	8,768
Total taxes to be collected on behalf of School Divisions	28,805	30,876
Other		
Total taxes and grants in lieu receivable or to be collected on behalf of other organizations	171,714	178,193
Deduct taxes to be collected on behalf of other organizations	(28,805)	(30,876)
Total Taxes Receivable - Municipal	142,909	147,317

5. Other Accounts Receivable

	2024	2023
Federal Government	26,903	35,629
Provincial Government	6,044	28,648
Local Government		
Utility	91,873	77,595
Trade	35,238	5,418
Other (Specify)		
Total Other Accounts Receivable	160,058	147,290
Less: Allowance for Uncollectible	(5,000)	(5,000)
Net Other Accounts Receivable	155,058	142,290

Town of Herbert  
Notes to the financial Statements  
For the fiscal year ended December 31, 2024

6. Assets Held for Sale

	2024	2023
Tax Title Property	180,007	154,676
Allowance for market value adjustment	(180,007)	(154,676)
Net Tax Title Property	-	-
Other Land		5,793
Allowance for market value adjustment		(5,793)
Net Other Land	-	-
<b>Total Assets Held for Sale</b>	<b>-</b>	<b>-</b>

7. Long-Term Receivable

The town has no long-term receivables.

8. Debt Charges Recoverable

The town has no debt charges recoverable.

9. Financial Instruments - Fair Value Disclosures

The municipality does not have any significant financial instruments carried at fair value as at December 31, 2024. For those instruments carried at cost/amortized cost the carrying value approximates the fair value.

Town of Herbert  
Notes to the financial Statements  
For the fiscal year ended December 31, 2024

10. Bank Indebtedness

Credit Arrangements: The town has access to a line of credit with a limit of \$125,000, none of which was drawn as of December 31, 2024.

11. Deferred Revenue

	2023	Externally Restricted Inflows	Revenue Earned	2024
Prepaid property taxes	9,120	13,549	9,120	13,549
<b>Total Deferred Revenue</b>	<b>9,120</b>	<b>13,549</b>	<b>9,120</b>	<b>13,549</b>

12. Asset Retirement Obligation

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 period of years, 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 town operates a landfill (waste disposal) site. No formal estimate of future closure and post-closure care costs has been made and no amount has been recorded in these financial statements as an asset retirement obligation. The unfunded liability for the landfill will be paid for from future property tax levies and government grants.

13. Liability for Contaminated Sites

The town is the owner of a property in which soil contamination has been detected, however it has not yet been able to estimate the cost of future clean up of the site. Accordingly, no related liability is contained in these financial statements.

14. Long-Term Debt

The debt limit of the municipality in 2024 was \$1,504,989. 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)).

The town has two long-term loans: A loan from Prairie Centre Credit Union in the amount of \$133,524, requiring three annual payments of \$44,071 in years 2025 through 2027, with a final payment of \$24,252 in 2028. The interest rate as at December 31, 2024 was 5.45%, and the loan is secured by future collections of property taxes and any other available revenue. The town also has an equipment purchase loan through Volvo Financial Services in the amount of \$20,219, requiring monthly payments of \$4,086, with interest at 4.09% and ending in May 2025. The loan is secured by a payloader that was purchased with this loan.

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2025	57,014	7,485	64,499	93,098
2026	38,799	5,272	44,071	
2027	40,914	3,157	44,071	
2028	17,016	915	17,931	
2029			-	
Thereafter			-	
Balance	153,743	16,829	170,572	93,098

15. Lease Obligations

The town has no significant long-term lease obligations.

16. Other Non-financial Assets

The town has no "other" non-financial assets.

17. Contingent Liabilities

The town has no significant contingent liabilities.

18. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The municipality's pension expense in 2024 was \$33,517. The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

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

Details of MEPP	2024	2023
Number of active members	7	9
Member contribution rate (percentage of salary)	9.00%	9.00%
Employer contribution rate (percentage of salary)	9.00%	9.00%
Member contributions for the year	33,517	36,124
Employer contributions for the year	33,517	36,124
Plan Assets	**	3,602,822,000
Plan Liabilities	**	2,441,485,000
Plan Surplus	**	1,161,337,000

\*\* 2024 MEPP financial information is not yet available.

