

RURAL MUNICIPALITY OF STE. ANNE

**Consolidated Financial Statements
For the Year Ended December 31, 2025**

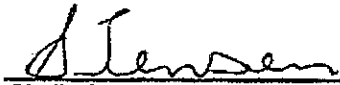
STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the RM of Ste. Anne 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 Group 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.



Shelly Jensen
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the
RURAL MUNICIPALITY OF STE. ANNE

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of Ste. Anne, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2025, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Ste. Anne as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with 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 and liabilities for all existing asset retirement assets and 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. Our audit opinion on the financial statements for the year ended December 31, 2023 was also modified because of this departure from Canadian Public Sector Accounting Standards.

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 assets and 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.

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 qualified 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.

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.

Chartered Professional Accountants Inc.
Winnipeg, Manitoba
June 10, 2026

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RURAL MUNICIPALITY OF STE. ANNE

Consolidated Financial Statements

As at December 31, 2025

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RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 6,470,473	\$ 5,677,141
Amounts receivable (Note 4)	626,320	598,694
	\$ 7,096,793	\$ 6,275,835
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 547,435	\$ 480,530
Post-employment benefits and compensated absences (Notes 2 and 7)	117,225	79,612
Long-term debt (Note 8)	910,020	961,930
	1,574,680	1,522,072
NET FINANCIAL ASSETS	\$ 5,522,113	\$ 4,753,763
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 12,361,809	\$ 11,953,214
Inventories (Note 5)	187,624	174,952
Prepaid expenses	53,715	58,737
	12,603,148	12,186,903
ACCUMULATED SURPLUS (Note 13)	\$ 18,125,261	\$ 16,940,666

COMMITMENTS (NOTE 10)

Approved on behalf of council:

Reeve

Councillor

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED STATEMENT OF OPERATIONS
As at December 31, 2025

	2025 Budget (Note 12)	2025 Actual	2024 Actual
REVENUE			
Property taxes	\$ 4,231,347	\$ 4,223,827	\$ 4,008,024
Grants in lieu of taxation	34,313	34,313	32,073
User fees	133,174	297,282	291,272
Permits, licences and fines	154,750	199,792	179,066
Investment income	40,000	111,573	163,826
Other revenue	111,100	91,639	469,390
Water and sewer	-	-	-
Grants - Province of Manitoba	774,325	980,256	830,140
Grants - other	343,855	361,484	360,232
Total revenue (Schedules 2, 4 and 5)	5,822,864	6,300,166	6,334,023
EXPENSES			
General government services	1,402,380	1,251,331	1,152,704
Protective services	707,989	651,902	746,692
Transportation services	2,778,457	2,400,643	2,249,784
Environmental health services	279,617	284,436	256,718
Public health and welfare services	13,200	3,158	3,158
Regional planning and development	274,613	272,549	258,724
Resource conservation and industrial development	91,353	89,537	86,050
Recreation and cultural services	164,823	162,015	142,547
Water and sewer services	-	-	-
Total expenses (Schedules 3, 4 and 5)	5,712,432	5,115,571	4,896,377
ANNUAL SURPLUS (DEFICIT)	<u>\$ 110,432</u>	1,184,595	1,437,646
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR		16,940,666	15,503,020
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 18,125,261</u>	<u>\$ 16,940,666</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
As at December 31, 2025

	2025 Budget (Note 12)	2025 Actual	2024 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 110,432	\$ 1,184,595	\$ 1,437,646
Acquisition of tangible capital assets	(1,462,000)	(1,102,113)	(1,093,101)
Amortization of tangible capital assets	693,518	693,518	672,922
Loss (Gain) on sale of tangible capital assets	-	-	-
Donated tangible capital assets	-	-	-
Proceeds on sale of tangible capital assets	-	-	-
Decrease (increase) in inventories	-	(12,672)	(81,071)
Decrease (increase) in prepaid expense	-	5,022	13,129
	(768,482)	(416,245)	(488,121)
CHANGE IN NET FINANCIAL ASSETS	\$ (658,050)	768,350	949,525
NET FINANCIAL ASSETS, BEGINNING OF YEAR		4,753,763	3,804,238
NET FINANCIAL ASSETS, END OF YEAR		\$ 5,522,113	\$ 4,753,763

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED STATEMENT OF CASH FLOWS
As at December 31, 2025

