

RURAL MUNICIPALITY OF HANOVER

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

STATEMENT OF RESPONSIBILITY

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

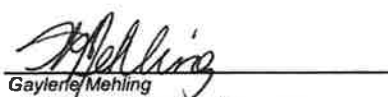
In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial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

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

Exchange Chartered Professional Accountants Inc. as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' report is addressed to the Reeve and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.



Derek Decru
Interim Chief Administrative Officer



Gaylele Mehling
Interim Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
RURAL MUNICIPALITY OF HANOVER

Qualified Opinion

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

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

Basis for Qualified Opinion

Under Canadian Public Sector Accounting Standards, as of the year ended December 31, 2023, the Municipality was required to adopt a new accounting standard, PS 3280 – Asset Retirement Obligations. The Municipality has not recognized assets or liabilities for asset retirement obligations in the consolidated statement of financial position as at December 31, 2024 and has not recognized related expenses in the consolidated statement of operations for the year then ended. Our audit opinion on the financial statements for the year ended December 31, 2023 was also modified because of the effects of this departure from Canadian public sector accounting standards.

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 obligations recorded, and estimate the future costs of remediation for these obligations to determine their valuation. The Municipality has not provided sufficient appropriate audit evidence regarding the completeness and the valuation of the amounts recorded and the disclosures required in respect of this liability. Our audit opinion on the consolidated financial statements for the year ended December 31, 2024 was modified because of the effects of this departure from Canadian Public Sector Accounting Standards.

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

Other Matter

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

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

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

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

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

(continues)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Exchange

Chartered Professional Accountants Inc.
Winnipeg, Manitoba
June 19, 2025

RURAL MUNICIPALITY OF HANOVER

Consolidated Financial Statements

For the Year Ended December 31, 2024

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

	2024	2023
FINANCIAL ASSETS		
Cash and short-term investments (Note 3)	\$ 20,430,693	\$ 29,656,964
Long-term investments (Note 4)	4,887,023	670,346
Amounts receivable (Note 5)	4,139,518	3,928,202
	<u>\$ 29,457,234</u>	<u>\$ 34,255,512</u>
LIABILITIES		
Bank indebtedness (Note 7)	\$ 1,354,440	\$ 551,736
Accounts payable and accrued liabilities (Note 8)	2,941,364	7,275,029
Vacation and sick leave payable (Note 2)	154,808	130,780
Long-term debt (Note 9)	2,614,455	3,787,681
	<u>7,065,067</u>	<u>11,745,226</u>
NET FINANCIAL ASSETS	<u>\$ 22,392,167</u>	<u>\$ 22,510,286</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 65,692,808	\$ 57,016,905
Inventories (Note 6)	3,719,716	2,597,130
Prepaid expenses	179,849	299,986
	<u>69,592,373</u>	<u>59,914,021</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 91,984,540</u>	<u>\$ 82,424,307</u>

COMITTMENTS (Note 19)

Approved on behalf of Council:


 Reeve


 Councillor

The accompanying notes are an integral part of this financial statement

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

	2024 Budget (Note 12)	2024 Actual	2023 Actual
REVENUE			
Property taxes	\$ 11,656,212	\$ 11,442,277	\$ 11,009,307
Grants in lieu of taxation	157,348	136,732	131,724
User fees	1,710,180	1,297,444	834,979
Permits, licences and fines	773,070	875,866	1,404,808
Investment income	306,650	1,240,532	1,204,582
Other revenue	724,491	1,729,970	2,102,843
Water and sewer	1,632,585	2,191,999	2,187,268
Grants - Province of Manitoba	6,876,973	7,385,046	4,951,830
Grants - other	456,388	1,469,170	1,457,562
Total revenue (Schedules 2, 4 and 5)	<u>24,293,897</u>	<u>27,769,036</u>	<u>25,284,903</u>
EXPENSES			
General government services	2,477,187	2,505,271	2,533,039
Protective services	1,670,664	1,682,627	1,647,641
Transportation services	7,196,930	6,714,891	6,370,905
Environmental health services	1,122,099	2,192,826	1,340,308
Public health and welfare services	8,602	8,602	8,602
Regional planning and development	269,393	252,084	256,211
Resource conservation and industrial development	84,643	62,057	57,882
Recreation and cultural services	6,437,275	2,240,409	1,988,048
Water and sewer services	2,068,514	2,419,173	1,899,551
Total expenses (Schedules 3, 4 and 5)	<u>21,335,307</u>	<u>18,077,940</u>	<u>16,102,187</u>
ANNUAL SURPLUS	<u>\$ 2,958,590</u>	<u>9,691,096</u>	<u>9,182,716</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>82,424,307</u>	<u>73,241,591</u>
CHANGE IN CONSOLIDATION % (Note 20)		<u>(130,863)</u>	<u>-</u>
ACCUMULATED SURPLUS, END OF YEAR		<u><u>\$ 91,984,540</u></u>	<u><u>\$ 82,424,307</u></u>

