

RURAL MUNICIPALITY OF LAC DU BONNET

**Consolidated Financial Statements
For the Year Ended December 31, 2024**

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of Lac du Bonnet 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 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.

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

Exchange Chartered Professional Accountants Inc. as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' report is addressed to the Reeve 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.



Sandra Broek
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
RURAL MUNICIPALITY OF LAC DU BONNET

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of Lac du Bonnet, which comprise the consolidated statement of financial position as at December 31, 2024 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2024, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Lac Du Bonnet as at December 31, 2024, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2024 in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

Under Canadian Public Sector Accounting Standards, as of the year ended December 31, 2023, the Municipality was required to adopt a new accounting standard, PS 3280 – Asset Retirement Obligations. The Municipality has not recognized assets or liabilities for asset retirement obligations in the consolidated statement of financial position as at December 31, 2024 and has not recognized related expenses in the consolidated statement of operations for the year then ended.

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. In order to adopt the standard, the Municipality would need to identify all legal obligations associated with the retirement of its assets to ensure the completeness of the asset retirement assets and obligations recorded, and estimate the future costs of remediation for these obligations to determine their valuation. The Municipality has not provided sufficient appropriate audit evidence regarding the completeness and the valuation of the amounts recorded and the disclosures required in respect of these assets and liabilities. Our audit opinion on the consolidated financial statements for the year ended December 31, 2023 was also modified because of the effects of this departure from Canadian Public Sector Accounting Standards.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

In common with the consolidated financial statements of other Municipalities in Manitoba, Schedule 14 Reconciliation of Annual Surplus (Deficit) has been included as required by the Province of Manitoba. This schedule is unaudited as no accounting standard is defined in the Municipal Act.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditors' 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 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 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Exchange

Chartered Professional Accountants Inc.
Winnipeg, Manitoba
September 24, 2025

RURAL MUNICIPALITY OF LAC DU BONNET

Consolidated Financial Statements

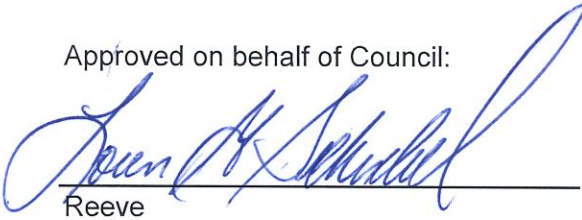
For the Year Ended December 31, 2024

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RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 5,761,367	\$ 6,083,242
Amounts receivable (Note 4)	1,738,325	1,522,748
	<u>7,499,692</u>	<u>7,605,990</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	1,337,775	2,158,081
Long-term debt (Note 7)	255,728	277,085
	<u>1,593,503</u>	<u>2,435,166</u>
NET FINANCIAL ASSETS	<u>5,906,189</u>	<u>5,170,824</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	11,790,600	11,461,630
Inventories (Note 5)	770,692	979,159
Prepaid expenses	52,646	21,635
	<u>12,613,938</u>	<u>12,462,424</u>
ACCUMULATED SURPLUS (Note 11)	<u>\$ 18,520,127</u>	<u>\$ 17,633,248</u>
CONTINGENCIES (Note 16)		

Approved on behalf of Council:





The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2024

	2024 Budget (Note 10)	2024 Actual	2023 Actual
REVENUE			
Property taxes	\$ 4,898,053	\$ 4,879,575	\$ 4,696,653
Grants in lieu of taxation	433,677	433,677	422,940
User fees	748,222	560,761	501,486
Permits, licences and fines	350	429,411	168,723
Investment income	57,120	228,229	195,870
Other revenue	153,906	384,490	270,480
Water and sewer	98,389	86,012	157,151
Grants - Province of Manitoba	699,009	1,098,874	1,893,074
Grants - other	285,095	238,650	240,802
Total revenue (Schedules 2, 4 and 5)	<u>7,373,821</u>	<u>8,339,679</u>	<u>8,547,179</u>
EXPENSES			
General government services	1,754,721	1,518,764	1,501,432
Protective services	698,759	536,893	544,606
Transportation services	3,496,544	3,443,211	3,797,029
Environmental health services	829,126	842,633	658,793
Public health and welfare services	22,889	22,355	270,525
Regional planning and development	377,399	365,383	231,438
Resource conservation and industrial development	326,689	218,036	372,864
Recreation and cultural services	538,152	396,815	355,276
Water and sewer services	129,057	108,711	82,265
Total expenses (Schedules 3, 4 and 5)	<u>8,173,336</u>	<u>7,452,801</u>	<u>7,814,228</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (799,515)</u>	886,878	732,951
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>17,633,248</u>	<u>16,900,297</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 18,520,127</u>	<u>\$ 17,633,248</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2024

	<div> <div>2024</div> <div>Budget</div> <div>(Note 10)</div> </div>	<div> <div>2024</div> <div>Actual</div> </div>	<div> <div>2023</div> <div>Actual</div> </div>
ANNUAL SURPLUS (DEFICIT)	\$ (799,515)	\$ 886,878	\$ 732,951
Acquisition of tangible capital assets	(3,141,137)	(1,211,714)	(1,206,355)
Amortization of tangible capital assets	810,730	810,731	772,609
Loss (Gain) on sale of tangible capital assets	-	(149,266)	(24,810)
Proceeds on sale of tangible capital assets	-	221,279	50,001
Decrease (increase) in inventories	-	208,467	(514,417)
Decrease (increase) in prepaid expense	-	(31,011)	17,967
	(2,330,407)	(151,514)	(905,005)
CHANGE IN NET FINANCIAL ASSETS	\$ (3,129,922)	735,364	(172,054)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		5,170,824	5,342,878
NET FINANCIAL ASSETS, END OF YEAR		\$ 5,906,189	\$ 5,170,824

