

MUNICIPALITY OF LORNE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Municipality of Lorne
PO Box 10
Somerset, MB
R0G 2L0

STATEMENT OF RESPONSIBILITY

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

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

Reid & Miller Chartered Professional Accountants Inc. as the Municipality's appointed external auditors, have audited the Financial Statements. The Auditor's report is addressed to the 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 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.


Shannon Gaultier
CAO

Independent Auditors' Report

To the Reeve and members of Council of the
Municipality of Lorne

Qualified Opinion

We have audited the accompanying consolidated financial statements of the Municipality of Lorne, which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of operations, cash flows and change in net financial assets for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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 consolidated financial position of the Municipality of Lorne as at December 31, 2024, and the consolidated results of its operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

Effective January 1, 2023, the Municipality adopted PS 3280 Asset Retirement Obligations ("ARO") which requires the Municipality to recognize an ARO liability when there is a legal obligation to incur retirement costs in relation to a tangible capital asset. The Municipality has not provided a reasonable estimate for the asset retirement costs associated with buildings containing asbestos to determine the ARO as at December 31, 2024 and we were unable to satisfy ourselves concerning this liability by alternative means. Consequently, we were not able to determine whether any adjustments would be necessary to liabilities, net financial assets, tangible capital assets, accumulated surplus, expenses, annual surplus, or change in net financial assets for the year ended December 31, 2024.

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

Reid & Miller

December 17, 2025
Winnipeg, Manitoba

Chartered Professional Accountants Inc.

MUNICIPALITY OF LORNE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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MUNICIPALITY OF LORNE**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at December 31, 2024**

	2024 Actual \$	2023 Actual \$
FINANCIAL ASSETS		
Cash and temporary investments	7,090,217	5,011,008
Accounts receivable <i>(note 3)</i>	2,841,283	3,703,578
Portfolio investments <i>(note 4)</i>	348,408	391,860
	<u>10,279,908</u>	<u>9,106,446</u>
LIABILITIES		
Accounts payable and accrued liabilities <i>(note 6)</i>	1,239,772	1,201,393
Deferred revenue <i>(note 7)</i>	3,705,889	3,063,468
Long-term debt <i>(note 8)</i>	1,376,224	1,526,670
	<u>6,321,885</u>	<u>5,791,531</u>
NET FINANCIAL ASSETS	<u>3,958,023</u>	<u>3,314,915</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(schedule 1)</i>	13,858,362	14,521,665
Inventories <i>(note 5)</i>	12,234	29,260
Prepaid expenses	407,104	209,918
	<u>14,277,700</u>	<u>14,760,843</u>
ACCUMULATED SURPLUS <i>(note 17)</i>	<u>18,235,723</u>	<u>18,075,758</u>

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

MUNICIPALITY OF LORNE

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2024

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
REVENUE			
Property taxes	4,421,640	4,689,652	4,452,600
Grants in lieu of taxation	20,033	21,164	20,288
User fees	205,100	1,227,087	392,646
Grants - Province of Manitoba	912,380	443,373	432,989
Grants - Other	170,073	449,749	308,908
Permits, licences and fees	250	92,955	66,970
Investment revenue	33,000	67,155	32,991
Other revenue	401,064	524,272	541,904
Water and sewer	569,645	668,228	613,858
Total revenue <i>(schedules 2, 4 and 5)</i>	<u>6,733,185</u>	<u>8,183,635</u>	<u>6,863,154</u>
EXPENSES			
General government services	1,072,355	1,169,863	868,509
Protective services	325,130	307,287	291,375
Transportation services	3,213,919	2,979,453	2,806,388
Environmental health services	335,100	335,330	320,471
Public health and welfare services	8,558	8,590	8,591
Regional planning and development	103,231	177,215	159,337
Resource conservation and industrial development	232,540	1,527,218	355,757
Recreation and cultural services	416,538	648,693	591,409
Water and sewer	775,235	870,021	784,960
Total expenses <i>(schedules 3, 4 and 5)</i>	<u>6,482,606</u>	<u>8,023,670</u>	<u>6,186,797</u>
ANNUAL SURPLUS	250,579	159,965	676,357
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>18,075,758</u>	<u>18,075,758</u>	<u>17,399,401</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>18,326,337</u>	<u>18,235,723</u>	<u>18,075,758</u>

The accompanying notes are an integral part of these financial statements

MUNICIPALITY OF LORNE**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS****For the Year Ended December 31, 2024**

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
ANNUAL SURPLUS	250,579	159,965	676,357
Acquisition of tangible capital assets	-	(351,793)	(174,585)
Proceeds on disposal of tangible capital assets	-	15,600	-
Amortization of tangible capital assets	680,335	1,015,000	716,693
Gain on sale of tangible capital assets	-	(15,504)	-
Decrease (increase) in inventories	-	17,026	(21,284)
Increase in prepaid expense	-	(197,186)	(145,320)
CHANGE IN NET FINANCIAL ASSETS	930,914	643,108	1,051,861
NET FINANCIAL ASSETS BEGINNING OF YEAR	3,314,915	3,314,915	2,263,054
NET FINANCIAL ASSETS END OF YEAR	4,245,829	3,958,023	3,314,915

The accompanying notes are an integral part of these financial statements

MUNICIPALITY OF LORNE**CONSOLIDATED STATEMENT OF CASH FLOWS****For the Year Ended December 31, 2024**

	2024 Actual \$	2023 Actual \$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus	159,965	676,357
Changes in non-cash items:		
Amortization	1,015,000	716,693
Gain on disposal of tangible capital assets	(15,504)	-
	1,159,461	1,393,050
Net changes in non-cash working capital affecting operations <i>(note 21)</i>	1,362,935	(1,874,685)
	2,522,396	(481,635)
CAPITAL TRANSACTIONS		
Proceeds from sale of tangible capital assets	15,600	-
Cash used to acquire tangible capital assets	(351,793)	(174,585)
	(336,193)	(174,585)
INVESTING		
Proceeds on sale of portfolio investments	43,452	-
FINANCING		
Reduction in long-term debt	(150,446)	(74,697)
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	2,079,209	(730,917)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	5,011,008	5,741,925
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	7,090,217	5,011,008
CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:		
Cash and temporary investments	4,976,230	3,682,173
Temporary investments	5,940	5,940
Externally restricted cash	2,108,047	1,322,895
	7,090,217	5,011,008

The accompanying notes are an integral part of these financial statements

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

1. STATUS OF THE MUNICIPALITY OF LORNE

The incorporated Municipality of Lorne is a municipal government that was created on January 1, 2015 pursuant to The Municipal Amalgamations Act. The Municipality of Lorne reflects the amalgamation of the former Rural Municipality of Lorne, the former Village of Notre Dame, and the former Village of Somerset. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality owns five 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 Canadian 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:

The financial statements have been prepared based on the continuity of interest principle with respect to the former Rural Municipality of Lorne, the former Village of Notre Dame, and the former Village of Somerset, which requires the Municipality of Lorne, to report the current comparative financial statement as if the former municipalities had been combined since inception. Under this method, assets and liabilities of the amalgamated municipalities are recognized at their carrying values at the date of amalgamation. Result of operations of the amalgamated municipalities are combined as if the amalgamated municipality had always existed as a single municipality.

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:

Lorne Community Development Corporation
Lorne Library Services
Lorne Recreation District
Somerset Community Hall
Somerset Recreation Commission
Somerset CDC

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

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

	Consolidated	
	2024	2023
South Central Planning District	50.27 %	50.27 %
Argyle Lorne Weed Control District	60.00 %	60.00 %
Notre Dame Recreation District	75.90 %	75.90 %
Salle Centenaire de Notre-dame-de-Lourdes	55.50 %	55.50 %
Lourdeon Community Development Corporation	93.30 %	93.30 %

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

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

b) BASIS OF ACCOUNTING

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

c) FINANCIAL INSTRUMENTS

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

Fair value:

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

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

Cost or amortized cost:

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

d) CASH AND CASH EQUIVALENTS

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

e) PORTFOLIO INVESTMENTS

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

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

f) REAL ESTATE PROPERTIES HELD FOR SALE

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

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

g) NON-FINANCIAL ASSETS

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

h) TANGIBLE CAPITAL ASSETS

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

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

General Tangible Capital Assets

Land and land improvements	Indefinite
Buildings and leasehold improvements	10 to 40 years
Vehicles and equipment	
Vehicles	10 to 20 years
Machinery and equipment	10 to 25 years
Computer hardware and software	4 to 10 years

MUNICIPALITY OF LORNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024

Infrastructure Assets

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

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

i) LEASES

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership or property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

j) INVENTORIES

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

Inventories held for consumption are recorded at the lower of cost and replacement value. Cost is determined on a first in, first out basis.

k) REVENUE RECOGNITION

Fees and other revenues:

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

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

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

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

Government transfers:

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

Externally restricted inflows:

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

l) ASSET RETIREMENT OBLIGATIONS

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

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

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

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

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

m) MEASUREMENT UNCERTAINTY

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

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

MUNICIPALITY OF LORNE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2024****3. ACCOUNTS RECEIVABLE**

Amounts receivable are valued at their net realizable value.

