

Financial Statements of

**MUNICIPAL DISTRICT OF
TABER**

And Independent Auditor's Report thereon

Year ended December 31, 2025

Management's Responsibility for Financial Reporting

Municipal District of Taber's (the "Municipal District") management is responsible for the preparation, accuracy, objectivity, and integrity of the accompanying financial statements and the notes thereto. Management believes that the financial statements present fairly the Municipal District's financial position as at December 31, 2025 and the results of its operations for the year then ended.

The financial statements have been prepared in accordance with Canadian public sector accounting standards. Financial statements are not precise, since they include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintained a system of internal controls to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Municipal District's Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Council is also responsible for recommending the appointment of the Municipal District's external auditors.

The financial statements have been audited by the independent firm of KPMG LLP, Chartered Professional Accountants. Their report to the Members of Council of the Municipal District of Taber, stating the scope of their examination and opinion on the financial statements, follows.

Arlos Crofts

Chief Administrative Officer

Mike Passey

Director, Corporate Services



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Reeve and Members of Council of the Municipal District of Taber

Opinion

We have audited the financial statements of Municipal District of Taber (the Entity), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net financial debt for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025 and its results of operations, its changes in net financial debt and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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 auditor's report.

We are independent of the Entity 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 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 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Entity'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 Entity 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
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Lethbridge, Canada

April 27, 2026

MUNICIPAL DISTRICT OF TABER

Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial Assets:		
Cash and short-term investments (note 3)	\$ 45,245,029	\$ 50,937,609
Taxes and grants in lieu of receivables (note 4)	2,098,863	1,639,591
Trade and other receivables (note 5)	4,991,420	3,663,719
Land for resale inventory	1,228,520	1,557,675
Other financial assets	5,257	-
Long-term investments (note 6)	36,217	36,217
	<u>53,605,306</u>	<u>57,834,811</u>
Financial Liabilities:		
Accounts payable and accrued liabilities	1,696,883	1,522,480
Other financial liabilities	-	356,773
Trust funds (note 7)	283,265	257,277
Deferred revenue (note 8)	19,195,540	21,452,555
Employee benefits obligations (note 9)	431,804	395,604
Long-term debt (note 10)	207,103	268,621
Asset retirement obligations (note 11)	19,033,788	18,515,359
Contractual obligation (note 21)	29,100,093	23,690,537
	<u>69,948,476</u>	<u>66,459,206</u>
Net financial debt	(16,343,170)	(8,624,395)
Non-Financial Assets:		
Prepaid expenses	404,166	368,452
Deferred contributions to other organizations (note 21)	29,100,093	23,690,537
Tangible capital assets (Schedule 6)	145,781,530	140,408,204
Land development in progress	-	1,368,022
Inventory for consumption	6,381,602	6,472,598
	<u>181,667,391</u>	<u>172,307,813</u>
Contingent liabilities (note 19)		
Accumulated surplus (note 13 and Schedule 3)	<u>\$165,324,221</u>	<u>\$163,683,418</u>

See accompanying notes to financial statements.

Tamara Miyanaga

Layne Johnson

MUNICIPAL DISTRICT OF TABER

Statement of Operations

Year ended December 31, 2025, with comparative information for 2024

	Budget (note 22)	2025	2024
Revenue:			
Net municipal property taxes (Schedule 4)	\$ 19,444,232	\$ 20,184,370	\$ 17,549,019
User fees and sales of goods	2,793,850	3,173,886	2,634,975
Rentals	2,051,000	2,162,239	2,019,438
Investment income	750,000	809,179	1,012,920
Government transfers for operating (Schedule 1)	693,061	1,926,467	888,510
Penalties and costs on taxes	75,000	252,844	285,084
Licenses and permits	22,300	64,379	71,346
Frontage levies	30,681	30,494	30,494
Fines	21,000	17,089	18,375
Transfers from individuals and organizations	46,145	14,968	10,040
Total revenue	25,927,269	28,635,915	24,520,201
Expenses (Schedule 5):			
Legislative	489,265	409,262	416,867
General administrative	3,589,800	2,754,990	2,501,382
Fire	1,781,679	1,672,107	1,308,851
Police	748,350	768,592	329,230
Planning and development	856,679	774,495	663,689
GIS	528,670	579,713	493,466
Roads, streets, walks and lighting	12,966,581	14,589,709	12,742,241
Agricultural services	1,895,412	1,701,711	1,515,692
Water and wastewater	2,124,936	2,128,950	2,110,588
Waste management	578,598	970,277	1,496,086
Family community support services	61,000	60,768	59,576
Land/housing/buildings	572,984	872,338	472,987
Recreation and parks	1,352,749	1,420,874	1,009,307
Library	170,743	160,591	157,855
Total expenses	27,717,446	28,864,377	25,277,817
Deficiency of revenue over expenses from operations	(1,790,177)	(228,462)	(757,616)
Other:			
Government transfers for capital (Schedule 1)	6,322,500	1,945,867	5,155,383
Gain (loss) on sale of tangible capital assets	-	(76,602)	135,315
	6,322,500	1,869,265	5,290,698
Excess of revenues over expenses (Schedule 2)	4,532,323	1,640,803	4,533,082
Accumulated surplus, beginning of year	163,683,418	163,683,418	159,150,336
Accumulated surplus, end of year	\$168,215,741	\$165,324,221	\$163,683,418

See accompanying notes to financial statements.

