

RURAL MUNICIPALITY OF PINEY
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Rural Municipality of Piney
PO Box 48
Vassar, MB
R0A 2J0

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of Piney and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Adeptus Advisory Group, as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Members and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.

Martin Van Osch
Chief Administrative Officer



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Independent Auditors' Report

To the Members and members of Council of the
Rural Municipality of Piney

Opinion

We have audited the accompanying consolidated financial statements of Rural Municipality of Piney, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations, cash flows and change in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Piney as at December 31, 2025, and the results of its operations and its consolidated 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 Auditors' Responsibilities for the Audit of the consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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.



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Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rural Municipality of Piney'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 Rural Municipality of Piney's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Rural Municipality of Piney to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

September 22, 2026
Winnipeg, Manitoba

Adeptus Advisory Group

Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF PINEY
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

	Page
Consolidated Statement of Financial Position.....	7
Consolidated Statement of Operations.....	8
Consolidated Statement of Net Financial Assets.....	9
Consolidated Statement of Cash Flows.....	10
Notes to the Consolidated Financial Statements.....	11 - 23
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	24
Schedule 2 - Consolidated Schedule of Revenues.....	25
Schedule 3 - Consolidated Schedule of Expenses.....	26 - 27
Schedule 4 - Consolidated Schedule of Operations by Program.....	28 - 29
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results.....	30
Schedule 6 - Schedule of Change in Reserve Fund Balances.....	31 - 32
Schedule 7 - Reconciliation of the Financial Plan to the Budget.....	33
Schedule 8 - Analysis of Taxes on Roll.....	34
Schedule 9 - Analysis of Tax Levy.....	35
Schedule 10 - Schedule of General Operating Fund Expenses.....	36
Schedule 11 - Estimated Reconciliation of Annual Surplus.....	37

RURAL MUNICIPALITY OF PINEY**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at December 31, 2025**

	2025	2024
	Actual	Actual
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents	1,538,607	774,596
Accounts receivable <i>(note 3)</i>	444,928	464,235
Portfolio investments <i>(note 4)</i>	1,250,499	1,188,201
	3,234,034	2,427,032
LIABILITIES		
Accounts payable and accrued liabilities <i>(note 7)</i>	540,535	674,562
Deferred revenue <i>(note 8)</i>	4,162	26,766
	544,697	701,328
NET FINANCIAL ASSETS	2,689,337	1,725,704
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(schedule 1)</i>	4,095,310	4,139,270
Inventories <i>(note 5)</i>	210,166	286,676
Prepaid expenses	41,948	16,509
	4,347,424	4,442,455
ACCUMULATED SURPLUS <i>(note 14)</i>	7,036,761	6,168,159

Approved on Behalf of the Council_____
Reeve_____
Councillor**The accompanying notes are an integral part of these financial statements**

RURAL MUNICIPALITY OF PINEY**CONSOLIDATED STATEMENT OF OPERATIONS****For the Year Ended December 31, 2025**

	2025 Budget (Unaudited) \$	2025 Actual \$	2024 Actual \$
REVENUE			
Property taxes	1,794,845	1,812,975	1,361,870
Grants in lieu of taxation	182,767	182,767	136,164
User fees	314,125	121,691	249,309
Grants - Province of Manitoba	1,062,106	1,079,838	797,538
Grants - Other	180,000	484,918	308,691
Permits, licences and fees	40,600	38,323	31,221
Investment revenue	25,000	64,003	47,862
Other revenue	140,000	337,067	227,295
Total revenue <i>(schedules 2, 4 and 5)</i>	<u>3,739,443</u>	<u>4,121,582</u>	<u>3,159,950</u>
EXPENSES			
General government services	705,327	778,706	691,639
Protective services	364,800	463,444	327,726
Transportation services	1,312,600	1,115,966	1,199,261
Environmental health services	336,700	427,708	437,897
Public health and welfare services	23,916	23,471	20,816
Regional planning and development	15,500	18,363	40,970
Resource conservation and industrial development	150,000	295,153	301,672
Recreation and cultural services	208,000	130,169	154,780
Total expenses <i>(schedules 3, 4 and 5)</i>	<u>3,116,843</u>	<u>3,252,980</u>	<u>3,174,761</u>
ANNUAL SURPLUS (DEFICIT)	622,600	868,602	(14,811)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>6,168,159</u>	<u>6,168,159</u>	<u>6,182,970</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>6,790,759</u></u>	<u><u>7,036,761</u></u>	<u><u>6,168,159</u></u>