	<u>2024</u>	<u>2023</u>
	\$	\$
Tax assets (<i>schedule 10</i>)	536,865	579,674
Government grants and receivables	2,087,463	2,811,135
Utility customers	90,783	105,651
Accrued interest	-	7,210
Organizations and individuals	217,526	224,605
	<u>2,932,637</u>	<u>3,728,275</u>
Allowance for doubtful accounts	<u>(91,354)</u>	<u>(24,697)</u>
	<u>2,841,283</u>	<u>3,703,578</u>

4. PORTFOLIO INVESTMENTS

	<u>2024</u>	<u>2023</u>
	\$	\$
Marketable securities		
Other securities	348,408	391,860

5. INVENTORIES

	<u>2024</u>	<u>2023</u>
	\$	\$
Fuel	9,085	17,120
Culverts	3,149	12,140
	<u>12,234</u>	<u>29,260</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2024</u>	<u>2023</u>
	\$	\$
Trade payables	614,158	227,300
Government payables	67,807	84,151
Accrued expenses	462,561	423,770
School levies	75,239	396,629
Debentures levied in advance	-	55,988
Other	20,007	13,555
	<u>1,239,772</u>	<u>1,201,393</u>

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

7. DEFERRED REVENUE

	2024	2023
	\$	\$
Community Development funds, unexpended balance	290,636	290,636
Long-term security deposits and other deferred revenue	1,522,340	1,570,151
Province of Manitoba	1,892,913	1,202,681
	<u>3,705,889</u>	<u>3,063,468</u>

8. LONG-TERM DEBT

	2024	2023
	\$	\$
General Authority:		
Government partnership: Lourdeon Community Development Corporation: Mortgage payable in monthly instalments of \$3,270, \$3,610, \$3,806, and \$682; including interest at 2.750%, 3.640%, 3.670% and 2.850% respectfully.	1,061,080	1,146,599
	<u>1,061,080</u>	<u>1,146,599</u>
Utility Funds:		
Municipal debenture payable in annual instalments of \$25,705 including interest at 3.125%, due December 31, 2029.	117,304	138,675
Municipal debenture payable in annual instalments of \$55,988 including interest at 5.150%, due December 31, 2028.	197,840	241,396
	<u>315,144</u>	<u>380,071</u>
	<u>1,376,224</u>	<u>1,526,670</u>

Estimated principal repayments for the next five years are as follows:

2025	155,400
2026	151,800
2027	130,600
2028	135,700
2029	141,800

MUNICIPALITY OF LORNE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2024****9. DEBT CHARGES - FRONTAGE**

Purpose and By-law	2024 Levy	2023 Levy
	\$	\$
Swan Lake Lagoon	<u><u>55,226</u></u>	<u><u>55,226</u></u>

10. DEBT CHARGES - L.I.D.

Purpose and By-law	Assessment	2024 Mill Rate	2023 Levy	2023 Levy
			\$	\$
Lagoon Repair By-law 92/13			-	12,873
Somerset Water lines 0004/15	12,506,970	0.246	<u>3,059</u>	<u>3,077</u>
			<u><u>3,059</u></u>	<u><u>15,950</u></u>

11. SPECIAL LEVIES

Purpose and By-law	Assessment	2024 Mill Rate	2023 Levy	2023 Levy
			\$	\$
Somerset Hall - B/L 0036-19	74,964,940	0.267	20,042	20,016
Somerset Rink - B/L 0037-19	74,964,940	0.200	15,013	14,993
Somerset Curling Rink - B/L 0038-19	74,964,940	0.047	3,528	3,523
Swan Lake Rink - B/L 0039-19	82,310,930	0.304	25,090	25,023
Swan Lake Hall - B/L 0040-19	82,310,930	0.134	11,060	11,029
Cypress Rink - B/L 0041-19	19,566,060	0.128	2,504	2,504
Cypress Hall - B/L 0042-19	19,566,060	0.153	2,994	2,994
Bruxelles Rink - B/L 0043-19	42,239,160	0.074	3,158	3,126
Bruxelles Hall - B/L 0044-19	39,877,780	0.100	4,032	3,988
Altamont Hall - B/L 0046-19	38,129,250	0.131	5,028	4,995
Mariapolis Rink - B/L 0047-19	29,662,790	0.035	1,046	1,038
Notre Dame Hall - B/L 0048-19	61,112,010	0.131	8,036	8,006
Notre Dame Arena - B/L 0064-21	61,112,010	0.210	12,886	12,838
St Leon Recreation - B/L 0045-19	32,229,480	0.217	6,996	6,994
St Alphonse Hall - B/L 0049-19	33,335,560	0.090	3,014	3,000
Notre Dame Services B/L 0024-17			157,300	143,500
Notre Dame Services B/L 27-17	28,961,820	3.686	<u>107,988</u>	<u>114,788</u>
			<u><u>389,715</u></u>	<u><u>382,355</u></u>

12. 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 municipalities on behalf of their employees are expected to be \$45.2 million (2024 - \$43.8 million) and are included in each municipality's statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2023, indicated the plan was 111.4% funded on a going concern basis and had an unfunded solvency liability of \$24.3 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2023.

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

13. 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.

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

14. 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 9 - Reconciliation of the Financial Plan to the Budget*.

15. SEGMENTED INFORMATION

The Municipality of Lorne 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.

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

16. GOVERNMENT PARTNERSHIPS

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

	<u>2024</u>	<u>2023</u>
	\$	\$
Financial Position		
Financial Assets	2,871,358	2,622,889
Liabilities	<u>2,901,398</u>	<u>3,041,271</u>
	(30,040)	(418,382)
Non-financial Assets	<u>4,817,766</u>	<u>5,096,027</u>
Accumulated Surplus	<u><u>4,787,726</u></u>	<u><u>4,677,645</u></u>
Result of Operations		
Revenue	2,005,120	870,815
Expenses	<u>1,895,039</u>	<u>449,994</u>
Annual Surplus	<u><u>110,081</u></u>	<u><u>420,821</u></u>

17. ACCUMULATED SURPLUS

	<u>2024</u>	<u>2023</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Deficit, excluding Tangible Capital Assets	(715,160)	(356,700)
Utility Operating Funds - Nominal Surplus (Deficit), excluding Tangible Capital Assets	(81,528)	10,566
General Operating Tangible Capital Assets, net of related borrowings	6,253,930	6,522,279
Tangible Capital Assets, net of related borrowings	2,835,782	2,879,290
Reserve Funds	<u>5,424,205</u>	<u>4,574,642</u>
Accumulated surplus of municipality unconsolidated	<u>13,717,229</u>	<u>13,630,077</u>
Accumulated surpluses of consolidated controlled entities	349,678	318,932
Accumulated surpluses of consolidated government partnerships	<u>4,168,816</u>	<u>4,126,749</u>
Accumulated Surplus per Statement of Financial Position	<u><u>18,235,723</u></u>	<u><u>18,075,758</u></u>

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

18. TRUST FUNDS

The Municipality of Lorne administers the following trust:

	Balance, beginning of the year	Excess of Receipts over Disbursements	Balance, end of the year
Beaconsfield Cemetery Fund	37,877	(24,478)	13,400

19. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of The *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount in exceeding \$85,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2024:

- (a) Compensation paid to members of council amounted to \$121,494 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$85,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