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 886,878	\$ 732,951
Changes in non-cash items:		
Amounts receivable	(215,577)	(627,859)
Inventories	208,467	(514,417)
Prepays	(31,011)	17,967
Accounts payable and accrued liabilities	(820,305)	899,595
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	(149,266)	(24,810)
Amortization	810,731	772,609
	<u>689,917</u>	<u>1,256,036</u>
Cash provided by operating transactions		
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	221,279	50,001
Cash used to acquire tangible capital assets	(1,211,714)	(1,206,355)
	<u>(990,435)</u>	<u>(1,156,354)</u>
Cash applied to capital transactions		
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
	<u>-</u>	<u>-</u>
Cash applied to investing transactions		
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	(21,357)	(20,685)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(21,357)</u>	<u>(20,685)</u>
Cash applied to financing transactions		
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(321,875)	78,997
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	6,083,242	6,004,245
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 5,761,367</u>	<u>\$ 6,083,242</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

1. Status of the Rural Municipality of Lac du Bonnet

The incorporated Rural Municipality of Lac du Bonnet ("The Municipality") is a municipality that was formed in 1917 pursuant to The Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, planning, airport, parks and recreation, library and other general government operations. The Municipality owns two utilities, 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 public sector accounting standards 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 controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled entities include:

Lac du Bonnet Community Development Corporation

The Municipality has several partnership agreements in place, and as such, consistent with Canadian public sector accounting standards 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:

Agassiz Weed Control District (42%) (2023 - 42%)
Lac du Bonnet Planning District (75%) (2023 - 75%)
Lac du Bonnet Regional Library (74%) (2023 - 74%)
Lac du Bonnet Airport Authority (69%) (2023 - 69%)

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. There were no trust funds administered by the Municipality as of December 31, 2024.

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) Cash and Temporary Investments

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

d) Investments

Temporary investments are accounted for at the lower of cost and market.

Portfolio investments are accounted for at cost.

e) 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.

f) 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 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.

g) 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 a 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.

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

Infrastructure Assets

Transportation

Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years

Water and Sewer

Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 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.

h) 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.

i) 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.

j) 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.

k) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. The municipality:
 - is directly responsible; or
 - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

l) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government Transfers

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

Unearned revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

m) Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues 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.

n) Future Changes in Accounting Standards

A number of new and amended Canadian public sector accounting standards have been issued and not applied in preparing these financial statements. These standards will come into effect as follows:

- The Conceptual Framework for Financial Reporting in the Public Sector replaces the conceptual aspects of PSAS 1000 (Financial Statement Concepts) and PSAS 1100 (Financial Statement Objectives) for fiscal years beginning on or after January 1, 2027. The Conceptual Framework is applied prospectively.
- PSAS 1202, Financial Statement Presentation, replaces PSAS 1201 for fiscal years beginning January 1, 2027.

These new accounting standards have not been applied in preparing these consolidated financial statements.

The Municipality is currently assessing the impact of the new standards, and the extent of the impact of their adoption on the consolidated financial statements has not yet been determined.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	2024	2023
Cash	\$ 5,761,367	\$ 6,083,242
Temporary investments	-	-
	<u>\$ 5,761,367</u>	<u>\$ 6,083,242</u>

The Municipality has designated \$5,481,254 (2023 - \$5,161,295) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has access to a \$500,000 line of credit at Access Credit Union at an interest rate of 4.83%. The Municipality has utilized \$Nil (2023 - \$Nil) at December 31, 2024.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	2024	2023
Taxes on roll (Schedule 11)	\$ 675,564	\$ 785,025
Government grants	808,748	404,006
Utility customers	14,422	70,395
Organizations and individuals	229,540	201,818
Other governments	33,579	83,657
	<u>1,761,853</u>	<u>1,544,901</u>
Less allowances for doubtful amounts	<u>(23,528)</u>	<u>(22,153)</u>
	<u>\$ 1,738,325</u>	<u>\$ 1,522,748</u>

Included in government grants receivable is \$659,138 owing from the Province of Manitoba for disaster recovery. Collection of these amounts is contingent on the Province approving the Municipality's claim for eligible expenses. This is the Municipality's best estimate of amounts to be received under this program.

5. Inventories

Inventories for use:

	2024	2023
Fuel	\$ 11,767	\$ 11,604
Culverts	61,909	58,919
Aggregate	678,029	887,931
Other supplies	18,987	20,705
	<u>\$ 770,692</u>	<u>\$ 979,159</u>

6. Accounts Payable and Accrued Liabilities

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 988,076	\$ 1,563,019
Wages payable	76,764	51,494
Vacation liability	48,439	46,009
Accrued expenses	-	-
School levies	215,478	464,405
Other governments	9,018	33,154
	<u>\$ 1,337,775</u>	<u>\$ 2,158,081</u>

7. Long Term Debt

	<u>2024</u>	<u>2023</u>
Brookfield Utility Debenture By-Law 10-19, interest at 3.25%, payable at \$30,363 annually including interest, maturing October 31, 2034.	\$ 255,728	\$ 277,085

Principal payments required in each of the next five years are as follows:

2025	\$ 22,052
2026	\$ 22,768
2027	\$ 23,508
2028	\$ 24,272
2029	\$ 25,061

8. 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.