MUNICIPAL DISTRICT OF TABER

Statement of Changes in Net Financial Debt

Year ended December 31, 2025, with comparative information for 2024

	Budget	2025	2024
Excess of revenue over expenses	\$ 4,532,323	\$ 1,640,803	\$ 4,533,082
Acquisition of tangible capital assets	(18,846,600)	(13,337,394)	(14,397,903)
Amortization of tangible capital assets	4,591,838	6,309,694	5,440,132
(Gain) loss on sale on tangible capital assets	-	76,602	(135,315)
Proceeds on disposal of tangible capital assets	-	1,577,772	433,499
Net change in prepaid expense	-	(35,714)	(58,580)
Net change in inventory for consumption	-	90,996	124,036
Net change in land development in progress	-	1,368,022	(1,368,022)
Net change in deferred contributions to other organizations	-	(5,409,556)	(2,876,137)
Change in net financial assets	(9,722,439)	(7,718,775)	(8,305,208)
Net financial assets, beginning of year	(8,624,395)	(8,624,395)	(319,187)
Net financial assets (debt), end of year	\$(18,346,834)	\$(16,343,170)	\$ (8,624,395)

See accompanying notes to financial statements.

MUNICIPAL DISTRICT OF TABER

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	\$ 1,640,803	\$ 4,533,082
Non-cash items included in excess of revenue over expenses:		
Amortization of tangible capital assets	6,309,694	5,440,132
Accretion expense	518,429	504,310
Loss (gain) on disposal of tangible capital assets	76,602	(135,315)
	8,545,528	10,342,209
Changes in non-cash assets and liabilities:		
Taxes and grants in lieu of receivables	(459,272)	(461,013)
Trade and other receivables	(1,327,701)	2,081,524
Land held for resale inventory	329,155	79,809
Other financial assets	(5,257)	-
Accounts payable and accrued liabilities	174,403	(289,327)
Other financial liabilities	(356,773)	356,773
Trust funds	25,988	21,488
Deferred revenue	(2,257,015)	8,338,143
Employee future benefits	36,200	87,139
Contractual obligations	5,409,556	2,876,137
Prepaid expenses	(35,714)	(58,580)
Deferred contributions to other organizations	(5,409,556)	(2,876,137)
Land development in progress	1,368,022	(1,368,022)
Inventory for consumption	90,996	124,036
	6,128,560	19,254,179
Capital activities:		
Acquisition of tangible capital assets	(13,337,394)	(14,397,903)
Proceeds on disposal of tangible capital assets	1,577,772	433,499
	(11,759,622)	(13,964,404)
Investing activities:		
Restricted cash and short-term investments	2,180,648	(8,184,522)
Financing activities:		
Repayment of long-term debt	(61,518)	(383,120)
	(61,518)	(383,120)
Decrease in cash and short-term investments	(3,511,932)	(3,277,867)
Cash and short-term investments, beginning of year	29,635,750	32,913,617
Cash and short-term investments, end of year	\$ 26,123,818	\$ 29,635,750
Cash consists of:		
Cash and short-term investments	\$ 45,245,029	\$ 50,937,609
Less: restricted portion of cash and short-term investments	(19,121,211)	(21,301,859)
	\$ 26,123,818	\$ 29,635,750

See accompanying notes to financial statements.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements

Year ended December 31, 2025

1. Significant accounting policies:

The financial statements of the Municipal District of Taber (the "Municipal District") are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies adopted by the Municipal District are as follows:

(a) Reporting entity:

The financial statements reflect the assets, liabilities, revenue and expenses, changes in accumulated surplus and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus 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.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting:

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, 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, services performed or the tangible capital assets are acquired.

(c) Cash and short-term investments:

Cash and short-term investments include cash on hand and short-term deposits, which are highly liquid with original maturities of less than three months from the date of acquisition.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(d) Investments:

Investments consist of funds on deposit. As the Municipal District has the ability and the intent to hold these investments to maturity they have been recorded at amortized cost. Investment premiums and discounts are amortized over the term of the respective investments. For investments recorded at amortized cost, when there has been a loss in the value that is other than a temporary decline, the respective investment is written down to its realizable value. As all investments are recorded at amortized cost, there are no fair value adjustments which are not recognized through the Statement of Operations, as such, no Statement of Unrealized Gains or Losses is presented.