	<u>2025</u>	<u>2024</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 1,184,595	\$ 1,437,646
Changes in non-cash items:		
Amounts receivable	(27,626)	249,512
Inventories	(12,672)	(81,071)
Prepays	5,022	13,129
Other assets	-	-
Accounts payable and accrued liabilities	66,905	(279,610)
Post employment benefits and compensated absences	37,613	(2,724)
Deferred revenue	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	693,518	672,922
	<u>1,947,355</u>	<u>2,009,804</u>
Cash provided by operating transactions		
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	(1,102,113)	(1,093,101)
	<u>(1,102,113)</u>	<u>(1,093,101)</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		
Net (repayments) borrowings from revolving line of credit	-	-
Proceeds of long-term debt	-	-
Debt repayment	(51,910)	(50,422)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(51,910)</u>	<u>(50,422)</u>
Cash applied to financing transactions		
INCREASE IN CASH AND TEMPORARY INVESTMENTS	793,332	866,281
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,677,141</u>	<u>4,810,860</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 6,470,473</u>	<u>\$ 5,677,141</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF STE. ANNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2025

1. Status of the Rural Municipality of Ste. Anne

The incorporated Rural Municipality of Ste. Anne (the "Municipality") is a municipality that was formed in 1908 pursuant to The Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations. The Municipality has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with 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 Municipality has no controlled organizations at December 31, 2025.

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. As at December 31, 2025, there were no trust funds administered by the Municipality.

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) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets (debt) for the year.

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

Purchased intangible assets are identifiable non-monetary economic resources without physical substance, which are acquired through an arm's length transaction. Purchased intangible assets are recognized in the financial statements when they meet the definition of an asset and general criteria in PS 1000, Financial Statement Concepts. This guideline came into effect on January 1, 2024.

f) 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.

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.

h) 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.

i) Revenue Recognition

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:

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

Property taxes:

Revenues from property taxes are accrued in the year they are authorized by Council. Property taxes are recorded net of tax concessions and other adjustments. Transfers made through the tax system are recognized as an expense.

Externally restricted inflows:

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

j) Post-employment Benefits and Compensated Absences

Compensation expense is accrued to all employees as entitlement to these payments is earned in accordance with the Municipality's benefits plans for vacation, sick, and retirement allowance.

k) Measurement Uncertainty

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

l) Asset Retirement Obligations

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

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

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

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

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

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

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**.

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 cash equivalents are comprised of the following:

	2025	2024
Cash	<u>\$ 6,470,473</u>	<u>\$ 5,677,141</u>

The Municipality has designated \$4,995,152 (2024 -\$4,332,712) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has an approved line of credit of \$800,000. The line of credit bears interest at the financial institution's prime rate with an effective rate of 4.45% at December 31, 2025. As at year-end, the Municipality had used \$Nil (2024 - \$Nil) of the available credit.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	2025	2024
Taxes on roll (Schedule 11)	\$ 412,740	\$ 412,483
Government grants	161,728	155,259
Utility customers	-	-
Accrued interest	-	-
Organizations and individuals	60,291	14,759
Other governments	-	32,564
Other	-	-
	<u>634,759</u>	<u>615,065</u>
Less allowances for doubtful amounts	<u>(8,439)</u>	<u>(16,371)</u>
	<u>\$ 626,320</u>	<u>\$ 598,694</u>

5. Inventories

Inventories for use:

	2025	2024
Chemicals, herbicides, insecticides	\$ -	\$ -
Fuel	3,500	3,370
Culverts	3,875	83,330
Aggregate	178,552	84,954
Other supplies	-	-
Other	1,697	3,298
	<u>\$ 187,624</u>	<u>\$ 174,952</u>

6. Accounts Payable and Accrued Liabilities

	2025	2024
Accounts payable	\$ 402,288	\$ 376,627
Accrued expenses	-	-
Accrued interest payable	-	-
School levies	145,147	103,903
	<u>\$ 547,435</u>	<u>\$ 480,530</u>

7. Post-employment Benefits and Compensated Absences

	2025	2024
Retirement entitlement	\$ 33,198	\$ 14,353
Banked time	1,667	212
Sick leave	45,704	42,274
Vacation pay	36,656	22,773
	<u>\$ 117,225</u>	<u>\$ 79,612</u>

8. Long Term Debt

	2025	2024
General Authority:		
Debenture, interest at 2.95%, payable at \$80,286 annually including interest, maturing December 2039	<u>\$ 910,020</u>	<u>\$ 961,930</u>

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

2026	\$ 53,441
2027	\$ 55,017
2028	\$ 56,640
2029	\$ 58,311
2030	\$ 60,031

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 PS 3250.

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. 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 \$70,376 (2024- \$68,396) and are included in the statement of operations.

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

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

10. Commitments

The Municipality has negotiated a contract with the City of Steinbach for disposal of waste at their landfill expiring December 31, 2027. Annual charges under the contract are determined by reference to certain waste volumes handled. Payments made under the contract for the year 2025 were \$72,075 (2024 - \$68,299).

The Municipality has negotiated a contract with the City of Steinbach for building inspection services. Payments made under the agreement for the year 2025 were \$64,230 (2024 - \$50,120).

The Municipality has negotiated a contract with the Town of Ste. Anne for fire-fighting and emergency response services expiring December 31, 2034. Annual charges under the contract are based on incremental increases to a base sum payment established in 2019 of \$132,000. Payments made under the agreement for the year 2025 were \$176,925 (2024 - \$175,000).

