Rural Municipality of De Salaberry

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 Rural Municipality of De Salaberry 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.

Dallas Braun
Chief Administrative Officer

CHARTERED PROFESSIONAL ACCOUNTANTS
BUSINESS & TECHNOLOGY CONSULTANTS
EXCHANGE GROUP

INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
Rural Municipality of De Salaberry

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of De Salaberry, 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 matter described in the Basis for Qualified Opinion section of the report, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of De Salaberry as at December 31, 2025, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2025 in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

Under Canadian Public Sector Accounting Standards, as of the year ended December 31, 2023, the Municipality was required to adopt a new accounting standard, PS 3280 – Asset Retirement Obligations. The Municipality has not recognized assets or liabilities for asset retirement obligations in the consolidated statement of financial position as at December 31, 2025 and has not recognized related expenses in the consolidated statement of operations for the year then ended.

The Municipality operates a landfill and an environmental liability has been recorded in these financial statements; however, the liability was recorded using PS3270 - Solid Waste Landfill Closure & Post - Closure Liability. The use of PS 3270 is no longer permitted with the adoption of PS 3280.

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 association 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. Our audit opinion on the consolidated financial statements for the year ended December 31, 2024 was also modified because of the effects of this departure from Canadian Public Sector Accounting Standards.

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

Emphasis of Matter

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

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

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

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

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

(continues)

Auditors' Responsibilities for the Audit of the Financial Statements

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality’s internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Exchange

Chartered Professional Accountants Inc.
Winnipeg, Manitoba
October 14, 2026

1-554 St. Mary's Road, Winnipeg, Manitoba R2M 3L5
Telephone (204) 943-4584 Fax (204) 957-5195
E-mail: info@exg.ca Website: www.exg.ca

Rural Municipality of De Salaberry

Consolidated Financial Statements
For the Year Ended December 31, 2025

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Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2025

	2025	2024 (Restated)
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	**$ 5,769,997**	$ 5,799,729
Amounts receivable (Note 4)	**2,861,802**	1,195,200
Investments (Note 6)	**136,161**	1,145,321
	$ 8,767,960	$ 8,140,250
LIABILITIES		
Bank indebtedness (Note 7)	**$ -**	$ 82,392
Accounts payable and accrued liabilities (Note 8)	**1,416,541**	1,252,422
Landfill closure and post closure liabilities (Note 9)	**16,174**	10,245
Long-term debt (Note 10)	**1,112,876**	1,300,083
	2,545,591	2,645,142
NET FINANCIAL ASSETS	**$ 6,222,369**	$ 5,495,108
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	**$ 21,038,464**	$ 16,647,856
Inventories (Note 5)	**34,078**	37,914
Prepaid expenses	**45,292**	39,994
	21,117,834	16,725,764
ACCUMULATED SURPLUS (NOTE 14)	**$ 27,340,203**	$ 22,220,872

COMMITMENTS (NOTE 22)

Approved on behalf of Council:

Reeve

Councillor

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2025

	2025 Budget (Note 13)	2025 Actual	2024 Actual (Restated)
REVENUE			
Property taxes	**$ 5,234,166**	**$ 5,228,596**	$ 4,565,381
Grants in lieu of taxation	**42,005**	**42,005**	35,555
User fees	**634,246**	**441,975**	509,501
Permits, licences and fines	**134,400**	**94,302**	83,605
Investment income	**118,102**	**126,733**	215,468
Other revenue	**40,003**	**140,535**	380,141
Water and sewer	**397,625**	**399,136**	374,675
Grants - Province of Manitoba	**1,027,061**	**4,375,175**	1,321,285
Grants - other	**2,679,041**	**1,186,988**	1,064,495
Total revenue (Schedules 2, 4 and 5)	**10,306,649**	**12,035,445**	8,550,106
EXPENSES			
General government services	**1,426,498**	**1,349,855**	1,324,223
Protective services	**336,772**	**297,086**	387,815
Transportation services	**3,186,671**	**2,993,173**	2,805,292
Environmental health services	**576,477**	**586,846**	559,191
Public health and welfare services	**90,829**	**89,941**	90,028
Regional planning and development	**29,800**	**55,578**	81,610
Resource conservation and industrial development	**191,366**	**148,698**	137,129
Recreation and cultural services	**861,459**	**724,923**	757,778
Water and sewer services	**596,157**	**670,013**	543,338
Total expenses (Schedules 3, 4 and 5)	**7,296,029**	**6,916,113**	6,686,404
ANNUAL SURPLUS	**$ 3,010,620**	**5,119,332**	1,863,702
ACCUMULATED SURPLUS, BEGINNING OF YEAR AS PREVIOUSLY STATED		**22,066,154**	20,357,170
CORRECTION OF ERROR (NOTE 23)		**154,717**	-
ACCUMULATED SURPLUS, BEGINNING OF YEAR AS RESTATED		**22,220,871**	20,357,170
ACCUMULATED SURPLUS, END OF YEAR		**$ 27,340,203**	$ 22,220,872

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2025

	2025 Budget (Note 13)	2025 Actual	2024 Actual
ANNUAL SURPLUS	**$ 3,010,620**	**$ 5,119,332**	$ 1,863,702
Acquisition of tangible capital assets	**(8,347,500)**	**(5,538,636)**	(2,615,931)
Amortization of tangible capital assets	**1,077,312**	**1,077,312**	1,004,036
Loss (Gain) on sale of tangible capital assets	**-**	**42,989**	(200,488)
Proceeds on sale of tangible capital assets	**-**	**27,725**	457,727
Decrease (increase) in inventories	**-**	**3,836**	131,598
Decrease (increase) in prepaid expense	**-**	**(5,297)**	(73)
	(7,270,188)	**(4,392,071)**	(1,223,131)
CHANGE IN NET FINANCIAL ASSETS	**$ (4,259,568)**	**727,261**	640,571
NET FINANCIAL ASSETS, BEGINNING OF YEAR		**5,495,108**	4,854,537
NET FINANCIAL ASSETS, END OF YEAR		**$ 6,222,369**	$ 5,495,108

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	2025	2024
OPERATING TRANSACTIONS		
Annual surplus	**$ 5,119,332**	$ 1,863,702
Changes in non-cash items:		
Amounts receivable	**(1,666,602)**	(44,632)
Inventories	**3,836**	131,598
Prepaids	**(5,297)**	(73)
Investments	**1,009,160**	(2,462)
Bank indebtedness	**(82,392)**	82,392
Accounts payable and accrued liabilities	**164,119**	(35,076)
Landfill closure and post closure liabilities	**5,929**	5,378
Loss (Gain) on sale of tangible capital asset	**42,989**	(200,488)
Amortization	**1,077,312**	1,004,036
Cash provided by operating transactions	**5,668,386**	2,804,375
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	**27,725**	457,727
Cash used to acquire tangible capital assets	**(5,538,636)**	(2,615,931)
Cash applied to capital transactions	**(5,510,911)**	(2,158,204)
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	**-**	-
Cash applied to investing transactions	**-**	-
FINANCING TRANSACTIONS		
Proceeds of long-term debt	**-**	-
Debt repayment	**(187,207)**	(194,179)
Obligation under capital lease	**-**	-
Repayment of obligation under capital lease	**-**	-
Cash applied to financing transactions	**(187,207)**	(194,179)
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	**(29,732)**	451,992
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	**5,799,729**	5,347,737
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	**$ 5,769,997**	$ 5,799,729

The accompanying notes are an integral part of this financial statement

1. Status of the Rural Municipality of De Salaberry

The incorporated Rural Municipality of De Salaberry ("the Municipality") is a municipal government that was created on 1883 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, library and other general government operations. The Municipality owns two utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. Significant Accounting Policies

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

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Rat River Recreation Commission (2024 - 50%)

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

St. Pierre/De Salaberry Handi-Transit Inc 50% (2024 - 50%)
Bibliotheque Regionale Jolys Regional Library 50% (2024 - 50%)
Red River Weed Control Board 50% (2024 - 50%)
RSR Wastewater Cooperative Ltd. (consolidated 16.67%) (2024 - 16.67%)

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. The trust funds administered by the Municipality are presented in Note 16.