Council Member	Compensation	Expenses	Total
Aurel Pantel	20,454	2,627	23,081
Roger Lesage	17,175	3,075	20,250
Daniel Hacault	14,570	1,695	16,265
Lindsay Ketsman	16,515	1,965	18,480
Gilbert Vigier	18,390	3,177	21,567
Gilbert Mabon	17,970	3,175	21,145
Denis Bibault	16,420	1,750	18,170
	121,494	17,464	138,958

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

Name	Position	Amount
Shannon Gaultier	Chief Administrative Officer	124,013
Mark Van Den Bussche	Public Works	92,404
Georges Leheiget	Public Works	86,006

MUNICIPALITY OF LORNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2024

20. PUBLIC UTILITY 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:		Unamortized			Unamortized
		Opening	Additions	Amortization	Ending
Description of Utility		Balance	During Year	During Year	Balance
Notre Dame		150,211	-	3,414	146,797
Sewer Services:		Unamortized			Unamortized
		Opening	Additions	Amortization	Ending
Description of Utility		Balance	During Year	During Year	Balance
Swan Lake		865,274	-	23,386	841,888

21. CHANGES IN WORKING CAPITAL

	2024	2023
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	862,295	(2,290,221)
Inventories	17,026	(21,284)
Prepaid expenses	(197,186)	(145,320)
Accounts payable and accrued liabilities	38,379	327,529
Deferred revenue	642,421	254,611
	<u>1,362,935</u>	<u>(1,874,685)</u>

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2024

	General Capital Assets					Infrastructure			2024 Actual	2023 Actual
	Land and Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets under Construction		
Cost										
Balance, beginning of year	1,933,167	16,085,573	6,222,706	124,712	-	17,275,185	6,894,837	108,362	48,644,542	48,469,957
Asset purchases	170,145	64,859	91,749	25,040	-	-	108,362	(108,362)	351,793	174,585
Disposals and write downs	-	-	23,608	-	-	-	-	-	23,608	-
Balance, end of year	2,103,312	16,150,432	6,290,847	149,752	-	17,275,185	7,003,199	-	48,972,727	48,644,542
Accumulated Amortization										
Balance, beginning of year	1,276,637	10,728,421	3,592,439	121,714	-	14,659,828	3,743,838	-	34,122,877	33,406,184
Amortization	19,908	388,629	305,073	4,537	-	188,418	108,435	-	1,015,000	716,693
Disposals and write downs	-	-	23,512	-	-	-	-	-	23,512	-
Balance, end of year	1,296,545	11,117,050	3,874,000	126,251	-	14,848,246	3,852,273	-	35,114,365	34,122,877
Net book value	806,767	5,033,382	2,416,847	23,501	-	2,426,939	3,150,926	-	13,858,362	14,521,665

CONSOLIDATED SCHEDULE OF REVENUES

For the Year Ended December 31, 2024

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
PROPERTY TAXES			
Municipal taxes levied (<i>schedule 11</i>)	4,381,640	4,661,815	4,432,742
Taxes added	40,000	27,837	19,858
	<u>4,421,640</u>	<u>4,689,652</u>	<u>4,452,600</u>
GRANTS IN LIEU OF TAXATION			
Provincial government	1,240	1,240	890
Provincial government enterprises	18,793	19,924	19,398
	<u>20,033</u>	<u>21,164</u>	<u>20,288</u>
USER FEES			
Sales of service	125,900	278,602	294,290
Sales of goods	-	-	18,975
Rentals	79,200	948,485	79,381
	<u>205,100</u>	<u>1,227,087</u>	<u>392,646</u>
GRANTS - PROVINCE OF MANITOBA			
General support grant	367,129	381,586	375,023
Conditional grants	545,172	61,735	57,926
Other provincial grant	79	52	40
	<u>912,380</u>	<u>443,373</u>	<u>432,989</u>
GRANTS - OTHER			
Federal government - gas tax funding	170,073	161,487	178,534
Federal government - other	-	94,391	(5,000)
Other local governments	-	134,669	135,374
Other grant	-	59,202	-
	<u>170,073</u>	<u>449,749</u>	<u>308,908</u>
PERMITS, LICENCES AND FEES			
Permits	10	92,795	66,710
Licences	240	160	260
	<u>250</u>	<u>92,955</u>	<u>66,970</u>
INVESTMENT REVENUE			
Interest	33,000	67,155	32,991
OTHER REVENUE			
Miscellaneous	351,064	446,102	168,491
Penalties and interest	50,000	62,617	60,430
Donations	-	15,553	312,983
	<u>401,064</u>	<u>524,272</u>	<u>541,904</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	569,645	668,228	613,858
TOTAL REVENUE	<u>6,733,185</u>	<u>8,183,635</u>	<u>6,863,154</u>

MUNICIPALITY OF LORNE**Schedule 3****CONSOLIDATED SCHEDULE OF EXPENSES****For the Year Ended December 31, 2024**

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	197,374	183,104	188,896
General administrative	800,181	924,810	631,584
Other	74,800	61,949	48,029
	<u>1,072,355</u>	<u>1,169,863</u>	<u>868,509</u>
PROTECTIVE SERVICES			
Fire	304,130	288,055	262,549
Emergency measures	19,800	18,036	27,626
By-law enforcement	1,200	1,196	1,200
	<u>325,130</u>	<u>307,287</u>	<u>291,375</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	29,300	23,438	24,645
Road and street maintenance	3,006,439	2,821,121	2,637,793
Bridge maintenance	4,000	219	-
Sidewalk and boulevard maintenance	30,700	4,069	16,482
Street lighting	54,500	52,032	51,064
Workshop	88,980	78,574	73,788
Public transit	-	-	2,616
	<u>3,213,919</u>	<u>2,979,453</u>	<u>2,806,388</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	267,600	264,229	257,478
Recycling	62,800	63,234	58,579
Lagoons and wells	4,700	7,867	4,414
	<u>335,100</u>	<u>335,330</u>	<u>320,471</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	6,500	6,532	6,533
Social assistance	2,058	2,058	2,058
	<u>8,558</u>	<u>8,590</u>	<u>8,591</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	36,281	122,091	118,665
Urban renewal	16,500	16,500	16,500
Beautification and land rehabilitation	47,150	25,034	15,128
Urban area weed control	1,300	1,843	719
Other	2,000	11,747	8,325
	<u>103,231</u>	<u>177,215</u>	<u>159,337</u>

MUNICIPALITY OF LORNE**Schedule 3****CONSOLIDATED SCHEDULE OF EXPENSES****For the Year Ended December 31, 2024**

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	70,683	165,336	163,531
Veterinary services	24,461	24,461	23,982
Water resources and conservation	21,396	21,396	22,257
Regional development	116,000	1,316,025	145,987
	<u>232,540</u>	<u>1,527,218</u>	<u>355,757</u>
RECREATION AND CULTURAL SERVICES			
Administration	103,504	131,575	87,427
Community centers and halls	54,000	154,940	211,539
Skating and curling rinks	76,983	71,782	73,089
Parks and playgrounds	58,900	64,616	67,125
Other recreational facilities	74,300	127,014	64,970
Museums	13,300	14,959	8,915
Libraries	35,551	83,807	78,344
	<u>416,538</u>	<u>648,693</u>	<u>591,409</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	775,235	870,021	784,960
	<u>775,235</u>	<u>870,021</u>	<u>784,960</u>
TOTAL EXPENSES	<u><u>6,482,606</u></u>	<u><u>8,023,670</u></u>	<u><u>6,186,797</u></u>