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF PINEY**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS****For the Year Ended December 31, 2025**

	2025 Budget (Unaudited) \$	2025 Actual \$	2024 Actual \$
ANNUAL SURPLUS (DEFICIT)	622,600	868,602	(14,811)
Acquisition of tangible capital assets	-	(286,042)	(500,335)
Proceeds on disposal of tangible capital assets	225,000	117,900	63,514
Amortization of tangible capital assets	315,300	329,946	317,167
Gain on sale of tangible capital assets	(25,000)	(117,844)	(43,956)
Decrease (increase) in inventories	-	76,510	(132,246)
Decrease (increase) in prepaid expense	-	(25,439)	141
CHANGE IN SURPLUS (DEFICIT)	1,137,900	963,633	(310,526)
NET FINANCIAL ASSETS BEGINNING OF YEAR	1,725,704	1,725,704	2,036,230
NET FINANCIAL ASSETS END OF YEAR	2,863,604	2,689,337	1,725,704

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF PINEY**CONSOLIDATED STATEMENT OF CASH FLOWS****For the Year Ended December 31, 2025**

	2025	2024
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus (deficit)	868,602	(14,811)
Changes in non-cash items:		
Amortization	329,946	317,167
Gain on disposal of tangible capital assets	(117,844)	(43,956)
	1,080,704	258,400
Net changes in non-cash working capital affecting operations <i>(note 16)</i>	(86,253)	(106,411)
	994,451	151,989
CAPITAL TRANSACTIONS		
Proceeds from sale of tangible capital assets	117,900	63,514
Cash used to acquire tangible capital assets	(286,042)	(500,335)
	(168,142)	(436,821)
INVESTING		
Purchase of portfolio investments	(62,298)	(563,491)
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	764,011	(848,323)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	774,596	1,622,919
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	1,538,607	774,596

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

1. STATUS OF THE RURAL MUNICIPALITY OF PINEY

The incorporated Rural Municipality of Piney is a municipal government that was created on January 1, 1945 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) REPORTING ENTITY

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality.

The Municipality has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Municipality’s pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

	Consolidated	
	2025	2024
Piney Stuartburn Weed Control District	50.00 %	50.00 %
BPPS Waste Management Board	33.33 %	33.33 %
BPP Rent and Ride	50.00 %	- %

The taxation with respect to the operations of the school divisions are not reflected in the Municipal surplus of these financial statements.

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements.

b) BASIS OF ACCOUNTING

The consolidated 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 the receipt of goods and services or the creation of an obligation to pay.

c) FINANCIAL INSTRUMENTS

The municipality classifies its financial instruments as either fair value, cost or amortized cost. The municipality's accounting policy for each category is as follows:

Fair value:

This category includes derivatives and equity instruments quoted in an active market. The municipal organization has not designated any of its portfolio investments or borrowings at fair value that would otherwise be classified in the amortized cost category.

Financial instruments in the fair value category are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value on unrestricted investments are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized. When realized they are transferred to the Consolidated Statement of Operations. Changes in fair value on restricted investments are recognized as unearned revenue until the restriction on its use is realized. At that time, the balance is transferred to the Consolidated Statement of Operations.

Cost or amortized cost:

This category includes cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and public debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for donated financial assets, which are initially recognized at fair value.

d) CASH AND CASH EQUIVALENTS

Cash equivalents include short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

e) PORTFOLIO INVESTMENTS

Portfolio investments are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method.

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

f) REAL ESTATE PROPERTIES HELD FOR SALE

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the balance sheet date.

g) 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 ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets (debt) for the year.

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

RURAL MUNICIPALITY OF PINEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2025

h) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Municipality does not capitalize internal finance charges as part of the cost of its tangible capital assets.

Amortization is provided using the straight line method using rates intended to amortize the cost of assets over their estimated useful lives.

General Tangible Capital Assets

Land and land improvements	Indefinite
Buildings and leasehold improvements	10 to 40 years
Vehicles and equipment	
Vehicles	10 to 20 years
Machinery and equipment	10 to 20 years
Computer hardware and software	4 to 10 years

Infrastructure Assets

Roads, Streets, and Bridges	
Land	Indefinite
Road surface	25 to 40 years
Road grade	40 Years
Traffic lights and equipment	10 years
Land	Indefinite
Land improvements	30 to 50 years
Underground networks	40 to 60 years
Machinery & equipment	10 to 20 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

i) LEASES

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership or 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.

j) INVENTORIES

Inventories held for sale are recorded at the lower of cost and net realizable value.