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 \$152,676 (2023 - \$138,611) 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, 2023, indicated the plan was 111.4% funded on a going concern basis and had an unfunded solvency liability of \$24.3 million. 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, 2023.

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.

10. 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 10 - Reconciliation of the Financial Plan to the Budget.

11. Accumulated Surplus

	2024	2023
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,173,128	\$ 929,815
Utility operating fund(s) - Nominal surplus	(10,446)	(6,064)
TCA net of related borrowings	11,495,309	11,153,503
Reserve funds	5,481,254	5,161,295
Accumulated surplus of Municipality unconsolidated	18,139,245	17,238,549
Accumulated surpluses of consolidated entities	380,882	394,699
Accumulated surplus per Consolidated Statement of Financial Position	\$ 18,520,127	\$ 17,633,248

12. 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 exceeding \$85,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2024:

- a) Compensation paid to members of council amounted to \$149,304 in aggregate.
- b) There were no members of council receiving compensation in excess of \$85,000 individually.

Council Members:

	Compensation	Expenses	Total
Reeve - Loren Schinkel	\$ 29,705	\$ 6,338	\$ 36,043
Deputy Reeve - Greg Mandzuk	25,218	7,804	33,022
Councillor - Jeff Easton	18,817	4,327	23,144
Councillor - Violet Enns-Preston	20,842	5,150	25,992
Councillor - Cindy Kellendonk	22,846	8,257	31,103
	<u>\$ 117,428</u>	<u>\$ 31,876</u>	<u>\$ 149,304</u>

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

Name	Position	Amount
Sandra Broek	Chief Administrative Officer	\$ 126,690
Mike Tomasson	Building Inspector	\$ 97,399
Deanne Duke	Deputy Chief Administrative Officer	\$ 89,589

13. Segmented Information

The Rural Municipality of Lac du Bonnet 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.

14. 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:

	2024	2023
Financial Position		
Financial Assets	\$ 351,874	\$ 367,259
Liabilities	68,099	73,684
Net financial assets (liabilities)	283,775	293,575
Non-financial assets	59,225	48,285
Accumulated surplus	\$ 343,000	\$ 341,860
Result of Operations		
Revenues	\$ 246,786	\$ 268,807
Expenses	245,646	225,936
Annual surplus	1,140	42,871
Elimination of revenues(expenses) upon consolidation	96,679	72,719
Consolidated annual surplus (deficit)	\$ (95,539)	\$ (29,848)

15. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and wastewater utilities, except the City of Winnipeg Utility and wholesale water rates set by the Manitoba Water Services Board. The PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. The PUB's prescribed accounting policies on tangible or contributed capital assets and government transfers allow for adjustments to be made, for rate setting purposes, which do not meet PSAB standards.

For information purposes, the Municipality has deferred the capital grants and/or contributed assets it has received in the past for its utilities and amortized them over the useful life of the related tangible or contributed capital asset.

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining Net Book Value.

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Rural Utility	\$ -	\$ -	\$ -	\$ -
Brookfield Utility	496,627	-	10,796	485,831
	\$ 496,627	\$ -	\$ 10,796	\$ 485,831

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Rural Utility	\$ -	\$ -	\$ -	\$ -
Brookfield Utility	-	-	-	-
	\$ -	\$ -	\$ -	\$ -

16. Contingencies

Lawsuits have been filed against the Municipality for incidents which arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcome of the lawsuits, now pending is not determinable. Should any loss result from the resolution of these claims, such losses will be charged to operation in the year of resolution.

17. Comparative Figures

Balances in the prior year have been reclassified to comply with the current year presentation.

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2024

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2024	2023
Cost										
Opening costs	\$ 1,987,456	\$ 1,706,996	\$ 7,629,534	\$ 536,621	\$ 436,985	\$ 14,061,184	\$ 3,043,778	\$ 2,259	\$ 29,404,813	\$ 28,487,834
Additions during the year	-	-	1,174,208	37,506	-	-	-	-	1,211,714	1,448,015
Disposals and write downs	-	-	(702,507)	(3,252)	-	-	-	-	(705,759)	(531,036)
Closing costs	1,987,456	1,706,996	8,101,235	570,875	436,985	14,061,184	3,043,778	2,259	29,910,768	29,404,813
Accumulated Amortization										
Opening accum'd amortization	314,361	1,093,774	4,448,712	439,725	-	10,780,314	866,297	-	17,943,183	17,434,760
Amortization	26,096	39,395	571,072	48,145	-	44,664	81,359	-	810,731	772,609
Disposals and write downs	-	-	(630,594)	(3,152)	-	-	-	-	(633,746)	(264,186)
Closing accum'd amortization	340,457	1,133,169	4,389,190	484,718	-	10,824,978	947,656	-	18,120,168	17,943,183
Net Book Value of Tangible Capital Assets	\$ 1,646,999	\$ 573,827	\$ 3,712,045	\$ 86,157	\$ 436,985	\$ 3,236,206	\$ 2,096,122	\$ 2,259	\$ 11,790,600	\$ 11,461,630