The Municipality has negotiated a contract with the Rural Municipality of La Broquerie for fire-fighting and emergency response services expires December 31, 2026. Payments made under the agreement for the year 2025 were \$30,000 (2024 - \$30,000).

The Municipality has negotiated a contract with the Rural Municipality of Hanover for fire-fighting and emergency response services expires December 31, 2027. Annual retainer is \$5,100 plus call out fees. The agreement can be renewed every three years.

11. Financial Instruments

The municipality as part of its operations carries a number of financial instruments. It is management's opinion that 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.

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 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.

13. Accumulated Surplus

	2025	2024
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,678,322	\$ 1,616,668
TCA net of related borrowings	11,451,787	10,991,286
Reserve funds	4,995,152	4,332,712
Accumulated surplus of Municipality	\$ 18,125,261	\$ 16,940,666

14. 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, 2025:

- a) There were no members of council receiving compensation in excess of \$85,000 individually.
- b) The following officers received compensation in excess of \$85,000:

Name	Position	Amount
Shelley Jensen	Chief Administrative Officer	\$112,302
Nadine Vielfaure	Legislative Officer	\$93,636
Kevin Medeiros	Operations Manager	\$92,206
Gilles Chartier	Grader Operator	\$90,468

It is a requirement of The Municipal Act that the annual financial statement disclose the amount of compensation, expenses and any other payment made to council or committee members by the type of each payment and the total amount of payment to each member of council of the municipality. For the year ended December 31, 2025:

- c) Compensation paid to members of council and LUD committee amounted to \$227,969 in aggregate.

Council Members:

	Compensation	Expenses	Total
Reeve - Richard Pelletier	\$ 30,400	218	\$ 30,618
Councillor - Randy Eros	30,400	533	30,933
Councillor - Sarah Normandeau	27,900	1,688	29,588
Councillor - Patrick Stolwyk	25,300	-	25,300
Councillor - Bradley Ingles	29,500	1,432	30,932
Councillor - Robert Sarrasin	31,150	2,352	33,502
Councillor - Kyle Waczko	27,474	1,622	29,096
LUD Committee - John Lenton	6,000	-	6,000
LUD Committee - Jessica Ostrowski	6,000	-	6,000
LUD Committee - Normand Bremaud	6,000	-	6,000
	<u>\$ 220,124</u>	<u>\$ 7,845</u>	<u>\$ 227,969</u>

15. Segmented Information

The Rural Municipality of Ste. Anne 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.

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
As at December 31, 2025

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	2025	2024
Cost										
Opening costs	\$ 1,164,661	\$ 3,387,285	\$ 2,821,826	\$ 154,211	\$ 27,271	\$ 6,579,508	\$ 2,886,993	\$ 16,893	\$ 17,038,648	\$ 15,945,547
Additions during the year	124,201	-	110,332	-	348,855	255,866	31,094	231,765	1,102,113	1,093,101
Transfer during the year	112,751	-	-	-	(112,751)	-	235,747	(235,747)	-	-
Disposals and write downs	-	-	(24,303)	-	-	-	-	-	(24,303)	-
Closing costs	1,401,613	3,387,285	2,907,855	154,211	263,375	6,835,374	3,153,834	12,911	18,116,458	17,038,648
Accumulated Amortization										
Opening accum'd amortization	246,650	675,211	1,439,965	153,625	-	2,314,665	255,318	-	5,085,434	4,412,512
Amortization	59,775	80,209	256,334	586	-	220,513	76,101	-	693,518	672,922
Disposals and write downs	-	-	(24,303)	-	-	-	-	-	(24,303)	-
Closing accum'd amortization	306,425	755,420	1,671,996	154,211	-	2,535,178	331,419	-	5,754,649	5,085,434
Net Book Value of Tangible Capital Assets	\$ 1,095,188	\$ 2,631,865	\$ 1,235,859	\$ -	\$ 263,375	\$ 4,300,196	\$ 2,822,415	\$ 12,911	\$ 12,361,809	\$ 11,953,214

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED SCHEDULE OF REVENUES
As at December 31, 2025