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2024

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	4,689,652	4,452,600	-	-	-	-	-	-	-	-
Grants in lieu of taxation	21,164	20,288	-	-	-	-	-	-	-	-
User fees	74,410	83,272	6,936	76,880	104,290	77,612	-	11,315	-	-
Prov of MB - unconditional grants	381,638	375,063	-	-	-	-	-	-	-	-
Prov of MB - conditional grants	5,000	-	-	-	-	-	-	-	-	-
Grants - Other	183,270	212,956	-	-	-	-	-	-	-	-
Permits, licences and fees	160	260	-	-	-	-	-	-	-	-
Investment revenue	45,649	21,133	5,719	1,710	11,844	6,362	-	-	100	-
Other revenue	270,160	249,660	-	-	-	-	-	-	-	-
Water and sewer	(81,693)	(94,745)	-	-	-	-	-	-	-	-
Total revenue	5,589,410	5,320,487	12,655	78,590	116,134	83,974	-	11,315	100	-
EXPENSES										
Personnel services	488,924	432,310	1,926	925	773,701	634,746	94,786	98,811	-	-
Contract services	150,459	117,429	20,048	29,612	29,467	38,974	117,094	110,915	2,058	2,058
Utilities	19,617	17,285	18,604	19,324	83,895	73,480	8,161	4,818	-	-
Maintenance materials & supplies	285,809	235,006	211,248	169,720	1,591,529	1,620,063	59,109	53,637	-	-
Grants & contributions	108,351	21,006	2,730	2,730	-	2,616	49,713	45,487	-	-
Amortization	49,646	44,501	52,731	69,064	427,997	436,509	6,467	6,803	6,532	6,533
Interest on long term debt	352	972	-	-	-	-	-	-	-	-
Bad debts expense	66,705	-	-	-	-	-	-	-	-	-
Other operating expense	-	-	-	-	72,864	-	-	-	-	-
Total expenses	1,169,863	868,509	307,287	291,375	2,979,453	2,806,388	335,330	320,471	8,590	8,591
SURPLUS (DEFICIT)	<u>4,419,547</u>	<u>4,451,978</u>	<u>(294,632)</u>	<u>(212,785)</u>	<u>(2,863,319)</u>	<u>(2,722,414)</u>	<u>(335,330)</u>	<u>(309,156)</u>	<u>(8,490)</u>	<u>(8,591)</u>

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

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2024

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	4,689,652	4,452,600
Grants in lieu of taxation	-	-	-	-	-	-	-	-	21,164	20,288
User fees	-	-	921,021	18,981	120,430	124,586	-	-	1,227,087	392,646
Prov of MB - unconditional grants	-	-	-	-	-	-	-	-	381,638	375,063
Prov of MB - conditional grants	-	-	-	1,190	56,735	56,736	-	-	61,735	57,926
Grants - Other	-	-	257,516	69,292	8,963	26,660	-	-	449,749	308,908
Permits, licences and fees	92,795	66,710	-	-	-	-	-	-	92,955	66,970
Investment revenue	3,810	3,394	-	354	33	38	-	-	67,155	32,991
Other revenue	-	-	151,820	23,061	102,292	269,183	-	-	524,272	541,904
Water and sewer	-	-	-	-	-	-	668,228	613,858	668,228	613,858
Total revenue	96,605	70,104	1,330,357	112,878	288,453	477,203	668,228	613,858	8,183,635	6,863,154
EXPENSES										
Personnel services	66,727	63,702	312,313	53,557	142,478	138,795	304,641	279,940	2,185,496	1,702,786
Contract services	38,444	18,219	2,099	13,110	76,241	65,356	418,328	338,265	854,238	733,938
Utilities	-	-	360	589	49,062	41,880	21,027	29,735	200,726	187,111
Maintenance materials & supplies	45,217	40,035	865,935	226,886	197,483	175,016	-	-	3,256,330	2,520,363
Grants & contributions	14,520	28,410	19,546	61,239	147,762	133,835	-	-	342,622	295,323
Amortization	560	561	326,965	376	35,667	36,527	108,435	115,819	1,015,000	716,693
Interest on long term debt	-	-	-	-	-	-	16,766	20,312	17,118	21,284
Bad debts expense	-	-	-	-	-	-	-	-	66,705	-
Other operating expense	11,747	8,410	-	-	-	-	824	889	85,435	9,299
Total expenses	177,215	159,337	1,527,218	355,757	648,693	591,409	870,021	784,960	8,023,670	6,186,797
SURPLUS (DEFICIT)	(80,610)	(89,233)	(196,861)	(242,879)	(360,240)	(114,206)	(201,793)	(171,102)	159,965	676,357

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

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2024

	Core Government		Controlled Entities		Government Partnerships		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Property taxes	4,689,652	4,452,600	-	-	-	-	4,689,652	4,452,600
Grants in lieu of taxation	21,164	20,288	-	-	-	-	21,164	20,288
User fees	202,936	258,906	23,610	33,792	1,000,541	99,948	1,227,087	392,646
Prov of MB - unconditional grants	381,638	375,063	-	-	-	-	381,638	375,063
Prov of MB - conditional grants	5,000	-	56,735	56,736	-	1,190	61,735	57,926
Grants - Other	161,487	173,534	4,099	-	284,163	135,374	449,749	308,908
Permits, licences and fees	160	380	-	-	92,795	66,590	92,955	66,970
Investment revenue	63,312	29,205	-	354	3,843	3,432	67,155	32,991
Other revenue	270,160	249,660	5,103	23,000	249,009	269,244	524,272	541,904
Water and sewer	652,724	613,858	-	-	15,504	-	668,228	613,858
Total revenue	6,448,233	6,173,494	89,547	113,882	1,645,855	575,778	8,183,635	6,863,154
EXPENSES								
Personnel services	1,694,883	1,471,862	83,493	90,905	407,120	140,019	2,185,496	1,702,786
Contract services	821,081	691,038	14,494	23,184	18,663	19,716	854,238	733,938
Utilities	160,288	147,531	1,036	1,124	39,402	38,456	200,726	187,111
Maintenance materials & supplies	2,291,246	2,333,501	69,116	87,033	895,968	99,829	3,256,330	2,520,363
Grants & contributions	544,529	417,545	(111,406)	(90,798)	(90,501)	(31,424)	342,622	295,323
Amortization	679,799	707,731	2,069	2,070	333,132	6,892	1,015,000	716,693
Interest on long term debt	17,118	21,284	-	-	-	-	17,118	21,284
Bad debts expense	66,705	-	-	-	-	-	66,705	-
Other operating expense	85,435	9,299	-	-	-	-	85,435	9,299
Total expenses	6,361,084	5,799,791	58,802	113,518	1,603,784	273,488	8,023,670	6,186,797
SURPLUS (DEFICIT)	87,149	373,703	30,745	364	42,071	302,290	159,965	676,357

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2024

	General Reserve \$	Machinery Replacement Reserve \$	Fire Equipment Reserve \$	Bridge Reserve \$	Gas Tax Reserve \$	Recreation Reserve \$	Office Reserve \$
FINANCIAL ASSETS							
Cash and temporary investments	19,759	-	-	-	357,787	-	-
Due from other funds	<u>385,588</u>	<u>1,004,016</u>	<u>664,036</u>	<u>219,358</u>	<u>1,488,375</u>	<u>120,596</u>	<u>33,549</u>
	<u>405,347</u>	<u>1,004,016</u>	<u>664,036</u>	<u>219,358</u>	<u>1,846,162</u>	<u>120,596</u>	<u>33,549</u>
REVENUE							
Investment revenue	<u>3,724</u>	<u>7,643</u>	<u>5,719</u>	<u>2,016</u>	<u>21,547</u>	<u>1,161</u>	<u>299</u>
TRANSFERS							
Transfers from (to) operating fund	<u>-</u>	<u>420,160</u>	<u>140,000</u>	<u>20,000</u>	<u>161,487</u>	<u>-</u>	<u>5,000</u>
CHANGE IN FUND BALANCES	<u>3,724</u>	<u>427,803</u>	<u>145,719</u>	<u>22,016</u>	<u>183,034</u>	<u>1,161</u>	<u>5,299</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>401,623</u>	<u>576,213</u>	<u>518,317</u>	<u>197,342</u>	<u>1,663,128</u>	<u>119,435</u>	<u>28,250</u>
FUND SURPLUS, END OF YEAR	<u><u>405,347</u></u>	<u><u>1,004,016</u></u>	<u><u>664,036</u></u>	<u><u>219,358</u></u>	<u><u>1,846,162</u></u>	<u><u>120,596</u></u>	<u><u>33,549</u></u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2024