(e) Revenue recognition:

All revenues are recorded on an accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

i. 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 in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

ii. Exchange transactions

Revenue from sales and user fees and other exchange transactions is recognized when the Municipal District satisfies its performance obligation with the payor. User fees are recognized over the period of use. Sales of goods are recognized when goods are delivered. Licenses and permits with a single performance obligation at a point in time are recognized as revenue on issuance. Licenses and permits which result in a continued performance obligation over time are recognized over the period of the license or permit as the performance obligation is satisfied.

iii. Non-exchange transactions

Revenue from net municipal property taxes and other non-exchange transactions is recognized when the Municipal District has the ability to claim or retain an inflow of economic resources and a past transaction or event giving rise to the asset has occurred.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(f) Inventories for resale:

Land inventory held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as tangible capital assets under their respective function.

(g) Asset Retirement Obligations:

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- remediation of contamination of a tangible capital asset created by its normal use;
- post-retirement activities such as monitoring; and
- constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

At each financial reporting date, the Municipal District reviews the carrying amount of the liability. The Municipal District recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The Municipal District continues to recognize the liability until it is settled. Disbursements made to settle the liability are deducted from the reported liability when they are made.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(h) Contaminated sites liability:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is measured at management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

Liabilities for contaminated sites are measured using discounted cash flows reflecting the time value of money and are recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Municipal District is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

(i) Requisition over-levy and under-levy:

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

(j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(j) Non-financial assets (continued):

i. Tangible capital assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Assets	Years
Buildings	25 - 100
Land improvements	15 - 45
Engineered structures	15 - 100
Machinery and equipment	5 - 25
Vehicles	5 - 25

Assets under construction are not amortized until the asset is available for productive use.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(j) Non-financial assets (continued):

ii. Contribution of tangible capital assets:

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

iii. Inventories:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

iv. Asset impairment:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Municipal District's ability to provide goods and services, or when the value of the future economic benefits associated with the tangible capital asset is less than its book value. The net write-downs are accounted for as an expense.

v. Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

vi. Works of art and cultural and historical assets:

Works of art and cultural and historical assets are not recorded as assets in these financial statements.

(k) Use of estimates:

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 expenses during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Significant areas subject to such estimates and assumptions include the estimated useful life of tangible capital assets, asset retirement obligations, taxes and grants in place of taxes, and land held for resale. Actual results could differ from those estimates.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(l) Employee future benefits:

The Municipal District is a member of a defined contribution multi-employer pension plan covering substantially all of its employees. Pension contributions are accounted for using defined contribution accounting, wherein contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

2. Future changes in accounting standards:

The following summarizes the upcoming changes to the Public Sector Accounting Standards by the Public Sector Accounting Standards Board (PSAB). In 2026, the Municipal District will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently.

(a) The Conceptual Framework for Financial Reporting in the Public Sector:

The Conceptual Framework for Financial Reporting in the Public Sector, is the foundation for public sector financial reporting standards. It replaces the conceptual aspects of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

This revised framework is effective for fiscal years beginning on or after April 1, 2026. Early adoption is permitted. The conceptual framework is to be applied prospectively.

(b) PS 1202 - Financial Statement Presentation:

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework. This is effective for fiscal years beginning on or after April 1, 2026. Early adoption is permitted only if the Conceptual Framework for Financial Reporting in the Public Sector is also adopted at the same time.

(c) PS 3251 - Employee Benefits:

Effective for fiscal years beginning on or after April 1, 2029, the new standard replaces the existing employee benefits guidance in Sections PS 3250 and PS 3255.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

3. Cash and short-term investments:

	2025	2024
Cash	\$ 1,520,280	\$ 1,221,961
Short-term investments	43,724,749	49,715,648
	<u>\$ 45,245,029</u>	<u>\$ 50,937,609</u>

Short-term investments are funds held in bank accounts with interest rates of prime minus 1.65% (2024 - prime minus 1.65%).

Council has designated funds of \$9,417,709 (2024 - \$13,608,567) included in the above amounts for equipment replacement.

Included in cash and short-term investments is a restricted amount of \$19,121,211 (2024 - \$21,301,859) held exclusively for capital projects (Note 8).