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

Cost is determined based on the first-in first-out method.

k) REVENUE RECOGNITION

Fees and other revenues:

Exchange transactions are transactions with performance obligations. A performance obligation is a promise to provide a distinct goods or services to a payor for consideration. The municipality recognizes revenue when the performance obligations are satisfied, and the payor obtains control of the asset or benefits from the service provided.

Non-exchange transactions are transactions or events where there is no direct transfer of good or services to a payor. The municipality receives an increase in economic resources for which the payor does not receive any direct goods or services in return. Revenue from non-exchange transactions is recognized when the municipality has the authority and identifies a past transaction or event that gives rise to an asset.

Revenue from product sales is recognized when the significant rewards of ownership of the products have passed to the buyer, usually on the delivery products.

Revenue from contracts with customers is recognized at an amount equal to the transaction price allocated to the specific distinct performance obligation when the performance obligation is satisfied. Revenue from contracts with customers is evaluated and separated into distinct performance obligations when there is a distinct good or service to be transferred in the future.

Government transfers:

Transfer payments from other governments include all accruals determined for current year entitlements that have been authorized by December 31, for which any eligibility criteria have been met and that can be reasonably estimated. A liability is recorded to the extent that a transfer gives rise to an obligation that meets the definition of a liability in accordance with the criteria in PS 3200 Liabilities.

Externally restricted inflows:

Externally restricted inflows are recognized as revenue in the period in which expenses are incurred for the purposes specified. Externally restricted inflows received before the expenses are incurred are reported as a liability.

l) ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations reflect the legal obligations arising from the retirement of the municipality's tangible capital assets, and are recognized when:

- there is a legal obligation for the municipality to incur costs in relation to a specific tangible capital asset,
- there is a past transaction or event causing the liability that has occurred,
- when economic benefits will need to be given up to remediate the liability, and
- when a reasonable estimate of the liability can be made.

Tangible capital assets that are in use, no longer in use, or that are leased may all give rise to asset retirement obligations.

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.

m) MEASUREMENT UNCERTAINTY

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued amounts are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Measurement uncertainty in these financial statements exists in the accrual of the landfill closure and post closure liabilities. The accrual of the landfill liabilities is based on estimated future cash flows discounted to the financial statement date. The estimate of the future cash flows and the closure date of the landfill are based upon the best estimates by management. The actual future cash flows and closure date may differ significantly.

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

3. ACCOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	2025	2024
	\$	\$
Tax assets (<i>schedule 8</i>)	184,389	237,491
Government grants and receivables	156,592	124,708
Organizations and individuals	31,344	69,513
Other governments	82,368	42,288
	454,693	474,000
Allowance for doubtful accounts	(9,765)	(9,765)
	444,928	464,235

4. PORTFOLIO INVESTMENTS

	2025	2024
	\$	\$
Fixed term deposits, interest of 3.9%-5.7%, maturing January 26 - January 27	1,250,499	1,188,201

5. INVENTORIES

	2025	2024
	\$	\$
Chemicals, herbicides, insecticides	3,660	3,374
Culverts	26,771	23,951
Gravel	161,423	242,864
Other supplies	18,312	16,487
	210,166	286,676

6. BANK INDEBTEDNESS

The Municipality has an authorized line of credit with Access Credit Union of a maximum of \$250,000 bearing interest at a rate of 4.45%. As at December 31, 2025 the balance owing was \$ Nil (2024 - \$ Nil).

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2025</u>	<u>2024</u>
	\$	\$
Trade payables	97,993	169,777
Government payables	(3,202)	8,195
Accrued expenses	54,730	52,008
School levies	69,093	54,431
Other governments	17,010	3,542
Deposits	304,298	289,358
Property tax overpayments	613	97,251
	<u>540,535</u>	<u>674,562</u>

8. DEFERRED REVENUE

	<u>2025</u>	<u>2024</u>
	\$	\$
Unexpended grants	-	25,000
Deferred building permits	4,162	1,766
	<u>4,162</u>	<u>26,766</u>

9. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$41,874 (2024 - \$39,858) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2024, indicated the plan was 109.97% funded on a going concern basis and had an unfunded solvency liability of \$16.325 million, making the plan 98.4% funded on a solvency basis. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2024.

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEPP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEPP has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by MEPP, but solvency results are still monitored annually.

10. FINANCIAL INSTRUMENTS

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

11. BUDGET

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Municipality has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in *Schedule 7 - Reconciliation of the Financial Plan to the Budget*.

