RURAL MUNICIPALITY OF DUFFERIN

Consolidated Financial Statements
For the Year Ended December 31, 2024

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STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the Rural Municipality of Dufferin and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of 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.

Council of the Municipality met with management 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.

BDO Canada LLP, as the Municipality's appointed external auditor, have audited the consolidated financial statements. The independent auditor's 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. Those standards require that they comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement, and present fairly the financial position and results of its operations and its cash flows of the Municipality in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board.

Sharla Murray, CMMA, Chief Administrative Officer

October 21, 2025

Tel.: 204 956 7200
Fax.: 833 888 1678
www.bdo.ca

BDO Canada LLP
201 Portage Avenue, 26th Floor
Winnipeg MB R3B 3K6 Canada

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Members of Council of Rural Municipality of Dufferin

Opinion

We have audited the consolidated financial statements of Rural Municipality of Dufferin (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2024 and the consolidated statement of operations, consolidated statement of change in net financial asset, and consolidated statement of cash flows for the year then ended, and notes to the consolidated 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 Municipality as at December 31, 2024, and its consolidated results of operations, its consolidated change in net financial asset, 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 Auditor's Responsibilities for the Audit of the Consolidated 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 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 these 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 Municipality'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 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.

Auditor's 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 auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 auditor's 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 auditor's 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 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.

• Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Municipality as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba
October 27, 2025

RURAL MUNICIPALITY OF DUFFERIN
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	**$ 4,005,905**	$ 4,595,344
Amounts receivable (Note 4)	**2,793,481**	2,086,251
Portfolio investments	**-**	9,182
Other assets	**24,439**	56,524
	6,823,825	6,747,301
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	**1,251,374**	1,108,080
Deferred revenue	**803,302**	806,988
Asset retirement obligations (Note 7)	**27,363**	224,541
Long-term debt (Note 8)	**2,578,053**	2,870,840
	4,660,092	5,010,449
NET FINANCIAL ASSET	**2,163,733**	1,736,852
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	**33,160,160**	32,618,948
Inventories (Note 5)	**109,810**	121,574
Prepaid expenses	**165,795**	90,732
	33,435,765	32,831,254
ACCUMULATED SURPLUS (Note 10)	**$ 35,599,498**	$ 34,568,106

Approved on behalf of Council:

Cor Lodder, Reeve

John G Peckover

John Peckover, Deputy Reeve

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF DUFFERIN
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2024

	2024 Budget (Schedule 10)	2024 Actual	2023 Actual
REVENUE			
Property taxes	$ 3,997,810	$ 4,020,751	$ 3,902,335
Grants in lieu of taxation	83,780	29,071	28,058
User fees	604,557	509,564	433,542
Grants - Province of Manitoba	858,712	3,257,869	1,783,595
Grants - other	493,410	490,163	605,553
Permits, licences and fines	33,706	32,137	51,247
Investment income	122,630	194,211	222,158
Other revenue	226,170	424,962	128,058
Water and sewer	1,762,209	1,753,781	1,650,985
Total revenue (Schedules 2, 4 and 5)	8,182,984	10,712,509	8,805,531
EXPENSES			
General government services	1,520,979	1,502,666	1,344,627
Protective services	214,493	2,652,739	1,427,118
Transportation services	2,129,058	2,004,933	1,781,733
Environmental health services	16,470	23,626	19,951
Public health and welfare services	390,657	388,266	383,078
Resource conservation and industrial development	341,776	320,691	395,448
Recreation and cultural services	1,615,714	1,078,297	984,382
Water and sewer services	1,826,378	1,709,899	1,660,991
Total expenses (Schedules 3, 4 and 5)	8,055,525	9,681,117	7,997,328
ANNUAL SURPLUS	$ 127,459	1,031,392	808,203
ACCUMULATED SURPLUS, BEGINNING OF YEAR		34,568,106	33,759,903
ACCUMULATED SURPLUS, END OF YEAR		$ 35,599,498	$ 34,568,106

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF DUFFERIN
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSET
For the Year Ended December 31, 2024

	2024 Budget (Note 12)	2024 Actual	2023 Actual
ANNUAL SURPLUS	$ 127,459	$ 1,031,392	$808,203
Acquisition of tangible capital assets	-	(2,114,540)	(1,614,089)
Amortization of tangible capital assets	871,953	970,836	898,283
Loss on sale of tangible capital assets	-	22,794	91,064
Proceeds on sale of tangible capital assets	-	579,698	309,795
Decrease (increase) in inventories	-	11,764	(1,375)
Decrease (increase) in prepaid expenses	-	(75,063)	89,300
	871,953	(604,511)	(227,022)
(INCREASE) DECREASE IN FINANCIAL ASSET	$ 999,412	426,881	581,181
NET FINANCIAL ASSET (DEBT), BEGINNING OF YEAR		1,736,852	1,155,671
NET FINANCIAL ASSET, END OF YEAR		$ 2,163,733	$1,736,852

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF DUFFERIN
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	2024	2023
OPERATING TRANSACTIONS		
Annual surplus	**$ 1,031,392**	$ 808,203
Loss on sale of tangible capital asset	**22,794**	91,064
	1,054,186	899,267
Changes in non-cash items		
Amortization of tangible capital assets	**970,836**	898,283
Amounts receivable	**(707,230)**	(921,739)
Inventories	**11,764**	(1,375)
Prepaid expenses	**(75,063)**	89,301
Accounts payable and accrued liabilities	**143,294**	35,763
Other assets	**32,085**	35,870
Deferred revenue	**(3,686)**	403,492
Asset retirement obligations	**(197,178)**	9,533
Cash provided by operating transactions	**1,229,008**	1,448,395
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	**579,698**	309,795
Cash used to acquire tangible capital assets	**(2,114,540)**	(1,614,089)
Cash applied to capital transactions	**(1,534,842)**	(1,304,294)
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	**9,182**	8,699
Cash provided by investing transactions	**9,182**	8,699
FINANCING TRANSACTIONS		
Debt proceeds	**37,600**	38,564
Debt repayment	**(330,387)**	(233,841)
Cash provided by (applied to) financing transactions	**(292,787)**	(195,277)
NET INCREASE IN CASH AND TEMPORARY INVESTMENTS	**(589,439)**	(42,477)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	**4,595,344**	4,637,821
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	**$ 4,005,905**	$ 4,595,344

The accompanying notes are an integral part of this financial statement

1. Status of the Rural Municipality of Dufferin

The incorporated Rural Municipality of Dufferin (“the Municipality”) is a municipal government that was created in 1880 pursuant to The Manitoba Municipal Act of the Province of Manitoba. The Municipality provides or funds municipal services such as fire, public works, urban planning, parks and recreation, library and other general government operations. The Municipality owns a utility, 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 public sector accounting standards ("PSAS") as recommended by the Public Sector Accounting Board of Chartered Professional Accountants Canada and reflect the following significant accounting policies:

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, accumulated surplus, revenue and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of 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-company balances and transactions have been eliminated. At December 31, 2024, the Municipality has no controlled organizations.