4. Taxes and grants in lieu of receivables:

	2025	2024
Taxes and grants in place of taxes:		
Current taxes and grants in place of taxes	\$ 1,281,975	\$ 1,233,699
Arrears taxes and grants in place of taxes	816,888	405,892
	<u>\$ 2,098,863</u>	<u>\$ 1,639,591</u>

5. Trade and other receivables:

	2025	2024
Trade and other accounts receivable	\$ 4,026,596	\$ 2,659,517
Goods and services tax receivable	964,824	1,004,202
	<u>\$ 4,991,420</u>	<u>\$ 3,663,719</u>

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

6. Long-term investments:

	2025	2024
Co-op equity	\$ 32,101	\$ 32,101
U.F.A. equity	4,116	4,116
	<u>\$ 36,217</u>	<u>\$ 36,217</u>

7. Trust funds:

A summary of trust fund activities by the Municipal District of Taber is as follows:

	2025	2024
Balance at beginning of year	\$ 257,277	\$ 235,789
Net revenue of land held for resale subdivided and sold	17,786	8,090
Investment income	8,202	13,398
	<u>\$ 283,265</u>	<u>\$ 257,277</u>

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

8. Deferred revenue:

	2024	Grants received & interest earned	Revenue recognized / Transfers	2025
Alberta Community Partnership - Intermunicipal Collaboration	\$ 26,524	\$ 82,441	\$ 75,000	\$ 33,965
Alberta Regional Emergency Management Plan	59,050	-	30,000	29,050
Bulk Water Revenue	58,185	126,505	183,476	1,214
Municipal Sustainability Initiative	524,592	1,309,293	1,833,885	-
Alberta Community Resilience Program	20,713,808	2,979,863	5,183,623	18,510,048
Horsefly Regional Spillway Municipal Partner Contribution	63,459	1,669,935	1,122,231	611,163
Canada Community Building Fund	6,937	208	-	7,145
Fire Services Training Grant	-	18,825	15,870	2,955
Other	-	111,983	111,983	-
	\$ 21,452,555	\$ 6,299,053	\$ 8,556,068	\$ 19,195,540

The use of certain funds is restricted to eligible capital projects, as approved under the funding agreements. Unexpended funds related to the advance are supported by cash and short-term investments of \$19,121,211 (2024 - \$21,301,859) held exclusively for these projects (refer to note 3).

Revenue and transfers recognized above include transfers of \$5,409,556 to the contractual obligation liability, reflecting the municipal project partner's proportionate share of expenditures incurred during the year (refer to note 21).

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

9. Employee benefit obligations:

	2025	2024
Vacation	\$ 398,735	\$ 347,969
Overtime	33,069	47,635
	\$ 431,804	\$ 395,604

The employee benefit obligations liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or entitled to these benefits within the next budgetary year.

10. Long-term debt:

	2025	2024
Province of Alberta debenture debt bearing interest at 5.875% per annum maturing in 2028	\$ 207,103	\$ 268,621

The current portion of long-term debt amounts to \$65,134 (2024 - \$61,518).

Principal and interest repayments are as follows:

	Principal	Interest	Total
2026	\$ 65,133	\$ 12,167	\$ 77,300
2027	68,959	8,341	77,300
2028	73,011	4,289	77,300
	\$ 207,103	\$ 24,797	\$ 231,900

Interest on long-term debt amounted to \$15,346 (2024 - \$24,174). The Municipal District's total cash payments for interest in 2025 were \$15,781 (2024 - \$18,793).

Debenture debt is issued on the credit and security of the Municipal District at large.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

11. Asset retirement obligations:

	2025	2023
Asset retirement obligations, beginning of year	\$ 18,515,359	\$ 18,011,049
Accretion expense	518,429	504,310
	<u>\$ 19,033,788</u>	<u>\$ 18,515,359</u>

Tangible capital assets with associated retirement obligations include buildings. The Municipal District has asset retirement obligations to remove hazardous asbestos fiber containing materials from various buildings under its control. Regulations require the Municipal District to handle and dispose of the asbestos in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although timing of the asbestos removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the Municipal District to remove the asbestos when asset retirement activities occur.

The Municipal District has also identified asset retirement obligations for its lagoons and transfer stations. These obligations arise from regulations that require the Municipal District to decommission the facilities and remediate the associated sites upon permanent closure. Retirement activities may include abandonment and removal of structures, site remediation, and reclamation.

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire tangible capital assets and subsequently remeasured taking into account any new information and the appropriateness of assumptions used. The estimate of the liability is based on a quote from a third-party who completed a survey and supplemental sampling at all Municipal District buildings.