The accompanying notes are an integral part of this financial statement

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

	2024 Budget (Note 12)	2024 Actual	2023 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 2,958,590	\$ 9,691,096	\$ 9,182,716
Acquisition of tangible capital assets	(7,554,279)	(13,290,520)	(7,440,054)
Amortization of tangible capital assets	3,720,686	3,782,071	3,371,845
Loss (Gain) on sale of tangible capital assets	-	(181,589)	314,425
Proceeds on sale of tangible capital assets	-	785,509	-
Decrease (increase) in inventories	-	(1,122,586)	(2,051,654)
Decrease (increase) in prepaid expense	-	120,137	(132,064)
	(3,833,593)	(9,906,978)	(5,937,502)
CHANGE IN NET FINANCIAL ASSETS	\$ (875,003)	(215,882)	3,245,214
NET FINANCIAL ASSETS, BEGINNING OF YEAR		22,510,286	19,265,072
CHANGE IN CONSOLIDATION % (Note 20)		97,763	-
NET FINANCIAL ASSETS, END OF YEAR		\$22,392,167	\$22,510,286

The accompanying notes are an integral part of this financial statement

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

	2024	2023
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 9,691,096	\$ 9,182,716
Changes in non-cash items:		
Amounts receivable	(211,316)	(644,940)
Inventories	(1,122,586)	(2,051,654)
Prepays	120,137	(132,064)
Accounts payable and accrued liabilities	(4,333,665)	4,346,325
Severance and vested sick leave payable	24,028	(270)
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Donated assets	(1,244,000)	(2,051,900)
Loss (Gain) on sale of tangible capital asset	(181,589)	314,425
Amortization	3,782,071	3,371,845
Cash provided by operating transactions	6,524,175	12,334,483
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	785,509	-
Cash used to acquire tangible capital assets	(12,046,519)	(5,388,155)
Cash applied to capital transactions	(11,261,010)	(5,388,155)
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	(4,216,677)	(14,430)
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
Cash applied to investing transactions	(4,216,677)	(14,430)
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	(1,173,226)	(1,131,585)
Obligation under capital lease	-	-
Proceeds (repayments) of bank indebtedness	802,704	551,736
Cash applied to financing transactions	(370,522)	(579,849)
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(9,324,034)	6,352,049
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	29,656,964	23,304,915
CHANGE IN CONSOLIDATION % (Note 20)	97,763	-
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 20,430,693	\$ 29,656,964

The accompanying notes are an integral part of this financial statement

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

1. Status of the Rural Municipality of Hanover

The incorporated Rural Municipality of Hanover ("the Municipality") is a municipality that was formed in 1881 pursuant to The Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations. The Municipality also own 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 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

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:

Hanover Community Development Corporation (consolidated 100%) (2023 - consolidated 100%)

The municipality has 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:

RSR Wastewater Cooperative (consolidated 16.67%) (2023 - consolidated 25%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. There are currently no trust funds administered by the Municipality.

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

e) Real Estate Properties Held for Sale

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

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

f) Non-Financial Assets

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

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

g) Tangible Capital Assets

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

General Tangible Capital Assets

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

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

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

h) Leases

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

i) Inventories

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

Inventories held for consumption are recorded at the lower of cost and replacement value.

j) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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.

k) Post-employment Benefits and Compensated Absences

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

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) 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.

n) 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.

o) Future Changes in Accounting Standards

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

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

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

3. Cash and short-term investments

Cash and short-term investments are comprised of the following:

	2024	2023
Cash	\$ 20,429,415	\$ 27,560,197
Guaranteed investment certificates	1,278	2,096,767
	<u>\$ 20,430,693</u>	<u>\$ 29,656,964</u>

Guaranteed investment certificates have a market value approximating cost. This investment earns interest at 4.75% and matures in 2025.

The Municipality has designated \$24,298,990 (2023 - \$24,657,140) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has access to a line of credit at Royal Bank with a limit of \$1,000,000. The full amount of the authorized limit was available for use at December 31, 2024 (2023 - \$1,000,000).

4. Long-term investments

	<u>2024</u>	<u>2023</u>
Guaranteed investment certificates	\$ 4,887,023	\$ 670,346
Municipal Debentures	<u>1,234,450</u>	<u>1,029,571</u>
	\$ 6,121,473	\$ 1,699,917
Less: Debentures issued by the Municipality (Note 9)	<u>(1,234,450)</u>	<u>(1,029,571)</u>
	<u>\$ 4,887,023</u>	<u>\$ 670,346</u>

Guaranteed investment certificates have a market value approximating cost. These investments earn interest at rates ranging from 2.20% to 4.90% and have maturity dates ranging from 2026 to 2028.

5. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2024</u>	<u>2023</u>
Taxes on roll (Schedule 11)	\$ 1,975,705	\$ 2,214,264
Government grants	755,894	854,085
Utility customers	105,931	112,463
Accrued interest	-	-
Organizations and individuals	1,256,417	743,768
Other governments	<u>95,571</u>	<u>53,622</u>
	4,189,518	3,978,202
Less allowances for doubtful amounts	<u>(50,000)</u>	<u>(50,000)</u>
	<u>\$ 4,139,518</u>	<u>\$ 3,928,202</u>

6. Inventories

Inventories for sale:

	<u>2024</u>	<u>2023</u>
Land for resale	\$ 3,353,429	\$ 2,240,844

Inventories for use:

Culverts	20,118	4,539
Aggregate	110,687	82,161
Garbage totes	177,820	233,520
Other supplies	<u>57,662</u>	<u>36,066</u>
	<u>\$ 3,719,716</u>	<u>\$ 2,597,130</u>

7. Bank indebtedness

	2024	2023
Bank indebtedness of Hanover Community Development Corporation	\$ 1,272,048	\$ 309,932
Bank indebtedness of RSR Wastewater Cooperative	82,392	241,804
	<u>\$ 1,354,440</u>	<u>\$ 551,736</u>

Hanover Community Development Corporation has a \$3,000,000 revolving line credit of which \$1,272,048 was in use at December 31, 2024 (2023 - \$309,932). Bank advances on the credit line are payable on demand and bear interest at 0.50% under the Royal Bank Prime Rate. The line of credit is secured by:

- General security agreement on the Bank's form 812 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower
- Guarantee and postponement of claim on the Bank's form 812 in the amount of \$3,000,000 signed by the Rural Municipality of Hanover.

RSR Wastewater Cooperative has a maximum line of credit of \$3,200,000 that bears interest at prime which is currently 5.45%. The balance of \$82,392 (2023 - \$241,804) represents the Municipality's proportionate share of the amount drawn on the line of credit at year end.

8. Accounts Payable and Accrued Liabilities

	2024	2023
Accounts payable	\$ 1,859,593	\$ 1,261,274
Accrued expenses	119,489	99,592
Accrued interest payable	-	-
Government remittances	85,154	62,672
Refundable deposits	807,435	732,078
School levies	69,693	1,062,745
Debenture installments payable	-	261,833
Daycare project advance	-	3,794,835
Other governments	-	-
	<u>\$ 2,941,364</u>	<u>\$ 7,275,029</u>

9. Long Term Debt

	<u>2024</u>	<u>2023</u>
General Authority:		
Debenture 2544-22, Interest at 4.000%, payable at \$11,143 annually including interest, maturing December 31, 2027	\$ 30,921	\$ 40,446
Debenture 2512-21, Interest at 3.500%, payable at \$8,404 annually including interest, maturing December 31, 2026	15,965	23,546
Debenture 2381-15, Interest at 3.250%, payable at \$13,832 annually including interest, maturing December 31, 2025	13,397	26,372
Debenture 2375-15, Interest at 2.940%, payable at \$180,158 annually including interest, maturing August 1, 2025	177,155	349,251
Debenture 2440-19, interest at 4.160%, payable at \$83,957 annually including interest, maturing April 1, 2039	951,931	997,033
Debenture 2488-20, interest at 3.000%, payable at \$15,308 annually including interest, maturing December 31, 2025	14,862	29,292
Debenture 2487-20, interest at 3.000%, payable at \$17,914 annually including interest, maturing December 31, 2025	17,392	34,278
Debenture 2425-18, interest at 4.125%, payable at \$81,838 annually including interest, maturing December 31, 2038	857,378	902,009
Debenture 2577-24, Interest at 6.500%, payable at \$30,094 annually including interest, maturing December 31, 2029	125,063	-
Debenture 2561-23, Interest at 6.500%, payable at \$50,461 annually including interest, matured December 31, 2028	172,869	-
	<u>\$ 2,376,933</u>	<u>\$ 2,402,227</u>
Utility Funds:		
Debenture 2148 for Kleefeld Utility, Interest at 3.350%, payable at \$191,131 annually including interest, maturing October 1, 2025	\$ 186,480	\$ 366,915
Debenture 2215 for Mitchell Utility, interest at 3.980%, payable at \$269,446 annually including interest, matured September 1, 2024	-	262,551
Debenture 2281 for Grunthal Utility, interest at 3.920% payable at \$223,597 annually including interest, maturing March 1, 2026	436,038	641,801
Debenture 2297 for Grunthal Utility, interest at 3.800% payable at \$243,892 annually including interest, maturing December 31, 2027	679,399	889,489
Debenture 2364 for Grunthal Utility, interest at 3.600%, payable at \$4,109 annually including interest, matured December 31, 2024	-	3,966
Debenture 2218 for New Bothwell Utility, interest at 3.920%, payable at \$87,203 annually including interest, maturing March 1, 2026	170,055	250,303
Utility debenture sub-total	\$ 1,471,972	\$ 2,415,025
Total debentures	3,848,905	4,817,252
Less: Internally Held Debentures	(1,234,450)	(1,029,571)
	<u>\$ 2,614,455</u>	<u>\$ 3,787,681</u>