	Medical Reserve \$	St Leon School Reserve \$	Clinic Reserve \$	Somerset Utility Reserve \$	Notre Dame Utility Reserve \$	Bipole Reserve \$	Municipal Shed Reserve \$
FINANCIAL ASSETS							
Cash and temporary investments	-	-	-	-	-	117,644	-
Due from other funds	<u>10,327</u>	<u>8</u>	<u>28,244</u>	<u>26,892</u>	<u>8,206</u>	<u>184,919</u>	<u>648,509</u>
	<u>10,327</u>	<u>8</u>	<u>28,244</u>	<u>26,892</u>	<u>8,206</u>	<u>302,563</u>	<u>648,509</u>
REVENUE							
Investment revenue	<u>100</u>	<u>-</u>	<u>272</u>	<u>259</u>	<u>79</u>	<u>2,074</u>	<u>5,998</u>
TRANSFERS							
Transfers from (to) operating fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,000</u>
CHANGE IN FUND BALANCES	<u>100</u>	<u>-</u>	<u>272</u>	<u>259</u>	<u>79</u>	<u>2,074</u>	<u>56,998</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>10,227</u>	<u>8</u>	<u>27,972</u>	<u>26,633</u>	<u>8,127</u>	<u>300,489</u>	<u>591,511</u>
FUND SURPLUS, END OF YEAR	<u><u>10,327</u></u>	<u><u>8</u></u>	<u><u>28,244</u></u>	<u><u>26,892</u></u>	<u><u>8,206</u></u>	<u><u>302,563</u></u>	<u><u>648,509</u></u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2024

	2024 Actual \$	2023 Actual \$
FINANCIAL ASSETS		
Cash and temporary investments	495,190	486,889
Due from other funds	<u>4,929,014</u>	<u>4,087,753</u>
	<u>5,424,204</u>	<u>4,574,642</u>
REVENUE		
Investment revenue	<u>51,915</u>	<u>25,839</u>
TRANSFERS		
Transfers from (to) operating fund	<u>797,647</u>	<u>658,661</u>
CHANGE IN FUND BALANCES	849,562	684,500
FUND SURPLUS, BEGINNING OF YEAR	<u>4,574,642</u>	<u>3,890,142</u>
FUND SURPLUS, END OF YEAR	<u><u>5,424,204</u></u>	<u><u>4,574,642</u></u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2024

	St. Leon \$	Swan Lake \$	Mariapolis \$	Somerset \$	Notre Dame \$	2024 Actual \$	2023 Actual \$
FINANCIAL ASSETS							
Accounts receivable <i>(note 3)</i>	8,176	13,756	2,605	28,423	37,823	90,783	105,651
Due from other funds	167,296	-	-	408,437	-	575,733	546,479
	<u>175,472</u>	<u>13,756</u>	<u>2,605</u>	<u>436,860</u>	<u>37,823</u>	<u>666,516</u>	<u>652,130</u>
LIABILITIES							
Accounts payable and accrued liabilities <i>(note 6)</i>	-	6,674	-	-	-	6,674	3,698
Long-term debt <i>(note 8)</i>	-	197,840	-	117,304	-	315,144	380,071
Due to other funds	-	399,332	35,417	-	306,623	741,372	637,866
	<u>-</u>	<u>603,846</u>	<u>35,417</u>	<u>117,304</u>	<u>306,623</u>	<u>1,063,190</u>	<u>1,021,635</u>
NON-FINANCIAL ASSETS							
Tangible capital assets <i>(schedule 1)</i>	117,995	1,445,373	1,376	950,581	635,601	3,150,926	3,259,361
FUND SURPLUS (DEFICIT)	<u>293,467</u>	<u>855,283</u>	<u>(31,436)</u>	<u>1,270,137</u>	<u>366,801</u>	<u>2,754,252</u>	<u>2,889,856</u>

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	ST. LEON UTILITY		2023
	2024	2024	Actual
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>20,000</u>	<u>30,306</u>	<u>30,082</u>
SEWER			
Sewer fees	<u>14,100</u>	<u>3,627</u>	<u>3,673</u>
OTHER REVENUE			
Hydrant rentals	700	700	700
Penalties	500	447	495
Other income	-	2,086	601
	<u>1,200</u>	<u>3,233</u>	<u>1,796</u>
TOTAL REVENUE	<u>35,300</u>	<u>37,166</u>	<u>35,551</u>
EXPENSES			
GENERAL			
Administration	<u>1,346</u>	<u>1,346</u>	<u>1,346</u>
WATER			
Purification and treatment	8,304	5,464	4,548
Transmission and distribution	<u>10,250</u>	<u>9,602</u>	<u>8,761</u>
	<u>18,554</u>	<u>15,066</u>	<u>13,309</u>
WATER AMORTIZATION AND INTEREST			
Amortization	<u>225</u>	<u>225</u>	<u>7,580</u>
SEWER			
Collection system costs	12,100	7,796	23,055
Treatment and disposal costs	<u>3,300</u>	-	-
	<u>15,400</u>	<u>7,796</u>	<u>23,055</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	<u>9,792</u>	<u>9,792</u>	<u>9,792</u>
TOTAL EXPENSES	<u>45,317</u>	<u>34,225</u>	<u>55,082</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(10,017)	2,941	(19,531)
FUND SURPLUS, BEGINNING OF YEAR	<u>290,526</u>	<u>290,526</u>	<u>310,057</u>
FUND SURPLUS, END OF YEAR	<u>280,509</u>	<u>293,467</u>	<u>290,526</u>

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	SWAN LAKE UTILITY		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	60,000	70,500	78,790
Bulk water fees	450	460	480
	<u>60,450</u>	<u>70,960</u>	<u>79,270</u>
SEWER			
Sewer fees	<u>16,200</u>	<u>6,802</u>	<u>-</u>
PROPERTY TAXES	<u>55,988</u>	<u>55,988</u>	<u>55,988</u>
OTHER REVENUE			
Hydrant rentals	2,800	2,800	2,800
Penalties	900	1,126	801
Other income	4,000	-	91
	<u>7,700</u>	<u>3,926</u>	<u>3,692</u>
TOTAL REVENUE	<u>140,338</u>	<u>137,676</u>	<u>138,950</u>
EXPENSES			
GENERAL			
Administration	<u>4,071</u>	<u>4,071</u>	<u>4,071</u>
WATER			
Purification and treatment	45,500	105,622	97,254
Transmission and distribution	26,179	53,850	56,154
Other water expense	-	824	889
	<u>71,679</u>	<u>160,296</u>	<u>154,297</u>
WATER AMORTIZATION AND INTEREST			
Amortization	<u>14,485</u>	<u>14,485</u>	<u>14,577</u>
SEWER			
Collection system costs	<u>8,600</u>	<u>4,420</u>	<u>540</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	39,105	39,105	39,014
Interest on long-term debt	12,450	12,432	14,565
	<u>51,555</u>	<u>51,537</u>	<u>53,579</u>
TOTAL EXPENSES	<u>150,390</u>	<u>234,809</u>	<u>227,064</u>
EXCESS OF EXPENSES OVER REVENUE	(10,052)	(97,133)	(88,114)

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	SWAN LAKE UTILITY		
	2024		
	Budget	2024	2023
	(Unaudited)	Actual	Actual
	\$	\$	\$
FUND SURPLUS, BEGINNING OF YEAR	952,416	952,416	1,040,530
FUND SURPLUS, END OF YEAR	942,364	855,283	952,416

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	MARIAPOLIS UTILITY		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
SEWER			
Sewer fees	<u>8,400</u>	<u>13,805</u>	<u>8,376</u>
OTHER REVENUE			
Penalties	<u>140</u>	<u>88</u>	<u>131</u>
TOTAL REVENUE	<u>8,540</u>	<u>13,893</u>	<u>8,507</u>
EXPENSES			
GENERAL			
Administration	<u>504</u>	<u>504</u>	<u>504</u>
SEWER			
Collection system costs	<u>8,036</u>	<u>15,332</u>	<u>11,171</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	<u>-</u>	<u>-</u>	<u>2,154</u>
TOTAL EXPENSES	<u>8,540</u>	<u>15,836</u>	<u>13,829</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>-</u>	<u>(1,943)</u>	<u>(5,322)</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>(29,493)</u>	<u>(29,493)</u>	<u>(24,171)</u>
FUND SURPLUS, END OF YEAR	<u>(29,493)</u>	<u>(31,436)</u>	<u>(29,493)</u>