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2024

SCHEDULE 2

	2024 Actual	2023 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 4,782,875	\$ 4,337,939
Taxes added	96,700	358,714
	4,879,575	4,696,653
Grants in lieu of taxation:		
Federal government	-	-
Federal government enterprises	-	-
Provincial government	433,677	422,940
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	433,677	422,940
User fees		
Parking meters	-	-
Sales of service	377,901	377,065
Sales of goods	6,925	5,251
Rentals	24,398	9,450
Development charges	33,431	12,169
Facility use fees	118,106	97,551
	560,761	501,486
Permits, licences and fines		
Permits	428,901	168,258
Licences	510	465
Fees	-	-
Fines	-	-
	429,411	168,723
Investment income:		
Cash and temporary investments	228,229	195,870
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	228,229	195,870
Other revenue:		
Gain (loss) on sale of tangible capital assets	149,266	24,810
Gain on sale of land	-	-
Contributed assets	-	-
Penalties and interest	82,605	100,750
Miscellaneous (specify):		
Insurance proceeds	-	-
MTCML/Fuel rebates	67,665	76,091
Insurance rebates	27,892	39,894
Donations	-	-
Crown grazing leases	15,774	14,452
Miscellaneous	41,288	14,483
	384,490	270,480
Water and sewer		
Municipal utilities (Schedule 9)	86,012	157,151
Consolidated water co-operatives	-	-
	86,012	157,151
Grants - Province of Manitoba		
Municipal operating grants	445,810	438,085
Other unconditional grants	-	-
Conditional grants	653,064	1,454,989
	1,098,874	1,893,074
Grants - other		
Federal government - gas tax funding	198,132	183,231
Federal government - other	4,954	10,121
Other municipal governments	35,564	47,450
	238,650	240,802
Total revenue	\$ 8,339,679	\$ 8,547,179

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
General government services:		
Legislative	\$ 181,982	\$ 153,434
General administrative	953,791	925,584
Other	382,991	422,414
	<u>1,518,764</u>	<u>1,501,432</u>
Protective services:		
Police	171,131	173,307
Fire	245,963	267,770
Emergency measures	39,739	38,331
Other	80,060	65,198
	<u>536,893</u>	<u>544,606</u>
Transportation services:		
Road transport		
Administration and engineering	7,943	975
Road and street maintenance	3,404,975	3,773,179
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	16,028	19,580
Other	14,265	3,295
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>3,443,211</u>	<u>3,797,029</u>
Environmental health services:		
Waste collection and disposal	725,831	546,924
Recycling	113,142	107,032
Other	3,660	4,837
	<u>842,633</u>	<u>658,793</u>
Public health and welfare services:		
Public health	-	-
Medical care	195	-
Social assistance	3,096	3,096
Other	19,064	267,429
	<u>22,355</u>	<u>270,525</u>
Regional planning and development		
Planning and zoning	365,383	231,438
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>365,383</u>	<u>231,438</u>
Resource conservation and industrial development		
Rural area weed control	116,123	111,305
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	27,394	201,187
Industrial development	-	-
Tourism	2,374	2,140
Other	72,145	58,232
	<u>218,036</u>	<u>372,864</u>
Sub-totals forward	<u>\$ 6,947,275</u>	<u>\$ 7,376,687</u>

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
Sub-totals forward	\$ 6,947,275	7,376,687
Recreation and cultural services:		
Administration	62,056	53,829
Community centers and halls	26,234	24,985
Swimming pools and beaches	20,524	12,560
Golf courses	-	-
Skating and curling rinks	77,116	68,592
Parks and playgrounds	362	4,048
Other recreational facilities	50,936	52,226
Museums	4,069	3,035
Libraries	144,173	124,978
Other cultural facilities	11,345	11,023
	396,815	355,276
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	108,711	82,265
Consolidated water co-operatives	-	-
	108,711	82,265
Total expenses	\$ 7,452,801	\$ 7,814,228

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2024

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Property taxes	\$4,879,575	\$ 4,696,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	433,677	422,940	-	-	-	-	-	-	-	-
User fees	261,046	223,943	116,018	67,584	250	650	109,798	93,920	-	-
Grants - other	203,086	193,352	-	-	-	-	-	-	-	-
Permits, licences and fines	510	465	-	-	4,030	-	-	-	-	-
Investment income	124,134	127,022	16,557	13,760	47,365	32,395	17,889	10,770	2,091	1,555
Other revenue	307,879	174,016	7,000	4,300	71,403	88,957	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	445,810	438,085	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	576,722	1,305,776	-	-	-	-	24,016	33,706	-	-
Total revenue	\$ 7,232,439	\$ 7,582,252	\$ 139,575	\$ 85,644	\$ 123,048	\$ 122,002	\$ 151,703	\$ 138,396	\$ 2,091	\$ 1,555
EXPENSES										
Personnel services	\$ 792,392	\$ 757,915	\$ 76,902	\$ 73,807	\$ 1,158,953	\$ 1,082,591	\$ 566,503	\$ 408,109	\$ -	\$ -
Contract services	539,762	563,038	294,944	297,820	201,488	171,457	152,011	133,318	6,497	9,199
Utilities	14,629	16,413	21,550	16,884	44,789	56,945	5,901	8,401	-	-
Maintenance materials and supplies	41,223	41,454	76,046	94,397	1,519,754	1,985,012	14,921	9,360	7,065	2,807
Grants and contributions	71,911	55,098	-	-	-	-	-	-	-	250,000
Amortization	56,958	57,364	67,451	61,698	518,227	501,024	103,297	99,605	8,793	8,519
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	1,889	10,150	-	-	-	-	-	-	-	-
Total expenses	\$1,518,764	\$ 1,501,432	\$ 536,893	\$ 544,606	\$ 3,443,211	\$ 3,797,029	\$ 842,633	\$ 658,793	\$ 22,355	\$ 270,525
Surplus (Deficit)	\$ 5,713,675	\$ 6,080,820	\$ (397,318)	\$ (458,962)	\$ (3,320,163)	\$ (3,675,027)	\$ (690,930)	\$ (520,397)	\$ (20,264)	\$ (268,970)