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) Landfill Closure and Post Closure Liabilities

The estimated cost to close and maintain solid waste landfill sites are based on estimated future expenses, in current dollars, adjusted for estimated inflation, and are charged to expenses as the landfill capacity is used.

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 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.

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) 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.

h) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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.

Government Transfers

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

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

i) Measurement Uncertainty

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

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

j) Vacation and Sick Pay Policy

Employees who have completed a full year's service accumulate vacation days based on seniority. Vacation is accrued based on the employee's hourly rate. All vacations are to be taken in the year immediately following that in which the entitlement was accrued, however, five days of leave may be carry forwarded from one year to the next.

Full time employees accrue sick leave at the rate of 1 day per month, to a maximum of 100 working days. A full-time employee who retires and is eligible for a pension under the Municipal Employees Benefits Program, shall be entitled to a retirement leave payment equivalent to 50% of the number of unused sick leave credits accumulated up to a maximum of fifty (50) work days, to be paid at the daily rate for that employee's position in effect on his/her last day of active.

k) 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
• 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.

l) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

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

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.

• PSAS 3150, Tangible Capital Assets, has been amended for municipal fiscal years beginning January 1, 2031. Early adoption is permitted.

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	2025	2024
Cash	**$ 5,769,997**	$ 5,799,729
Temporary investments	**-**	-
	$ 5,769,997	$ 5,799,729

The Municipality has designated $4,908,302 (2024 - $5,019,280) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has arranged a $500,000 line of credit with their financial institution. The line of credit bears interest at 4.45% (2024 - 5.45%) and $500,000 was available for use as at December 31, 2025 (2024 - $500,000).

RSR Wastewater Cooperative has access to a line of credit facility as described in Note 7.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	2025	2024
Taxes on roll (Schedule 11)	**$ 499,373**	$ 403,564
Government grants	**1,527,918**	163,936
Utility customers	**89,415**	69,660
Accrued interest	**-**	44,445
Organizations and individuals	**92,734**	125,008
Other governments	**652,362**	388,587
	2,861,802	1,195,200
Less allowances for doubtful amounts	**-**	-
	$ 2,861,802	$ 1,195,200

5. Inventories

	2025	2024
Gravel	**$ 33,669**	$ 37,304
Other	**409**	610
	$ 34,078	$ 37,914

6. Investments

	2025	2024
Surplus shares held with Caisse Group Financier	**$ 1,750**	$ 1,750
Surplus shares held with Caisse Group Financier	**23,947**	35,345
Term deposit held at Caisse Groupe Financier, matured February 2025, bearing interest at 5.10%	**-**	1,000,000
	$ 25,697	$ 1,037,095

Red River Weed Control Board:

Term deposits held at Caisse Groupe Financier, that mature between February 2026 and December 2026, bearing interest ranging from 1.95% to 2.00%. (50% of $220,928)	**110,464**	108,226
	$ 136,161	$ 1,145,321

7. Bank indebtedness

RSR Wastewater Cooperative has a maximum line of credit of $3,200,000 that bears interest at prime which is currently 4.45%. The balance of $Nil (2024 - $82,392) represents the Municipality's proportionate share of the amount drawn on the line of credit at year end.

8. Accounts Payable and Accrued Liabilities

	2025	2024
Accounts payable	**$ 1,063,233**	$ 888,211
Accrued expenses	**42,380**	43,353
Vacation and sick leave payable	**118,678**	133,608
Refundable deposits	**192,250**	187,250
School levies	**-**	-
Other governments	**-**	-
	$ 1,416,541	$ 1,252,422

9. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The Municipality is currently operating a Class 2 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	2025	2024
Estimated closure and post closure costs	**$ 107,922**	$ 107,922
Discount rate	**5.25%**	5.25%
Discounted costs	**$64,698**	$61,471
Expected year capacity will be reached	**2034**	2034
Capacity (disclose in tonnes, volume, acreage, or years):		
Used to date	**3**	2
Remaining	**9**	10
Total	**12**	12
Percent utilized	**25.00%**	16.67%
Liability based on percentage	**$ 16,174**	$ 10,245

10. Long Term Debt

	2025	2024
General Authority:		
By-law 2284-11, debenture, interest at 5.800%, payable at $8,718 annually including interest, maturing December 31, 2029	**36,933**	43,148
	$ 36,933	$ 43,148
Utility Funds:		
By-law 2264-09, debenture for St. Malo Utility, interest at 6.000%, payable at $20,924 annually including interest, maturing December 31, 2028	**$ 55,946**	$ 72,519
By-law 2246-07, debenture for St. Malo Utility, interest at 5.875%, payable at $14,240 annually including interest, maturing December 31, 2027	**26,166**	38,162
By-law 2407-21, debenture for St. Malo Utility, interest at 3.375%, payable at $64,110 annually including interest, maturing December 31, 2036	**581,050**	624,097
By-law 2228-06, debenture for St. Malo Utility, interest at 5.935%, payable at $5,637 annually including interest, matured December 1, 2025	**-**	5,324

By-law 2234-06, debenture for St. Malo Utility, interest at 5.935%, payable at $5,637 annually including interest, matured December 1, 2025	**-**	5,324
By-law 2316-13, debenture for St. Malo Utility, interest at 3.875%, payable at $11,234 annually including interest, maturing December 31, 2027	**21,226**	31,249
By-law 2335-15, debenture for St. Malo Utility, interest at 4.250%, payable at $48,878 annually including interest, maturing December 31, 2035	**391,555**	422,477
By-law 2336-16, debenture for St. Malo Utility, interest at 3.250%, payable at $59,661 annually including interest, matured December 31, 2025	**-**	57,783
	$ 1,075,943	$ 1,256,935
	$ 1,112,876	$ 1,300,083

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

2026	$ 123,996
2027	129,453
2028	109,690
2029	93,471
2030	97,134

11. Retirement Benefits

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to $122,548 (2024 - $107,391) 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.

12. Financial Instruments

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

13. 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.

14. Accumulated Surplus

Accumulated surplus consists of the following:	**2025**	2024 (Restated)
General operating fund - Nominal surplus	**$ 2,465,875**	$ 2,333,768
Utility operating fund(s) - Nominal surplus	**(524,319)**	(551,361)
TCA net of related borrowings	**17,733,428**	13,974,911
Reserve funds	**4,908,302**	5,019,280
Accumulated surplus of municipality unconsolidated	**24,583,286**	20,776,598
Accumulated surpluses of consolidated entities	**2,756,917**	1,444,274
Accumulated surplus per Consolidated Statement of Financial Position	**$ 27,340,203**	$ 22,220,872

15. Public Sector Compensation Disclosure

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

a) Compensation and expenses paid to members of council amounted to $153,761 in aggregate.