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	SOMERSET UTILITY		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	80,000	114,229	84,863
Bulk water fees	700	-	-
SEWER			
Sewer fees	30,000	31,431	-
PROPERTY TAXES	25,705	25,705	25,705
OTHER REVENUE			
Hydrant rentals	2,625	2,625	2,625
Penalties	1,200	1,632	1,692
Other income	-	2,086	635
	3,825	6,343	4,952
TOTAL REVENUE	140,230	177,708	115,520
EXPENSES			
GENERAL			
Administration	7,400	7,400	7,400
WATER			
Purification and treatment	35,556	65,076	52,064
Transmission and distribution	50,200	31,562	54,283
	85,756	96,638	106,347
WATER AMORTIZATION AND INTEREST			
Amortization	3,223	3,223	16,465
Interest on long-term debt	4,334	4,334	4,981
	7,557	7,557	21,446
SEWER			
Collection system costs	5,638	1,378	590
Treatment and disposal costs	7,732	278	-
Lift station costs	-	85	-
	13,370	1,741	590
SEWER AMORTIZATION AND INTEREST			
Amortization	16,976	16,976	7,027
TOTAL EXPENSES	131,059	130,312	142,810
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	9,171	47,396	(27,290)

MUNICIPALITY OF LORNE

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	SOMERSET UTILITY		
	2024		
	Budget	2024	2023
	(Unaudited)	Actual	Actual
	\$	\$	\$
TRANSFERS			
Transfers from (to) operating fund	-	-	(22,583)
CHANGE IN UTILITY FUND BALANCE	9,171	47,396	(4,707)
FUND SURPLUS, BEGINNING OF YEAR	1,222,741	1,222,741	1,227,448
FUND SURPLUS, END OF YEAR	1,231,912	1,270,137	1,222,741

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	NOTRE DAME UTILITY		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>228,000</u>	<u>243,436</u>	<u>255,372</u>
SEWER			
Sewer fees	<u>54,430</u>	<u>66,406</u>	<u>96,271</u>
PROPERTY TAXES	<u>-</u>	<u>-</u>	<u>13,052</u>
OTHER REVENUE			
Hydrant rentals	5,000	5,000	5,000
Penalties	2,400	5,128	2,417
Other income	<u>37,100</u>	<u>48,004</u>	<u>37,963</u>
	<u>44,500</u>	<u>58,132</u>	<u>45,380</u>
TOTAL REVENUE	<u>326,930</u>	<u>367,974</u>	<u>410,075</u>
EXPENSES			
GENERAL			
Administration	<u>8,700</u>	<u>9,003</u>	<u>8,589</u>
WATER			
Purification and treatment	72,200	68,855	65,776
Transmission and distribution	<u>269,800</u>	<u>289,840</u>	<u>180,197</u>
	<u>342,000</u>	<u>358,695</u>	<u>245,973</u>
WATER AMORTIZATION AND INTEREST			
Amortization	<u>9,094</u>	<u>9,094</u>	<u>10,084</u>
SEWER			
Collection system costs	3,500	8,374	3,032
Treatment and disposal costs	42,400	33,196	38,870
Lift station costs	<u>18,700</u>	<u>20,942</u>	<u>29,735</u>
	<u>64,600</u>	<u>62,512</u>	<u>71,637</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	15,535	15,535	9,126
Interest on long-term debt	-	-	766
	<u>15,535</u>	<u>15,535</u>	<u>9,892</u>
TOTAL EXPENSES	<u>439,929</u>	<u>454,839</u>	<u>346,175</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(112,999)	(86,865)	63,900

MUNICIPALITY OF LORNE

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2024

	NOTRE DAME UTILITY		
	2024		
	Budget	2024	2023
	(Unaudited)	Actual	Actual
	\$	\$	\$
TRANSFERS			
Transfers from (to) operating fund	-	-	81,739
CHANGE IN UTILITY FUND BALANCE	(112,999)	(86,865)	145,639
FUND SURPLUS, BEGINNING OF YEAR	453,666	453,666	308,027
FUND SURPLUS, END OF YEAR	340,667	366,801	453,666

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2024

	Financial Plan General \$	Financial Plan Utilities \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Consolidated Entities \$	Government Partnerships \$	PSAB Budget \$
REVENUE									
Property taxes	4,421,640	-	-	-	-	-	-	-	4,421,640
Grants in lieu of taxation	20,033	-	-	-	-	-	-	-	20,033
User fees	205,100	-	-	-	-	-	-	-	205,100
Grants - Province of Manitoba	912,380	-	-	-	-	-	-	-	912,380
Grants - Other	170,073	-	-	-	-	-	-	-	170,073
Permits, licences and fees	250	-	-	-	-	-	-	-	250
Investment revenue	-	-	-	33,000	-	-	-	-	33,000
Other revenue	401,064	-	-	-	-	-	-	-	401,064
Transfers	708,637	278,494	-	-	(428,445)	-	-	-	558,686
Water and sewer	(81,693)	651,338	-	-	-	-	-	-	569,645
	<u>6,757,484</u>	<u>929,832</u>	<u>-</u>	<u>33,000</u>	<u>(428,445)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,291,871</u>
EXPENSES									
General government services	1,022,355	-	50,000	-	-	-	-	-	1,072,355
Protective services	272,230	-	52,900	-	-	-	-	-	325,130
Transportation services	2,785,919	-	428,000	-	-	-	-	-	3,213,919
Environmental health services	328,600	-	6,500	-	-	-	-	-	335,100
Public health and welfare services	2,058	-	6,500	-	-	-	-	-	8,558
Regional planning and development	103,231	-	-	-	-	-	-	-	103,231
Resource conservation and industrial development	232,540	-	-	-	-	-	-	-	232,540
Recreation and cultural services	388,538	-	28,000	-	-	-	-	-	416,538
Transfers	1,622,013	316,726	-	-	(1,380,053)	-	-	-	558,686
Water and sewer	-	611,613	108,435	16,784	38,403	-	-	-	775,235
	<u>6,757,484</u>	<u>928,339</u>	<u>680,335</u>	<u>16,784</u>	<u>(1,341,650)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,041,292</u>
SURPLUS (DEFICIT)	<u>-</u>	<u>1,493</u>	<u>(680,335)</u>	<u>16,216</u>	<u>913,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,579</u>

MUNICIPALITY OF LORNE

Schedule 10

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2024

	2024 Actual \$	2023 Actual \$
BALANCE, BEGINNING OF YEAR	579,674	411,611
Add:		
Tax Levy (<i>schedule 11</i>)	8,955,643	8,525,756
Taxes added	27,837	19,858
Penalties and interest	62,617	60,430
Other accounts added	48,363	50,165
Sub-total	9,674,134	9,067,820
Deduct:		
Cash collections - current	8,643,127	8,179,556
Cash collections - arrears	308,571	130,034
Cancellations	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	185,571	178,556
Sub-total	9,137,269	8,488,146
BALANCE, END OF YEAR	536,865	579,674

MUNICIPALITY OF LORNE

Schedule 11

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2024

	Assessment	2024 Mill Rate	Levy	2023 Levy
Other Governments (LUD):				
LUD of Altamont	982,750	22.335	21,950	20,500
LUD of St Leon	3,856,900	12.447	48,007	46,857
LUD of Swan Lake	7,476,320	29.057	217,239	216,039
LUD of Mariapolis	2,397,960	36.150	86,686	69,699
LUD of Somerset	12,433,750	30.789	382,823	377,548
LUD of Notre Dame	30,771,240	11.906	366,362	356,053
			<u>1,123,067</u>	<u>1,086,696</u>
Debt Charges:				
Frontage (note 9)			55,226	55,226
L.I.D. (note 10)			3,059	15,950
At large			-	-
			<u>58,285</u>	<u>71,176</u>
Other municipal levies:				
General municipal	424,948,960	4.348	1,847,250	1,640,431
Rural area	367,030,040	3.388	1,243,498	1,252,084
Special levy (note 11)			389,715	382,355
			<u>3,480,463</u>	<u>3,274,870</u>
Total municipal taxes (schedule 2)			<u>4,661,815</u>	<u>4,432,742</u>
Education Support Levy	80,228,700	8.128	652,099	653,064
Special levy:				
Prairie Rose School Division	38,284,710	10.002	382,924	361,916
Prairie Spirit School Division	384,247,720	8.482	3,258,805	3,078,034
			<u>3,641,729</u>	<u>3,439,950</u>
Total education taxes			<u>4,293,828</u>	<u>4,093,014</u>
Total tax levy (schedule 10)			<u><u>8,955,643</u></u>	<u><u>8,525,756</u></u>