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

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2024

SCHEDULE 4

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$4,879,575	\$ 4,696,653
Grants in lieu of taxation	-	-	-	-	-	-	-	-	433,677	422,940
User fees	-	-	60,955	106,117	12,694	9,272	-	-	560,761	501,486
Grants - other	-	-	21,770	21,719	13,794	25,731	-	-	238,650	240,802
Permits, licences and fines	424,871	168,258	-	-	-	-	-	-	429,411	168,723
Investment income	11,476	4,206	3,585	1,999	5,132	4,163	-	-	228,229	195,870
Other revenue	2,372	-	(12,299)	3,207	8,135	-	-	-	384,490	270,480
Water and sewer	-	-	-	-	-	-	86,012	157,151	86,012	157,151
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	445,810	438,085
Prov of MB - Conditional Grants	-	-	7,956	57,522	44,370	57,985	-	-	653,064	1,454,989
Total revenue	\$ 438,719	\$ 172,464	\$ 81,967	\$ 190,564	\$ 84,125	\$ 97,151	\$ 86,012	\$ 157,151	\$ 8,339,679	\$ 8,547,179
EXPENSES										
Personnel services	\$ 252,636	\$ 176,031	\$ 30,616	\$ 30,214	\$ 138,602	\$ 118,906	\$ 100	\$ 600	\$3,016,704	\$ 2,648,173
Contract services	90,957	24,895	41,478	239,480	42,681	44,438	38,073	25,126	1,407,891	1,508,771
Utilities	840	871	2,464	2,174	6,451	6,567	801	1,271	97,425	109,526
Maintenance materials and supplies	20,946	21,117	105,023	58,192	46,372	32,036	30,063	25,624	1,861,413	2,269,999
Grants and contributions	-	-	5,998	27,033	150,383	141,848	-	-	228,292	473,979
Amortization	-	-	13,991	13,408	11,345	11,023	30,668	19,966	810,730	772,607
Interest on long term debt	-	-	-	-	-	-	9,006	9,678	9,006	9,678
Other	4	8,524	18,466	2,363	981	458	-	-	21,340	21,495
Total expenses	\$ 365,383	\$ 231,438	\$ 218,036	\$ 372,864	\$ 396,815	\$ 355,276	\$ 108,711	\$ 82,265	\$7,452,801	\$ 7,814,228
Surplus (Deficit)	<u>\$ 73,336</u>	<u>\$ (58,974)</u>	<u>\$ (136,069)</u>	<u>\$ (182,300)</u>	<u>\$ (312,690)</u>	<u>\$ (258,125)</u>	<u>\$ (22,699)</u>	<u>\$ 74,886</u>	<u>\$ 886,878</u>	<u>\$ 732,951</u>

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2024

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE								
Property taxes	\$ 4,879,575	\$ 4,696,653	\$ -	\$ -	\$ -	\$ -	\$ 4,879,575	\$ 4,696,653
Grants in lieu of taxation	433,677	422,940	-	-	-	-	433,677	422,940
User fees	495,421	389,729	-	32,852	65,340	78,905	560,761	501,486
Grants - other	196,786	149,128	6,300	55,866	35,564	35,808	238,650	240,802
Permits, licences and fines	429,411	168,723	-	-	-	-	429,411	168,723
Investment income	221,109	185,986	-	-	7,120	9,884	228,229	195,870
Other revenue	388,434	255,562	-	553	(3,944)	14,365	384,490	270,480
Water and sewer	86,012	157,151	-	-	-	-	86,012	157,151
Prov of MB - Unconditional Grants	445,810	438,085	-	-	-	-	445,810	438,085
Prov of MB - Conditional Grants	607,038	1,397,863	-	-	46,026	57,126	653,064	1,454,989
Total revenue	\$ 8,183,273	\$ 8,261,820	\$ 6,300	\$ 89,271	\$ 150,106	\$ 196,088	\$ 8,339,679	\$ 8,547,179
EXPENSES								
Personnel services	\$ 2,912,979	\$ 2,549,634	\$ -	\$ -	\$ 103,725	\$ 98,539	\$ 3,016,704	\$ 2,648,173
Contract services	1,365,514	1,276,981	121	191,352	42,256	40,438	1,407,891	1,508,771
Utilities	88,510	100,785	-	-	8,915	8,741	97,425	109,526
Maintenance materials and supplies	1,772,411	2,203,951	3,686	3,158	85,316	62,890	1,861,413	2,269,999
Grants and contributions	227,763	473,282	-	-	529	697	228,292	473,979
Amortization	807,827	768,645	-	-	2,903	3,962	810,730	772,607
Interest on long term debt	9,006	9,678	-	-	-	-	9,006	9,678
Other	1,889	10,148	17,450	678	2,001	10,669	21,340	21,495
Total expenses	\$ 7,185,899	\$ 7,393,104	\$ 21,257	\$ 195,188	\$ 245,645	\$ 225,936	\$ 7,452,801	\$ 7,814,228
Surplus (Deficit)	\$ 997,374	\$ 868,716	\$ (14,957)	\$ (105,917)	\$ (95,539)	\$ (29,848)	\$ 886,878	\$ 732,951