SCHEDULE 2

	2025 Actual	2024 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 4,167,581	\$ 3,950,853
Taxes added	56,246	57,171
Taxes discount	-	-
	<u>4,223,827</u>	<u>4,008,024</u>
Grants in lieu of taxation:		
Federal government	-	-
Federal government enterprises	-	-
Provincial government	34,313	32,073
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>34,313</u>	<u>32,073</u>
User fees		
Parking meters	-	-
Sales of service	280,649	268,024
Sales of goods	-	-
Rentals	-	-
Development charges	16,633	23,248
Facility use fees	-	-
Other	-	-
	<u>297,282</u>	<u>291,272</u>
Permits, licences and fines		
Permits	169,235	120,449
Licences	-	-
Fees	26,999	33,715
Fines	3,558	24,902
Other	-	-
	<u>199,792</u>	<u>179,066</u>
Investment income:		
Cash and temporary investments	111,573	163,826
Marketable securities	-	-
Municipal debentures	-	-
Other	-	-
	<u>111,573</u>	<u>163,826</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	-	-
Gain on sale of real estate held for sale	-	-
Contributed assets	-	414,647
Penalties and interest	41,772	50,926
Miscellaneous (specify):	-	-
Other	49,867	3,817
	<u>91,639</u>	<u>469,390</u>
Water and sewer		
Municipal utility (Schedule 9)	-	-
Consolidated water co-operatives	-	-
	<u>-</u>	<u>-</u>
Grants - Province of Manitoba		
Municipal operating grants	755,652	684,683
Other uncondition.	9,916	9,547
Conditional grants	214,688	135,910
Other	-	-
	<u>980,256</u>	<u>830,140</u>
Grants - other		
Federal government - gas tax funding	323,455	310,517
Federal government - other	38,029	49,715
Other municipal governments	-	-
Other	-	-
	<u>361,484</u>	<u>360,232</u>
Total revenue	<u>\$ 6,300,166</u>	<u>\$ 6,334,023</u>

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED SCHEDULE OF EXPENSES
As at December 31, 2025

SCHEDULE 3

	2025 Actual	2024 Actual
General government services:		
Legislative	\$ 244,600	\$ 244,937
General administrative	727,341	673,720
Other	279,390	234,047
	<u>1,251,331</u>	<u>1,152,704</u>
Protective services:		
Police	-	-
Fire	454,938	387,253
Emergency measures	54,496	223,295
Other	142,468	136,144
	<u>651,902</u>	<u>746,692</u>
Transportation services:		
Road transport		
Administration and engineering	543,258	527,219
Road and street maintenance	1,820,339	1,696,113
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	8,691	-
Street lighting	28,355	26,452
Other	-	-
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>2,400,643</u>	<u>2,249,784</u>
Environmental health services:		
Waste collection and disposal	105,634	100,357
Recycling	86,274	41,335
Other	92,528	115,026
	<u>284,436</u>	<u>256,718</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	3,158	3,158
Other	-	-
	<u>3,158</u>	<u>3,158</u>
Regional planning and development		
Planning and zoning	272,549	258,724
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>272,549</u>	<u>258,724</u>
Resource conservation and industrial development		
Rural area weed control	31,485	23,235
Drainage of land	3,260	3,260
Veterinary services	-	-
Water resources and conservation	54,133	58,826
Regional development	-	-
Industrial development	-	-
Tourism	-	-
Other	659	729
	<u>89,537</u>	<u>86,050</u>
Sub-totals forward	<u>\$ 4,953,556</u>	<u>\$ 4,753,830</u>

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2025

SCHEDULE 3

	2025 Actual	2024 Actual
Sub-totals forward	\$ 4,953,556	\$ 4,753,830
Recreation and cultural services:		
Administration	-	-
Community centers and halls	73,718	74,063
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	88,297	68,484
Other recreational facilities	-	-
Museums	-	-
Libraries	-	-
Other cultural facilities	-	-
	162,015	142,547
Water and sewer services		
Municipal utility (Schedule 9)	-	-
Consolidated water co-operatives	-	-
	-	-
Total expenses	\$ 5,115,571	\$ 4,896,377

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
As at December 31, 2025

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
REVENUE										
Property taxes	\$ 4,223,827	\$ 4,008,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	34,313	32,073	-	-	-	-	-	-	-	-
User fees	26,229	28,792	55,907	70,968	215,146	191,512	-	-	-	-
Grants - other	361,484	360,232	-	-	-	-	-	-	-	-
Permits, licences and fines	157,912	129,171	-	-	-	-	-	-	-	-
Investment income	111,573	163,826	-	-	-	-	-	-	-	-
Other revenue	91,639	469,390	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	765,568	694,230	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	145,194	75,338	-	-	69,232	60,387	-	-
Total revenue	\$ 5,772,545	\$ 5,885,738	\$ 201,101	\$ 146,306	\$ 215,146	\$ 191,512	\$ 69,232	\$ 60,387	\$ -	\$ -
EXPENSES										
Personnel services	\$ 705,803	\$ 670,643	\$ 49,291	\$ 43,154	\$ 541,768	\$ 526,845	\$ -	\$ -	\$ -	\$ -
Contract services	342,189	292,502	422,901	569,175	210,591	157,527	217,166	181,680	-	-
Utilities	13,501	15,273	13,942	13,852	43,204	39,257	-	-	-	-
Maintenance materials and supplies	28,411	33,532	94,220	55,344	1,078,252	1,026,810	1,926	10,300	-	-
Grants and contributions	128,486	94,665	7,031	5,799	-	-	-	-	3,158	3,158
Amortization	32,078	44,056	62,932	59,117	493,295	464,723	64,040	64,040	-	-
Interest on long term debt	-	-	-	-	28,377	29,864	-	-	-	-
Other	863	2,033	1,585	251	5,156	4,758	1,304	698	-	-
Total expenses	\$ 1,251,331	\$ 1,152,704	\$ 651,902	\$ 746,692	\$ 2,400,643	\$ 2,249,784	\$ 284,436	\$ 256,718	\$ 3,158	\$ 3,158
Surplus (Deficit)	\$ 4,521,214	\$ 4,733,034	\$ (450,801)	\$ (600,386)	\$ (2,185,497)	\$ (2,058,272)	\$ (215,204)	\$ (196,331)	\$ (3,158)	\$ (3,158)