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

12. SEGMENTED INFORMATION

The Rural Municipality of Piney provides a wide ranges of services to its residents.

Segment information has been provided in *Schedule 4* for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

13. GOVERNMENT PARTNERSHIPS

The municipality has several partnership agreements for municipal services. The consolidated financial statements include the municipality's proportionate interest, as disclosed in note 2(a). The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	<u>2025</u>	<u>2024</u>
	\$	\$
Financial Position		
Financial Assets	185,821	164,453
Liabilities	<u>101,635</u>	<u>72,535</u>
	84,186	91,918
Non-financial Assets	<u>273,911</u>	<u>310,893</u>
Accumulated Surplus	<u><u>358,097</u></u>	<u><u>402,811</u></u>
 Result of Operations		
Revenue	512,217	536,459
Expenses	<u>556,931</u>	<u>546,209</u>
Annual Deficit	<u><u>(44,714)</u></u>	<u><u>(9,750)</u></u>

RURAL MUNICIPALITY OF PINEY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2025

14. ACCUMULATED SURPLUS

	2025	2024
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	1,567,498	786,938
General Operating Tangible Capital Assets, net of related borrowings	4,008,556	4,039,041
Reserve Funds	1,333,948	1,199,116
Accumulated surplus of Municipality unconsolidated	6,910,002	6,025,095
Accumulated surpluses of consolidated government partnerships	126,759	143,064
Accumulated Surplus per Statement of Financial Position	7,036,761	6,168,159

15. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of The *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount in exceeding \$85,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2025:

- (a) Compensation paid to members of council amounted to \$83,778 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$85,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

Council Member	Compensation	Expenses	Total
Wayne Anderson	14,019	1,951	15,970
David Beaudry	16,945	2,467	19,412
Mark Bernard	20,332	9,923	30,255
Dale Edbom	15,529	3,373	18,902
Ken Prociw	16,953	8,343	25,296
	83,778	26,057	109,835

- (c) The following individuals received compensation in excess of \$85,000:

Name	Position	Amount
Martin Van Osch	C.A.O.	113,235

RURAL MUNICIPALITY OF PINEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2025

16. CHANGES IN WORKING CAPITAL

	<u>2025</u>	<u>2024</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	19,307	61,773
Inventories	76,510	(132,246)
Prepaid expenses	(25,439)	141
Accounts payable and accrued liabilities	(134,027)	11,171
Deferred revenue	(22,604)	(47,250)
	<u>(86,253)</u>	<u>(106,411)</u>

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2025

	General Capital Assets					Infrastructure			2025 Actual	2024 Actual
	Land and Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets under Construction		
Cost										
Balance, beginning of year	2,131,388	1,783,590	1,736,430	77,420	-	9,578,884	-	-	15,307,712	14,826,935
Asset purchases	160,028	-	124,399	1,615	-	-	-	-	286,042	500,335
Disposals and write downs	56	-	-	-	-	-	-	-	56	19,558
Balance, end of year	2,291,360	1,783,590	1,860,829	79,035	-	9,578,884	-	-	15,593,698	15,307,712
Accumulated Amortization										
Balance, beginning of year	605,028	664,666	1,257,859	55,548	-	8,585,341	-	-	11,168,442	10,851,275
Amortization	41,284	59,156	153,500	8,396	-	67,610	-	-	329,946	317,167
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Balance, end of year	646,312	723,822	1,411,359	63,944	-	8,652,951	-	-	11,498,388	11,168,442
Net book value	1,645,048	1,059,768	449,470	15,091	-	925,933	-	-	4,095,310	4,139,270