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

2025	\$	924,767
2026	\$	572,887
2027	\$	284,387
2028	\$	51,481
2029	\$	53,622

10. Retirement Benefits

The majority of the employees of the municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS 3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, 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 \$246,970 (2023 - \$227,681) 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.

11. 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.

12. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Municipality has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

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

13. Accumulated Surplus

	2024	2023
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 4,167,636	\$ 1,914,231
Utility operating fund(s) - Nominal surplus	(1,463,851)	687,499
TCA net of related borrowings	61,779,142	52,543,345
Reserve funds	24,298,990	24,957,140
Accumulated surplus of municipality unconsolidated	88,781,917	80,102,215
Accumulated surpluses of consolidated entities	3,202,623	2,322,092
Accumulated surplus per Consolidated Statement of Financial Position	\$ 91,984,540	\$ 82,424,307

14. Public Sector Compensation Disclosure

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

- a) Compensation paid to members of council amounted to \$498,543 in aggregate.
- b) There were no members of council receiving compensation in excess of \$85,000 individually.

Council Members:

	Compensation	Expenses	Total
Reeve - Jim Funk	67,342	5,928	73,270
Councillor - Brian Esau	53,952	916	54,868
Councillor - Curtis Dawydiuk	51,239	1,397	52,636
Councillor - Darrin Warkentin	48,335	825	49,159
Councillor - Ed Penner	52,890	3,051	55,941
Councillor - Roberto Hiebert	47,461	506	47,967
Councillor - Travis Doerksen	49,532	1,025	50,557
Committee Member - Anita Funk	7,500	-	7,500
Committee Member - Brad Kehler	9,600	-	9,600
Committee Member - Cliff Froese	7,800	-	7,800
Committee Member - Dawn Oude Voshaa	8,400	-	8,400
Committee Member - Ernest Kehler	6,600	-	6,600
Committee Member - Floyd Penner	7,800	-	7,800
Committee Member - Irma Friesen	6,600	-	6,600
Committee Member - Kevin Medeiros	8,400	-	8,400
Committee Member - Paul Perreault	7,200	444	7,644
Committee Member - Randy Peters	7,200	-	7,200
Committee Member - Rob Hiebert	6,600	-	6,600
Committee Member - Roger Dueck	7,800	-	7,800
Committee Member - Thomas Guenther	7,200	-	7,200
Committee Member - Tim Fehr	7,800	-	7,800
Committee Member - Travis Fehr	7,200	-	7,200
	\$ 484,451	\$ 14,092	\$ 498,543

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

Name	Position	Amount
Luc Lahaie	CAO	\$ 167,152
Derek Decru	CFO	\$ 122,212
Robert Driedger	Utilities and Engineering Manager	\$ 119,428
Wesley Fehr	Public Works Manager	\$ 114,864
Jeremy Neufeld	Manager of Planning and I.T.	\$ 106,236
Paul Wiebe	Fire Chief	\$ 104,291
Matthew Thiessen	Public Works Foreman	\$ 95,753
Alexander Engbrecht	Building Inspector	\$ 88,280
Jason Bilawchuk	Public Works Lead Hand	\$ 87,754
Jason Peters	Recreation Manager	\$ 87,106

15. Segmented Information

The Rural Municipality of Hanover provides a wide ranges of services to its residents.

Segmented 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.

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:

	2024	2023
Financial Position		
Financial Assets	\$ 278,642	\$ -
Liabilities	429,805	293,290
Net financial assets (liabilities)	\$ (151,163)	\$ (293,290)
Non-financial assets	1,299,210	685,879
Accumulated surplus	\$ 1,148,047	\$ 392,589
Result of Operations		
Revenues	\$ 915,802	\$ 390,787
Expenses	29,481	29,016
Annual surplus	\$ 886,321	\$ 361,771
Elimination of revenues/expenses upon consolidation	(235,364)	(71,750)
Consolidated annual surplus	\$ 650,957	\$ 290,021
Reconciliation of change in accumulated surplus		
Opening accumulated surplus	\$ 392,589	
Annual surplus	886,321	
Change in consolidation % (Note 20)	(130,863)	
Closing accumulated surplus	1,148,047	