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

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
As at December 31, 2025

SCHEDULE 4

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,223,827	\$ 4,008,024
Grants in lieu of taxation	-	-	-	-	-	-	-	-	34,313	32,073
User fees	-	-	-	-	-	-	-	-	297,282	291,272
Grants - other	-	-	-	-	-	-	-	-	361,484	360,232
Permits, licences and fines	41,880	49,895	-	-	-	-	-	-	199,792	179,066
Investment income	-	-	-	-	-	-	-	-	111,573	163,826
Other revenue	-	-	-	-	-	-	-	-	91,639	469,390
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	765,568	694,230
Prov of MB - Conditional Grants	-	-	-	-	262	185	-	-	214,688	135,910
Total revenue	\$ 41,880	\$ 49,895	\$ -	\$ -	\$ 262	\$ 185	\$ -	\$ -	\$ 6,300,166	\$ 6,334,023
EXPENSES										
Personnel services	\$ 165,901	\$ 157,360	\$ -	\$ -	\$ 33,641	\$ 16,612	\$ -	\$ -	\$ 1,496,404	\$ 1,414,614
Contract services	106,485	100,165	88,879	85,322	1,404	1,308	-	-	1,389,615	1,387,679
Utilities	-	-	-	-	-	-	-	-	70,647	68,382
Maintenance materials and supplies	163	1,199	-	-	15,797	13,641	-	-	1,218,769	1,140,826
Grants and contributions	-	-	658	728	70,000	70,000	-	-	209,333	174,350
Amortization	-	-	-	-	41,173	40,986	-	-	693,518	672,922
Interest on long term debt	-	-	-	-	-	-	-	-	28,377	29,864
Other	-	-	-	-	-	-	-	-	8,908	7,740
Total expenses	\$ 272,549	\$ 258,724	\$ 89,537	\$ 86,050	\$ 162,015	\$ 142,547	\$ -	\$ -	\$ 5,115,571	\$ 4,896,377
Surplus (Deficit)	\$ (230,669)	\$ (208,829)	\$ (89,537)	\$ (86,050)	\$ (161,753)	\$ (142,362)	\$ -	\$ -	\$ 1,184,595	\$ 1,437,646

RURAL MUNICIPALITY OF STE. ANNE
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
As at December 31, 2025

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
REVENUE								
Property taxes	\$ 4,223,827	\$ 4,008,024	\$ -	\$ -	\$ -	\$ -	\$ 4,223,827	\$ 4,008,024
Grants in lieu of taxation	34,313	32,073	-	-	-	-	34,313	32,073
User fees	297,282	291,272	-	-	-	-	297,282	291,272
Grants - other	361,484	360,232	-	-	-	-	361,484	360,232
Permits, licences and fines	199,792	179,066	-	-	-	-	199,792	179,066
Investment income	111,573	163,826	-	-	-	-	111,573	163,826
Other revenue	91,639	469,390	-	-	-	-	91,639	469,390
Water and sewer	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	765,568	694,230	-	-	-	-	765,568	694,230
Prov of MB - Conditional Grants	214,688	135,910	-	-	-	-	214,688	135,910
Total revenue	\$ 6,300,166	\$ 6,334,023	\$ -	\$ -	\$ -	\$ -	\$ 6,300,166	\$ 6,334,023
EXPENSES								
Personnel services	\$ 1,496,404	\$ 1,414,614	\$ -	\$ -	\$ -	\$ -	\$ 1,496,404	\$ 1,414,614
Contract services	1,389,615	1,387,679	-	-	-	-	1,389,615	1,387,679
Utilities	70,647	68,382	-	-	-	-	70,647	68,382
Maintenance materials and supplies	1,218,769	1,140,826	-	-	-	-	1,218,769	1,140,826
Grants and contributions	209,333	174,350	-	-	-	-	209,333	174,350
Amortization	693,518	672,922	-	-	-	-	693,518	672,922
Interest on long term debt	28,377	29,864	-	-	-	-	28,377	29,864
Other	8,908	7,740	-	-	-	-	8,908	7,740
Total expenses	\$ 5,115,571	\$ 4,896,377	\$ -	\$ -	\$ -	\$ -	\$ 5,115,571	\$ 4,896,377
Surplus (Deficit)	\$ 1,184,595	\$ 1,437,646	\$ -	\$ -	\$ -	\$ -	\$ 1,184,595	\$ 1,437,646