CONSOLIDATED SCHEDULE OF REVENUES

For the Year Ended December 31, 2025

	2025 Budget (Unaudited) \$	2025 Actual \$	2024 Actual \$
PROPERTY TAXES			
Municipal taxes levied (<i>schedule 9</i>)	1,744,845	1,744,845	1,330,314
Taxes added	50,000	68,130	31,556
	<u>1,794,845</u>	<u>1,812,975</u>	<u>1,361,870</u>
GRANTS IN LIEU OF TAXATION			
Federal government	6,801	6,801	5,962
Provincial government	124,293	124,293	88,140
Provincial government enterprises	51,673	51,673	42,062
	<u>182,767</u>	<u>182,767</u>	<u>136,164</u>
USER FEES			
Sales of service	112,125	114,748	133,173
Sales of goods	190,000	1,153	105,287
Rentals	12,000	5,790	10,849
	<u>314,125</u>	<u>121,691</u>	<u>249,309</u>
GRANTS - PROVINCE OF MANITOBA			
General assistance payment	25,000	34,890	-
Municipal program grants	500	-	-
Conditional grants	1,036,606	1,044,948	797,538
	<u>1,062,106</u>	<u>1,079,838</u>	<u>797,538</u>
GRANTS - OTHER			
Federal government - other	180,000	274,177	101,751
Other local governments	-	189,992	188,690
Other grant	-	20,749	18,250
	<u>180,000</u>	<u>484,918</u>	<u>308,691</u>
PERMITS, LICENCES AND FEES			
Permits	40,000	38,159	31,129
Licences	100	94	92
Fines	500	70	-
	<u>40,600</u>	<u>38,323</u>	<u>31,221</u>
INVESTMENT REVENUE			
Interest	25,000	64,003	47,862
OTHER REVENUE			
Gain (loss) on sale of tangible capital assets	(25,000)	117,844	43,956
Miscellaneous	139,000	197,179	163,005
Penalties and interest	26,000	22,044	20,334
	<u>140,000</u>	<u>337,067</u>	<u>227,295</u>
TOTAL REVENUE	<u>3,739,443</u>	<u>4,121,582</u>	<u>3,159,950</u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2025

	2025 Budget (Unaudited) \$	2025 Actual \$	2024 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	142,000	121,774	122,182
General administrative	563,327	656,932	569,457
	<u>705,327</u>	<u>778,706</u>	<u>691,639</u>
PROTECTIVE SERVICES			
Police	9,000	65,139	2,365
Fire	294,600	310,800	268,016
Emergency measures	16,700	26,440	12,832
Other protective services	44,500	61,065	44,513
	<u>364,800</u>	<u>463,444</u>	<u>327,726</u>
TRANSPORTATION SERVICES			
Road transport			
Road and street maintenance	1,257,600	1,055,101	1,135,043
Street lighting	45,000	48,830	50,399
Air transport	10,000	4,026	4,158
Other	-	8,009	9,661
	<u>1,312,600</u>	<u>1,115,966</u>	<u>1,199,261</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	327,700	421,736	431,646
Recycling	4,000	4,703	5,099
Lagoons and wells	5,000	1,269	1,152
	<u>336,700</u>	<u>427,708</u>	<u>437,897</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Social assistance	23,916	23,471	20,816
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	5,000	1,825	28
Urban renewal	5,000	9,605	38,939
Beautification and land rehabilitation	500	539	443
Other	5,000	6,394	1,560
	<u>15,500</u>	<u>18,363</u>	<u>40,970</u>
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	40,000	129,069	130,816
Veterinary services	6,000	4,677	4,677
Water resources and conservation	6,000	5,800	5,800
Regional development	54,000	131,308	135,545
Tourism	44,000	24,299	24,834
	<u>150,000</u>	<u>295,153</u>	<u>301,672</u>
RECREATION AND CULTURAL SERVICES			
Community centers and halls	208,000	130,169	154,780

RURAL MUNICIPALITY OF PINEY
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2025

Schedule 3

	2025 Budget (Unaudited) \$	2025 Actual \$	2024 Actual \$
TOTAL EXPENSES	3,116,843	3,252,980	3,174,761

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2025

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	1,812,975	1,361,870	-	-	-	-	-	-	-	-
Grants in lieu of taxation	182,767	136,164	-	-	-	-	-	-	-	-
User fees	19,086	123,484	39,257	14,585	16,622	41,063	378	(3,599)	-	-
Grants - Province of Manitoba	1,079,838	797,538	-	-	-	-	-	-	-	-
Grants - Other	274,177	101,751	-	-	5,434	-	96,600	97,943	-	-
Permits, licences and fees	164	92	-	-	-	-	-	-	-	-
Investment revenue	64,759	47,862	-	-	-	-	-	-	-	-
Other revenue	264,121	158,675	-	-	2,944	17,365	-	-	-	-
Total revenue	3,697,887	2,727,436	39,257	14,585	25,000	58,428	96,978	94,344	-	-
EXPENSES										
Personnel services	428,486	409,882	101,885	82,607	206,085	204,577	26,544	24,661	-	-
Contract services	224,096	187,482	154,227	115,773	613,776	735,692	81,030	96,032	5,550	5,900
Utilities	15,156	14,415	25,493	20,815	6,418	3,458	356	226	-	-
Maintenance materials & supplies	101,761	53,978	92,207	19,109	145,135	122,995	68,821	68,548	2,005	-
Grants & contributions	-	-	548	-	-	-	165,088	162,560	15,916	14,916
Amortization	8,925	7,581	89,084	89,422	144,552	132,539	85,869	85,870	-	-
Bad debts expense	282	18,301	-	-	-	-	-	-	-	-
Total expenses	778,706	691,639	463,444	327,726	1,115,966	1,199,261	427,708	437,897	23,471	20,816
SURPLUS (DEFICIT)	2,919,181	2,035,797	(424,187)	(313,141)	(1,090,966)	(1,140,833)	(330,730)	(343,553)	(23,471)	(20,816)