17. 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
Grunthal Utility	\$ 11,200	\$ -	\$ 560	\$ 10,640
Kleefeld Utility	369,973	-	17,529	352,444
	<u>\$ 381,173</u>	<u>\$ -</u>	<u>\$ 18,089</u>	<u>\$ 363,084</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Grunthal Utility	\$ 459,960	\$ -	\$ 28,716	\$ 431,244
Kleefeld Utility	1,309,249	-	46,942	1,262,307
New Bothwell Utility	1,074,055	-	45,492	1,028,563
Blumenort Utility	2,438,961	-	179,703	2,259,258
Mitchell Utility	453,683	-	22,218	431,465
	<u>\$ 5,735,908</u>	<u>\$ -</u>	<u>\$ 323,071</u>	<u>\$ 5,412,837</u>

18. Comparative Figures

Comparative figures have been reclassified to conform to the current year's presentation.

19. Commitments

The Municipality has entered into a long term contract for the collection of household garbage. The contract expires on December 31, 2025. The Municipality made payments totalling \$321,194 for the year ended December 31, 2024 (2023 - \$279,971).

The Municipality has entered into a long term contract with Bristol Hauling Ltd. for the collection of household recycling. The contract expires on December 31, 2025. The Municipality made payments totalling \$329,596 for the year ended December 31, 2024 (2023 - \$313,677).

20. Change in consolidation %

The Municipality's proportionate share of the net assets and liabilities of RSR Wastewater Cooperative decreased during the year ended December 31, 2024 due to the addition of new members to the Cooperative. The following changes adjustments were made:

- accumulated surplus decreased by \$130,863
- net financial assets and cash increased by \$97,763
- tangible capital assets decreased by \$228,626

RURAL MUNICIPALITY OF HANOVER
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2024

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2024	2023
Cost										
Opening costs	\$ 9,419,322	\$ 8,889,613	\$ 12,064,544	\$ 624,493	\$ 2,507,979	\$ 56,885,969	\$ 34,816,998	\$ 268,000	\$ 125,476,918	\$ 118,524,032
Change in RSR consolidation % (Note 20)	-	-	-	-	(228,626)	-	-	-	(228,626)	-
Additions during the year	1,220,388	301,907	3,772,063	15,163	5,586,010	2,145,174	943,000	28,016	14,011,721	8,377,515
Disposals and write downs	-	-	(1,564,548)	-	(453,201)	(349,923)	-	(268,000)	(2,635,672)	(1,424,629)
Closing costs	10,639,710	9,191,520	14,272,059	639,656	7,412,162	58,681,220	35,759,998	28,016	136,624,341	125,476,918
Accumulated Amortization										
Opening accum'd amortization	2,175,519	3,751,159	7,045,622	432,390	-	38,965,542	16,089,780	-	68,460,012	65,260,911
Amortization	467,831	333,393	1,060,184	55,978	-	945,870	918,815	-	3,782,071	3,371,845
Disposals and write downs	-	-	(1,213,936)	-	-	(96,614)	-	-	(1,310,550)	(172,743)
Closing accum'd amortization	2,643,350	4,084,552	6,891,870	488,368	-	39,814,798	17,008,595	-	70,931,533	68,460,013
Net Book Value of Tangible Capital Assets	\$ 7,996,360	\$ 5,106,968	\$ 7,380,189	\$ 151,288	\$ 7,412,162	\$ 18,866,422	\$ 18,751,403	\$ 28,016	\$ 65,692,808	\$ 57,016,905

The Municipality has 822 km of roads that are capitalized at a nominal value of \$39,933,894.

RURAL MUNICIPALITY OF HANOVER
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2024

SCHEDULE 2

	2024 Actual	2023 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 11,076,181	\$ 10,331,033
Taxes added	366,096	678,274
	<u>11,442,277</u>	<u>11,009,307</u>
Grants in lieu of taxation:		
Provincial government	-	-
Provincial government enterprises	136,732	131,724
Other local governments	-	-
Non-government organizations	-	-
	<u>136,732</u>	<u>131,724</u>
User fees		
Parking meters	-	-
Sales of service	306,078	185,592
Sales of goods	10,928	29,602
Rentals	370,064	72,102
Development charges	444,354	273,232
Facility use fees	166,020	274,451
	<u>1,297,444</u>	<u>834,979</u>
Permits, licences and fines		
Permits	520,488	1,069,633
Licences	8,155	8,503
Fees	346,059	326,422
Fines	1,164	250
	<u>875,866</u>	<u>1,404,808</u>
Investment income:		
Cash and temporary investments	1,240,532	1,204,582
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>1,240,532</u>	<u>1,204,582</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	181,589	(315,334)
Gain on sale of real estate held for sale	99,076	69,395
Contributed assets	636,000	1,438,100
Penalties and interest	208,771	181,535
Donations	131,931	254,430
Miscellaneous	472,603	474,717
	<u>1,729,970</u>	<u>2,102,843</u>
Water and sewer		
Municipal utilities (Schedule 9)	2,191,999	2,187,268
Consolidated water co-operatives	-	-
	<u>2,191,999</u>	<u>2,187,268</u>
Grants - Province of Manitoba		
General assistance payment	-	-
General support grant	1,962,475	1,926,539
Municipal program grants	-	-
Other unconditional grants	-	-
Conditional grants	5,422,571	3,025,291
	<u>7,385,046</u>	<u>4,951,830</u>
Grants - other		
Federal government - gas tax funding	957,353	923,669
Federal government - other	10,917	53,728
Other local governments	500,900	480,165
	<u>1,469,170</u>	<u>1,457,562</u>
Total revenue	<u>\$ 27,769,036</u>	<u>\$ 25,284,903</u>