MUNICIPALITY OF LORNE**Schedule 12****SCHEDULE OF GENERAL OPERATING FUND EXPENSES****For the Year Ended December 31, 2024**

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	197,374	183,104	188,896
General administrative	800,181	924,810	631,584
Other	74,800	61,949	48,029
	<u>1,072,355</u>	<u>1,169,863</u>	<u>868,509</u>
PROTECTIVE SERVICES			
Fire	304,130	288,055	262,549
Emergency measures	19,800	18,036	27,626
By-law enforcement	1,200	1,196	1,200
	<u>325,130</u>	<u>307,287</u>	<u>291,375</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	29,300	23,438	24,645
Road and street maintenance	3,006,439	2,821,121	2,637,793
Bridge maintenance	4,000	219	-
Sidewalk and boulevard maintenance	30,700	4,069	16,482
Street lighting	54,500	52,032	51,064
Workshop	88,980	78,574	73,788
Public transit	-	-	2,616
	<u>3,213,919</u>	<u>2,979,453</u>	<u>2,806,388</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	267,600	264,229	257,478
Recycling	62,800	63,234	58,579
Lagoons and wells	4,700	7,867	4,414
	<u>335,100</u>	<u>335,330</u>	<u>320,471</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	6,500	6,532	6,533
Social assistance	2,058	2,058	2,058
	<u>8,558</u>	<u>8,590</u>	<u>8,591</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	36,281	36,668	49,624
Urban renewal	16,500	16,500	16,500
Beautification and land rehabilitation	47,150	25,034	15,128
Urban area weed control	1,300	1,843	719
Other	2,000	11,747	8,325
	<u>103,231</u>	<u>91,792</u>	<u>90,296</u>

MUNICIPALITY OF LORNE

Schedule 12

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2024

	2024 Budget (Unaudited) \$	2024 Actual \$	2023 Actual \$
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	70,683	70,683	82,755
Veterinary services	24,461	24,461	23,982
Water resources and conservation	21,396	21,396	22,257
Regional development	116,000	38,399	129,361
	<u>232,540</u>	<u>154,939</u>	<u>258,355</u>
RECREATION AND CULTURAL SERVICES			
Administration	103,504	103,495	87,427
Community centers and halls	54,000	70,000	50,000
Skating and curling rinks	76,983	70,858	66,858
Parks and playgrounds	58,900	64,616	67,125
Other recreational facilities	74,300	84,330	64,970
Museums	13,300	14,959	8,915
Libraries	35,551	35,551	25,551
	<u>416,538</u>	<u>443,809</u>	<u>370,846</u>
TOTAL EXPENSES	<u><u>5,707,371</u></u>	<u><u>5,491,063</u></u>	<u><u>5,014,831</u></u>

MUNICIPALITY OF LORNE**Schedule 13****SCHEDULE OF L.U.D. OPERATIONS****For the Year Ended December 31, 2024**

	LUD OF ALTAMONT		
	2024 Budget \$	2024 Actual \$	2023 Actual \$
REVENUE			
Taxation	21,950	21,950	20,500
Other revenue	10,200	-	-
	<u>32,150</u>	<u>21,950</u>	<u>20,500</u>
EXPENSES			
Transportation			
Road and street maintenance	24,500	9,335	10,053
Sidewalk and boulevard maintenance	200	-	57
Street lighting	3,500	3,506	2,941
Workshop	100	1,470	-
	<u>28,300</u>	<u>14,311</u>	<u>13,051</u>
Regional planning and development			
Beautification and land rehabilitation	150	-	120
Recreation and culture			
Parks and playgrounds	2,400	433	719
Other recreational facilities	1,300	2,979	1,678
	<u>3,700</u>	<u>3,412</u>	<u>2,397</u>
Other expenses and transfers			
Purchase of capital assets	-	7,507	-
TOTAL EXPENSES	<u>32,150</u>	<u>25,230</u>	<u>15,568</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>-</u>	<u>(3,280)</u>	<u>4,932</u>
UNEXPENDED BALANCE, BEGINNING OF YEAR	<u>79,091</u>	<u>79,091</u>	<u>74,159</u>
UNEXPENDED BALANCE, END OF YEAR	<u>79,091</u>	<u>75,811</u>	<u>79,091</u>

MUNICIPALITY OF LORNE**Schedule 13****SCHEDULE OF L.U.D. OPERATIONS****For the Year Ended December 31, 2024**

	LUD OF ST LEON		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
Taxation	48,171	48,172	47,019
Other revenue	3,500	4,309	4,869
Transfer from reserves	18,600	-	-
	<u>70,271</u>	<u>52,481</u>	<u>51,888</u>
EXPENSES			
General government			
Indemnities	2,400	2,400	3,000
Other general government	2,000	842	2,409
	<u>4,400</u>	<u>3,242</u>	<u>5,409</u>
Transportation			
Road and street maintenance	39,300	11,585	14,180
Street lighting	3,500	3,959	3,322
	<u>42,800</u>	<u>15,544</u>	<u>17,502</u>
Environmental health			
Waste collection and disposal	500	-	-
Recycling	-	7	-
	<u>500</u>	<u>7</u>	<u>-</u>
Regional planning and development			
Planning and zoning	3,871	3,871	3,856
Urban renewal	10,000	9,639	120
Beautification and land rehabilitation	-	200	200
	<u>13,871</u>	<u>13,710</u>	<u>4,176</u>
Recreation and culture			
Parks and playgrounds	8,000	11,566	7,265
OTHER EXPENSES AND TRANSFERS			
Fire hydrant rentals	700	700	700
TOTAL EXPENSES	<u>70,271</u>	<u>44,769</u>	<u>35,052</u>

MUNICIPALITY OF LORNE

Schedule 13

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2024

	LUD OF ST LEON		
	2024		
	Budget	2024	2023
	(Unaudited)	Actual	Actual
	\$	\$	\$
EXCESS OF REVENUE OVER EXPENSES	-	7,712	16,836
UNEXPENDED BALANCE, BEGINNING OF YEAR	82,955	82,955	66,119
UNEXPENDED BALANCE, END OF YEAR	82,955	90,667	82,955

MUNICIPALITY OF LORNE**Schedule 13****SCHEDULE OF L.U.D. OPERATIONS****For the Year Ended December 31, 2024**

	LUD OF SWAN LAKE		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
Taxation	217,240	217,239	216,039
Grant in aid	-	-	(5,000)
Other revenue	35,000	1,114	7,712
	<u>252,240</u>	<u>218,353</u>	<u>218,751</u>
EXPENSES			
General government			
Indemnities	8,500	7,910	7,939
Other general government	840	4,388	1,033
	<u>9,340</u>	<u>12,298</u>	<u>8,972</u>
Transportation			
Road and street maintenance	180,500	113,808	107,471
Snow and ice removal	3,000	64	-
Street lighting	7,500	7,341	7,419
Workshop	4,600	6,510	4,088
	<u>195,600</u>	<u>127,723</u>	<u>118,978</u>
Environmental health			
Waste collection and disposal	5,000	-	-
Recycling	-	211	1,149
	<u>5,000</u>	<u>211</u>	<u>1,149</u>
Regional planning and development			
Planning and zoning	14,000	1,577	2,238
Urban area weed control	500	175	-
	<u>14,500</u>	<u>1,752</u>	<u>2,238</u>
Recreation and culture			
Parks and playgrounds	-	-	535
OTHER EXPENSES AND TRANSFERS			
Transfer from (to) L.U.D. reserves	-	-	(10,000)
Purchase of capital assets	25,000	64,859	-
Fire hydrant rentals	2,800	2,889	2,800
	<u>(27,800)</u>	<u>(67,748)</u>	<u>(12,800)</u>
TOTAL EXPENSES	<u>252,240</u>	<u>209,732</u>	<u>144,672</u>