The Municipality has several partnership agreements in place, and as such, consistent with PSAS 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, revenue and expenses are combined on a line by line basis in the consolidated financial statements. Inter-company balances and transactions have been eliminated. The government partnerships, along with the proportion consolidated, include the following:

	2024	2023
Boyne Regional Library	50%	50%
Carman Community Health Centre	50%	50%
Pembina Valley Water Co-operative Inc. ("the Co-operative")	6.70%	6.70%

The taxation with respect to the operations of the school divisions are not reflected in the Municipality revenue and surplus of these consolidated financial statements. Details of amounts levied, collected and payable at year end for Education Support Levy and Special Levy are presented at Schedule 12 - Analysis of Tax Levy.
Trust funds and their related operations administered by the Municipality are not consolidated in these consolidated financial statements. The Municipality does not administer any trust funds at year end.

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

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition are measured at fair value. Amounts receivable, portfolio investment, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the Consolidated Statement of Financial Position.

Interest and dividends attributable to financial instruments are reported in the Consolidated Statement of Operations.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Consolidated Statement of Operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

As the Municipality has no remeasurement gains or losses, this statement has not been presented.

2. Significant Accounting Policies (continued)

d) 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 annual surplus, 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.

e) 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 interest charges as part of the cost of its tangible capital assets.

The cost less residual value of the tangible capital assets is amortized on a straight-line basis over its estimated useful life. Assets under construction are not amortized until the asset is put into use.

The estimated useful lives are as follows:

General Tangible Capital Assets	
Land	Indefinite
Land Improvements	10 to 30 years
Buildings and Leasehold Improvements	
Buildings	40 years
Leasehold improvement	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
Government Partnerships	
Buildings	40 years
Water pipelines	40 years
Water treatment plants	40 years
Vehicles and equipment	7 years
Office furniture	7 years
Computer equipment	5 years
Sandilands well	40 years
Sandilands engineering and related costs	15 years

Certain assets that 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.

g) 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.

2. Significant Accounting Policies (continued)

h) Revenue Recognition

Effective January 1, 2024, the municipality adopted PS 3400 Revenue. PS 3400 addresses how to account for, and report on, revenues. The municipality used prospective application in the adoption of PS 3400, and the accounting standard has not been applied retroactively. Under prospective application, prior periods are not restated, including the opening accumulated surplus. Adjustments are only applied to events and transactions from January 1, 2024 onwards.

Applying PS 3400 prospectively has had no effect on the Municipality's financial statements.

Fees and other revenues:
Exchange transactions are transactions with performance obligations. A performance obligation is a promise to provide a distinct good or service or series of 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 goods 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 of 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 are recognized as revenue when the transder is authorized and any eligibility criteria are met, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liablity. Government transfers are recognized as revenue in the statement of operations as the stipulations liabilities are settled.

Taxation revenue is recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

User fees are recognized as revenue when services are rendered or when consumption occurs. Permits and licenses are recognized as revenue when issued. Fines are recognized as revenue when assessed. Investment revenue is recognized in the period earned.

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.

i) 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, and
- when economic benefits will need to be given up to remediate the liability.

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.

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.

k) Employee Future Benefits

The Municipality pays the employer portion of a multi-employer defined benefit pension plan handled by the Municipal Employees' Pension Plan (MEPP) for its employees. Under this plan, specific fixed amounts are contributed by the Municipality each period for services rendered by the employees matching employee contributions.

For those defined benefit plans that accumulate but do not vest such as sick pay, the benefit costs are recognized and recorded only in the period when the employee is sick given that the liability for sick pay benefits has been determined to be insignificant at year end.

2. Significant Accounting Policies (continued)

l) Measurement Uncertainty

Estimates are used by management to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the consolidated financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the consolidated 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. Actual results could differ from management's best estimates as additional information becomes available in the future.

Measurement uncertainty in these financial statements exists in the estimate of asset retirement obligations. The liability associated with asset retirement obligations reflects the best estimates by management of the amount required to remediate such liabilities, the timing when such remediation will occur, and the estimated future cash flows associated with asset retirement discounted to the financial statement date. The actual future cash flows and timing of obligations arising from asset retirement may differ significantly from these estimates.

m) 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 Cash Equivalents

Cash and temporary investments are comprised of the following:

	2023	2022
Cash and bank	**$ 4,005,905**	4,595,344
Cash equivalents	**-**	-
	$ 4,005,905	$ 4,595,344

The Municipality has an authorized line of credit of $2,500,000. The line of credit is repayable on demand and bears interest at the credit union’s prime lending rate less 0.50% with effective rate of 4.95% at December 31, 2024. Interest is paid monthly. The line of credit is secured by property taxes levied. As at December 31, 2024, the line of credit was unutilized.

The Pembina Valley Water Cooperative has an approved line of credit from the CIBC to a maximum of $250,000. The line of credit bears interest at the financial institution's prime rate less 0.25% and is secured by a general security agreement over the Cooperative's accounts receivable and all property owned by the Cooperative. At December 31, 2024 this line of credit was not accessed.

The Pembina Valley Water Cooperative is also authorized for a revolving capital loan up to $250,000 to fund ongoing capital repairs and improvements. Interest is charged at the CIBC prime rate. Secured by a general security agreement over accounts receivables and all property owned by the Cooperative. At December 31, 2024 this line was not accessed.