RURAL MUNICIPALITY OF STE. ANNE
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
As at December 31, 2025

SCHEDULE 6

	2025														2024
	General	Machinery Replacement	Recreation	Infrastructure RM	Infrastructure LUD	Mitigation Preparations	Waste Management	Economic Development	Green Initiative	Gas Tax	LUD	Fire Equipment	Disaster Management	Total	Total
REVENUE															
Investment income	\$ 18,080	\$ 7,502	\$ 1,576	\$ 7,346	\$ -	\$ -	\$ 1,770	\$ 838	\$ 302	\$ 21,023	\$ 5,567	\$ 7,072	\$ 239	\$ 71,315	\$ 114,417
Other income	-	-	-	-	-	-	-	-	-	10	-	-	-	10	-
Total revenue	18,080	7,502	1,576	7,346	-	-	1,770	838	302	21,033	5,567	7,072	239	71,325	114,417
EXPENSES															
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150901															
NET REVENUES	18,080	7,502	1,576	7,346	-	-	1,770	838	302	21,033	5,567	7,072	239	71,325	114,417
TRANSFERS															
Transfers from general operating	440,224	116,400	19,324	-	-	-	74,700	4,700	2,350	323,455	64,082	396,750	47,350	1,489,335	1,433,155
Transfers to general operating fund	(188,813)	(109,732)		(282,991)	-	(24)	-	-	-	(106,447)	(16,760)	(193,453)	-	(898,220)	(671,124)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from LUD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to LUD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND	269,491	14,170	20,900	(275,645)	-	(24)	76,470	5,538	2,652	238,041	52,889	210,369	47,589	662,440	876,448
FUND SURPLUS, BEGINNING OF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,104,448	505,249	114,464	395,505	-	24	106,806	55,751	19,026	1,136,466	312,089	566,404	16,480	4,332,712	3,456,264
FUND SURPLUS, END OF YEAR	\$ 1,373,939	\$ 519,419	\$ 135,364	\$ 119,860	\$ -	\$ -	\$ 183,276	\$ 61,289	\$ 21,678	\$ 1,374,507	\$ 364,978	\$ 776,773	\$ 64,069	\$ 4,995,152	\$ 4,332,712

RURAL MUNICIPALITY OF STE. ANNE
SCHEDULE OF L.U.D. OPERATIONS - RICHER
As at December 31, 2025

SCHEDULE 7

	2025 Budget	2025 Actual	2024 Actual
Revenue			
Taxation	\$ 231,088	\$ 231,091	\$ 196,830
Other revenue	13,100	1,576	31,539
Total revenue	244,188	232,667	228,369
Expenses			
General Government:			
Indemnities	23,300	23,095	22,670
Transportation Services			
Road and street maintenance	51,000	31,371	20,650
Ditches and road drainage	5,000	915	1,712
Snow and ice removal	10,000	4,375	3,200
Sidewalk and boulevard maintenance	1,500	-	-
Street lighting	14,000	12,898	11,813
Other	-	-	-
Environmental health			
Waste collection and disposal	38,088	33,499	31,997
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	15,000	18,613	13,637
Other	-	-	-
Recreation and cultural services			
Community centers and halls	78,800	73,718	74,063
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	236,688	198,484	179,742
Net revenues (expenses)	7,500	34,183	48,627
Transfers:			
Transfers from (to) L.U.D. reserves	52,500	(16,760)	40,095
Transfers from (to) operating fund	70,000	64,082	66,272
Transfer to capital	(130,000)	(66,760)	(134,226)
Change in L.U.D. balances	\$ -	14,745	20,768
Unexpended balance, beginning of year		194,665	173,897
Unexpended balance, end of year		\$ 209,410	\$ 194,665

RURAL MUNICIPALITY OF STE. ANNE
SCHEDULE 8

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2025

	2025	2024
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	-	-
Portfolio investments	-	-
Due from other funds	-	-
Other (specify):	-	-
	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ -	\$ -
Unearned revenue	-	-
Long-term debt (Note 9)	-	-
Due to other funds	-	-
Other (specify):	-	-
	<u>-</u>	<u>-</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ -</u>	<u>\$ -</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ -	\$ -
Inventories	-	-
Prepaid expenses	-	-
	<u>-</u>	<u>-</u>
FUND SURPLUS (DEFICIT)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