RURAL MUNICIPALITY OF LAC DU BONNET

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2024

SCHEDULE 6

	2024							
	General Reserve	Capital Dev. Reserve	Fire Fighting Reserve	Handi-Van Reserve	Machinery Reserve	Mun Office Reserve	Recreation Reserve	Flood Condition Reserve
REVENUE								
Investment income	\$ 13,394	\$ 9,929	\$ 5,214	\$ -	\$ 13,557	\$ 705	\$ 2,879	\$ 11,343
Other income	-	-	-	-	-	-	-	-
Total revenue	13,394	9,929	5,214	-	13,557	705	2,879	11,343
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	13,394	9,929	5,214	-	13,557	705	2,879	11,343
TRANSFERS								
Transfers from general operating fund	-	375,031	-	5,000	236,949	-	32,000	-
Transfers to general operating fund	-	(7,231)	(57,950)	-	(642,343)	(27,470)	(7,500)	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	13,394	377,729	(52,736)	5,000	(391,837)	(26,765)	27,379	11,343
FUND SURPLUS, BEGINNING OF YEAR	295,208	351,156	217,966	50,000	761,088	43,459	90,878	250,113
FUND SURPLUS, END OF YEAR	\$ 308,602	\$ 728,885	\$ 165,230	\$ 55,000	\$ 369,251	\$ 16,694	\$ 118,257	\$ 261,456

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2024

SCHEDULE 6

	2024						
	Rd. Constr. Reserve	Public Works Reserve	Airport Reserve	Economic Dev. Reserve	CCBF Reserve	Building Reserve	Liquid/Solid Waste Reserve
REVENUE							
Investment income	\$ 17,545	\$ 47	\$ 6,510	\$ 1,712	\$ 23,075	\$ 639	\$ 17,889
Other income	-	-	-	-	-	-	-
Total revenue	17,545	47	6,510	1,712	23,075	639	17,889
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	17,545	47	6,510	1,712	23,075	639	17,889
TRANSFERS							
Transfers from general operating fund	50,000	-	76,000	22,184	198,132	-	-
Transfers to general operating fund	(23,780)	-	(47,837)	-	-	-	(31,565)
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	43,765	47	34,673	23,896	221,207	639	(13,676)
FUND SURPLUS, BEGINNING OF YEAR	794,467	1,049	260,089	72,075	518,489	14,318	471,483
FUND SURPLUS, END OF YEAR	\$ 838,232	\$ 1,096	\$ 294,762	\$ 95,971	\$ 739,696	\$ 14,957	\$ 457,807

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2024

SCHEDULE 6

	2024				2023
	P.C. Home Reserve	Stead Glen Reserve	Emergency Reserve	Student Bursary Reserve	Total
					Total
REVENUE					
Investment income	\$ 41,431	\$ 2,091	\$ 191	\$ 188	\$ 168,339
Other income	-	-	-	-	-
Total revenue	41,431	2,091	191	188	168,339
EXPENSES					
Investment charges	-	-	-	-	-
Other expenses	-	-	-	-	-
Total expenses	-	-	-	-	-
NET REVENUES	41,431	2,091	191	188	168,339
TRANSFERS					
Transfers from general operating fund	-	-	-	2,000	997,296
Transfers to general operating fund	-	-	-	-	(845,676)
Transfer from nominal surplus	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	41,431	2,091	191	2,188	319,959
FUND SURPLUS, BEGINNING OF YEAR	913,592	46,822	4,289	4,754	5,161,295
FUND SURPLUS, END OF YEAR	\$ 955,023	\$ 48,913	\$ 4,480	\$ 6,942	\$ 5,481,254

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE 7

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
For the Year Ended December 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	<u>\$ -</u>	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		<u>\$ -</u>	<u>\$ -</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
 December 31, 2024

SCHEDULE 8

	2024			2023
	Rural Utility	Brookfield Utility	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Amounts receivable	-	14,422	14,422	70,395
Portfolio investments	-	-	-	-
Due from other funds	-	40,719	40,719	-
	<u>\$ -</u>	<u>\$ 55,141</u>	<u>\$ 55,141</u>	<u>\$ 70,395</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Long-term debt (Note 7)	-	255,728	255,728	277,085
Due to other funds	65,587	-	65,587	76,459
	<u>\$ 65,587</u>	<u>\$ 255,728</u>	<u>321,315</u>	<u>353,544</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (65,587)</u>	<u>\$ (200,587)</u>	<u>\$ (266,174)</u>	<u>\$ (283,149)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	\$ 222,326	\$1,093,248	\$1,315,574	\$1,346,242
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
	<u>\$ 222,326</u>	<u>\$ 1,093,248</u>	<u>\$1,315,574</u>	<u>\$1,346,242</u>
FUND SURPLUS (DEFICIT)	<u>\$ 156,739</u>	<u>\$ 892,661</u>	<u>\$1,049,400</u>	<u>\$1,063,093</u>
CONTINGENCIES (Note 16)				

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF UTILITY OPERATIONS - Rural Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
REVENUE			
Water			
Water fees	\$ -	\$ 11,160	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>11,160</u>	<u>-</u>
Sewer			
Sewer fees	9,100	6,954	9,662
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>9,100</u>	<u>6,954</u>	<u>9,662</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	87,995
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>87,995</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	3,351	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	808	-
sub-total- other	<u>3,351</u>	<u>808</u>	<u>-</u>
Total revenue	<u>\$ 12,451</u>	<u>\$ 18,922</u>	<u>\$ 97,657</u>