19. Comparative Figures

Some prior year comparative figures may have been restated to conform to the current year's presentation.

20. Trusts Administered by the Municipality

The town does not administer any trusts.

21. Related Parties

The town has no significant related parties.

22. Contingent Assets

The town has no significant contingent assets.

23. Contractual Rights

The town has no significant contractual rights.

24. Contractual Obligations and Commitments

The town has no significant contractual obligations and commitments.

25. Restructuring Transactions

The town did not undertake any restructuring transactions.

26. Risk Management

Through its financial assets and liabilities, the municipality is exposed to credit risk.

Credit Risk

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

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

2024

Taxes receivable	159,361
Other accounts receivable	160,058
Maximum credit risk exposure	319,419

The municipality has mitigated its exposure to credit risk on financial instruments through ongoing monitoring and follow up on unpaid balances and through the use of tax enforcement procedures that are authorized by the Government of Saskatchewan.

At December 31 the following taxes receivable and other accounts receivable were past due but not impaired:

	Current	30 days	60 days	Over 90 days
Taxes receivable	95,524			33,837
Other accounts receivable	138,494	230	9,082	7,252
Net total	234,018	230	9,082	41,089

26. Risk Management (continued)

Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of investments and loans payable. The town has not taken steps to mitigate this risk as the potential impact of interest rate changes is not considered significant to its operations.

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 town has no financial instruments that are subject to currency risk.

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity investments. The town has no price risk, as it does not hold any financial instruments that are stated at fair value.

27. Public Private Partnerships:

The town has not entered into any Public Private Partnerships.

Town of Herbert  
 Schedule of Taxes and Other Unconditional Revenue  
 For the fiscal year ended December 31, 2024

Schedule 1

	2024 Budget	2024	2023
<b>TAXES</b>	<b>(unaudited)</b>		
General municipal tax levy	769,590	774,777	724,253
Abatements and adjustments	(2,000)	(6,341)	(2,242)
Discount on current year taxes	(20,000)	(21,955)	(19,145)
Net Municipal Taxes	747,590	746,481	702,866
Potash tax share			
Trailer license fees			
Penalties on tax arrears	19,000	24,520	19,872
Special tax levy	10,000	10,330	40,280
Other (Specify)			
<b>Total Taxes</b>	<b>776,590</b>	<b>781,331</b>	<b>763,018</b>
<b>UNCONDITIONAL GRANTS</b>			
Revenue Sharing (Organized Hamlet)	188,000	234,751	188,059
Safe Restart			
Other (Specify)			
<b>Total Unconditional Grants</b>	<b>188,000</b>	<b>234,751</b>	<b>188,059</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal		6,126	5,521
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel		2,315	2,188
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline	15,500		
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	45,000	45,631	46,117
Sask Energy Surcharge	25,000	20,777	24,507
Other (Specify)			
<b>Total Grants in Lieu of Taxes</b>	<b>85,500</b>	<b>74,849</b>	<b>78,333</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>1,050,090</b>	<b>1,090,931</b>	<b>1,029,410</b>

	2024 Budget	2024	2023
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>(unaudited)</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Sales of supplies			
- Other (Specify)	4,800	10,040	5,061
Total Fees and Charges	4,800	10,040	5,061
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Land sales - gain			7,999
- Investment income	31,700	40,567	43,657
- Commissions			
- Other (Specify)			
Total Other Segmented Revenue	36,500	50,607	56,717
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	36,500	50,607	56,717
<b>Capital</b>			
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	36,500	50,607	56,717
<b>PROTECTIVE SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Fire fees, fines)	20,550	32,232	29,961
Total Fees and Charges	20,550	32,232	29,961
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Donations received	500	1,370	9,649
Total Other Segmented Revenue	21,050	33,602	39,610
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	21,050	33,602	39,610
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government	16,000	27,126	15,903
- MEEP			
- Other (Specify)			
Total Capital	16,000	27,126	15,903
Restructuring Revenue (Specify, if any)			
Total Protective Services	37,050	60,728	55,513