* The general government category includes revenues and expenses that cannot be attributed to a particular sector

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2025

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	1,812,975	1,361,870
Grants in lieu of taxation	-	-	-	-	-	-	-	-	182,767	136,164
User fees	23,608	15,419	22,740	58,357	-	-	-	-	121,691	249,309
Grants - Province of Manitoba	-	-	-	-	-	-	-	-	1,079,838	797,538
Grants - Other	-	-	108,707	108,997	-	-	-	-	484,918	308,691
Permits, licences and fees	38,159	31,129	-	-	-	-	-	-	38,323	31,221
Investment revenue	(756)	-	-	-	-	-	-	-	64,003	47,862
Other revenue	69,029	50,008	973	1,247	-	-	-	-	337,067	227,295
Total revenue	130,040	96,556	132,420	168,601	-	-	-	-	4,121,582	3,159,950
EXPENSES										
Personnel services	-	-	155,589	155,365	-	-	-	-	918,589	877,092
Contract services	17,824	35,922	73,656	62,444	23,959	55,395	-	-	1,194,118	1,294,640
Utilities	-	-	1,558	1,161	-	-	-	-	48,981	40,075
Maintenance materials & supplies	539	5,048	33,157	51,270	-	24,000	-	-	443,625	344,948
Grants & contributions	-	-	29,677	29,677	106,210	75,385	-	-	317,439	282,538
Amortization	-	-	1,516	1,755	-	-	-	-	329,946	317,167
Bad debts expense	-	-	-	-	-	-	-	-	282	18,301
Total expenses	18,363	40,970	295,153	301,672	130,169	154,780	-	-	3,252,980	3,174,761
SURPLUS (DEFICIT)	111,677	55,586	(162,733)	(133,071)	(130,169)	(154,780)	-	-	868,602	(14,811)

* The general government category includes revenues and expenses that cannot be attributed to a particular sector

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2025

	Core Government		Government Partnerships		Total	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
REVENUE						
Property taxes	1,812,975	1,361,870	-	-	1,812,975	1,361,870
Grants in lieu of taxation	182,767	136,164	-	-	182,767	136,164
User fees	74,675	210,455	47,016	38,854	121,691	249,309
Grants - Province of Manitoba	1,079,838	797,538	-	-	1,079,838	797,538
Grants - Other	337,884	165,748	147,034	142,943	484,918	308,691
Permits, licences and fees	38,323	31,221	-	-	38,323	31,221
Investment revenue	64,003	47,862	-	-	64,003	47,862
Other revenue	333,150	208,683	3,917	18,612	337,067	227,295
Total revenue	<u>3,923,615</u>	<u>2,959,541</u>	<u>197,967</u>	<u>200,409</u>	<u>4,121,582</u>	<u>3,159,950</u>
EXPENSES						
Personnel services	821,101	784,423	97,488	92,669	918,589	877,092
Contract services	1,184,217	1,285,639	9,901	9,001	1,194,118	1,294,640
Utilities	48,981	40,075	-	-	48,981	40,075
Maintenance materials & supplies	351,386	252,917	92,239	92,031	443,625	344,948
Grants & contributions	317,439	282,538	-	-	317,439	282,538
Amortization	315,304	302,286	14,642	14,881	329,946	317,167
Bad debts expense	282	18,301	-	-	282	18,301
Total expenses	<u>3,038,710</u>	<u>2,966,179</u>	<u>214,270</u>	<u>208,582</u>	<u>3,252,980</u>	<u>3,174,761</u>
SURPLUS (DEFICIT)	<u>884,905</u>	<u>(6,638)</u>	<u>(16,303)</u>	<u>(8,173)</u>	<u>868,602</u>	<u>(14,811)</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2025