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

Council Members:

	Compensation	Expenses	Total
Reeve - Darrel Curé	$ 21,403	$ 1,331	$ 22,734
Councillor - Bruno Hébert	16,573	3,265	19,838
Councillor - Louis Courcelles	15,595	2,208	17,803
Councillor - Gabriel Tétrault	15,895	3,493	19,388
Councillor - Diana Cline	17,910	3,911	21,821
Councillor - Charlene Geiler	17,125	3,531	20,656
Councillor - Johnny Lahaie	15,376	3,545	18,921
LUD Committee - James Gosselin	4,200	-	4,200
LUD Committee - Maurice Comeault	4,200	-	4,200
LUD Committee - Francois Lambert	4,200	-	4,200
	$ 132,477	$ 21,284	$ 153,761

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

Name	Position	Amount
Dallas Braun	*Chief Administrative Officer*	$ 107,518
Danny Mayner	*Public Works Manager*	100,997
Alain Gauthier	*Water Plant Operator*	97,375
Justin Collettee	*Water Plant Operator*	92,661
Jennifer Gilmore	*Municipal Planner / Development Officer*	88,417

16. Trust Funds

The Rural Municipality of De Salaberry administers the following trusts:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
Fond Laval Trust	$ 20,188	$ 384	$ 20,572

17. Segmented Information

The Rural Municipality of De Salaberry 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.

18. Government Partnerships

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

	2025	2024
Financial Position		
Financial Assets	**$ 649,098**	$ 519,392
Liabilities	**58,272**	453,353
Net financial assets (liabilities)	**$ 590,826**	$ 66,039
Non-financial assets	**2,197,169**	1,378,235
Accumulated surplus	**$ 2,787,995**	$ 1,444,274
Result of Operations		
Revenues	**$ 1,554,495**	$ 1,212,416
Expenses	**215,105**	337,390
Annual surplus	**$ 1,339,390**	$ 875,026
Elimination of revenues/expenses upon consolidation	**$ 59,687**	$ 73,453
Consolidated annual surplus (deficit)	**$ 1,279,703**	$ 801,573
Reconciliation of change in accumulated surplus		
Opening accumulated surplus	**$ 1,444,274**	
Annual surplus	**1,339,390**	
Conversion of Rat River Recreation from government partnership to controlled entity	**4,331**	
Closing accumulated surplus	**2,787,995**	

19. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

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 financial statements.

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
St. Malo	$ 335,380	$ -	$ 13,871	$ 321,509

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Otterburne	$ 32,167	$ -	$ 1,485	$ 30,682
St. Malo	862,053	36,596	19,258	879,391
	$ 894,220	$ 36,596	$ 20,743	$ 910,073

20. Comparative Figures

Prior year figures have been reclassed to conform with the current year presentation.

21. Related Party Transactions

The following is a summary of the Municipality's related party transactions:

MDM Sand & Gravel (company owned by the Reeve)	**2025**	2024
Gravel	**$ 558,058**	$ 269,531
Snow Removal	**-**	-
Repairs and maintenance	**640**	1,260
	$ 558,698	$ 270,791

The transactions described above were recorded at the exchange amount, which was the amount agreed to by the related parties.

22. Commitments

The Municipality has the following commitments in place:

• Contract for garbage collection services expiring December 31, 2026. Annual charges under the contract are determined by reference to certain waste volumes handled. Total payments to be made under the contract for 2026 are estimated to be $145,447.

• Contract for recycling collection services expiring December 31, 2026. Annual charges under the contract are determined by reference to certain waste volumes handled. Total payments to be made under the contract for 2026 are estimated to be $58,535.

23. Correction of error

During the year it was determined that amortization of tangible capital assets had not been recorded properly in 2024. The following prior period adjustments have been made:

- 2024 amortization expense decreased by $154,717
- 2024 tangible capital assets decreased by $154,717
- 2025 opening accumulated surplus increased by $154,717

Rural Municipality of De Salaberry

SCHEDULE 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2025

	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 (Restated)
Cost										
Opening costs	$ 1,392,039	$ 1,680,905	$ 6,573,359	$ 88,652	$ 547,191	$ 10,922,139	$ 8,627,022	$ 1,322,731	$ 31,154,038	$ 28,981,812
Additions during the year	-	97,458	293,254	18,629	4,010,189	253,947	-	865,159	5,538,636	2,615,931
Disposals and write downs	-	-	(346,122)	-	-	-	-	-	(346,122)	(443,705)
Closing costs	1,392,039	1,778,363	6,520,491	107,281	4,557,380	11,176,086	8,627,022	2,187,890	36,346,552	31,154,038
Accumulated Amortization										
Opening accum'd amortization	237,824	1,016,973	2,951,402	85,490	-	6,841,243	3,373,250	-	14,506,182	13,688,611
Amortization	83,758	83,759	434,627	10,308	-	284,778	180,082	-	1,077,312	1,004,036
Disposals and write downs	-	-	(275,406)	-	-	-	-	-	(275,406)	(186,465)
Closing accum'd amortization	321,582	1,100,732	3,110,623	95,798	-	7,126,021	3,553,332	-	15,308,088	14,506,182
Net Book Value of Tangible Capital Assets	$ 1,070,457	$ 677,631	$ 3,409,868	$ 11,483	$ 4,557,380	$ 4,050,065	$ 5,073,690	$ 2,187,890	$ 21,038,464	$ 16,647,856

Rural Municipality of De Salaberry **SCHEDULE 2**

CONSOLIDATED SCHEDULE OF REVENUES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	**$ 5,167,826**	$ 4,464,656
Taxes added	**60,770**	100,725
	5,228,596	4,565,381
Grants in lieu of taxation:		
Federal government	**42,005**	35,555
Federal government enterprises	**-**	-
Provincial government	**-**	-
Provincial government enterprises	**-**	-
Other municipal governments	**-**	-
Non-government organizations	**-**	-
	42,005	35,555
User fees		
Sales of service	**303,011**	296,156
Sales of goods	**39,762**	86,517
Rentals	**99,202**	126,828
Development charges	**-**	-
Facility use fees	**-**	-
	441,975	509,501
Permits, licences and fines		
Permits	**82,324**	72,755
Licences	**1,578**	1,710
Fees	**10,400**	9,140
Fines	**-**	-
	94,302	83,605
Investment income:		
Cash and temporary investments	**126,733**	215,468
Marketable securities	**-**	-
Municipal debentures	**-**	-
Other (specify):		
	126,733	215,468
Other revenue:		
Gain (loss) on sale of tangible capital assets	**(42,989)**	200,488
Gain on sale of real estate held for sale	**-**	-
Contributed assets	**-**	-
Penalties and interest	**45,031**	50,984
Miscellaneous:		
Tax sale fees	**22,361**	21,990
Rebates	**18**	10,555
Other	**116,114**	96,124
	140,535	380,141
Water and sewer		
Municipal utilities (Schedule 9)	**399,136**	374,675
Consolidated water co-operatives	**-**	-
	399,136	374,675
Grants - Province of Manitoba		
Municipal operating grants	**487,918**	474,316
Other unconditional grants	**81,380**	61,099
Conditional grants	**3,805,877**	785,870
	4,375,175	1,321,285
Grants - other		
Federal government - gas tax funding	**226,951**	217,873
Federal government - other	**4,254**	3,208
Other municipal governments	**955,783**	843,414
	1,186,988	1,064,495
Total revenue	**$ 12,035,445**	$ 8,550,106