	2024 Budget (unaudited)	2024	2023
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	5,000	2,433	14,239
- Sales of supplies			
- Road Maintenance and Restoration Agreements			
- Frontage			
- Other (Specify)			
Total Fees and Charges	5,000	2,433	14,239
- Tangible capital asset sales - gain (loss)			35,500
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	5,000	2,433	49,739
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	5,000	2,433	49,739
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Transportation Services	5,000	2,433	49,739
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	194,000	194,415	180,147
- Cemetery fees	3,000	3,350	2,600
Total Fees and Charges	197,000	197,765	182,747
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	197,000	197,765	182,747
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- MMSW Rebate	18,000	18,942	18,271
Total Conditional Grants	18,000	18,942	18,271
Total Operating	215,000	216,707	201,018
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP	290,000	12,396	25,620
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	290,000	12,396	25,620
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	505,000	229,103	226,638

	2024 Budget	2024	2023
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
<b>(unaudited)</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges			
- Rentals, advertising	12,500	20,549	13,641
<b>Total Fees and Charges</b>	<b>12,500</b>	<b>20,549</b>	<b>13,641</b>
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
<b>Total Other Segmented Revenue</b>	<b>12,500</b>	<b>20,549</b>	<b>13,641</b>
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
<b>Total Conditional Grants</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operating</b>	<b>12,500</b>	<b>20,549</b>	<b>13,641</b>
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
Restructuring Revenue (Specify, if any)			
<b>Total Planning and Development Services</b>	<b>12,500</b>	<b>20,549</b>	<b>13,641</b>

**RECREATION AND CULTURAL SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Swimming pool	14,500	22,406	15,740
<b>Total Fees and Charges</b>	<b>14,500</b>	<b>22,406</b>	<b>15,740</b>
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
<b>Total Other Segmented Revenue</b>	<b>14,500</b>	<b>22,406</b>	<b>15,740</b>
Conditional Grants			
- Student Employment			
- Local government	33,560	51,477	37,055
- MEEP			
- Sask Lotteries & sundry	22,830	19,322	59,465
<b>Total Conditional Grants</b>	<b>56,390</b>	<b>70,799</b>	<b>96,520</b>
<b>Total Operating</b>	<b>70,890</b>	<b>93,205</b>	<b>112,260</b>
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
Restructuring Revenue (Specify, if any)			
<b>Total Recreation and Cultural Services</b>	<b>70,890</b>	<b>93,205</b>	<b>112,260</b>

Town of Herbert  
 Schedule of Operating and Capital Revenue by Function  
 For the fiscal year ended December 31, 2024

Schedule 2 - 4

	2024 Budget	2024	2023
<b>(unaudited)</b>			
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	404,030	393,759	402,119
- Sewer	95,750	98,560	94,855
- Interest on overdue accounts	4,500	5,436	4,693
Total Fees and Charges	504,280	497,755	501,667
- Tangible capital asset sales - gain (loss)			
- Intangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	504,280	497,755	501,667
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	504,280	497,755	501,667
<b>Capital</b>			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	58,000	53,128	57,694
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	58,000	53,128	57,694
Restructuring Revenue (Specify, if any)			
Total Utility Services	562,280	550,883	559,361
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>1,229,220</b>	<b>1,007,508</b>	<b>1,073,869</b>

**SUMMARY**

Total Other Segmented Revenue	790,830	825,117	859,861
Total Conditional Grants	74,390	89,741	114,791
Total Capital Grants and Contributions	364,000	92,650	99,217
Restructuring Revenue	-	-	-
<b>TOTAL REVENUE BY FUNCTION</b>	<b>1,229,220</b>	<b>1,007,508</b>	<b>1,073,869</b>