4. Amounts Receivable

Amounts receivable are comprised of the following:

	2024	**2023**
Taxes on roll (Schedule 11)	**$ 306,614**	$ 382,612
Government grants	**2,000,346**	1,263,638
Utility customers	**220,008**	202,058
Organizations and individuals	**134,084**	138,974
Other governments	**132,429**	98,969
	2,793,481	2,086,251
Less allowances for doubtful amounts	**-**	-
	$ 2,793,481	$ 2,086,251

5. Inventories

Inventories held for consumption are comprised of the following:

	2024	2023
Chemicals, herbicides and insecticides	**$ 7,654**	$ 8,409
Culverts	**74,154**	83,521
Other supplies	**28,002**	29,644
	$ 109,810	$ 121,574

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are comprised of the following:

	2024	2023
Accounts payable	**$ 1,177,034**	$ 958,241
School levies	**74,340**	149,839
	$ 1,251,374	$ 1,108,080

7. Asset Retirement Obligations

The Municipality's consolidated financial statements include asset retiring obligations retiring asbestos on its buildings and remediation cost of its fuel tank.

	Asbestos	**Other**	**2024**
Opening balance	**$ 211,294**	**$ 13,247**	**$ 224,541**
Additions	**-**	**-**	**-**
Retirement expense	**-**	**-**	**-**
Change in estimates	**(198,481)**	**-**	**(198,481)**
Accretion expense	**640**	**663**	**1,303**
Closing balance	**13,453**	**13,910**	**27,363**

	Asbestos	Other	2023
Opening balance	$ 202,392	$ 12,616	$ 215,008
Additions	-	-	-
Retirement expense	-	-	-
Change in estimates	-	-	-
Accretion expense	8,902	631	9,533
Closing balance	211,294	13,247	224,541

The asset retirement liability has been estimated using a net present value technique using the assumptions as described below. The related asset retirement costs are being amortized on a straight-line basis over the remaining useful lives of the assets.

a) Asbestos
Legislation requires the municipality to appropriately handle and dispose of any material containing asbestos and lead paint when renovating or demolishing a municipal structure. The municipality owns memorial hall and arena which contain asbestos. The estimated total liability related to the memorial hall and arena amount to $13,453 (2023 - $12,813) which is based on the sum of discounted future cash flows of $11,622 using a discount rate of 5%. The asset cost capitalized has an estimated useful life of 24 to 30 years. The estimated total undiscounted future expenditure is $29,367, which will be incurred at the end of the assets' useful lives.

Following the adoption of PS 3280 – Asset Retirement Obligations, one of the Municipality's government partnerships, Pembina Valley Water Cooperative Inc. (the "Cooperative"), recognized an asset retirement obligation with respect to an old concrete pipeline containing asbestos. The Municipality has recognized their proportionate share of the Cooperative's asset retirement obligation. During the current year, the Cooperative changed its estimate related to the Asset Retirement Obligation and there is no estimated balance remaining.

b) Other Obligations
The Municipality has other retirement obligations which require decommissioning and disposal of the fuel storage tank. The estimated liability at December 31, 2024 is $13,909 (2023 -$13,247) which is based on discounted future cash flows of $12,015 using discount rate of 5%. The fuel storage tank has an estimated useful life of 20 years. The estimated total undiscounted future expenditure is $19,572, which will be incurred at the end of the asset's useful lives.

8. Long-term Debt

	2024	2023
General Authority		
Bylaw 1847 - Debenture, interest at 5.250%, payable at $47,150 annually including interest, matured December 31, 2024.	**$ -**	$ 44,798
Bylaw 1871 - Debenture, interest at 4.950%, payable at $28,805 annually including interest, maturing December 31, 2025.	**27,446**	53,598
Bylaw 1884 - Debenture, interest at 4.780%, payable at $71,186 annually including interest, maturing December 31, 2026.	**132,778**	194,660
Bylaw 1949 - Debenture, interest at 2.900%, payable at $82,112 annually including interest, maturing December 31, 2025.	**85,010**	167,623
Bylaw 1973 - Debenture, interest at 3.560%, payable at $62,607 annually including interest, maturing April 30, 2034.	**519,108**	561,718
Bylaw 1989 - Debenture, interest at 3.125%, payable at $53,175 annually including interest, matured December 31, 2024.	**-**	51,564
Bylaw 2007 Debenture, interest at 2.625%, payable at $54,577.49. annually including interest, maturing December 31, 2026.	**103,902**	153,869
	$ 868,244	$ 1,227,830
Utility Funds		
Bylaw 1942 - Debenture, interest at 3.625%, payable at $4,447 annually including interest, matured December 31, 2024.	**$ -**	$ 4,292
Bylaw 1953 - Debenture, interest at 3.375%, payable at $2,765 annually including interest, maturing December 31, 2026.	**2,675**	5,262
Bylaw 1961 - Debenture, interest at 3.125%, payable at $3,169 annually including interest, maturing December 31, 2026.	**6,052**	8,942
Bylaw 2088 Debenture, interest at 3.000%, annual principal payments of $8,019 including interest, maturing December 31, 2031.	**49,960**	56,290
By-Law 1971 - Debenture, interest at 3.875%, annual principal payments of $1,002 including interest, maturing December 31, 2027.	**3,408**	4,461
By-Law 1974 - Debenture, interest at 3.875%, annual principal payments of $1,002 including interest, maturing December 31, 2027.	**3,022**	3,955
Bylaw 1983 - Debenture, interest at 4.000%, annual principal payments of $4,803 annually including interest, maturing December 31, 2028.	**17,434**	21,382
Bylaw 1984 - Debenture, interest at 4.000%, annual principal payments of $1,543 annually including interest, maturing December 31, 2028.	**5,602**	6,870
Bylaw 1999 - Debenture, interest at 2.125%, annual principal payments of $641.35 including interest, maturing December 31, 2030.	**3,577**	4,131
ByLaw 2018 Debenture, interest at 4.775%, annual principal payments of $4,939.82 annually including interest, maturing December 31, 2032.	**32,220**	35,466
Bylaw 2027 Debenture, interest at 5.275%, annual principal payments of $4,934.60 annually including interest, maturing December 31, 2033.	**34,649**	-
	$ 158,599	**$ 151,050**

8. Long-term Debt (continued)

Pembina Valley Water Co-operative Inc.