Rural Municipality of De Salaberry **SCHEDULE 3**

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual (Restated)
General government services:		
Legislative	**$ 209,896**	$ 212,053
General administrative	**1,021,717**	1,015,957
Other	**118,242**	96,213
	1,349,855	1,324,223
Protective services:		
Police	**-**	-
Fire	**143,558**	224,943
Emergency measures	**119,943**	130,861
Other	**33,585**	32,011
	297,086	387,815
Transportation services:		
Road transport		
Administration and engineering	**-**	-
Road and street maintenance	**2,175,399**	2,157,071
Ditches and road drainage	**195,233**	96,991
Bridge maintenance	**-**	-
Sidewalk and boulevard maintenance	**8,648**	-
Street lighting	**33,168**	38,252
Other	**-**	-
Air transport	**-**	-
Public transit	**-**	-
Other	**580,725**	512,978
	2,993,173	2,805,292
Environmental health services:		
Waste collection and disposal	**387,781**	356,184
Recycling	**53,362**	45,141
Other	**145,703**	157,866
	586,846	559,191
Public health and welfare services:		
Public health	**-**	-
Medical care	**-**	-
Social assistance	**76,977**	77,630
Other	**12,964**	12,398
	89,941	90,028
Regional planning and development		
Planning and zoning	**41,660**	71,964
Urban renewal	**-**	-
Beautification and land rehabilitation	**13,918**	9,646
Urban area weed control	**-**	-
Other	**-**	-
	55,578	81,610
Resource conservation and industrial development		
Rural area weed control	**123,351**	123,960
Drainage of land	**-**	-
Water resources and conservation	**-**	-
Regional development	**1,100**	1,450
Industrial development	**-**	-
Tourism	**-**	-
Other	**24,247**	11,719
	148,698	137,129
Sub-totals forward	**$ 5,521,177**	$ 5,385,288

Rural Municipality of De Salaberry **SCHEDULE 3**

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual (Restated)
Sub-totals forward	**$ 5,521,177**	$ 5,385,288
Recreation and cultural services:		
Administration	**-**	-
Community centers and halls	**4,872**	2,250
Swimming pools and beaches	**-**	-
Golf courses	**-**	-
Skating and curling rinks	**458,241**	491,354
Parks and playgrounds	**17,645**	45,636
Other recreational facilities	**130,870**	132,600
Museums	**-**	-
Libraries	**106,545**	80,868
Other cultural facilities	**6,750**	5,070
	724,923	757,778
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	**670,013**	543,338
Consolidated water co-operatives	**-**	-
	670,013	543,338
Total expenses	**$ 6,916,113**	$ 6,686,404

Rural Municipality of De Salaberry

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2025

	General Government		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2025	2024 (Restated)	**2025**	2024 (Restated)	**2025**	2024 (Restated)	**2025**	2024 (Restated)	**2025**	2024
REVENUE										
Property taxes	**$ 4,998,270**	$ 4,335,060	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -
Grants in lieu of taxation	**42,005**	35,555	**-**	-	**-**	-	**-**	-	**-**	-
User fees	**102,144**	170,442	**80**	150	**15,980**	-	**185,465**	189,372	**4,866**	4,203
Grants - other	**265,815**	269,018	**-**	-	**-**	-	**851,935**	687,775	**8,495**	6,344
Permits, licences and fines	**19,893**	15,465	**3,460**	3,890	**1,600**	1,780	**-**	-	**-**	-
Investment income	**123,831**	211,472	**-**	-	**-**	-	**341**	-	**17**	-
Other revenue	**127,226**	352,131	**-**	3,593	**-**	-	**4,000**	11,260	**250**	2,344
Water and sewer	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Prov of MB - Unconditional Grants	**515,433**	500,473	**-**	-	**-**	-	**-**	-	**-**	-
Prov of MB - Conditional Grants	**86,510**	559,320	**-**	2,500	**-**	-	**498,880**	224,050	**-**	-
Total revenue	**$ 6,281,127**	$ 6,448,936	**$ 3,540**	$ 10,133	**$ 17,580**	$ 1,780	**$ 1,540,621**	$ 1,112,457	**$ 13,628**	$ 12,891
EXPENSES										
Personnel services	**$ 937,058**	$ 908,449	**$ 19,463**	$ 20,961	**$ 822,788**	$ 766,555	**$ 135,031**	$ 134,701	**$ 63,637**	$ 63,677
Contract services	**295,332**	305,217	**74,051**	85,123	**223,957**	130,347	**286,521**	241,968	**17,041**	17,359
Utilities	**13,948**	20,694	**5,188**	6,197	**42,555**	43,876	**4,616**	5,192	**-**	-
Maintenance materials and supplies	**76,467**	71,344	**96,195**	154,670	**1,332,068**	1,356,880	**44,859**	53,462	**3,888**	3,564
Grants and contributions	**-**	-	**-**	-	**-**	-	**-**	-	**4,079**	4,139
Amortization	**17,875**	15,122	**98,327**	109,205	**569,268**	503,904	**115,819**	123,868	**1,284**	1,284
Interest on long term debt	**-**	-	**2,503**	3,645	**-**	-	**-**	-	**-**	-
Other	**9,175**	3,397	**1,359**	8,014	**2,537**	3,730	**-**	-	**12**	5
Total expenses	**$ 1,349,855**	$ 1,324,223	**$ 297,086**	$ 387,815	**$ 2,993,173**	$ 2,805,292	**$ 586,846**	$ 559,191	**$ 89,941**	$ 90,028
Surplus (Deficit)	**$ 4,931,272**	$ 5,124,713	**$ (293,546)**	$ (377,682)	**$ (2,975,593)**	$ (2,803,512)	**$ 953,775**	$ 553,266	**$ (76,313)**	$ (77,137)

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

Rural Municipality of De Salaberry

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2025

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2025	2024	**2025**	2024	**2025**	2024 (Restated)	**2025**	2024 (Restated)	**2025**	2024 (Restated)
REVENUE										
Property taxes	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ 230,326**	$ 230,321	**$ 5,228,596**	$ 4,565,381
Grants in lieu of taxation	**-**	-	**-**	-	**-**	-	**-**	-	**42,005**	35,555
User fees	**-**	-	**61,182**	53,067	**72,258**	92,267	**-**	-	**441,975**	509,501
Grants - other	**-**	-	**17,500**	17,500	**43,243**	83,858	**-**	-	**1,186,988**	1,064,495
Permits, licences and fines	**-**	-	**69,349**	62,470	**-**	-	**-**	-	**94,302**	83,605
Investment income	**-**	-	**2,544**	3,996	**-**	-	**-**	-	**126,733**	215,468
Other revenue	**-**	-	**-**	-	**9,059**	10,813	**-**	-	**140,535**	380,141
Water and sewer	**-**	-	**-**	-	**-**	-	**399,136**	374,675	**399,136**	374,675
Prov of MB - Unconditional Grants	**-**	-	**-**	-	**-**	34,942	**-**	-	**515,433**	535,415
Prov of MB - Conditional Grants	**-**	-	**-**	-	**3,274,352**	-	**-**	-	**3,859,742**	785,870
Total revenue	**$ -**	$ -	**$ 150,575**	$ 137,033	**$ 3,398,912**	$ 221,880	**$ 629,462**	$ 604,996	**$ 12,035,445**	$ 8,550,106
EXPENSES										
Personnel services	**$ -**	$ -	**$ 61,486**	$ 64,324	**$ 298,921**	$ 248,384	**$ 113,183**	$ 110,288	**$ 2,451,567**	$ 2,317,339
Contract services	**41,660**	71,964	**14,361**	9,764	**94,823**	117,654	**54,104**	54,556	**1,101,850**	1,033,952
Utilities	**-**	-	**728**	742	**37,709**	58,872	**17,104**	18,326	**121,848**	153,899
Maintenance materials and supplies	**13,918**	9,646	**20,210**	27,118	**131,477**	124,814	**256,132**	133,739	**1,975,214**	1,935,237
Grants and contributions	**-**	-	**49,746**	32,690	**60,304**	128,393	**-**	-	**114,129**	165,222
Amortization	**-**	-	**2,011**	2,354	**92,647**	78,292	**180,081**	170,010	**1,077,312**	1,004,039
Interest on long term debt	**-**	-	**-**	-	**-**	-	**49,335**	56,419	**51,838**	60,064
Other	**-**	-	**156**	137	**9,042**	1,369	**74**	-	**22,355**	16,652
Total expenses	**$ 55,578**	$ 81,610	**$ 148,698**	$ 137,129	**$ 724,923**	$ 757,778	**$ 670,013**	$ 543,338	**$ 6,916,113**	$ 6,686,404
Surplus (Deficit)	**$ (55,578)**	$ (81,610)	**$ 1,877**	$ (96)	**$ 2,673,989**	$ (535,898)	**$ (40,551)**	$ 61,658	**$ 5,119,332**	$ 1,863,702