	2024 Budget	2024	2023
<b>GENERAL GOVERNMENT SERVICES</b>			
	<b>(unaudited)</b>		
Council remuneration and travel	18,750	15,647	14,364
Wages and benefits	135,700	131,643	130,410
Professional/Contractual services	92,550	96,214	88,608
Utilities	13,760	16,202	13,425
Maintenance, materials and supplies	27,150	31,980	23,173
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets		3,916	3,916
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Interest	200	178	1,992
Allowance for uncollectible	10,000	26,816	5,000
Other (Specify )			
General Government Services	298,110	322,596	280,888
Restructuring (Specify, if any)			
<b>Total General Government Services</b>	<b>298,110</b>	<b>322,596</b>	<b>280,888</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Wages and benefits			
Professional/Contractual services	45,000	45,551	44,271
Utilities			
Maintenance, material and supplies			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Accretion of asset retirement obligation			
Grants and contributions - operating			
- capital			
Other (Specify )			
<b>Fire protection</b>			
Wages and benefits	12,500	12,683	12,042
Professional/Contractual services	21,370	23,822	21,052
Utilities	4,400	4,612	4,322
Maintenance, material and supplies	51,350	25,285	21,889
Grants and contributions - operating		1,540	
- capital			
Amortization of Tangible Capital Assets		12,868	11,444
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (EMO)	10,550	10,895	10,040
Protective Services	145,170	137,256	125,060
Restructuring (Specify, if any)			
<b>Total Protective Services</b>	<b>145,170</b>	<b>137,256</b>	<b>125,060</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	234,250	225,314	226,694
Professional/Contractual Services	75,120	72,489	182,474
Utilities	31,390	32,088	30,343
Maintenance, materials, and supplies	137,840	84,311	82,109
Gravel	14,000	13,824	13,780
Grants and contributions - operating			
- capital			
Amortization of Tangible Capital Assets		73,306	69,295
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify )			
Transportation Services	492,600	501,332	604,695
Restructuring (Specify, if any)			
<b>Total Transportation Services</b>	<b>492,600</b>	<b>501,332</b>	<b>604,695</b>

	2024 Budget	2024	2023
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>(unaudited)</b>			
Wages and benefits			
Professional/Contractual services	600,710	234,539	253,843
Utilities			
Maintenance, materials and supplies	1,750	1,866	2,306
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization of Tangible Capital Assets		416	416
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Other (Specify)			
Environmental and Public Health Services	602,460	236,821	256,565
Restructuring (Specify, if any)			
<b>Total Environmental and Public Health Services</b>	<b>602,460</b>	<b>236,821</b>	<b>256,565</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits			
Professional/Contractual Services	35,100	23,289	17,863
Utilities	4,730	4,636	4,707
Maintenance, materials and supplies	3,280	3,169	2,880
Grants and contributions - operating	12,500	11,500	12,500
- capital			
Amortization of Tangible Capital Assets			
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Planning and Development Services	55,610	42,594	37,950
Restructuring (Specify, if any)			
<b>Total Planning and Development Services</b>	<b>55,610</b>	<b>42,594</b>	<b>37,950</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	49,520	58,434	38,927
Professional/Contractual services	69,640	70,260	78,320
Utilities	18,940	23,529	24,385
Maintenance, materials and supplies	28,800	14,631	24,554
Grants and contributions - operating	23,500	47,365	6,000
- capital			
Amortization of Tangible Capital Assets		22,882	20,939
Amortization of Intangible capital assets			
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)			
Recreation and Cultural Services	190,400	237,101	193,125
Restructuring (Specify, if any)			
<b>Total Recreation and Cultural Services</b>	<b>190,400</b>	<b>237,101</b>	<b>193,125</b>

Town of Herbert  
 Total Expenses by Function  
 For the fiscal year ended December 31, 2024