The asset retirement obligations are based on the sum of discounted future cash flows for reclamation with remaining useful lives remaining from 4 to 88 years. A discount rate of 2.8% (2024 - 2.8%) has been assumed.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

12. Related parties:

During the year, the Municipal District of Taber carried out transactions with related parties. The Municipal District is related to two Water Commissions due to membership in the Commissions. The transactions have been carried out at the exchange amount as agreed to by the related parties. The accounts receivable, accounts payable, user fees, and sales of goods included amounts from related parties as follows:

	2025	2024
Accounts payable:		
Highway 3 Regional Water Services Commission	\$ 15,331	\$ 14,424
Vauxhall & District Regional Water Services Commission	24,431	24,319
	\$ 39,762	\$ 38,743

	2025	2024
Accounts receivable:		
Highway 3 Regional Water Services Commission	\$ 107,063	\$ 34,655
Vauxhall & District Regional Water Services Commission	547	35,402
	\$ 107,610	\$ 70,057

	2025	2024
User fees and sales of goods:		
Highway 3 Regional Water Services Commission	\$ 407,500	\$ 393,100
Vauxhall & District Regional Water Services Commission	407,500	393,100
	\$ 815,000	\$ 786,200

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

13. Accumulated surplus:

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2025	2024
Unrestricted surplus	\$ 22,857,716	\$ 21,219,571
Restricted surplus:		
Operating:		
General municipal	872,537	1,125,588
Road building/maintenance	1,847,397	1,875,809
Major projects	1,879,453	2,145,221
Taber airport	29,707	29,707
Recreation	474,034	502,063
Landfill	581,489	673,880
Bridges	682,940	718,788
Water	140,600	160,000
Capital:		
Computer	317,839	409,400
Fire	1,799,449	1,621,438
General equipment	1,180,638	291,265
General land/buildings	2,728,257	7,973,781
Water	1,187,241	1,163,787
A.S.B.	894,353	1,176,017
Recreation	178,218	378,218
Land development	1,008,264	471,211
Land Trust	123,450	123,450
	15,925,866	20,839,623
Equity in tangible capital assets	126,540,639	121,624,224
	\$165,324,221	\$163,683,418
	2025	2024
Equity in tangible capital assets:		
Tangible capital assets (Schedule 6)	\$243,015,784	\$233,484,044
Accumulated amortization (Schedule 6)	(97,234,254)	(93,075,840)
Long-term debt related to capital assets (note 10)	(207,103)	(268,621)
Asset retirement obligations (note 11)	(19,033,788)	(18,515,359)
	\$126,540,639	\$121,624,224

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

14. Debt limits:

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the Municipal District be disclosed as follows:

	2025	2024
Total debt limit	\$ 42,953,873	\$ 36,983,274
Total debt	(207,103)	(268,621)
Amount of debt limit unused	42,746,770	36,714,653
Debt servicing limit	7,158,979	6,163,879
Debt servicing	(77,300)	(77,300)
Amount of debt servicing unused	\$ 7,081,679	\$ 6,086,579

The debt limit is calculated at 1.5 times revenue of the Municipal district (as defined in Alberta Regulation 255/2000) and the debt service is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Municipal District. Rather, the financial statements must be interpreted as a whole.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

15. Local Authorities Pension Plan/APEX Pension Plan:

The Municipal District participates in a multi-employer defined pension plan. The plan is accounted for as a defined contribution plan.

Employees of the Municipal District participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The LAPP serves about 316,938 people and about 453 employers. The LAPP is financed by employer and employee contributions and investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Municipal District is required to make current service contributions to the LAPP of 8.45% (8.45% in 2024) of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 11.65% (11.65% in 2024) on pensionable earnings above this amount. Employees of the Municipal District are required to make current service contributions of 7.45% (7.45% in 2024) of pensionable salary up to the year's maximum pensionable salary and 10.65% (10.65% in 2024) on pensionable salary above this amount.

Total current service contributions by the Municipal District to the LAPP in 2025 were \$452,995 (2024 - \$429,256). Total current service contributions by the employees of the Municipal District to the LAPP in 2025 were \$404,132 (2024 - \$367,708).

At December 31, 2024, the LAPP disclosed an actuarial surplus of \$19.6 billion (2023 - surplus of \$15.1 billion); the 2025 LAPP actuarial balance was not available at the date of this report.

The APEX supplementary pension plan, an Alberta Urban Municipalities Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pensions Plan Act, commenced on January 1, 2003 and provides supplementary pension benefits to a prescribed class of employees. The plan supplements the Local Authorities Pension Plan.

Contributions are made by the prescribed class of employees and the Municipal District of Taber. Employees and the Municipal District of Taber are required to make current service contributions to APEX of 2.42% (2024 - 2.42%) and 2.96% (2024 - 2.96%) respectively of pensionable earnings up to \$187,834 (2024 - \$180,500).

Total current service contributions by the Municipal District of Taber to APEX in 2025 were \$28,468 (2024 - \$24,457). Total current service contributions by the employees of the Municipal District of Taber to APEX in 2025 were \$23,275 (2024 - \$19,995).