Rural Municipality of De Salaberry

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2025

	Core Government		Controlled Entities		Government Partnerships		Total	
	2025	2024 (Restated)	**2025**	2024	**2025**	2024	**2025**	2024 (Restated)
REVENUE								
Property taxes	**$ 5,228,596**	$ 4,565,381	**$ -**	$ -	**$ -**	$ -	**$ 5,228,596**	$ 4,565,381
Grants in lieu of taxation	**42,005**	35,555	**-**	-	**-**	-	**42,005**	35,555
User fees	**359,079**	441,210	**16,458**	-	**66,438**	68,291	**441,975**	509,501
Grants - other	**265,815**	269,018	**21,989**	-	**899,184**	795,477	**1,186,988**	1,064,495
Permits, licences and fines	**94,302**	83,605	**-**	-	**-**	-	**94,302**	83,605
Investment income	**123,631**	210,272	**16**	-	**3,086**	5,196	**126,733**	215,468
Other revenue	**132,180**	369,130	**-**	-	**8,355**	11,011	**140,535**	380,141
Water and sewer	**399,136**	374,675	**-**	-	**-**	-	**399,136**	374,675
Prov of MB - Unconditional Grants	**496,568**	500,473	**-**	-	**18,865**	34,942	**515,433**	535,415
Prov of MB - Conditional Grants	**3,325,862**	561,820	**35,000**	-	**498,880**	224,050	**3,859,742**	785,870
Total revenue	**$ 10,467,174**	$ 7,411,139	**$ 73,463**	$ -	**$ 1,494,808**	$ 1,138,967	**$ 12,035,445**	$ 8,550,106
EXPENSES								
Personnel services	**$ 2,239,755**	$ 2,154,968	**$ 93,773**	$ -	**$ 118,039**	$ 162,371	**$ 2,451,567**	$ 2,317,339
Contract services	**1,015,245**	922,682	**44,248**	-	**42,357**	111,270	**1,101,850**	1,033,952
Utilities	**119,369**	152,005	**1,105**	-	**1,374**	1,894	**121,848**	153,899
Maintenance materials and supplies	**1,891,275**	1,885,812	**43,691**	-	**40,248**	49,425	**1,975,214**	1,935,237
Grants and contributions	**114,129**	165,222	**-**	-	**-**	-	**114,129**	165,222
Amortization	**1,067,726**	992,812	**-**	-	**9,586**	11,227	**1,077,312**	1,004,039
Interest on long term debt	**51,838**	59,944	**-**	-	**-**	120	**51,838**	60,064
Other	**14,376**	15,565	**4,478**	-	**3,501**	1,087	**22,355**	16,652
Total expenses	**$ 6,513,713**	$ 6,349,010	**$ 187,295**	$ -	**$ 215,105**	$ 337,394	**$ 6,916,113**	$ 6,686,404
Surplus (Deficit)	**$ 3,953,461**	$ 1,062,129	**$ (113,832)**	$ -	**$ 1,279,703**	$ 801,573	**$ 5,119,332**	$ 1,863,702

Rural Municipality of De Salaberry

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2025

	2025									
	General Reserve	Machinery Replacement Reserve	Handi-Van Reserve	Waste Disposal Reserve	RM Office Reserve	EDO Office Reserve	Office Technology Reserve	St. Pierre Fire Vehicle Reserve	St. Malo Fire Vehicle Reserve	MPP Reserve
REVENUE										
Investment income	$ 15,554	$ 2,176	$ 877	$ 5,374	$ 12,850	$ 204	$ 264	$ 2,036	$ 3,845	$ 252
Other income	-	-	-	-	-	-	-	-	-	-
Total revenue	15,554	2,176	877	5,374	12,850	204	264	2,036	3,845	252
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	15,554	2,176	877	5,374	12,850	204	264	2,036	3,845	252
TRANSFERS										
Transfers from general operating fund	1,675	377,450	3,000	74,009	20,000	-	5,000	27,700	56,000	-
Transfers to general operating fund	(90,452)	(146,453)	-	-	(10,000)	(5,142)	(18,307)	(25,000)	(14,069)	(28,769)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-
Transfers from LUD	-	-	-	-	-	-	-	-	-	-
Transfers to LUD	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(73,223)	233,173	3,877	79,383	22,850	(4,938)	(13,043)	4,736	45,776	(28,517)
FUND SURPLUS, BEGINNING OF YEAR	789,176	173,434	43,033	258,712	634,577	11,157	16,324	100,262	187,025	28,198
FUND SURPLUS, END OF YEAR	$ 715,953	$ 406,607	$ 46,910	$ 338,095	$ 657,427	$ 6,219	$ 3,281	$ 104,998	$ 232,801	$ (319)

Rural Municipality of De Salaberry

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2025

	Recreation Reserve	CCBF Reserve	Gravel Pit Reserve	St. Malo Utility Reserve	Otterburne Utility Reserve	St. Malo LUD Reserve	St. Malo PW Shop Reserve	Election Reserve	Roads and Bridges Reserve	St. Malo Roads Reserve	Total	2024 Total
REVENUE												
Investment income	$ 16,957	$ 8,641	$ 3,114	$ 3,425	$ 1,711	$ 2,790	$ 5,519	$ 222	$ 4,886	$ 7,440	$ 98,137	$ 164,098
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	16,957	8,641	3,114	3,425	1,711	2,790	5,519	222	4,886	7,440	98,137	164,098
EXPENSES												
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-	-	-
NET REVENUES	16,957	8,641	3,114	3,425	1,711	2,790	5,519	222	4,886	7,440	98,137	164,098
TRANSFERS												
Transfers from general operating fund	101,793	335,888	-	250	-	1,750	-	5,000	36,900	-	1,046,415	1,463,160
Transfers to general operating fund	(673,010)	(274,932)	(13,279)	-	-	-	-	-	(15,080)	-	(1,314,493)	(1,555,674)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	50,000	24,532	-	-	-	-	-	74,532	103,411
Transfers to utility operating fund	-	-	-	(36,596)	(135,558)	-	-	-	-	-	(172,154)	(30,989)
Transfers from LUD	-	-	-	-	-	-	50,000	-	-	106,585	156,585	155,000
Transfers to LUD	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(554,260)	69,597	(10,165)	17,079	(109,315)	4,540	55,519	5,222	26,706	114,025	(110,978)	299,006
FUND SURPLUS, BEGINNING OF YEAR	867,710	472,203	158,848	167,818	92,796	137,537	267,966	10,514	244,226	357,764	5,019,280	4,720,274
FUND SURPLUS, END OF YEAR	$ 313,450	$ 541,800	$148,683	$ 184,897	$ (16,519)	$142,077	$ 323,485	$ 15,736	$ 270,932	$ 471,789	$ 4,908,302	$ 5,019,280