Schedule 3 - 3

	2024 Budget	2024	2023
<b>UTILITY SERVICES (unaudited)</b>			
Wages and benefits	128,960	132,403	136,114
Professional/Contractual services	115,810	127,584	84,313
Utilities	58,380	58,113	56,234
Maintenance, materials and supplies	119,400	123,233	118,243
Grants and contributions - operating - capital			
Amortization of Tangible Capital Assets		85,638	84,399
Amortization of Intangible capital assets			
Interest	6,000	9,371	10,584
Accretion of asset retirement obligation			
Allowance for Uncollectible			
Other (Specify)			
Utility Services	428,550	536,342	489,887
Restructuring (Specify, if any)			
<b>Total Utility Services</b>	<b>428,550</b>	<b>536,342</b>	<b>489,887</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>2,212,900</b>	<b>2,014,042</b>	<b>1,988,170</b>

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	10,040	32,232	2,433	197,765	20,549	22,406	497,755	783,180
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	40,567	-	-	-	-	-	-	40,567
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	1,370	-	-	-	-	-	1,370
Grants - Conditional	-	-	-	18,942	-	70,799	-	89,741
- Capital	-	27,126	-	12,396	-	-	53,128	92,650
Restructurings	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>50,607</b>	<b>60,728</b>	<b>2,433</b>	<b>229,103</b>	<b>20,549</b>	<b>93,205</b>	<b>550,883</b>	<b>1,007,508</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	147,290	12,683	225,314	-	-	58,434	132,403	576,124
Professional/ Contractual Services	96,214	69,373	72,489	234,539	23,289	70,260	127,584	693,748
Utilities	16,202	4,612	32,088	-	4,636	23,529	58,113	139,180
Maintenance Materials and Supplies	31,980	25,285	98,135	1,866	3,169	14,631	123,233	298,299
Grants and Contributions	-	1,540	-	-	11,500	47,365	-	60,405
Amortization of Tangible Capital Assets	3,916	12,868	73,306	416	-	22,882	85,638	199,026
Amortization of Intangible capital assets	-	-	-	-	-	-	-	-
Interest	178	-	-	-	-	-	9,371	9,549
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	26,816	-	-	-	-	-	-	26,816
Restructurings	-	-	-	-	-	-	-	-
Other	-	10,895	-	-	-	-	-	10,895
<b>Total Expenses</b>	<b>322,596</b>	<b>137,256</b>	<b>501,332</b>	<b>236,821</b>	<b>42,594</b>	<b>237,101</b>	<b>536,342</b>	<b>2,014,042</b>
<b>Surplus (Deficit) by Function</b>	<b>(271,989)</b>	<b>(76,528)</b>	<b>(498,899)</b>	<b>(7,718)</b>	<b>(22,045)</b>	<b>(143,896)</b>	<b>14,541</b>	<b>(1,006,534)</b>

Taxes and other unconditional revenue (Schedule 1) 1,090,931

**Net Surplus (Deficit) 84,397**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	5,061	29,961	14,239	182,747	13,641	15,740	501,667	763,056
Tangible Capital Asset Sales - Gain	-	-	35,500	-	-	-	-	35,500
Intangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	7,999	-	-	-	-	-	-	7,999
Investment Income	43,657	-	-	-	-	-	-	43,657
Commissions	-	-	-	-	-	-	-	-
Other Revenues	-	9,649	-	-	-	-	-	9,649
Grants - Conditional	-	-	-	18,271	-	96,520	-	114,791
- Capital	-	15,903	-	25,620	-	-	57,694	99,217
Restructurings	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>56,717</b>	<b>55,513</b>	<b>49,739</b>	<b>226,638</b>	<b>13,641</b>	<b>112,260</b>	<b>559,361</b>	<b>1,073,869</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	144,774	12,042	226,694	-	-	38,927	136,114	558,551
Professional/ Contractual Services	88,608	65,323	182,474	253,843	17,863	78,320	84,313	770,744
Utilities	13,425	4,322	30,343	-	4,707	24,385	56,234	133,416
Maintenance Materials and Supplies	23,173	21,889	95,889	2,306	2,880	24,554	118,243	288,934
Grants and Contributions	-	-	-	-	12,500	6,000	-	18,500
Amortization of Tangible Capital Assets	3,916	11,444	69,295	416	-	20,939	84,399	190,409
Amortization of Intangible capital assets	-	-	-	-	-	-	-	-
Interest	1,992	-	-	-	-	-	10,584	12,576
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	5,000	-	-	-	-	-	-	5,000
Restructurings	-	-	-	-	-	-	-	-
Other	-	10,040	-	-	-	-	-	10,040
<b>Total Expenses</b>	<b>280,888</b>	<b>125,060</b>	<b>604,695</b>	<b>256,565</b>	<b>37,950</b>	<b>193,125</b>	<b>489,887</b>	<b>1,988,170</b>
<b>Surplus (Deficit) by Function</b>	<b>(224,171)</b>	<b>(69,547)</b>	<b>(554,956)</b>	<b>(29,927)</b>	<b>(24,309)</b>	<b>(80,865)</b>	<b>69,474</b>	<b>(914,301)</b>
Taxes and other unconditional revenue (Schedule 1)								1,029,410
<b>Net Surplus (Deficit)</b>								<b>115,109</b>