	2024	2023
Canadian Imperial Bank of Commerce - CIBC demand facility bearing interest at 2.49% per annum, repayable in monthly payments consisting of principal of $5,326 and interest at the 1 month bankers' acceptances rate (the floating rate). The loan is subject to interest rate swap agreement with the bank whereby the Co-Op receives/pays the difference between the floating rate and the fixed rate of 2.49% less a stamping fee of 0.81%. The loan matures on July 29, 2033, if not demanded, and is secured by a general security agreement over accounts receivable and all property owned by the Co-Op.	**$ 609,686**	$ 672,618
Canadian Imperial Bank of Commerce - CIBC demand facility bearing interest at 4.09% per annum, repayable in monthly payments consisting of principal of $1,913 and interest at the 1 month bankers' acceptances rate (the floating rate). The loan is subject to interest rate swap agreement with the bank whereby the Co-Op receives/pays the difference between the floating rate and the fixed rate of 4.09% less a stamping fee of 0.30%. The loan matures on May 31, 2028, if not demanded, and is secured by a general security agreement over accounts receivable and all property owned by the Co-Op.	**411,215**	434,167
Canadian Imperial Bank of Commerce -CIBC demand facility bearing interest at 2.45% per annum, repayable in monthly payments consisting of principal of $838 and interest at the 1 month bankers' acceptances rate (the floating rate). The loan is subject to interest rate swap agreement with the bank whereby the Co-Op receives/pays the difference between the floating rate and the fixed rate of 2.49% less a stamping fee of 0.30%. The loan matures on November 29, 2041, if not demanded, and is secured by a general security agreement over accounts receivable and all property owned by the Co-Op.	**170,013**	180,063
Canadian Imperial Bank of Commerce - CIBC demand facility bearing interest at 4.09% per annum, repayable in monthly payments consisting of principal of $1,024 and interest at the 1 month bankers' acceptances rate (the floating rate). The loan is subject to interest rate swap agreement with the bank whereby the Co-Op receives/pays the difference between the floating rate and the fixed rate of 4.09% less a stamping fee of 0.30%. The loan matures on May 31, 2028, if not demanded, and is secured by a general security agreement over accounts receivable and all property owned by the Co-Op.	**128,967**	141,252
Canadian Imperial Bank of Commerce - CIBC demand facility bearing interest at 4.09% per annum, repayable in monthly payments consisting of principal of $541 and interest at the 1 month bankers' acceptances rate (the floating rate). The loan is subject to interest rate swap agreement with the bank whereby the Co-Op receives/pays the difference between the floating rate and the fixed rate of 4.09% less a stamping fee of 0.30%. The loan matures on May 31, 2028, if not demanded, and is secured by a general security agreement over accounts receivable and all property owned by the Co-Op.	**57,365**	63,859
Canadian Imperial Bank of Commerce - CIBC demand faciity bearing interest at 3.36% per annum, repayable in monthly payments consisting of principal of $988 and interest at the 1 month bankers' acceptances rate (the floating rate). The loan is suject to an interest rate swap agreement with the bank whereby the Co-op receives/pays the difference between the floating rate and the fixed rate of 4.09%. The loan matures on July 21,2034, if not demanded, and is secured by a general security agreement over accounts receivable and all property owned by the Co-Op.	**173,964**	-
	1,551,210	1,491,959
	$ 2,578,053	$ 2,870,840

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

2025	$ 427,595
2026	$ 321,029
2027	$ 201,552
2028	$ 203,533
2029	$ 201,531

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 requires 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 $75,066 ($104,880 in 2023) and are included in the consolidated 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. Accumulated Surplus

Accumulated surplus consists of the following:

	2024	2023
General Operating Fund - Nominal surplus	**$ 1,392,477**	$ 1,392,476
Utility Operating Fund - Nominal surplus	**638,288**	638,288
Tangible capital assets net of related borrowings	**27,997,754**	27,169,901
Reserve funds	**2,643,258**	2,784,897
Accumulated surplus of Municipality - Unconsolidated	**32,671,777**	31,985,562
Accumulated surpluses of government partnerships	**2,927,721**	2,582,544
Accumulated surplus - Consolidated	**$ 35,599,498**	$ 34,568,106

11. Financial Instruments Risk Management

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 credit, liquidity, interest, currency and market risk arising from these financial instruments, except as otherwise disclosed.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Municipality is exposed to credit risk through its cash and accounts receivable. The Municipality holds its cash and bank at a credit union with deposits guaranteed. The Municipality is not exposed to significant credit risk relating to the accounts receivable as the amounts due are spread among a broad base of ratepayers, payment in full is typically collected when it is due, and balances are secured by real property, and grants are paid pursuant to signed agreements.

Liquidity Risk

Liquidity risk is the risk that the Municipality will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to liquidity risk through its accounts payable and debt. The Municipality manages its cash flow to maintain adequate levels of working capital to ensure all its obligations can be met when they fall due.

12. 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 consolidated financial statements have been approved by Council.

The reconciliation between the financial plan and the budget figures presented in these consolidated financial statements is disclosed in Schedule 10 - Reconciliation of the Financial Plan to the Budget.

13. Segmented Information

The Municipality is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government

This relates to the revenues and expenses that relate to the operations of the Municipality itself and cannot be directly attributed to a specific segment.

Protective Services

Protection is comprised of fire protection, building inspection, emergency operations and animal control services. The fire department is comprised of paid on-call volunteers who provide fire suppression services, fire prevention programs, training and education. The fire department also responds to motor vehicle accidents. The building inspector inspects residential buildings for compliance with the Manitoba Building Code. Emergency operation include the Emergency coordinator as well as the emergency operations centres when required.

Transportation Services

Transportation services is responsible for snow clearing, cleaning streets in urban areas, grading gravel roads, and applying dust abatement to gravel roads. The department maintains boulevards and parks in the urban areas as well as maintenance. The department is also responsible for maintaining and improving drainage along municipal roads as well as paying for utility costs for street lights in urban and rural areas.

Environmental Health

Contractors provide services for waste disposal and transportation to the disposal ground as well as the pickup of materials to be recycled.

Public Health

The Municipality pays the Province an annual levy to administer social assistance to its residents.

Regional Planning and Development

The Municipality is responsible for the final decision on subdivision applications for its Zoning By-Laws.

Recreation and Cultural Services

The Municipality provides services in order to improve the health and development of its citizens. Library services are provided through the Boyne Regional Library. As well, Carman Dufferin Recreation Commission and Carman Memorial Hall are operated by the Municipality for recreational purposes.

Water Services

The Municipality supplies the water utility to its residents. The Municipality also maintains the water utility and ensuring the water system meets all provincial standards.

The accounting policies of the segments are the same as those described in Note 2 of Significant Accounting Policies. The revenues and expenses, and government business partnerships that are directly attributable to a particular segment, are allocated to that segment.