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

16. Segmented disclosure:

Segmented information has been identified based upon lines of service provided by the Municipal District. Municipal District services are provided by departments and their activities are reported by functional area in the body of the financial statements. The segmented information is presented in Schedule 2. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

(a) General Government:

The mandate of general government includes all Council governance, administrative and taxation functional activities.

(b) Protective and Bylaw Services:

The mandate of Protective and Bylaw Services is to provide for policing and bylaw services.

(c) Disaster Services:

The mandate of Disaster Services includes municipal emergency planning, disaster response and emergency services dispatching.

(d) Fire and Emergency Services:

The mandate of Fire and Emergency Services is to provide for the rescue and protection of people and property within the Municipality through effective and efficient management and coordination of emergency service systems and resources.

(e) Transportation Services:

Transportation Services is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway system, streets, walks and lighting, asset management and infrastructure design and construction.

(f) Planning and Development:

Planning and Development is responsible for the administration of municipal planning documents pertaining to residential, commercial, industrial and agricultural development services within the municipality.

(g) Recreation and Culture:

The Recreation and Culture department is responsible for providing regional recreation, summer games and community event funding.

(h) Agricultural Service Board:

The mandate of the Agricultural Service Board is to undertake the requirements of the Agricultural Service Board Act, Weed Control Act, Soil Conservation Act and to provide guidance on agricultural matters to the municipal council and agricultural related services to the public.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

16. Segmented disclosure: (continued):

(i) Environmental Services:

Environmental Services is responsible for water supply and distribution services within the municipality including water and waste services, solid waste disposal and recycling services.

(j) Community Services:

Community Services provides funding for programs that support individuals, families, and communities through programs and services which are delivered through Family and Community Support Services, cemetery services and medical facilities.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segment's budgeted net expenditure. User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

17. Salary and benefits disclosure:

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salaries (i)	Benefits and Allowances (ii)	Total 2025	Total 2024
Division 1 (9 months)	\$ 21,589	\$ 8,610	\$ 30,199	\$ 45,318
Division 1 (3 months)	4,686	1,532	6,218	-
Division 2	37,621	10,135	47,756	47,729
Division 3 (9 months)	7,671	8,149	15,820	39,187
Division 3 (3 months)	7,867	1,669	9,536	-
Division 4	36,032	9,844	45,876	50,607
Division 5 (9 months)	19,952	8,554	28,506	39,569
Division 5 (3 months)	7,674	1,508	9,182	-
Division 6	28,457	4,238	32,695	40,599
Division 7 (9 months)	15,667	8,273	23,940	28,465
Division 7 (3 months)	3,492	1,473	4,965	-
	190,708	63,985	254,693	291,474
Chief Administrative Officer	\$ 234,870	\$ 41,183	\$ 276,053	\$ 262,399

i) Salary includes regular base and vacation pay. For Councilors, salary includes a monthly allowance to attend special events and per diem reimbursement for authorized meetings attended.

ii) For non-elected officials, employers share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term plans as well as travel allowances, and professional memberships and tuition.

Benefits and allowances also include the employer's share of the costs of additional taxable benefits.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

18. Financial instruments:

The Municipal District as part of its operations carries a number of financial instruments, such as cash and short-term investments, accounts receivable, investments, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the Municipal District is not exposed to significant interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

i. Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. In seeking to minimize the risks from interest rate fluctuations, the Municipal District manages exposure through its normal operating and financing activities.

ii. Credit concentration:

The Municipal District is subject to credit risk with respect to taxes and grants in place of taxes receivable and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Municipal District provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

iii. Liquidity risk:

Liquidity risk is the risk that the Municipal District will not be able to meet its financial obligations as they become due. The Municipal District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

19. Contingent liabilities:

- i. The Municipal District is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Municipal District could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.
- ii. The Municipal District is involved in various litigation and claims associated with normal operations and management believes that any resulting settlement would materially affect the financial position of the Municipal District.

20. Contractual rights:

The Municipal District of Taber has entered into several land rent and oil lease agreements with various third parties. These agreements are individually insignificant, the timing and extent of future revenues from each agreement varies based on its terms. Revenue from land rent and oil leases for 2025 was \$2,162,239 (2024 - \$2,019,438).