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Rural Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 500	\$ 600	\$ 100
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	500	600	100
Water General			
Purification and treatment	-	-	-
Water purchases	4,451	7,101	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	865	-
sub-total- water general	4,451	7,966	-
Water Amortization & Interest			
Amortization	-	4,481	2,071
Interest on long term debt	-	-	-
sub-total- water amortization & interest	-	4,481	2,071
Sewer General			
Collection system costs	7,500	9,963	7,854
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	7,500	9,963	7,854
Sewage Amortization & Interest			
Amortization	-	987	751
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	-	987	751
Total expenses	12,451	23,997	10,776
NET OPERATING SURPLUS	-	(5,075)	86,881
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) capital fund	-	-	(87,995)
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	\$ -	(5,075)	(1,114)
FUND SURPLUS, BEGINNING OF YEAR		161,814	162,928
FUND SURPLUS, END OF YEAR		\$ 156,739	\$ 161,814

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF UTILITY OPERATIONS - Brookfield Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
REVENUE			
Water			
Water fees	\$ 52,575	\$ 62,303	\$ 46,824
Bulk Water fees	-	-	-
sub-total- water	52,575	62,303	46,824
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
sub-total- sewer	-	-	-
Property taxes	-	-	-
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	500	3,086	7,050
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	2,500	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	1,701	5,620
sub-total- other	3,000	4,787	12,670
Total revenue	\$ 55,575	\$ 67,090	\$ 59,494

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Brookfield Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 500	\$ 7,166	\$ 10,915
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	500	7,166	10,915
Water General			
Purification and treatment	10,700	15,054	10,372
Water purchases	27,000	28,288	23,380
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Other water supply costs	17,375	-	-
sub-total- water general	55,075	43,342	33,752
Water Amortization & Interest			
Amortization	-	25,200	17,144
Interest on long term debt	11,570	9,006	9,678
sub-total- water amortization & interest	11,570	34,206	26,822
Sewer General			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	-	-	-
Sewage Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	-	-	-
Total expenses	67,145	84,714	71,489
NET OPERATING SURPLUS	(11,570)	(17,624)	(11,995)
TRANSFERS			
Transfers from (to) operating fund	30,363	30,363	30,363
Transfers from (to) capital fund	(18,793)	(21,357)	(20,685)
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	\$ -	(8,618)	(2,317)
FUND SURPLUS, BEGINNING OF YEAR		901,279	903,596
FUND SURPLUS, END OF YEAR		\$ 892,661	\$ 901,279

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the Year Ended December 31, 2024

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 4,898,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,898,053
Grants in lieu of taxation	433,677	-	-	-	-	-	-	433,677
User fees	682,882	-	-	-	-	-	65,340	748,222
Permits, licences and fines	350	-	-	-	-	-	-	350
Investment income	50,000	-	-	-	-	-	7,120	57,120
Other revenue	157,850	-	-	-	-	-	(3,944)	153,906
Water and sewer	-	98,389	-	-	-	-	-	98,389
Grants - Province of Manitoba	652,983	-	-	-	-	-	46,026	699,009
Grants - other	243,231	-	-	-	-	-	41,864	285,095
Transfers from accumulated surplus	265,000	-	-	-	(265,000)	-	-	-
Transfers from reserves	210,000	-	-	-	(210,000)	-	-	-
Total revenue	<u>\$ 7,594,026</u>	<u>\$ 98,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (475,000)</u>	<u>\$ -</u>	<u>\$ 156,406</u>	<u>\$ 7,373,821</u>
EXPENSES								
General government services	\$ 1,696,388	\$ -	\$ 56,958	\$ -	\$ 1,375	\$ -	\$ -	\$ 1,754,721
Protective services	631,308	-	67,451	-	-	-	-	698,759
Transportation services	2,978,317	-	518,227	-	-	-	-	3,496,544
Environmental health services	725,829	-	103,297	-	-	-	-	829,126
Public health and welfare services	14,096	-	8,793	-	-	-	-	22,889
Regional planning and development	377,395	-	-	-	-	-	4	377,399
Resource cons and industrial dev	176,355	-	13,991	-	-	-	136,343	326,689
Recreation and cultural services	396,252	-	11,345	-	-	-	130,555	538,152
Water and sewer services	-	98,389	30,668	-	-	-	-	129,057
Fiscal services:							-	-
Transfer to capital	33,117	-	-	-	(33,117)	-	-	-
Transfer to utility	-	-	-	-	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-
Other	30,363	-	-	-	(30,363)	-	-	-
Transfer to reserves	533,231	-	-	-	(533,231)	-	-	-
Allowance for tax assets	1,375	-	-	-	(1,375)	-	-	-
Total expenses	<u>\$ 7,594,026</u>	<u>\$ 98,389</u>	<u>\$ 810,730</u>	<u>\$ -</u>	<u>\$ (596,711)</u>	<u>\$ -</u>	<u>\$ 266,902</u>	<u>\$ 8,173,336</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (810,730)</u>	<u>\$ -</u>	<u>\$ 121,711</u>	<u>\$ -</u>	<u>\$ (110,496)</u>	<u>\$ (799,515)</u>

RURAL MUNICIPALITY OF LAC DU BONNET
ANALYSIS OF TAXES ON ROLL
December 31, 2024

SCHEDULE 11

	2024	2023
Balance, beginning of year	\$ 785,025	\$ 655,388
Add:		
Tax levy (Schedule 12)	10,380,513	9,247,605
Taxes added	96,700	358,714
Penalties or interest	82,212	100,750
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
Sub-total	10,559,425	9,707,069
Deduct:		
Cash collections - current	9,713,265	8,794,105
Cash collections - arrears	567,099	404,445
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	388,522	378,882
Other credits (specify)	-	-
Sub-total	10,668,886	9,577,432
Balance, end of year	\$ 675,564	\$ 785,025