Rural Municipality of De Salaberry **SCHEDULE 7**

SCHEDULE OF L.U.D. OPERATIONS - L.U.D. of St. Malo

For the Year Ended December 31, 2025

	2025 Budget	2025 Actual	2024 Actual
Revenue			
Taxation	**$ 733,318**	**$ 733,318**	$ 610,100
Other Revenue	**24,148**	**54,401**	28,249
Total revenue	**757,466**	**787,719**	638,349
Expenses			
General Government:			
Indemnities	**15,950**	**12,778**	11,000
Protective Services			
By-law enforcement	**-**	**-**	-
Transportation Services			
Road and street maintenance	**342,480**	**339,982**	304,501
Ditches and road drainage	**25,000**	**15,500**	4,450
Bridge maintenance	**-**	**-**	-
Sidewalk and boulevard maintenance	**-**	**8,648**	-
Street lighting	**34,000**	**24,381**	26,629
Other	**15,251**	**-**	-
Environmental health			
Waste collection and disposal	**-**	**-**	-
Recycling	**-**	**-**	-
Regional planning and development			
Beautification and land rehabilitation	**13,200**	**8,045**	5,898
Urban area weed control	**-**	**-**	-
Other	**-**	**-**	-
Resource conservation and industrial development			
Rural area weed control	**-**	**-**	-
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	**445,881**	**409,334**	352,478
Net revenues (expenses)	**311,585**	**378,385**	285,871
Transfers:			
Transfers from (to) operating fund	**-**	**-**	-
Transfers to capital	**(155,000)**	**(107,088)**	(128,157)
Transfers from (to) reserves	**(156,585)**	**(156,585)**	(155,000)
Change in L.U.D. balances	**$ -**	**114,712**	2,714
Unexpended balance, beginning of year		**10,374**	7,660
Unexpended balance, end of year		**$ 125,086**	$ 10,374

Rural Municipality of De Salaberry **SCHEDULE 8**

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

As at December 31, 2025

	2025			2024
	St. Malo Utility	**Otterburne Utility**	**Total**	Total (Restated)
FINANCIAL ASSETS				
Cash and temporary investments	**$ 50**	**$ -**	**$ 50**	$ 50
Amounts receivable	**89,415**	**-**	**89,415**	69,660
Portfolio investments	**-**	**-**	**-**	-
Due from other funds	**-**	**-**	**-**	-
	$ 89,465	**$ -**	**$ 89,465**	$ 69,710
LIABILITIES				
Accounts payable and accrued liabilities	**$ -**	**$ -**	**$ -**	$ -
Deferred revenue	**-**	**-**	**-**	-
Long-term debt (Note 10)	**1,075,943**	**-**	**1,075,943**	1,256,935
Due to other funds	**585,295**	**28,489**	**613,784**	621,071
	1,661,238	**28,489**	**1,689,727**	1,878,006
NET FINANCIAL ASSETS (NET DEBT)	**$ (1,571,773)**	**$ (28,489)**	**$ (1,600,262)**	$ (1,808,296)
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	**$ 4,860,160**	**$ 273,647**	**$ 5,133,807**	$ 5,277,293
Inventories	**-**	**-**	**-**	-
Prepaid expenses	**-**	**-**	**-**	-
	4,860,160	**273,647**	**5,133,807**	5,277,293
FUND SURPLUS (DEFICIT)	**$ 3,288,387**	**$ 245,158**	**$ 3,533,545**	$ 3,468,997

Rural Municipality of De Salaberry **SCHEDULE 9**

SCHEDULE OF UTILITY OPERATIONS - St. Malo Utility

For the Year Ended December 31, 2025

	Budget	2025	2024 (Restated)
REVENUE			
Water			
Water fees	**$ 211,398**	**$ 186,930**	$ 205,241
Bulk Water fees	**-**	**-**	-
Service fees	**-**	**19,793**	19,138
sub-total- water	**211,398**	**206,723**	224,379
Sewer			
Sewer fees	**97,233**	**81,855**	84,343
Lagoon tipping fees	**19,712**	**11,671**	12,732
sub-total- sewer	**116,945**	**93,526**	97,075
Property taxes	**230,321**	**230,326**	230,321
Government transfers			
Operating	**-**	**-**	-
Capital	**-**	**7,649**	12,348
sub-total- government transfers	**-**	**7,649**	12,348
Other			
Hydrant rentals	**1,650**	**1,650**	1,650
Connection charges	**-**	**76,673**	7,450
Installation service	**23,000**	**-**	-
Penalties	**1,500**	**1,932**	1,463
Contributed tangible capital assets	**-**	**-**	-
Investment income	**-**	**-**	-
Administration fees	**-**	**-**	-
Gain on sale of tangible capital assets	**-**	**-**	-
Other income	**4,250**	**10,566**	29,306
sub-total- other	**30,400**	**90,821**	39,869
Total revenue	**$ 589,064**	**$ 629,045**	$ 603,992

	Budget	2025	2024 (Restated)
EXPENSES			
General			
Administration	**$ 125,520**	**$ 118,734**	$ 106,506
Training costs	**-**	**-**	-
Billing and collection	**8,200**	**15,700**	8,200
Utilities (telephone, electricity, etc.)	**-**	**13,854**	22,382
sub-total- general	**133,720**	**148,288**	137,088
Purification and treatment	**19,650**	**21,015**	18,815
Water purchases	**-**	**-**	-
Transmission and distribution	**56,000**	**70,363**	51,067
Service of Supply	**26,025**	**-**	-
Transportation services	**-**	**-**	-
Connection costs	**2,000**	**-**	-
Other water supply costs	**39,000**	**26,253**	24,566
sub-total- water general	**142,675**	**117,631**	94,448
Water Amortization & Interest			
Amortization	**-**	**92,615**	84,898
Interest on long term debt	**8,434**	**8,434**	10,394
sub-total- water amortization & interest	**8,434**	**101,049**	95,292
Sewer General			
Collection system costs	**25,000**	**13,137**	27,571
Treatment and disposal cost	**5,000**	**-**	-
Lift Station costs	**15,500**	**15,997**	11,747
Transportation services	**-**	**-**	-
Connection costs	**-**	**-**	-
Other sewage & disposal costs	**30,500**	**3,267**	22,050
sub-total- sewer general	**76,000**	**32,401**	61,368
Sewage Amortization & Interest			
Amortization	**-**	**78,610**	76,994
Interest on long term debt	**40,897**	**40,901**	46,025
sub-total- sewer amortization & interest	**40,897**	**119,511**	123,019
Total expenses	**401,726**	**518,880**	511,215
NET OPERATING SURPLUS	**187,338**	**110,165**	92,777
TRANSFERS			
Transfers from (to) operating fund	**-**	**-**	-
Transfers from (to) capital	**(235,990)**	**-**	-
Transfers from (to) reserve funds	**48,652**	**(13,404)**	(50,000)
CHANGE IN UTILITY FUND BALANCE	**$ -**	**96,761**	42,777
FUND SURPLUS, BEGINNING OF YEAR		**3,191,626**	3,148,849
FUND SURPLUS, END OF YEAR		**$ 3,288,387**	$ 3,191,626