	Budget	2025	2024
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	-	-	-
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
sub-total- sewer	-	-	-
Property taxes	-	-	-
Recovery			
Deficit recovery	-	-	-
Debenture recovery	-	-	-
sub-total- recovery	-	-	-
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income (specify)	-	-	-
sub-total- other	-	-	-
Total revenue	\$ -	\$ -	\$ -

EXPENSES	Budget	2025	2024
General			
Administration	\$ -	\$ -	\$ -
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other (specify)	-	-	-
sub-total- general	-	-	-
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other (specify)	-	-	-
sub-total- water general	-	-	-
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	-	-	-
Sewer General			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs (specify)	-	-	-
sub-total- sewer general	-	-	-
Sewage Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	-	-	-
Total expenses	-	-	-
NET OPERATING SURPLUS	-	-	-
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	\$ -	-	-
FUND SURPLUS, BEGINNING OF YEAR		-	-
FUND SURPLUS, END OF YEAR		\$ -	\$ -

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

As at December 31, 2025

	Financial Plan General	Amortization (TCA)	Interest Expense	Transfers	LUD	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 3,997,260	\$ -	\$ -	\$ -	\$ 234,087	\$ -	\$ 4,231,347
Grants in lieu of taxation	34,313	-	-	-	-	-	34,313
User fees	133,174	-	-	-	-	-	133,174
Permits, licences and fines	154,750	-	-	-	-	-	154,750
Investment income	40,000	-	-	-	-	-	40,000
Other revenue	41,000	-	-	-	70,100	-	111,100
Water and sewer	-	-	-	-	-	-	-
Grants - Province of Manitoba	764,325	-	-	-	10,000	-	774,325
Grants - other	343,855	-	-	-	-	-	343,855
Transfers from accumulated surplus	22,500	-	-	(22,500)	-	-	-
Transfers from reserves	1,581,957	-	-	(1,634,457)	52,500	-	-
Total revenue	<u>\$ 7,113,134</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,656,957)</u>	<u>\$ 366,687</u>	<u>\$ -</u>	<u>\$ 5,822,864</u>
EXPENSES							
General government services	\$ 1,344,116	\$ 32,078	\$ 133	\$ 2,753	\$ 23,300	\$ -	\$ 1,402,380
Protective services	645,057	62,932	-	-	-	-	707,989
Transportation services	2,175,285	493,295	28,377	-	81,500	-	2,778,457
Environmental health services	177,490	64,040	-	-	38,087	-	279,617
Public health and welfare services	13,200	-	-	-	-	-	13,200
Regional planning and development	259,613	-	-	-	15,000	-	274,613
Resource cons and industrial dev	91,353	-	-	-	-	-	91,353
Recreation and cultural services	44,850	41,173	-	-	78,800	-	164,823
Water and sewer services	-	-	-	-	-	-	-
Fiscal services:							
Transfer to capital	1,764,676	-	-	(1,894,676)	130,000	-	-
Transfer to LUD	-	-	-	-	-	-	-
Debt charges	80,286	-	(80,286)	-	-	-	-
Short term interest	1,000	-	(1,000)	-	-	-	-
Transfer to reserves	513,455	-	-	(513,455)	-	-	-
Allowance for tax assets	2,753	-	-	(2,753)	-	-	-
Total expenses	<u>\$ 7,113,134</u>	<u>\$ 693,518</u>	<u>\$ (52,776)</u>	<u>\$ (2,408,131)</u>	<u>\$ 366,687</u>	<u>\$ -</u>	<u>\$ 5,712,432</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ (693,518)</u>	<u>\$ 52,776</u>	<u>\$ 751,174</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,432</u>

RURAL MUNICIPALITY OF STE. ANNE
ANALYSIS OF TAXES ON ROLL
As at December 31, 2025

SCHEDULE 11

	2025	2024
Balance, beginning of year	\$ 412,483	\$ 575,292
Add:		
Tax levy (Schedule 12)	10,774,476	9,423,576
Taxes added	56,245	57,171
Penalties or interest	41,772	50,926
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Sub-total	10,872,493	9,531,673
Deduct:		
Cash collections - current	10,116,224	8,779,566
Cash collections - arrears	326,001	452,867
Cash collections -future taxes	166,904	
Write-offs	-	-
Tax discounts	-	-
E.P.T.C. - cash advance	263,107	462,049
Other credits (specify)	-	-
Sub-total	10,872,236	9,694,482
Balance, end of year	\$ 412,740	\$ 412,483