14. Government Partnerships

The Municipality has entered partnership agreements for municipal services. The government partnerships, along with the proportion consolidated in these consolidated financial statements, are disclosed at note 2(a). The condensed summary financial statements of the government partnerships, in aggregate, are as follows:

	2024	2023
Financial Position		
Assets	**$ 5,270,145**	$ 5,141,951
Liabilities	**2,342,424**	2,559,408
Accumulated surplus	**2,927,721**	2,582,543
	5,270,145	5,141,951
Results of Operations		
Revenue	**1,315,857**	1,275,375
Expenses	**970,679**	937,366
Annual surplus	**$ 345,178**	$ 338,009

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 PSAS.

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

No capital grants have been deferred and amortized in these consolidated financial statements.

The following table provides historical information on capital grants for tangible with a remaining net book value.

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Water Utility	$ 686,178	$ -	$ 69,783	$ 616,395

16. 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 $181,955 in aggregate.

b) There were no members of Council receiving compensation in excess of $85,000 individually.

Amounts paid to the Council members are as follows:

Council Members	Compensation	Expenses	Total
Reeve - Cor Lodder	$ 21,297	$ 8,135	$ 29,432
Councillor - John Peckover	19,153	6,450	25,603
Councillor - Clayton Morgan	19,059	6,530	25,589
Councillor - Tyler Russell	18,984	6,450	25,434
Councillor - Sheldon Harder	18,134	6,450	24,584
Councillor - Barrie Fraser	18,984	6,630	25,614
Councillor - Fred Dunn	19,059	6,640	25,699
	$ 134,670	$ 47,285	$ 181,955

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

Name	Position	Amount
Rodney Last	Municipal Foreman	$ 97,943
Sharla Murray	Chief Administrative Officer	$ 124,178

RURAL MUNICIPALITY OF DUFFERIN

SCHEDULE 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2024

	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										
Beginning of year	$ 1,496,218	$ 6,112,748	$ 5,827,223	$ 131,716	$ 245,787	$ 14,498,386	$ 17,096,898	$ -	$ 45,408,976	$ 44,312,696
Additions during the year	-	493,256	1,453,223	-	-	-	271,156	-	2,217,635	2,010,896
Disposals, transfers and write downs	-	-	(834,449)	-	(103,095)	-	(32,198)	-	(969,742)	(914,616)
End of year	1,496,218	6,606,004	6,445,997	131,716	142,692	14,498,386	17,335,856	-	46,656,869	45,408,976
Accumulated Amortization										
Beginning of year	96,417	2,470,611	3,081,471	98,813	-	750,095	6,292,621	-	12,790,028	12,008,696
Amortization	13,503	170,244	376,251	-	-	42,051	368,787	-	970,836	898,283
Disposals, write downs and adjustments	-	-	(234,655)	-	-	-	(29,500)	-	(264,155)	(116,951)
End of year	109,920	2,640,855	3,223,067	98,813	-	792,146	6,631,908	-	13,496,709	12,790,028
Net Book Value of Tangible Capital Assets, end of year	$ 1,386,298	$ 3,965,149	$ 3,222,930	$ 32,903	$ 142,692	$ 13,706,240	$ 10,703,948	$ -	$ 33,160,160	$ 32,618,948

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 2**

CONSOLIDATED SCHEDULE OF REVENUE

For the Year Ended December 31, 2024

	2024 Actual	2023 Actual
Property taxes		
Municipal taxes levied (Schedule 12)	$ 3,959,518	$ 3,843,447
Taxes added	61,233	58,888
	4,020,751	3,902,335
Grants in lieu of taxation		
Federal government	30	28
Provincial government	5,946	5,732
Provincial government enterprises	23,095	22,298
	29,071	28,058
User fees		
Sales of service	10,758	10,517
Sales of goods	7,943	6,708
Rentals	392,229	321,402
Facility use fees	98,634	94,915
	509,564	433,542
Grants - Province of Manitoba		
General support grant	556,884	340,323
Conditional grants	2,700,985	1,443,272
	3,257,869	1,783,595
Grants - other		
Federal government - Gas Tax funding	141,412	142,956
Federal government - other	38,885	8,513
Other local governments	309,866	454,084
	490,163	605,553
Permits, licences and fines		
Licences	32,137	51,247
Investment income	194,211	222,158
Other revenue		
Loss on sale of tangible capital assets	(22,794)	(91,064)
Penalties and interest	36,686	42,057
Donations	411,070	177,065
	424,962	128,058
Water and sewer	1,753,781	1,650,985
Total revenue	$ 10,712,509	$ 8,805,531

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 3**

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2024

	2024 Actual	2023 Actual
General government services		
Legislative	$ 144,706	$ 143,127
General administrative	479,717	342,099
Other	878,243	859,401
	1,502,666	1,344,627
Protective services		
Fire	233,979	180,066
Emergency measures	2,411,320	1,242,638
Other protection	7,440	4,414
	2,652,739	1,427,118
Transportation services		
Road transportation		
Road and street maintenance	1,996,245	1,773,776
Street lighting	8,688	7,957
	2,004,933	1,781,733
Environmental health services		
Waste collection and disposal	22,608	18,894
Other	1,018	1,057
	23,626	19,951
Public health and welfare services		
Public health	280,309	278,671
Social assistance	107,957	104,407
	388,266	383,078
Resource conservation and industrial development		
Rural area weed control	117,566	108,518
Drainage of land	35,299	27,741
Veterinary services	4,192	3,812
Water resources and conservation	34,786	35,772
Regional development	128,848	219,605
	320,691	395,448
Recreation and cultural services		
Administration	503,166	499,543
Community centers and halls	8,341	7,809
Parks and playgrounds	55,914	56,826
Museums	9,072	8,510
Libraries	256,536	233,882
Other cultural facilities	245,268	177,812
	1,078,297	984,382
Water and sewer services	1,709,899	1,660,991
Total expenses	$ 9,681,117	$ 7,997,328