Rural Municipality of De Salaberry **SCHEDULE 9**

SCHEDULE OF UTILITY OPERATIONS - Otterburne Utility

For the Year Ended December 31, 2025

	Budget	2025	2024 (Restated)
REVENUE			
Water			
Water fees	**$ -**	**$ -**	$ -
Bulk Water fees	**-**	**-**	-
sub-total- water	**-**	**-**	-
Sewer			
Sewer fees - transferred from property tax assessment	**32,882**	**32,882**	31,044
Lagoon tipping fees	**-**	**417**	1,004
sub-total- sewer	**32,882**	**33,299**	32,048
Property taxes	**-**	**-**	-
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	**6,000**	**-**	-
sub-total- other	**6,000**	**-**	-
Total revenue	**$ 38,882**	**$ 33,299**	$ 32,048

	Budget	2025	2024 (Restated)
EXPENSES			
General			
Administration	**$ -**	**$ -**	$ -
Training costs	**-**	**-**	-
Billing and collection	**-**	**-**	-
Utilities (telephone, electricity, etc.)	**-**	**-**	-
sub-total- general	**-**	**-**	-
Purification and treatment	**-**	**-**	-
Water purchases	**-**	**-**	-
Transmission and distribution	**-**	**-**	-
Hydrant maintenance	**-**	**-**	-
Transportation services	**-**	**-**	-
Connection costs	**-**	**-**	-
sub-total- water general	**-**	**-**	-
Water Amortization & Interest			
Amortization	**-**	**-**	-
Interest on long term debt	**-**	**-**	-
sub-total- water amortization & interest	**-**	**-**	-
Sewer General			
Collection system costs	**158,945**	**142,277**	24,005
Treatment and disposal cost	**-**	**-**	-
Lift Station costs	**-**	**-**	-
Transportation services	**-**	**-**	-
Connection costs	**-**	**-**	-
Other sewage & disposal costs	**-**	**-**	-
sub-total- sewer general	**158,945**	**142,277**	24,005
Sewage Amortization & Interest			
Amortization	**-**	**8,856**	8,118
Interest on long term debt	**-**	**-**	-
sub-total- sewer amortization & interest	**-**	**8,856**	8,118
Total expenses	**158,945**	**151,133**	32,123
NET OPERATING SURPLUS	**(120,063)**	**(117,834)**	(75)
TRANSFERS			
Transfers from (to) wastewater co-operative	**(25,405)**	**(25,405)**	-
Transfers from (to) capital fund	**-**	**-**	-
Transfers from (to) reserve funds	**145,468**	**111,026**	(22,422)
CHANGE IN UTILITY FUND BALANCE	**$ -**	**(32,213)**	(22,497)
FUND SURPLUS, BEGINNING OF YEAR		**277,371**	299,868
FUND SURPLUS, END OF YEAR		**$ 245,158**	$ 277,371

Rural Municipality of De Salaberry **SCHEDULE 10**

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the Year Ended December 31, 2025

	Financial Plan General	Financial Plan Utility(ies)	LUD	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE									
Property taxes	$ 5,234,166	$ -	$ 733,318	$ -	$ -	$ (733,318)	$ -	$ -	$ 5,234,166
Grants in lieu of taxation	42,005	-	-	-	-	-	-	-	42,005
User fees	551,350	-	-	-	-	-	-	82,896	634,246
Permits, licences and fines	134,400	-	-	-	-	-	-	-	134,400
Investment income	115,000	-	-	-	-	-	-	3,102	118,102
Other revenue	7,500	-	24,148	-	-	-	-	8,355	40,003
Water and sewer	-	397,625	-	-	-	-	-	-	397,625
Grants - Province of Manitoba	474,316	-	-	-	-	-	-	552,745	1,027,061
Grants - other	1,757,868	-	-	-	-	-	-	921,173	2,679,041
Transfers from accumulated surplus	-	-	-	-	-	-	-	-	-
Transfers from general	-	230,321	-	-	-	(230,321)	-	-	-
Transfers from reserves	150,000	225,000	-	-	-	(375,000)	-	-	-
Total revenue	$ 8,466,605	$ 852,946	$ 757,466	$ -	$ -	$ (1,338,639)	$ -	$ 1,568,271	$ 10,306,649
EXPENSES									
General government services	$ 1,392,109	$ -	$ 15,950	$ 17,875	$ -	$ 564	$ -	$ -	$ 1,426,498
Protective services	238,445	-	-	98,327	-	-	-	-	336,772
Transportation services	2,200,672	-	416,731	569,268	-	-	-	-	3,186,671
Environmental health services	440,640	-	-	115,819	-	-	-	20,018	576,477
Public health and welfare services	76,580	-	-	1,284	-	-	-	12,965	90,829
Regional planning and development	16,600	-	13,200	-	-	-	-	-	29,800
Resource cons and industrial dev	97,000	-	-	2,011	-	-	-	92,355	191,366
Recreation and cultural services	496,082	-	-	92,647	-	-	-	272,730	861,459
Water and sewer services	-	366,745	-	180,081	49,331	-	-	-	596,157
Fiscal services:									
Transfer to capital	1,539,995	55,000	155,000	-	-	(1,749,995)	-	-	-
Transfer to utility	263,204	-	-	-	-	(263,204)	-	-	-
Transfer to general	-	-	-	-	-	-	-	-	-
Debt charges	8,718	230,321	-	-	(239,039)	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-	-
Transfer to L.U.D.	733,318	-	-	-	-	(733,318)	-	-	-
Transfer to reserves	962,678	200,880	156,585	-	-	(1,320,143)	-	-	-
Allowance for tax assets	564	-	-	-	-	(564)	-	-	-
Total expenses	$ 8,466,605	$ 852,946	$ 757,466	$ 1,077,312	$ (189,708)	$ (4,066,660)	$ -	$ 398,068	$ 7,296,029
Surplus (Deficit)	$ -	$ -	$ -	$ (1,077,312)	$ 189,708	$ 2,728,021	$ -	$ 1,170,203	$ 3,010,620

Rural Municipality of De Salaberry
ANALYSIS OF TAXES ON ROLL
December 31, 2025

SCHEDULE 11

	2025	2024
Balance, beginning of year	**$ 403,564**	$ 500,329
Add:		
Tax levy (Schedule 12)	**11,047,152**	9,467,564
Taxes added	**60,770**	100,725
Penalties or interest	**45,031**	50,984
Other accounts added	**-**	-
Tax Adjustments (Transferred in from A/R)	**-**	-
Tax Adjustments (Transferred in from Utility)	**-**	-
Sub-total	**11,152,953**	9,619,273
Deduct:		
Cash collections - current	**9,477,371**	8,962,606
Cash collections - arrears	**293,434**	406,615
Cash collections - future	**-**	-
Write-offs	**-**	-
Title value of land sales	**-**	-
Title value of tax title acquired	**-**	-
Tax discounts	**-**	-
H.A.T.C.A. - cash advance	**1,286,339**	346,817
Other credits (specify)	**-**	-
Sub-total	**11,057,144**	9,716,038
Balance, end of year	**$ 499,373**	$ 403,564