RURAL MUNICIPALITY OF HANOVER
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
General government services:		
Legislative	\$ 583,706	\$ 665,796
General administrative	1,755,575	1,700,752
Other	165,990	166,491
	<u>2,505,271</u>	<u>2,533,039</u>
Protective services:		
Police	-	-
Fire	1,138,699	1,181,684
Emergency measures	12,972	12,595
Other	530,956	453,362
	<u>1,682,627</u>	<u>1,647,641</u>
Transportation services:		
Road transport		
Administration and engineering	2,840,554	2,589,334
Road and street maintenance	3,239,911	3,411,372
Ditches and drainage	341,438	118,905
Sidewalk and boulevard maintenance	105,617	44,249
Street lighting	187,371	207,045
Other	-	-
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>6,714,891</u>	<u>6,370,905</u>
Environmental health services:		
Waste collection and disposal	537,475	529,987
Recycling	415,930	341,720
Other	1,239,421	468,601
	<u>2,192,826</u>	<u>1,340,308</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	8,602	8,602
Other	-	-
	<u>8,602</u>	<u>8,602</u>
Regional planning and development		
Planning and zoning	251,039	255,307
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	1,045	904
Other	-	-
	<u>252,084</u>	<u>256,211</u>
Resource conservation and industrial development		
Rural area weed control	18,125	15,602
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	22,000	22,000
Regional development	21,932	20,280
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>62,057</u>	<u>57,882</u>
Sub-totals forward	<u>\$ 13,418,358</u>	<u>\$ 12,214,588</u>

RURAL MUNICIPALITY OF HANOVER
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
Sub-totals forward	\$ 13,418,358	\$ 12,214,588
Recreation and cultural services:		
Administration	1,062,277	958,620
Community centers and halls	136,358	123,836
Swimming pools and beaches	113,422	91,491
Golf courses	-	-
Skating and curling rinks	568,049	410,754
Parks and playgrounds	217,618	329,425
Other recreational facilities	128,275	58,672
Museums	-	-
Libraries	14,410	15,250
Other cultural facilities	-	-
	2,240,409	1,988,048
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	2,419,173	1,899,551
Consolidated water co-operatives	-	-
	2,419,173	1,899,551
Total expenses	\$ 18,077,940	\$ 16,102,187

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

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Property taxes	\$ 10,513,058	\$ 10,088,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	136,732	131,724	-	-	-	-	-	-	-	-
User fees	96,205	94,221	99,701	87,047	174,950	6,000	9,038	1,707	-	-
Grants - other	-	-	-	-	957,353	923,669	456,388	133,250	-	-
Permits, licences and fines	355,378	335,175	-	-	-	-	-	-	-	-
Investment income	1,232,763	1,192,920	-	-	-	-	7,260	20	-	-
Other revenue	1,153,264	1,625,391	-	-	7,034	9,608	163,368	45,722	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	1,962,475	1,926,539	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	469,987	1,366,810	-	-	-	-	496,283	379,196	-	-
Total revenue	\$ 15,919,862	\$ 16,760,955	\$ 99,701	\$ 87,047	\$ 1,139,337	\$ 939,277	\$ 1,132,337	\$ 559,895	\$ -	\$ -
EXPENSES										
Personnel services	\$ 1,401,653	\$ 1,218,182	\$ 706,934	\$ 627,580	\$ 1,728,599	\$ 1,684,561	\$ 1,129,896	\$ 389,081	\$ -	\$ -
Contract services	719,292	787,483	255,154	254,320	-	-	1,016,481	907,573	8,602	8,602
Utilities	22,175	31,512	28,032	23,804	158,857	154,280	1,396	1,231	-	-
Maintenance materials and supplies	94,467	129,298	203,532	253,835	2,923,381	2,840,771	30,746	27,199	-	-
Grants and contributions	96,931	192,802	-	-	-	-	-	-	-	-
Amortization	139,836	130,987	328,897	326,866	1,878,012	1,672,288	14,307	15,224	-	-
Interest on long term debt	-	-	76,063	79,632	26,042	19,005	-	-	-	-
Other	30,917	42,775	84,015	81,604	-	-	-	-	-	-
Total expenses	\$ 2,505,271	\$ 2,533,039	\$ 1,682,627	\$ 1,647,641	\$ 6,714,891	\$ 6,370,905	\$ 2,192,826	\$ 1,340,308	\$ 8,602	\$ 8,602
Surplus (Deficit)	\$ 13,414,591	\$ 14,227,916	\$ (1,582,926)	\$ (1,560,594)	\$ (5,575,554)	\$ (5,431,628)	\$ (1,060,489)	\$ (780,413)	\$ (8,602)	\$ (8,602)