	General Reserve \$	Protective Reserve \$	Transportation Reserve \$	Environmental Health Reserve \$	Recreation Reserve \$	General Capital Reserve \$	Protective Capital \$
FINANCIAL ASSETS							
Cash and cash equivalents	3,079	2,958	19,155	9,171	25,026	6,965	9,351
Portfolio investments	27,415	27,416	82,255	-	-	222,912	83,592
Due from other funds	(5,000)	-	6,974	-	-	22,173	(6,974)
	<u>25,494</u>	<u>30,374</u>	<u>108,384</u>	<u>9,171</u>	<u>25,026</u>	<u>252,050</u>	<u>85,969</u>
REVENUE							
Investment revenue	<u>1,085</u>	<u>1,083</u>	<u>3,404</u>	<u>129</u>	<u>352</u>	<u>11,961</u>	<u>2,719</u>
TRANSFERS							
Transfer to (from) reserve funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCES	<u>1,085</u>	<u>1,083</u>	<u>3,404</u>	<u>129</u>	<u>352</u>	<u>11,961</u>	<u>2,719</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>24,409</u>	<u>29,291</u>	<u>104,980</u>	<u>9,042</u>	<u>24,674</u>	<u>240,089</u>	<u>83,250</u>
FUND SURPLUS, END OF YEAR	<u><u>25,494</u></u>	<u><u>30,374</u></u>	<u><u>108,384</u></u>	<u><u>9,171</u></u>	<u><u>25,026</u></u>	<u><u>252,050</u></u>	<u><u>85,969</u></u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2025

	Waste Disposal Capital \$	Recreation Services Capital \$	Canada Community- Building Fund Reserve \$	Piney Stuartburn Economic Development Board Reserve \$	2025 Actual \$	2024 Actual \$
FINANCIAL ASSETS						
Cash and cash equivalents	10,299	39,186	60,622	508	186,320	202,234
Portfolio investments	54,837	27,418	-	55,728	581,573	553,698
Due from other funds	(6,974)	(46,513)	561,384	27,037	566,055	443,183
	<u>72,110</u>	<u>20,091</u>	<u>622,006</u>	<u>83,273</u>	<u>1,333,948</u>	<u>1,199,115</u>
REVENUE						
Investment revenue	<u>2,234</u>	<u>1,596</u>	<u>349</u>	<u>3,164</u>	<u>28,076</u>	<u>36,636</u>
TRANSFERS						
Transfer to (from) reserve funds	<u>-</u>	<u>-</u>	<u>106,756</u>	<u>-</u>	<u>106,756</u>	<u>(115,870)</u>
CHANGE IN FUND BALANCES	<u>2,234</u>	<u>1,596</u>	<u>107,105</u>	<u>3,164</u>	<u>134,832</u>	<u>(79,234)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>69,876</u>	<u>18,495</u>	<u>514,901</u>	<u>80,109</u>	<u>1,199,116</u>	<u>1,278,350</u>
FUND SURPLUS, END OF YEAR	<u><u>72,110</u></u>	<u><u>20,091</u></u>	<u><u>622,006</u></u>	<u><u>83,273</u></u>	<u><u>1,333,948</u></u>	<u><u>1,199,116</u></u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2025

	Financial Plan General \$	Financial Plan Utility \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Government Partnerships \$	PSAB Budget \$
REVENUE								
Property taxes	1,794,845	-	-	-	-	-	-	1,794,845
Grants in lieu of taxation	182,767	-	-	-	-	-	-	182,767
User fees	314,125	-	-	-	-	-	-	314,125
Grants - Province of Manitoba	1,062,106	-	-	-	-	-	-	1,062,106
Grants - Other	180,000	-	-	-	-	-	-	180,000
Permits, licences and fees	40,600	-	-	-	-	-	-	40,600
Investment revenue	25,000	-	-	-	-	-	-	25,000
Other revenue	140,000	-	-	-	-	-	-	140,000
	<u>3,739,443</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,739,443</u>
EXPENSES								
General government services	696,427	-	8,900	-	-	-	-	705,327
Protective services	275,700	-	89,100	-	-	-	-	364,800
Transportation services	1,168,000	-	144,600	-	-	-	-	1,312,600
Environmental health services	264,000	-	72,700	-	-	-	-	336,700
Public health and welfare services	23,916	-	-	-	-	-	-	23,916
Regional planning and development	15,500	-	-	-	-	-	-	15,500
Resource conservation and industrial development	150,000	-	-	-	-	-	-	150,000
Recreation and cultural services	208,000	-	-	-	-	-	-	208,000
Transfers	937,900	-	-	-	(937,900)	-	-	-
	<u>3,739,443</u>	<u>-</u>	<u>315,300</u>	<u>-</u>	<u>(937,900)</u>	<u>-</u>	<u>-</u>	<u>3,116,843</u>
SURPLUS (DEFICIT)	<u>-</u>	<u>-</u>	<u>(315,300)</u>	<u>-</u>	<u>937,900</u>	<u>-</u>	<u>-</u>	<u>622,600</u>