RURAL MUNICIPALITY OF DUFFERIN

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2024

	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	**$ 3,920,905**	$ 3,800,609	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -
Grants in lieu of taxation	**29,071**	28,058	**-**	-	**-**	-	**-**	-	-	-
User fees	**18,676**	19,002	**-**	-	**250**	250	**-**	-	**314,657**	231,838
Prov of MB - Unconditional Grants	**535,481**	334,696	**-**	-	**-**	-	**-**	-	**-**	-
Prov of MB - Conditional Grants	**2,509,979**	1,335,897	**6,000**	-	**-**	-	**9,023**	9,719	**-**	-
Grants - other	**145,670**	147,192	**-**	-	**-**	-	**-**	-	**-**	-
Permits, licences and fines	**32,137**	51,247	**-**	-	**-**	-	**-**	-	**-**	-
Investment income	**188,665**	216,811	**-**	-	**2,845**	-	**-**	-	**2,291**	4,675
Other revenue	**195,280**	108,185	**-**	-	**-**	-	**800**	1,826	**11,976**	813
Total revenue	**7,575,864**	6,041,697	**6,000.00**	-	**3,095**	250	**9,823**	11,545	**328,924**	237,326
EXPENSES										
Personnel services	**537,063**	410,755	**44,962**	39,797	**613,039**	518,013	**-**	**-**	**-**	**-**
Contract services	**263,699**	291,420	**2,607,777**	1,387,321	**153,973**	104,882	**22,608**	18,894	**218,759**	206,438
Utilities	**-**	-	**-**	**-**	**8,688**	7,957	**1,018**	1,057	**7,203**	7,262
Maintenance materials and supplies	**35,182**	39,806	**-**	**-**	**1,224,144**	1,145,772	**-**	**-**	**19,864**	25,001
Grants and contributions	**18,690**	7,230	**-**	**-**	**4,700**	4,700	**-**	**-**	**93,157**	90,407
Amortization	**603,352**	536,884	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest on long-term debt	**44,680**	58,532	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other	**-**	**-**	**-**	**-**	**389**	409	**-**	**-**	**49,283**	53,970
Total expenses	**1,502,666**	1,344,627	**2,652,739**	1,427,118	**2,004,933**	1,781,733	**23,626**	19,951	**388,266**	383,078
Surplus (Deficit)	**$ 6,073,198**	$ 4,697,070	**$ (2,646,739)**	$ (1,427,118)	**$ (2,001,838)**	$ (1,781,483)	**$ (13,803)**	$ (8,406)	**$ (59,342)**	$ (145,752)

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

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 4**

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2024

	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	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ 99,846**	$ 101,726	**4,020,751**	3,902,335
Grants in lieu of taxation	**-**	-	**-**	-	**-**	-	**-**	-	**29,071**	28,058
User fees	**-**	-	**-**	-	**175,368**	181,956	**613**	496	**509,564**	433,542
Prov of MB - Unconditional Grants	**-**	-	**-**	-	**21,403**	5,627	**-**	-	**556,884**	340,323
Prov of MB - Conditional Grants	**-**	-	**134,320**	69,112	**41,663**	28,544	**-**	-	**2,700,985**	1,443,272
Grants - other	**-**	-	**-**	20,000	**321,823**	106,681	**22,670**	331,680	**490,163**	605,553
Permits, licences and fines	**-**	-	**-**	-	**-**	-	**-**	-	**32,137**	51,247
Investment income	**-**	-	**-**	-	**410**	672	**-**	-	**194,211**	222,158
Other revenue	**-**	-	**4,523**	4,420	**(4,819)**	(3,219)	**217,201**	16,033	**424,962**	128,058
Recovery of bad debts	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Water and sewer	**-**	-	**-**	-	**-**	-	**1,753,781**	1,650,985	**1,753,781**	1,650,985
Total revenue	**-**	**-**	**138,843**	93,532	**555,848**	320,261	**2,094,112**	2,100,919	**10,712,509**	8,805,531
EXPENSES										
Personnel services	**-**	-	**63,894**	60,942	**443,343**	431,557	**300,989**	292,507	**2,003,290**	1,753,571
Contract services	**-**	-	**55,679**	135,553	**100,630**	73,921	**90,169**	97,242	**3,513,294**	2,315,671
Utilities	**-**	-	**-**	-	**55,734**	34,140	**43,708**	41,269	**116,351**	91,685
Maintenance materials and supplies	**-**	-	**78,673**	70,930	**149,636**	100,886	**799,811**	758,038	**2,307,310**	2,140,433
Grants and contributions	**-**	-	**122,445**	128,023	**157,151**	160,638	**-**	-	**396,143**	390,998
Amortization	**-**	-	**-**	-	**-**	-	**368,787**	350,297	**972,139**	887,181
Interest on long-term debt	**-**	-	**-**	-	**-**	-	**60,272**	67,429	**104,952**	125,961
Bad debt	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Other	**-**	-	**-**	-	**171,803**	183,240	**46,163**	54,209	**267,638**	291,828
Total expenses	**-**	**-**	**320,691**	395,448	**1,078,297**	984,382	**1,709,899**	1,660,991	**9,681,117**	7,997,328
Surplus (Deficit)	**$ -**	$ -	**$ (181,848)**	$ (301,916)	**$ (522,449)**	$ (664,121)	**$ 384,213**	$ 439,928	**1,031,392**	$ 808,203

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 5**

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2024

	Core Government		Controlled Entities		Government Partnerships		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
REVENUE								
Property taxes	**$ 4,020,751**	$ 3,902,335	**$ -**	$ -	**$ -**	$ -	**$ 4,020,751**	$ 3,902,335
Grants in lieu of taxation	**29,071**	28,058	**-**	-	**-**	-	**29,071**	28,058
User fees	**188,511**	193,211	**-**	-	**321,053**	240,331	**509,564**	433,542
Prov of MB - Unconditional Grants	**556,884**	340,323	**-**	-	**-**	-	**556,884**	340,323
Prov of MB - Conditional Grants	**2,659,322**	1,414,728	**-**	-	**41,663**	28,544	**2,700,985**	1,443,272
Grants - other	**376,924**	181,199	**-**	-	**113,239**	424,354	**490,163**	605,553
Permits, licences and fines	**32,137**	51,247	**-**	-	**-**	-	**32,137**	51,247
Investment income	**191,510**	216,811	**-**	-	**2,701**	5,347	**194,211**	222,158
Other revenue	**212,579**	115,244	**-**	-	**212,383**	12,814	**424,962**	128,058
Water and sewer	**1,128,963**	1,087,000	**-**	-	**624,818**	563,985	**1,753,781**	1,650,985
Total revenue	**9,396,652**	7,530,156	**-**	-	**1,315,857**	1,275,375	**10,712,509**	8,805,531
EXPENSES								
Personnel services	**1,819,806**	1,568,124	**-**	-	**183,484**	185,447	**2,003,290**	1,753,571
Contract services	**3,257,873**	2,075,921	**-**	-	**255,421**	239,749	**3,513,294**	2,315,670
Utilities	**60,647**	37,766	**-**	-	**55,704**	53,919	**116,351**	91,685
Maintenance materials and supplies	**2,115,974**	1,986,507	**-**	-	**191,336**	153,926	**2,307,310**	2,140,433
Grants and contributions	**396,143**	390,998	**-**	-	**-**	-	**396,143**	390,998
Amortization	**830,616**	761,648	**-**	-	**141,523**	125,533	**972,139**	887,181
Interest on long-term debt	**51,867**	65,098	**-**	-	**53,085**	60,863	**104,952**	125,961
Other	**177,512**	173,900	**-**	-	**90,126**	117,929	**267,638**	291,829
Total expenses	**8,710,438**	7,059,962	**-**	-	**970,679**	937,366	**9,681,117**	7,997,328
Surplus	**$ 686,214**	$ 470,194	**$ -**	$ -	**$ 345,178**	$ 338,009	**$ 1,031,392**	$ 808,203