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

RURAL MUNICIPALITY OF HANOVER

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2024

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 929,219	\$ 921,132	\$ 11,442,277	\$ 11,009,307
Grants in lieu of taxation	-	-	-	-	-	-	-	-	136,732	131,724
User fees	497,689	325,682	-	-	419,861	320,322	-	-	1,297,444	834,979
Grants - other	-	-	-	-	55,429	400,643	-	-	1,469,170	1,457,562
Permits, licences and fines	520,488	1,069,633	-	-	-	-	-	-	875,866	1,404,808
Investment income	-	-	509	11,642	-	-	-	-	1,240,532	1,204,582
Other revenue	-	-	99,076	69,395	307,228	352,727	-	-	1,729,970	2,102,843
Water and sewer	-	-	-	-	-	-	2,191,999	2,187,268	2,191,999	2,187,268
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,962,475	1,926,539
Prov of MB - Conditional Grants	-	-	-	-	4,456,301	1,279,285	-	-	5,422,571	3,025,291
Total revenue	\$ 1,018,177	\$ 1,395,315	\$ 99,585	\$ 81,037	\$ 5,238,819	\$ 2,352,977	\$ 3,121,218	\$ 3,108,400	\$ 27,769,036	\$ 25,284,903
EXPENSES										
Personnel services	\$ 225,544	\$ 216,103	\$ -	\$ -	\$ 739,262	\$ 642,587	\$ -	\$ -	\$ 5,931,888	\$ 4,778,094
Contract services	22,304	20,385	6,307	1,073	347,159	318,457	99,851	79,208	2,475,150	2,377,101
Utilities	-	-	-	-	121,102	111,170	161,625	159,817	493,187	481,814
Maintenance materials and supplies	4,236	19,723	17,704	18,286	441,010	463,839	1,162,548	686,975	4,877,624	4,439,926
Grants and contributions	-	-	22,000	22,000	141,668	76,902	-	-	260,599	291,704
Amortization	-	-	-	-	440,820	363,767	918,815	862,712	3,720,687	3,371,844
Interest on long term debt	-	-	-	-	857	1,266	76,334	110,839	179,296	210,742
Other	-	-	16,046	16,523	8,531	10,060	-	-	139,509	150,962
Total expenses	\$ 252,084	\$ 256,211	\$ 62,057	\$ 57,882	\$ 2,240,409	\$ 1,988,048	\$ 2,419,173	\$ 1,899,551	\$ 18,077,940	\$ 16,102,187
Surplus (Deficit)	\$ 766,093	\$ 1,139,104	\$ 37,528	\$ 23,155	\$ 2,998,410	\$ 364,929	\$ 702,045	\$ 1,208,849	\$ 9,691,096	\$ 9,182,716