21. Contractual obligation:

The Municipal District of Taber has entered into a contractual agreement for the management of a multi-year capital project, of which ownership of certain assets will transfer at the end of the project to the St. Mary River Irrigation District at the completion of the project. The actual completion cost of phase 1 of this project totaled \$26,280,122. The estimated completion cost of phase 2 and 3 of this project totals \$32,162,777 which is being funded through various federal government and provincial grants, along with contributions from other municipal project partners. Total costs incurred for the project as at December 31, 2025 were \$35,298,222 (2024 - \$28,992,367), costs associated with phase 2 and 3 at December 31, 2025 were \$9,018,101 (2024 - \$2,712,245). At December 31, 2025 \$29,100,093 (2024 - \$23,690,537) was related to expenditures attributable to the assets that will be contributed to other organizations upon project completion.

22. Budget:

The budget information presented in these financial statements is based upon the 2025 capital and operating budgets approved by the Reeve and Council of the Municipal District of Taber on April 8, 2025.

23. Approval of financial statements:

Council and Management approved these financial statements.

MUNICIPAL DISTRICT OF TABER

Notes to Financial Statements (continued)

Year ended December 31, 2025

24. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year excess of revenue over expenses or accumulated surplus.

MUNICIPAL DISTRICT OF TABER

Schedule 1 - Schedule of Government Transfers

Year ended December 31, 2025, with comparative information for 2024

	Budget	2025	2024
Transfers for operating:			
Provincial government	\$ 693,061	\$ 1,475,949	\$ 552,416
Federal government	-	12,400	4,200
Other local governments	-	438,118	331,894
	693,061	1,926,467	888,510
Transfers for capital:			
Provincial government	6,322,500	1,945,867	4,742,389
Federal government	-	-	412,994
	6,322,500	1,945,867	5,155,383
Total government transfers	\$ 7,015,561	\$ 3,872,334	\$ 6,043,893

MUNICIPAL DISTRICT OF TABER

Schedule 2 - Schedule of Segmented Disclosures

Year ended December 31, 2025, with comparative information for 2024

	General Government	Protective Services	Transportation Services	Environmental Services	Public Health	Planning & Development	Recreation & Culture	Total 2025	Total 2024
Revenue:									
Net municipal taxes	\$ 20,184,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,184,370	\$ 17,549,019
Government transfers	1,994,596	248,124	1,057,333	111,326	-	280,724	180,231	3,872,334	6,043,893
User fees and sales of goods	67,925	241,333	410,077	1,730,205	-	442,537	281,809	3,173,886	2,634,975
Investment income	809,179	-	-	-	-	-	-	809,179	1,012,920
Other revenues	252,844	30,507	40,919	30,494	-	2,185,699	1,550	2,542,013	2,434,777
	23,308,914	519,964	1,508,329	1,872,025	-	2,908,960	463,590	30,581,782	29,675,584
Expenses:									
Salaries, wages and benefits	1,636,255	855,893	4,768,998	924,843	-	1,918,801	53,413	10,158,203	8,793,309
Contracted and general services	969,165	283,967	1,102,398	331,120	-	611,983	130,935	3,429,568	2,989,842
Purchases from other governments	82,536	800,525	-	728,064	-	105,207	-	1,716,332	1,217,700
Materials, goods, supplies and utilities	107,166	329,275	3,270,814	246,261	-	956,300	77,408	4,987,224	5,260,145
Transfers to other governments and boards	-	-	-	-	60,768	153,339	1,219,384	1,433,491	1,029,221
Interest on long-term debt	-	-	-	15,346	-	-	-	15,346	24,174
Provision for allowances	289,595	-	-	-	-	-	-	289,595	-
Bank charges and short-term interest	5,945	-	-	-	-	-	550	6,495	18,984
Accretion expense	-	-	24,479	493,950	-	-	-	518,429	504,310
Amortization of tangible capital assets	73,591	171,038	5,423,019	359,644	-	182,628	99,774	6,309,694	5,440,132
	3,164,253	2,440,698	14,589,708	3,099,228	60,768	3,928,258	1,581,464	28,864,377	25,277,817
Gain (loss) on disposal of tangible capital assets	-	-	(76,602)	-	-	-	-	(76,602)	135,315
Excess (deficiency) of revenue over expenses	\$ 20,144,661	\$ (1,920,734)	\$ (13,157,981)	\$ (1,227,203)	\$ (60,768)	\$ (1,019,298)	\$ (1,117,874)	\$ 1,640,803	\$ 4,533,082