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 6**

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2024

	General	Equipment Replacement	Gas Tax	Provincial Road	Drainage	Cemetery	Utility General	2024 Total	2023 Total
REVENUE									
Interest earned	$ -	$ -	$ 2,845	$ -	$ -	$ -	$ -	$ 2,845	$ -
Total revenue	-	-	2,845	-	-	-	-	2,845	-
EXPENSES									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-
NET REVENUE	-	-	2,845	-	-	-	-	2,845	-
TRANSFERS									
Transfers from general operating fund	(10,841)	68,415	141,412	-	-	-	-	198,986	431,511
Transfers from (to) Utility Fund	-	-	-	-	-	-	259,049	259,049	86,691
Acquisition of tangible capital assets	(316,383)	(85,922)	(138,175)	-	-	(500)	(61,539)	(602,519)	(310,164)
NET CHANGE IN RESERVE FUND BALANCES	(327,224)	(17,507)	6,082	-	-	(500.00)	197,510	(141,639)	208,038
FUND SURPLUS, BEGINNING OF YEAR	960,663	56,168	335,071	50,902	-	9,000	1,373,093	2,784,897	2,576,859
FUND SURPLUS, END OF YEAR	$ 633,439	$ 38,661	$ 341,153	$ 50,902	$ -	$ 8,500	$ 1,570,603	$ 2,643,258	$ 2,784,897

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 7**

SCHEDULE OF L.U.D. OPERATIONS

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	-	-	-
Ditches and road drainage	-	-	-
Snow and ice removal	-	-	-
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	-	-	-
Unexpended balance, beginning of year	-	-	-
Unexpended balance, end of year	$ -	$ -	$ -

RURAL MUNICIPALITY OF DUFFERIN

SCHEDULE 8

SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the Year Ended December 31, 2024

	2024 Total	2023 Total
FINANCIAL ASSETS		
Amounts receivable	**$ 220,012**	$ 202,058
Due from other funds	**403,192**	414,137
	623,204	616,195
LIABILITIES		
Accounts payable and accrued liabilities	**12,917**	7,551
Long-term debt	**158,599**	151,050
	171,516	158,601
NET FINANCIAL ASSET	**451,688**	457,594
NON-FINANCIAL ASSETS		
Tangible capital assets	**6,568,386**	6,734,112
Inventories	**28,002**	29,644
	6,596,388	6,763,756
FUND SURPLUS	**$ 7,048,076**	$ 7,221,350

SCHEDULE OF UTILITY OPERATIONS - Rural Municipality of Dufferin Utility
For the Year Ended December 31, 2024

	2024 Budget	2024 Actual	2023 Actual
REVENUE			
Water	$ 1,249,580	$ 1,040,230	$ 1,016,903
Other			
Connection charges	50,000	80,805	62,392
Penalties	4,500	7,042	6,746
Other income	-	886	959
Total revenue	$ 1,304,080	$ 1,128,963	$ 1,087,000

SCHEDULE OF UTILITY OPERATIONS (cont'd) - Rural Municipality of Dufferin Utility
For the Year Ended December 31, 2024

	2024 Budget	2024 Actual	2023 Actual
EXPENSES			
General			
Administration	30,370	$ 30,371	$ 26,781
Billing and collection	161,159	158,842	143,041
sub-total- general	191,529	189,213	169,822
Water General			
Purification and treatment	15,938	10,234	9,920
Transmission and distribution	82,475	41,041	51,969
Water purchases	767,985	612,990	581,504
Connection costs	65,000	54,037	64,326
sub-total- water general	931,398	718,302	707,719
Water Amortization & Interest			
Amortization	227,264	227,264	224,764
Interest on long-term debt	7,187	7,187	6,566
sub-total- water amortization & interest	234,451	234,451	231,330
Total expenses	1,357,378	1,141,966	1,108,871
NET OPERATING DEFICIT	(53,298)	(13,003)	(21,871)
TRANSFERS			
Transfers from (to) operating and capital fund	166,689	98,778	39,118
Transfers from (to) reserve funds	(113,391)	(259,049)	(86,691)
CHANGE IN UTILITY FUND BALANCE	$ -	(173,274)	(69,444)
FUND SURPLUS, BEGINNING OF YEAR		7,221,350	7,290,794
FUND SURPLUS, END OF YEAR		$ 7,048,076	$ 7,221,350