		2024						2023			
		General Assets				Infrastructure Assets		General/ Infrastructure	Total	Total	
		Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets	Public Private Partnerships	Assets Under Construction		
Assets	Asset cost										
	Opening Asset costs	10,000		2,031,056	323,594	855,156	5,272,512			8,492,318	8,116,768
	Additions during the year					53,601	16,135			69,736	528,655
	Disposals and write-downs during the year									-	(153,105)
	Transfers (from) assets under construction									-	
	Transfer of Capital Assets related to restructuring (Schedule 13)									-	
	Closing Asset Costs	10,000	-	2,031,056	323,594	908,757	5,288,647	-	-	8,562,054	8,492,318
Amortization	Accumulated Amortization Cost										
	Opening Accumulated Amortization Costs			1,634,973	137,696	537,090	2,054,488			4,364,247	4,326,943
	Add: Amortization taken	-		18,525	11,873	25,757	142,871			199,026	190,409
	Less: Accumulated amortization on disposals									-	(153,105)
	Transfer of Capital Assets related to restructuring (Schedule 13)									-	
		Closing Accumulated Amortization Costs	-	-	1,653,498	149,569	562,847	2,197,359	-	-	4,563,273
	Net Book Value	10,000	-	377,558	174,025	345,910	3,091,288	-	-	3,998,781	4,128,071

1. Total contributed/donated assets received in 2024 \$ -
2. List of assets recognized at nominal value in 2024 are:
  - Infrastructure Assets \$ -
  - Vehicles \$ -
  - Machinery and Equipment \$ -
3. Amount of interest capitalized in Schedule 6 \$ -

		2024							2023	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs	477,523	479,806	2,794,772	120,800		991,376	3,628,041	8,492,318	8,116,768
	Additions during the year		31,316	4,893			17,392	16,135	69,736	528,655
	Disposals and write-downs during the year								-	(153,105)
	Transfer of Capital Assets related to restructuring (Schedule 13)								-	-
Closing Asset Costs		477,523	511,122	2,799,665	120,800	-	1,008,768	3,644,176	8,562,054	8,492,318
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs	359,856	301,631	1,619,674	104,576		575,386	1,403,124	4,364,247	4,326,943
	Add: Amortization taken	3,916	12,868	73,306	416		22,882	85,638	199,026	190,409
	Less: Accumulated amortization on disposals								-	(153,105)
	Transfer of Capital Assets related to restructuring (Schedule 13)								-	-
Closing Accumulated Amortization Costs		363,772	314,499	1,692,980	104,992	-	598,268	1,488,762	4,563,273	4,364,247
Net Book Value		113,751	196,623	1,106,685	15,808	-	410,500	2,155,414	3,998,781	4,128,071

		2024						2023		
		General Assets					Asset Category	Asset Category		
							Assets Under Construction	Total	Total	
Assets	Asset cost									
	Opening Asset costs							-		
	Additions during the year							-		
	Disposals and write-downs during the year							-		
	Transfers (from) assets under construction							-		
	Transfer of Intangible Capital Assets related to restructuring (Schedule 13)							-		
	Closing Asset Costs		-	-	-	-	-	-	-	-
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs							-		
	Add: Amortization taken							-		
	Less: Accumulated amortization on disposals							-		
	Transfer of Intangible Capital Assets related to restructuring (Schedule 13)							-		
	Closing Accumulated Amortization Costs		-	-	-	-	-	-	-	-
	Net Book Value		-	-	-	-	-	-	-	-