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2025

	2025 Actual \$	2024 Actual \$
BALANCE, BEGINNING OF YEAR	237,491	223,596
Add:		
Tax Levy (<i>schedule 9</i>)	3,648,210	2,860,071
Taxes added	68,130	31,556
Penalties and interest	22,044	20,334
Sub-total	3,975,875	3,135,557
Deduct:		
Cash collections - current	2,875,547	2,035,498
Cash collections - arrears	203,095	109,571
Cancellations	7,855	6,968
Tax discounts	-	-
M.P.T.C. - cash advance	460,691	160,804
Manitoba school tax rebate	244,298	585,225
Sub-total	3,791,486	2,898,066
BALANCE, END OF YEAR	184,389	237,491

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2025

	Assessment	2025 Mill Rate	Levy	2024 Levy
Other municipal levies:				
General municipal	144,321,360	12.090	<u>1,744,845</u>	<u>1,330,314</u>
Total municipal taxes (schedule 2)			<u>1,744,845</u>	<u>1,330,314</u>
Education Support Levy	25,924,400	7.117	184,504	178,441
Special levy:				
Border Land School Division	94,454,970	11.605	1,096,150	484,970
Seine River School Division	49,144,620	12.635	<u>622,711</u>	<u>866,346</u>
			<u>1,718,861</u>	<u>1,351,316</u>
Total education taxes			<u>1,903,365</u>	<u>1,529,757</u>
Total tax levy (schedule 8)			<u><u>3,648,210</u></u>	<u><u>2,860,071</u></u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2025

	2025 Budget (Unaudited) \$	2025 Actual \$	2024 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	142,000	121,774	122,182
General administrative	563,327	656,932	569,457
	<u>705,327</u>	<u>778,706</u>	<u>691,639</u>
PROTECTIVE SERVICES			
Police	9,000	65,139	2,365
Fire	294,600	310,800	268,016
Emergency measures	16,700	26,440	12,832
Other protective services	44,500	61,065	44,513
	<u>364,800</u>	<u>463,444</u>	<u>327,726</u>
TRANSPORTATION SERVICES			
Road transport			
Road and street maintenance	1,257,600	1,055,101	1,135,043
Street lighting	45,000	48,830	50,399
Air transport	10,000	4,026	4,158
	<u>1,312,600</u>	<u>1,107,957</u>	<u>1,189,600</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	327,700	312,668	325,150
Recycling	4,000	4,703	5,099
Lagoons and wells	5,000	1,269	1,152
	<u>336,700</u>	<u>318,640</u>	<u>331,401</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Social assistance	23,916	23,471	20,816
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	5,000	1,825	28
Urban renewal	5,000	9,605	38,939
Beautification and land rehabilitation	500	539	443
Other	5,000	6,394	1,560
	<u>15,500</u>	<u>18,363</u>	<u>40,970</u>
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	40,000	31,876	38,391
Veterinary services	6,000	4,677	4,677
Water resources and conservation	6,000	5,800	5,800
Regional development	54,000	131,308	135,545
Tourism	44,000	24,299	24,834
	<u>150,000</u>	<u>197,960</u>	<u>209,247</u>
RECREATION AND CULTURAL SERVICES			
Community centers and halls	208,000	130,169	154,780
TOTAL EXPENSES	<u><u>3,116,843</u></u>	<u><u>3,038,710</u></u>	<u><u>2,966,179</u></u>

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2025

	2025 Total \$	2024 Total \$
CONSOLIDATED ANNUAL SURPLUS (DEFICIT) <i>(statement 2)</i>	868,602	(14,811)
Elimination of appropriations from reserves	-	218,356
Elimination of appropriations to reserves	(106,756)	(102,486)
Consolidation of reserve operations	(29,959)	(36,636)
Elimination of consolidated entity operations	16,303	8,173
Amortization of tangible capital assets	315,304	302,286
Proceeds on disposal of assets	117,788	63,514
Loss (gain) on disposal of assets	-	(43,957)
Acquisitions of capital assets from operating funds	(284,875)	(500,335)
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	<u>896,407</u>	<u>(105,896)</u>



ADEPTUS

ADVISORY GROUP

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