MUNICIPAL DISTRICT OF TABER

Schedule 3 - Schedule of Changes in Accumulated Surplus

Year ended December 31, 2025, with comparative information for 2024

	Unrestricted	Restricted surplus	Equity in tangible capital assets	2025	2024
Balance, beginning of year	\$ 21,219,571	\$ 20,839,623	\$ 121,624,224	\$ 163,683,418	\$ 159,150,336
Excess of revenues over expenses	1,640,803	-	-	1,640,803	4,533,082
Funds designated for future use	(4,347,932)	4,347,932	-	-	-
Restricted funds used for operations	1,126,898	(1,126,898)	-	-	-
Current year funds used for tangible capital assets	(5,202,603)	-	5,202,603	-	-
Restricted funds used for tangible capital assets	-	(8,134,791)	8,134,791	-	-
Net book value of tangible capital assets disposed	1,654,374	-	(1,654,374)	-	-
Amortization of tangible capital assets	6,309,694	-	(6,309,694)	-	-
Accretion expense	518,429	-	(518,429)	-	-
Repayment of long-term debt	(61,518)	-	61,518	-	-
Change in accumulated surplus	1,638,145	(4,913,757)	4,916,415	1,640,803	4,533,082
Balance, end of year	\$ 22,857,716	\$ 15,925,866	\$ 126,540,639	\$ 165,324,221	\$ 163,683,418

MUNICIPAL DISTRICT OF TABER

Schedule 4 - Schedule of Net Municipal Property Taxes

Year ended December 31, 2025, with comparative information for 2024

	Budget	2025	2024
Taxation			
Real property taxes	\$ 26,315,679	\$ 15,917,283	\$ 13,831,860
Linear property taxes	79,600	10,829,761	9,491,158
Government grants in place of property taxes	-	26,910	17,841
Minimum property taxes	21,000	20,108	21,760
	26,416,279	26,794,062	23,362,619
Requisitions:			
Alberta School Foundation Fund	6,404,784	6,042,441	5,305,258
Designated Industrial Assessment	79,600	79,592	78,439
Holy Spirit School Division	168,508	168,507	134,442
Taber Seniors Foundation	319,155	319,152	295,461
	6,972,047	6,609,692	5,813,600
Net municipal property tax	\$ 19,444,232	\$ 20,184,370	\$ 17,549,019

MUNICIPAL DISTRICT OF TABER

Schedule 5 - Schedule of Expenses by Object

Year ended December 31, 2025, with comparative information for 2024

	Budget	2025	2024
Salaries, wages and benefits	\$ 10,657,342	\$ 10,158,203	\$ 8,793,309
Materials, goods, supplies and utilities	5,181,994	4,987,224	5,260,145
Contracted and general services	3,673,040	3,429,568	2,989,842
Purchase from other governments	1,693,900	1,716,332	1,217,700
Transfers to other governments and boards	1,184,151	1,433,491	1,029,221
Provision for allowances	700,000	289,595	-
Interest on long-term debt	15,781	15,346	24,174
Bank charges and short-term interest	19,400	6,495	18,984
Accretion expense	-	518,429	504,310
Amortization of tangible capital assets	4,591,838	6,309,694	5,440,132
Total expenses by object	\$ 27,717,446	\$ 28,864,377	\$ 25,277,817

MUNICIPAL DISTRICT OF TABER

Schedule 6 - Schedule of Tangible Capital Assets

Year ended December 31, 2025, with comparative information for 2024

	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	2025	2024
Cost:								
Balance, beginning of year	\$ 50,642,879	\$ 2,458,180	\$ 13,082,009	\$ 136,351,222	\$ 22,148,164	\$ 8,801,590	\$ 233,484,044	\$ 241,371,957
Acquisition of tangible capital assets	-	-	-	3,719,134	3,383,912	1,412,912	8,515,958	12,253,737
Additions to construction in progress	-	-	-	5,911,253	-	-	5,911,253	2,194,980
Construction in progress capitalized	-	-	-	(1,089,817)	-	-	(1,089,817)	(50,814)
Transfers out of construction in progress	-	-	-	-	-	-	-	(20,814,400)
Disposal of tangible capital assets	-	-	-	-	(3,398,581)	(407,073)	(3,805,654)	(1,471,416)
Balance, end of year	50,642,879	2,458,180	13,082,009	144,891,792	22,133,495	9,807,429	243,015,784	233,484,044
Accumulated amortization:								
Balance, beginning of year	-	626,324	2,300,585	75,627,413	8,782,704	5,738,814	93,075,840	88,808,940
Accumulated amortization on disposals	-	-	-	-	(1,744,206)	(407,074)	(2,151,280)	(1,173,232)
Amortization	-	71,665	169,103	3,504,433	2,111,930	452,563	6,309,694	5,440,132
Balance, end of year	-	697,989	2,469,688	79,131,846	9,150,428	5,784,303	97,234,254	93,075,840
Net book value of tangible capital assets	50,642,879	1,760,191	10,612,321	65,759,946	12,983,067	4,023,126	145,781,530	140,408,204
2024 Net book value of tangible capital assets	\$ 50,642,879	\$ 1,831,856	\$ 10,781,424	\$ 60,723,809	\$ 13,365,460	\$ 3,062,776	\$ 140,408,204	