1. Total contributed/donated assets received in 2024 \$ -
2. List of assets recognized at nominal value in 2024 are:
  - Infrastructure Assets \$ -
  - Vehicles \$ -
  - Machinery and Equipment \$ -
3. Amount of interest capitalized in Schedule 8 \$ -

		2024							2023	
		General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Assets	Asset cost									
	Opening Asset costs								-	
	Additions during the year								-	
	Disposals and write-downs during the year								-	
	Transfer of Intangible Capital Assets related to restructuring (Schedule 13)								-	
	Closing Asset Costs	-	-	-	-	-	-	-	-	-
Amortization	Accumulated Amortization Cost									
	Opening Accumulated Amortization Costs								-	
	Add: Amortization taken								-	
	Less: Accumulated amortization on disposals								-	
	Transfer of Intangible Capital Assets related to restructuring (Schedule 13)								-	
	Closing Accumulated Amortization Costs	-	-	-	-	-	-	-	-	-
	Net Book Value	-	-	-	-	-	-	-	-	-

Town of Herbert  
 Schedule of Accumulated Surplus  
 As at December 31, 2024

Schedule 10

	2023	Changes	2024
UNAPPROPRIATED SURPLUS	297,766	18,618	316,384

APPROPRIATED RESERVES

Machinery and Equipment	50,000	25,000	75,000
Public Reserve	14,450	-	14,450
Capital Trust	35,000	-	35,000
Utility	198,740	30,000	228,740
Buildings, roads, fire protection, recreation, cemetery	354,818	60,713	415,531
<b>Total Appropriated</b>	<b>653,008</b>	<b>115,713</b>	<b>768,721</b>

ORGANIZED HAMLETS (add lines if required)

Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
<b>Total Organized Hamlets</b>	<b>-</b>	<b>-</b>	<b>-</b>

NET INVESTMENT IN CAPITAL ASSETS

Tangible capital assets (Schedule 6, 7)	4,128,071	(129,290)	3,998,781
Intangible capital assets (Schedule 8, 9)	-	-	-
Less: Related debt	(233,099)	79,356	(153,743)
<b>Net Investment in Capital Assets</b>	<b>3,894,972</b>	<b>(49,934)</b>	<b>3,845,038</b>

<b>Accumulated Surplus (Deficit) excluding remeasurement gains (losses)</b>	<b>4,845,746</b>	<b>84,397</b>	<b>4,930,143</b>
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	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
<b>Taxable Assessment</b>	131,375	32,418,240			3,943,235		36,492,850
<b>Regional Park Assessment</b>							
<b>Total Assessment</b>							36,492,850
<b>Mill Rate Factor(s)</b>	1.0000	1.0000					
<b>Total Base/Minimum Tax</b> (generated for each property class)	5,000	354,144			49,504		408,648
<b>Total Municipal Tax Levy</b> (include base and/or minimum tax and special levies)	6,084	621,594			147,099		774,777

MILL RATES:	MILLS
Average Municipal*	21.23
Average School*	4.78
Potash Mill Rate	
Uniform Municipal Mill Rate	8.25

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

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Ron Mathies	3,585	394	3,979
Councillor	Tom Newburgh	1,620		1,620
Councillor	Sharon Nickel	1,170		1,170
Councillor	Pat Gammel	2,350	220	2,570
Councillor	Ron Becker	2,302	1,231	3,533
Councillor	Dawn Wanner	1,868	31	1,899
Councillor	Chance Reimer	875		875
Councillor	Jim Richardson	220		220
Councillor	Darla Martens	300		300
Councillor	Daniel Hamm	680		680
<b>Total</b>		<b>14,970</b>	<b>1,876</b>	<b>16,846</b>

2024

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