	2025			2024
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
LUD of Richer	\$ 29,146,810	6.52	189,979	\$ 176,102
Name of LUD	\$ -	-	-	-
sub-total - L.U.D.			189,979	176,102
Debt charges:				
Frontage	\$ -	-	-	-
LUD of Richer Asphalting	\$ -	-	-	-
PW Shop Debenture	\$ 492,740,030	0.16	79,824	79,584
Office Debenture B/L #06-2012	\$ -	-	-	-
sub-total - Debt charges			79,824	79,584
Deferred surplus	\$ -	-	-	-
Reserves:				
General	\$ -	-	-	-
Waste	\$ 492,740,030	0.02	10,348	-
Machinery	\$ 463,593,220	0.22	99,673	173,852
Fire Equipment	\$ 492,740,030	0.15	74,404	63,187
Economic Development	\$ -	-	-	9,998
Green Initiative	\$ -	-	-	5,199
Disaster	\$ 492,740,030	0.01	5,420	5,199
Recreation& Culture	\$ -	-	-	9,998
sub-total - Reserves			189,844	267,433
General municipal				
Rural area	\$ 463,593,220	3.91	1,814,504	1,651,592
At large	\$ 492,740,030	3.78	1,862,557	1,746,843
Sub-total - General municipal			3,677,061	3,398,435
Special levies:				
Cooks Creek Conservatory Distric	\$ -	-	-	-
LUD Garbage P/U B/L #09-2016	\$ -	-	30,873	29,300
Villa Youville	\$ -	-	-	-
Seine Rat River Conservation Dist	\$ -	-	-	-
sub-total - Special levies			30,873	29,300
Business tax (rate%)	\$ -	-	-	-
Total municipal taxes (Schedule 2)			4,167,581	3,950,853
Education support levy	\$ 58,489,430	7.12	416,269	407,209
Special levies:				
Seine River SD	\$ 360,256,710	12.67	4,565,173	3,638,489
Hanover SD	\$ 131,509,100	12.36	1,625,452	1,427,025
sub-total - Special levies			6,190,626	5,065,514
Total education taxes			6,606,895	5,472,723
Total tax levy (Schedule 11)			\$ 10,774,476	\$ 9,423,576

RURAL MUNICIPALITY OF STE. ANNE
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
As at December 31, 2025

SCHEDULE 13

	2025 Actual	2024 Actual
General government services:		
Legislative	\$ 221,505	\$ 222,267
General administrative	727,341	673,636
Other	279,392	234,221
	<u>1,228,238</u>	<u>1,130,124</u>
Protective services:		
Police	-	-
Fire	454,938	387,253
Emergency measures	54,496	223,295
Other (specify)	142,468	136,144
	<u>651,902</u>	<u>746,692</u>
Transportation services:		
Road transport		
Administration and engineering	543,248	527,219
Road and street maintenance	1,792,378	1,658,823
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	15,457	26,452
Other (specify)	-	-
Air transport	-	-
Public transit	-	-
Other (specify)	-	-
	<u>2,351,083</u>	<u>2,212,494</u>
Environmental health services:		
Waste collection and disposal	92,528	115,026
Recycling	86,274	41,335
Other	72,135	68,359
	<u>250,937</u>	<u>224,720</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	3,158	3,158
Other	-	-
	<u>3,158</u>	<u>3,158</u>
Regional planning and development		
Planning and zoning	272,549	258,724
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>272,549</u>	<u>258,724</u>
Resource conservation and industrial development		
Rural area weed control	13,530	10,327
Drainage of land	3,260	3,260
Veterinary services	-	-
Water resources and conservation	54,133	58,827
Regional development	-	-
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>70,923</u>	<u>72,414</u>
Sub-totals forward	<u>\$ 4,828,790</u>	<u>\$ 4,648,326</u>

RURAL MUNICIPALITY OF STE. ANNE
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2025

SCHEDULE 13

	2025 Actual	2024 Actual
Sub-totals forward	\$ 4,828,790	\$ 4,648,326
Recreation and cultural services:		
Administration	-	-
Community centers and halls	-	70,000
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	88,297	68,484
Other recreational facilities	-	-
Museums	-	-
Libraries	-	-
Other cultural facilities	-	-
	88,297	138,484
Total expenses	\$ 4,917,087	\$ 4,786,810

RURAL MUNICIPALITY OF STE. ANNE

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - UNAUDITED

As at December 31, 2025

	General	2025 Utility	Total	2024 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 61,661	\$ -	\$ 61,661	\$ 90,597
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,489,335	-	1,489,335	1,433,155
Eliminate revenue - transfers from reserves	(898,220)	-	(898,220)	(671,124)
Eliminate revenue - acquisitions of tangible capital assets from reserves	-	-	-	-
Increase revenue - reserve funds interest	71,315	-	71,315	114,417
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(693,518)	-	(693,518)	(672,922)
Increase (Decrease) revenue - gain (loss) on disposal of tangible capital assets	-	-	-	-
Decrease revenue - proceeds from disposal of tangible capital assets	-	-	-	-
Decrease expense - principal portion of debenture debt	51,910	-	51,910	50,422
Decrease revenue - proceeds from long term debt	-	-	-	-
Eliminate expense - acquisitions of tangible capital assets	1,102,113	-	1,102,113	1,093,101
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 1,184,595	\$ -	\$ 1,184,595	\$ 1,437,646