RURAL MUNICIPALITY OF LAC DU BONNET
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2024

SCHEDULE 12

	2024			2023
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	\$ -	\$ -	\$ -	\$ -
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			-	-
Debt charges:				
Frontage	\$ -	\$ -	-	-
L.I.D.	\$ -	\$ -	-	-
Brookfield Utility BL 10-19	\$ -	\$ -	30,363	30,363
sub-total- Debt charges			30,363	30,363
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Machinery/Handivan BL 45-06	\$ 446,371,020	\$ 0.4220	188,369	166,490
Road Reconstruction BL 44-06	\$ 446,371,020	\$ 0.1030	45,976	-
Recreation BL 43-06	\$ 446,371,020	\$ 0.0520	23,211	-
Capital Development	\$ 446,371,020	\$ 0.1430	63,831	-
sub-total- Reserves			321,387	166,490
General municipal	\$ 446,371,020	\$ 9.927	4,431,125	4,141,086
Special levies:				
Name of special levy	\$ -	\$ -	-	-
sub-total- Special levies			-	-
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			4,782,875	4,337,939
Education support levy	\$ 11,822,260	\$ 8.130	96,115	91,499
Special levies:				
Sunrise School Division No. 13	\$ 446,371,020	\$ 12.325	5,501,523	4,818,166
Name of school division	\$ -	\$ -	-	-
sub-total- Special levies			5,501,523	4,818,166
Total education taxes			5,597,638	4,909,666
Total tax levy (Schedule 11)			\$ 10,380,513	\$ 9,247,605

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 13

	2024 Actual	2023 Actual
General government services:		
Legislative	\$ 181,982	\$ 153,434
General administrative	953,791	925,584
Other	382,991	422,414
	<u>1,518,764</u>	<u>1,501,432</u>
Protective services:		
Police	171,131	173,307
Fire	245,963	267,770
Emergency measures	39,739	38,331
Other	80,060	65,198
	<u>536,893</u>	<u>544,606</u>
Transportation services:		
Road transport		
Administration and engineering	7,943	975
Road and street maintenance	3,404,975	3,773,179
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	16,028	19,580
Other	14,265	3,295
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>3,443,211</u>	<u>3,797,029</u>
Environmental health services:		
Waste collection and disposal	725,831	546,924
Recycling	113,142	107,032
Other	3,660	4,837
	<u>842,633</u>	<u>658,793</u>
Public health and welfare services:		
Public health	-	-
Medical care	195	-
Social assistance	3,096	3,096
Other	19,064	267,429
	<u>22,355</u>	<u>270,525</u>
Regional planning and development		
Planning and zoning	365,380	222,914
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>365,380</u>	<u>222,914</u>
Resource conservation and industrial development		
Rural area weed control	42,248	33,857
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	6,137	5,999
Industrial development	-	-
Tourism	2,374	2,140
Other	30,934	29,629
	<u>81,693</u>	<u>71,625</u>
Sub-totals forward	<u>\$ 6,810,929</u>	<u>\$ 7,066,924</u>

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 13

	2024 Actual	2023 Actual
Sub-totals forward	\$ 6,810,929	\$ 7,066,924
Recreation and cultural services:		
Administration	62,056	53,829
Community centers and halls	26,234	24,985
Swimming pools and beaches	20,524	12,560
Golf courses	-	-
Skating and curling rinks	77,116	68,592
Parks and playgrounds	362	4,048
Other recreational facilities	50,936	52,226
Museums	4,069	3,035
Libraries	13,617	13,617
Other cultural facilities	11,345	11,023
	266,259	243,915
Total expenses	\$ 7,077,188	\$ 7,310,839

RURAL MUNICIPALITY OF LAC DU BONNET

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - UNAUDITED

December 31, 2024

	2024				2023
	General	Rural Utility	Brookfield Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 487,348	\$ 393	\$ 16,582	\$ 503,930	\$ 383,477
Adjustments for reporting under public sector accounting standards					
Eliminate expense - transfers to reserves	997,296	-	-	997,296	1,816,684
Eliminate revenue - transfers from reserves	(845,676)	-	-	(845,676)	(609,918)
Eliminate expense (revenue) - transfers to (from) accumulated surplus	(265,000)	-	-	(265,000)	(1,400,000)
Eliminate expense (revenue) - transfers to (from) funds	30,363	-	(30,363)	-	-
Increase revenue - reserve funds interest	168,339	-	-	168,339	113,889
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(110,496)	-	-	(110,496)	(135,765)
Decrease expense - elimination of contributions to consolidated entities	96,679	-	-	96,679	106,189
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	164,203	-	-	164,203	-
Decrease revenue - proceeds from sale of tangible capital assets	(221,279)	-	-	(221,279)	-
Increase expense - amortization of tangible capital assets	(782,627)	(5,468)	(25,200)	(807,827)	(768,645)
Decrease expense - principal portion of debenture debt	-	-	21,357	21,357	20,685
Eliminate expense - acquisitions of tangible capital assets	1,185,352	-	-	1,185,352	1,206,355
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 904,502	\$ (5,075)	\$ (17,624)	\$ 886,878	\$ 732,951