Rural Municipality of De Salaberry **SCHEDULE 12**

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2025

	2025			2024
	Assessment	**Mill Rate**	**Levy**	Levy
Other governments (L.U.D.):				
L.U.D. of St. Malo	**$ 91,294,580**	**$ 8.000**	**$ 730,357**	$ 607,591
Name of LUD	**$ -**	**$ -**	**-**	-
Name of LUD	**$ -**	**$ -**	**-**	-
sub-total- L.U.D.			**730,357**	607,591
Debt charges:				
St. Malo Water Plant Well	**$ 68,463,580**	**$ 0.082**	**5,614**	5,637
St. Malo Forcemain Upgrade	**$ 68,463,580**	**$ 0.207**	**14,172**	14,192
St. Malo Water Plant Reservoir	**$ 68,463,580**	**$ 0.305**	**20,881**	20,836
Le Rang Sewer and Water	**$ -**	**$ -**	**5,637**	5,637
St. Malo FD Tanker Pumper	**$ -**	**$ -**	**-**	7,786
St. Malo FD Tanker Pumper	**$ -**	**$ -**	**-**	7,672
Dufrost Water Supply	**$ -**	**$ -**	**8,718**	8,718
St. Malo Water Plant Reservoir #2	**$ 68,463,580**	**$ 0.164**	**11,228**	11,223
St. Malo Utility upgrades	**$ -**	**$ -**	**64,110**	64,110
Gosselin LPS	**$ -**	**$ -**	**48,878**	48,878
St Malo Lift Station	**$ -**	**$ -**	**59,661**	59,661
sub-total- Debt charges			**238,899**	254,350
Deferred surplus	**$ -**	**$ -**	**-**	-
Reserves:				
Rural Machinery Replacement	**$ 395,947,110**	**$ -**	**-**	-
Gravel	**$ 395,947,110**	**$ -**	**-**	-
Recreation	**$ 487,268,690**	**$ -**	**-**	-
St. Malo and St. Pierre FD General At Large	**$ 487,268,690**	**$ -**	**-**	-
Municipal Office Building	**$ 487,268,690**	**$ -**	**-**	-
Office Technology	**$ 487,268,690**	**$ -**	**-**	-
Handivan	**$ 487,268,690**	**$ -**	**-**	-
sub-total- Reserves			**-**	-
General municipal - Rural Area	**$ 395,947,110**	**$ 5.251**	**2,079,260**	1,647,093
General municipal - At Large	**$ 487,268,690**	**$ 3.724**	**1,814,589**	1,658,499
			3,893,849	3,305,592
Special levies:				
Otterburne Sewer Services	**$ -**	**$ -**	**32,883**	31,044
De Salaberry Waste Collection	**$ -**	**$ -**	**253,495**	248,524
De Salaberry Residential Recycling	**$ -**	**$ -**	**17,425**	17,350
sub-total- Special levies			**303,803**	296,918
Business tax (rate%)	**$ -**	**$ -**	**918**	205
Total municipal taxes (Schedule 2)			**5,167,826**	4,464,656
Education support levy	**$ 50,300,540**	**$ 7.117**	**357,989**	340,646
Special levies:				
Red River School Division	**$ 413,540,460**	**$ 11.317**	**4,680,037**	3,952,336
Border Land School Division	**$ 29,444,270**	**$ 11.606**	**341,730**	293,587
Hanover School Division	**$ 40,421,540**	**$ 12.359**	**499,570**	416,339
sub-total- Special levies			**5,521,337**	4,662,262
Total education taxes			**5,879,326**	5,002,908
Total tax levy (Schedule 11)			**$ 11,047,152**	$ 9,467,564

Rural Municipality of De Salaberry **SCHEDULE 13**

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual (Restated)
General government services:		
Legislative	**$ 197,118**	$ 201,053
General administrative	**1,021,717**	1,015,957
Other	**118,242**	96,213
	1,337,077	1,313,223
Protective services:		
Police	**-**	-
Fire	**143,558**	224,943
Emergency measures	**119,943**	130,861
Other	**33,585**	32,011
	297,086	387,815
Transportation services:		
Road transport		
Administration and engineering	**-**	-
Road and street maintenance	**1,835,417**	1,852,570
Ditches and road drainage	**179,733**	92,541
Bridge maintenance	**-**	-
Sidewalk and boulevard maintenance	**-**	-
Street lighting	**8,787**	11,623
Other	**-**	-
Air transport	**-**	-
Public transit	**-**	-
Other	**580,725**	512,978
	2,604,662	2,469,712
Environmental health services:		
Waste collection and disposal	**387,781**	356,184
Recycling	**53,362**	45,141
Other	**125,685**	128,386
	566,828	529,711
Public health and welfare services:		
Public health	**-**	-
Medical care	**-**	-
Social assistance	**76,977**	77,630
Other	**-**	-
	76,977	77,630
Regional planning and development		
Planning and zoning	**41,660**	71,964
Urban renewal	**-**	-
Beautification and land rehabilitation	**5,873**	3,748
Urban area weed control	**-**	-
Other	**-**	-
	47,533	75,712
Resource conservation and industrial development		
Rural area weed control	**30,996**	21,440
Drainage of land	**-**	-
Water resources and conservation	**-**	-
Regional development	**1,100**	1,450
Industrial development	**-**	-
Tourism	**-**	-
Other	**24,247**	11,719
	56,343	34,609
Sub-totals forward	**$ 4,986,506**	$ 4,888,412

Rural Municipality of De Salaberry **SCHEDULE 13**

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual (Restated)
Sub-totals forward	**$ 4,986,506**	$ 4,888,412
Recreation and cultural services:		
Administration	**-**	-
Community centers and halls	**4,872**	2,250
Swimming pools and beaches	**-**	-
Golf courses	**-**	-
Skating and curling rinks	**270,944**	362,251
Parks and playgrounds	**17,645**	45,636
Other recreational facilities	**130,870**	132,600
Museums	**-**	-
Libraries	**16,779**	16,975
Other cultural facilities	**6,750**	5,070
	447,860	564,782
Total expenses	**$ 5,434,366**	$ 5,453,194

Rural Municipality of De Salaberry

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

For the Year Ended December 31, 2025

	2025			2024
	General	**Utility**	**Total**	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	**$ 143,176**	**$ 21,905**	**$ 165,081**	$ (20,989)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	**1,203,000**	**74,532**	**1,277,532**	1,721,571
Eliminate revenue - transfers from reserves	**(1,314,493)**	**(172,154)**	**(1,486,647)**	(1,586,663)
Increase revenue - reserve funds investment income	**93,001**	**5,136**	**98,137**	164,098
Increase revenue - reserve other income	**-**	**-**	**-**	-
Increase (Decrease) revenue/expense - transfers between funds	**-**	**-**	**-**	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	**1,165,871**	**-**	**1,165,871**	801,573
Eliminate expense - contributions to consolidating entities	**121,364**	**25,405**	**146,769**	73,453
Increase expense - landfill liability	**(5,929)**	**-**	**(5,929)**	(5,378)
Increase expense - amortization of tangible capital assets	**(887,645)**	**(180,081)**	**(1,067,726)**	(992,812)
Decrease expense - principal portion of debenture debt	**6,215**	**180,992**	**187,207**	194,179
Decrease revenue - proceeds from long term debt	**-**	**-**	**-**	-
Increase (decrease) revenue - gain (loss) on disposal of tangible capital assets	**(42,989)**	**-**	**(42,989)**	200,488
Decrease revenue - proceeds on disposal of tangible capital assets	**(27,725)**	**-**	**(27,725)**	(457,727)
Increase revenue - donated tangible capital assets	**-**	**-**	**-**	-
Eliminate expense - acquisitions of tangible capital assets	**4,673,155**	**36,596**	**4,709,751**	1,771,909
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	**$ 5,127,001**	**$ (7,669)**	**$ 5,119,332**	$ 1,863,702