MUNICIPALITY OF LORNE

Schedule 13

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2024

	LUD OF SWAN LAKE		
	2024		
	Budget	2024	2023
	(Unaudited)	Actual	Actual
	\$	\$	\$
EXCESS OF REVENUE OVER EXPENSES	-	8,621	74,079
UNEXPENDED BALANCE, BEGINNING OF YEAR	180,888	180,888	106,809
UNEXPENDED BALANCE, END OF YEAR	180,888	189,509	180,888

MUNICIPALITY OF LORNE**Schedule 13****SCHEDULE OF L.U.D. OPERATIONS****For the Year Ended December 31, 2024**

	LUD OF MARIAPOLIS		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
Taxation	86,686	86,686	69,699
Other revenue	228,364	-	-
	<u>315,050</u>	<u>86,686</u>	<u>69,699</u>
EXPENSES			
General government			
Indemnities	900	900	1,200
Other general government	300	280	-
	<u>1,200</u>	<u>1,180</u>	<u>1,200</u>
Transportation			
Road and street maintenance	302,050	235,859	(12,839)
Sidewalk and boulevard maintenance	500	-	-
Ditches and road drainage	-	-	4,882
Street lighting	6,000	5,891	5,822
	<u>308,550</u>	<u>241,750</u>	<u>(2,135)</u>
Environmental health			
Waste collection and disposal	-	-	278
Recycling	500	294	404
	<u>500</u>	<u>294</u>	<u>682</u>
Regional planning and development			
Urban renewal	800	632	634
Recreation and culture			
Parks and playgrounds	4,000	4,789	7,000
TOTAL EXPENSES	<u>315,050</u>	<u>248,645</u>	<u>7,381</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>-</u>	<u>(161,959)</u>	<u>62,318</u>
UNEXPENDED BALANCE, BEGINNING OF YEAR	<u>174,976</u>	<u>174,976</u>	<u>112,658</u>
UNEXPENDED BALANCE, END OF YEAR	<u>174,976</u>	<u>13,017</u>	<u>174,976</u>

MUNICIPALITY OF LORNE**Schedule 13****SCHEDULE OF L.U.D. OPERATIONS****For the Year Ended December 31, 2024**

	LUD OF SOMERSET		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
Taxation	389,203	389,205	383,806
Grant in aid	24,872	24,872	24,872
Other revenue	24,100	7,064	20,838
	<u>438,175</u>	<u>421,141</u>	<u>429,516</u>
EXPENSES			
General government			
Indemnities	8,600	8,088	8,190
Other general government	55,800	47,283	67,533
	<u>64,400</u>	<u>55,371</u>	<u>75,723</u>
Transportation			
Road and street maintenance	138,600	184,506	236,089
Sidewalk and boulevard maintenance	26,000	126	13,647
Street lighting	17,500	14,152	13,049
Workshop	3,000	2,625	2,625
	<u>185,100</u>	<u>201,409</u>	<u>265,410</u>
Environmental health			
Waste collection and disposal	16,000	12,925	7,241
Regional planning and development			
Urban renewal	7,500	10,777	7,500
Beautification and land rehabilitation	1,500	1,842	898
Urban area weed control	-	1,036	-
	<u>9,000</u>	<u>13,655</u>	<u>8,398</u>
Recreation and culture			
Community centres and halls	16,000	24,247	31,223
Parks and playgrounds	5,000	13,079	23,635
Other recreational facilities	7,800	8,573	7,885
	<u>28,800</u>	<u>45,899</u>	<u>62,743</u>
OTHER EXPENSES AND TRANSFERS			
Transfer from (to) L.U.D. reserves	134,875	24,872	84,872
TOTAL EXPENSES	<u>438,175</u>	<u>354,131</u>	<u>504,387</u>

MUNICIPALITY OF LORNE

Schedule 13

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2024

	LUD OF SOMERSET		
	2024		2023
	Budget (Unaudited) \$	2024 Actual \$	Actual \$
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	-	67,010	(74,871)
UNEXPENDED BALANCE, BEGINNING OF YEAR	306,794	306,794	381,665
UNEXPENDED BALANCE, END OF YEAR	306,794	373,804	306,794

MUNICIPALITY OF LORNE**Schedule 13****SCHEDULE OF L.U.D. OPERATIONS****For the Year Ended December 31, 2024**

	LUD OF NOTRE DAME		
	2024	2024	2023
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
Taxation	641,900	641,080	623,590
Grant in aid	36,911	36,911	36,911
Other revenue	44,000	61,909	58,887
Transfer from reserves	319,000	-	-
	<u>1,041,811</u>	<u>739,900</u>	<u>719,388</u>
EXPENSES			
General government			
Indemnities	14,400	13,941	12,886
Other general government	14,300	6,232	16,402
	<u>28,700</u>	<u>20,173</u>	<u>29,288</u>
Transportation			
Road and street maintenance	236,700	182,325	200,764
Sidewalk and boulevard maintenance	4,000	3,943	2,778
Street lighting	13,500	13,916	11,488
Workshop	19,000	19,971	14,944
	<u>273,200</u>	<u>220,155</u>	<u>229,974</u>
Environmental health			
Waste collection and disposal	42,600	41,690	33,221
Recycling	62,300	62,722	54,838
	<u>104,900</u>	<u>104,412</u>	<u>88,059</u>
Regional planning and development			
Planning and zoning	-	15,000	-
Beautification and land rehabilitation	16,000	6,987	4,552
Other regional planning and development	10,000	9,000	9,000
	<u>26,000</u>	<u>30,987</u>	<u>13,552</u>
Recreation and culture			
Parks and playgrounds	43,000	39,538	34,971
Other recreational facilities	56,200	34,241	31,184
	<u>99,200</u>	<u>73,779</u>	<u>66,155</u>
OTHER EXPENSES AND TRANSFERS			
Transfer from (to) L.U.D. reserves	(216,911)	(36,911)	(146,411)
Purchase of capital assets	394,400	179,608	-
Fire hydrant rentals	5,000	5,000	5,000
	<u>(616,311)</u>	<u>(221,519)</u>	<u>(151,411)</u>

MUNICIPALITY OF LORNE

Schedule 13

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2024

	LUD OF NOTRE DAME		
	2024		
	Budget	2024	2023
	(Unaudited)	Actual	Actual
	\$	\$	\$
TOTAL EXPENSES	1,148,311	671,025	578,439
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(106,500)	68,875	140,949
UNEXPENDED BALANCE, BEGINNING OF YEAR	654,202	654,202	513,253
UNEXPENDED BALANCE, END OF YEAR	547,702	723,077	654,202

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2024

	General	St. Leon	Swan Lake	Mariapolis
	\$	\$	\$	\$
CONSOLIDATED ANNUAL SURPLUS <i>(statement 2)</i>	295,569	2,941	(97,133)	(1,943)
Elimination of appropriations from reserves	-	-	-	-
Elimination of appropriations to reserves	(797,647)	-	-	-
Consolidation of reserve operations	(51,915)	-	-	-
Elimination of controlled entity operations	(30,745)	-	-	-
Elimination of government partnership operations	(42,071)	-	-	-
Elimination of nominal surplus transfers	6,500	-	-	-
Amortization of tangible capital assets	571,364	10,017	53,590	-
Principal portion of long term debt	-	-	(43,556)	-
Acquisitions of capital assets from operating funds	(51,041)	-	-	-
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	(99,986)	12,958	(87,099)	(1,943)

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2024

			2024	2023
	Somerset	Notre Dame	Total	Total
	\$	\$	\$	\$
CONSOLIDATED ANNUAL SURPLUS <i>(statement 2)</i>	47,396	(86,865)	159,965	676,357
Elimination of appropriations from reserves	-	-	-	1,433,814
Elimination of appropriations to reserves	-	-	(797,647)	(1,557,717)
Consolidation of reserve operations	-	-	(51,915)	(34,334)
Elimination of controlled entity operations	-	-	(30,745)	(364)
Elimination of government partnership operations	-	-	(42,071)	(302,290)
Elimination of nominal surplus transfers	-	-	6,500	20,000
Amortization of tangible capital assets	20,199	24,629	679,799	823,550
Principal portion of long term debt	(21,371)	-	(64,927)	(149,394)
Acquisitions of capital assets from operating funds	-	-	(51,041)	(262,045)
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	46,224	(62,236)	(192,082)	647,577



REID & MILLER

CHARTERED PROFESSIONAL ACCOUNTANTS INC