SCHEDULE 10

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

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	$ 3,997,810	$ 37,239	$ -	$ -	$ (37,239)	$ -	$ 3,997,810
Grants in lieu of taxation	83,780	-	-	-	-	-	83,780
User fees	283,504	-	-	-	-	321,053	604,557
Grants - Province of Manitoba	817,049	-	-	-	-	41,663	858,712
Grants - other	380,171	-	-	-	-	113,239	493,410
Permits, licences and fines	33,706	-	-	-	-	-	33,706
Investment income	119,929	-	-	-	-	2,701	122,630
Other revenue	13,788	-	-	-	-	212,382	226,170
Water and sewer	-	1,137,391	-	-	-	624,818	1,762,209
Transfers from reserves	670,007	129,450	-	-	(799,457)	-	-
Total revenue	6,399,744	1,304,080	-	-	(836,696)	1,315,856	8,182,984
EXPENSES							
General government services	871,962	-	603,352	44,818	847	-	1,520,979
Protective services	214,493	-	-	-	-	-	214,493
Transportation services	2,129,058	-	-	-	-	-	2,129,058
Environmental health services	16,470	-	-	-	-	-	16,470
Public health and welfare services	134,607	-	-	-	-	256,050	390,657
Regional planning and development	-	-	-	-	-	-	-
Resource cons and industrial dev	341,776	-	-	-	-	$ -	341,776
Recreation and cultural services	1,469,017	-	-	-	-	146,697	1,615,714
Water and sewer services	-	1,024,000	227,264	7,180	-	567,934	1,826,378
Fiscal services:							
Transfer to capital	568,500	129,450	-	-	(697,950)	-	-
Transfer to utility	37,239	-	-	-	(37,239)	-	-
Debt charges	404,404	37,239	-	(441,643)	-	-	-
Transfer to reserves	211,371	113,391	-	-	(324,762)	-	-
Allowance for tax assets	847	-	-	-	(847)	-	-
Total expenses	6,399,744	1,304,080	830,616	(389,645)	(1,059,951)	970,681	8,055,525
Surplus (Deficit)	$ -	$ -	$ (830,616)	$ 389,645	$ 223,255	$ 345,175	$ 127,459

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 11**
ANALYSIS OF TAXES ON ROLL
For the Year Ended December 31, 2024

	2024	2023
Balance, beginning of year	**$ 382,612**	$ 449,101
Add:		
Tax levy (Schedule 12)	**8,189,328**	7,856,038
Taxes added	**61,233**	58,889
Penalties or interest	**36,686**	42,058
Sub-total	**8,287,247**	7,956,985
Deduct:		
Cash collections - current	**7,786,104**	7,392,361
Cash collections - arrears	**333,154**	382,552
Tax discounts	**17,043**	24,429
M.P.T.C. - cash advance	**226,944**	224,132
Sub-total	**8,363,245**	8,023,474
Balance, end of year	**$ 306,614**	$ 382,612

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 12**

ANALYSIS OF TAX LEVY

Year Ended December 31, 2024

	2024			2023
	Assessment	**Mill Rate**	**Levy**	Levy
Debt charges:				
Fire Infrastructure B/L #1847	397,139,640	0.118%	**$ 46,862**	$ 46,953
Arena B/L #1871	397,139,640	0.072%	**28,594**	28,408
Municipal Shop #1884	397,139,640	0.178%	**70,691**	70,626
Municipal Hall Grant #1949	397,139,640	0.059%	**23,431**	23,279
Other (Rural Water)			**99,846**	101,726
Deferred surplus				
Reserves:				
Machinery Reserve	397,139,640	0.171%	**67,911**	65,103
Garbage & Recycling Pickup			**15,360**	13,120
General municipal:	397,139,640	9.082%	**3,606,822**	3,494,232
Total municipal taxes (Schedule 2)			**3,959,518**	3,843,447
Education support levy	33,725,230	8.128%	**274,119**	272,203
Special levy:				
Red River Valley School Division	2,404,060	12.009%	**28,870**	28,491
Prairie Rose School Division	381,519,190	10.002%	**3,815,955**	3,611,228
Prairie Spirit School Division	13,072,220	8.481%	**110,865**	100,669
Total education taxes			**4,229,809**	4,012,591
Total tax levy (Schedule 11)			**$ 8,189,328**	$ 7,856,038

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 13**

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

Year Ended December 31, 2024

	2024 Actual	2023 Actual
General government services		
Legislative	$ 144,706	$ 143,127
General administrative	479,717	342,099
Other	878,243	859,401
	1,502,666	1,344,627
Protective services		
Fire	233,979	180,066
Emergency measures	2,411,320	1,242,638
Other protection	7,440	4,414
	2,652,739	1,427,118
Transportation services		
Road transport		
Road and street maintenance	1,996,245	1,773,776
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	8,688	7,957
Other	-	-
Air transport	-	-
Public transit	-	-
	2,004,933	1,781,733
Environmental health services		
Waste collection and disposal	22,608	18,894
Other	1,018	1,057
	23,626	19,951
Public health and welfare services		
Public health	24,259	20,659
Social assistance	107,957	104,407
	132,216	125,066
Resource conservation and industrial development		
Rural area weed control	117,566	108,518
Drainage of land	35,299	27,741
Veterinary services	4,192	3,812
Water resources and conservation	34,786	35,772
Regional development	128,848	219,605
	320,691	395,448
Recreation and cultural services		
Administration	503,166	499,543
Community centers and halls	8,341	7,809
Swimming pools and beaches	-	-
Parks and playgrounds	55,914	56,826
Museums	9,072	8,510
Libraries	109,839	106,651
Other cultural facilities	245,268	177,812
	931,600	857,151
Total expenses	$ 7,568,471	$ 5,951,094

RURAL MUNICIPALITY OF DUFFERIN **SCHEDULE 14**
RECONCILIATION OF ANNUAL SURPLUS **(Unaudited)**
December 31, 2024

	2024 General	2024 Utility	2024 Total	2023 Total
MUNICIPAL SURPLUS UNDER THE MUNICIPAL ACT	**$ -**	**$ -**	**$ -**	$ 148,207
Adjustments for reporting under Public Sector Accounting Standards				
Eliminate expense - Transfers to reserves	**198,986**	**259,049**	**458,035**	518,202
Eliminate revenue - Transfers from reserves	**(540,980)**	**(61,539)**	**(602,519)**	(310,164)
Increase revenue - Reserve funds interest, donations and other revenues	**2,845**	**-**	**2,845**	-
Increase (decrease) revenue - Net surplus (deficit) of consolidated entities	**345,178**	**-**	**345,178**	338,009
Decrease revenue - Net book value of disposed tangible capital assets	**(599,794)**	**-**	**(599,794)**	(256,064)
Increase expense - Amortization of tangible capital assets	**(602,049)**	**(227,264)**	**(829,313)**	(759,257)
Decrease (increase) expense - Principal portion of debenture debt, net of new debt	**359,586**	**(7,549)**	**352,037**	340,650
Eliminate expense - Acquisitions of tangible capital assets, net of transfers from assets under construction	**1,843,384**	**61,539**	**1,904,923**	788,620
Increase in expense - water line connection cost funded by borrowings		**-**	**-**	-
Eliminate Interfund transfers	**37,239**	**(37,239)**	**-**	-
ANNUAL SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	**$ 1,044,395**	**$ (13,003)**	**$ 1,031,392**	$ 808,203