RURAL MUNICIPALITY OF HANOVER

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2024

	Core Government		Controlled Entities		Government Partnerships		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE								
Property taxes	\$ 11,442,277	\$ 11,009,307	\$ -	\$ -	\$ -	\$ -	\$ 11,442,277	\$ 11,009,307
Grants in lieu of taxation	136,732	131,724	-	-	-	-	136,732	131,724
User fees	1,297,444	834,979	-	-	-	-	1,297,444	834,979
Grants - other	1,012,782	1,324,312	-	-	456,388	133,250	1,469,170	1,457,562
Permits, licences and fines	875,866	1,404,808	-	-	-	-	875,866	1,404,808
Investment income	1,232,763	1,192,920	509	11,642	7,260	20	1,240,532	1,204,582
Other revenue	1,630,894	2,004,963	99,076	69,395	-	28,485	1,729,970	2,102,843
Water and sewer	2,191,999	2,187,268	-	-	-	-	2,191,999	2,187,268
Prov of MB - Unconditional Grants	1,962,475	1,926,539	-	-	-	-	1,962,475	1,926,539
Prov of MB - Conditional Grants	5,205,781	2,868,009	-	-	216,790	157,282	5,422,571	3,025,291
Total revenue	\$ 26,989,013	\$ 24,884,829	\$ 99,585	\$ 81,037	\$ 680,438	\$ 319,037	\$ 27,769,036	\$ 25,284,903
EXPENSES								
Personnel services	\$ 5,931,888	\$ 4,778,094	\$ -	\$ -	\$ -	\$ -	\$ 5,931,888	\$ 4,778,094
Contract services	2,445,669	2,347,695	-	390	29,481	29,016	2,475,150	2,377,101
Utilities	493,187	481,814	-	-	-	-	493,187	481,814
Maintenance materials and supplies	4,872,111	4,436,559	5,513	3,367	-	-	4,877,624	4,439,926
Grants and contributions	260,599	291,704	-	-	-	-	260,599	291,704
Amortization	3,720,687	3,371,844	-	-	-	-	3,720,687	3,371,844
Interest on long term debt	179,296	210,742	-	-	-	-	179,296	210,742
Other	139,509	150,962	-	-	-	-	139,509	150,962
Total expenses	\$ 18,042,946	\$ 16,069,414	\$ 5,513	\$ 3,757	\$ 29,481	\$ 29,016	\$ 18,077,940	\$ 16,102,187
Surplus (Deficit)	\$ 8,946,067	\$ 8,815,415	\$ 94,072	\$ 77,280	\$ 650,957	\$ 290,021	\$ 9,691,096	\$ 9,182,716

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

SCHEDULE 6

	2024									
	General Reserve	Gas Tax Reserve	Office Reserve	Mitchell LUD Reserve	Blumenort LUD Reserve	Grunthal LUD Reserve	Environmental Reserve	Fire Equip Reserve	Transportation Reserve	Emergency Reserve
REVENUE										
Investment income	\$ 106,187	\$ 140,577	\$ 27,353	\$ 11,785	\$ 17,097	\$ 10,518	\$ 22,013	\$ 34,844	\$ 56,186	\$ 7,461
Other income	-	-	-	-	-	-	-	-	-	-
Total revenue	106,187	140,577	27,353	11,785	17,097	10,518	22,013	34,844	56,186	7,461
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	106,187	140,577	27,353	11,785	17,097	10,518	22,013	34,844	56,186	7,461
TRANSFERS										
Transfers from general operating fund	199,465	957,353	105,500	-	72,801	29,589	450,500	446,588	650,500	-
Transfers to general operating fund	(434,461)	(385,200)	(15,000)	(360,489)	-	-	(1,109,445)	(659,682)	(1,639,999)	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfer from reserves	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	(157,158)	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(128,809)	555,572	117,853	(348,704)	89,898	40,107	(636,932)	(178,250)	(933,313)	7,461
FUND SURPLUS, BEGINNING OF YEAR	3,129,933	3,921,391	762,375	446,064	485,348	298,582	748,857	1,415,417	2,365,888	215,006
FUND SURPLUS, END OF YEAR	\$ 3,001,124	\$ 4,476,963	\$ 880,228	\$ 97,360	\$ 575,246	\$ 338,689	\$ 111,925	\$ 1,237,167	\$ 1,432,575	\$ 222,467

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

SCHEDULE 6

	2024									
	Grunthal UT Reserve	Kleefeld UT Reserve	Blumenort UT Reserve	Mitchell UT Reserve	New Both. UT Reserve	Blumenort Lagoon Res.	General Rec Reserve	Grunthal Rec Reserve	Kleefeld Rec Reserve	Blumenort Rec Reserve
REVENUE										
Investment income	\$ 10,971	\$ 28,817	\$ 55,509	\$ 23,759	\$ 30,881	\$ 15,642	\$ 100,384	\$ 446	\$ 2,991	\$ 987
Other income	-	-	-	-	-	-	-	-	-	-
Total revenue	10,971	28,817	55,509	23,759	30,881	15,642	100,384	446	2,991	987
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	10,971	28,817	55,509	23,759	30,881	15,642	100,384	446	2,991	987
TRANSFERS										
Transfers from general operating fund	-	-	-	-	-	-	1,167,225	23,050	19,263	202
Transfers to general operating fund	-	-	-	-	-	-	(806,356)	(37,280)	(219,043)	(83,531)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfer from reserves	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	24,750	-	9,000	54,000	55,000	121,316	-	-	-	-
Transfers to utility operating fund	-	(500)	-	-	(24,365)	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	35,721	28,317	64,509	77,759	61,516	136,958	461,253	(13,784)	(196,789)	(82,342)
FUND SURPLUS, BEGINNING OF YEAR	308,505	837,454	1,596,782	669,662	897,333	356,921	2,834,401	34,932	216,175	79,265
FUND SURPLUS, END OF YEAR	\$ 344,226	\$ 865,771	\$ 1,661,291	\$ 747,421	\$ 958,849	\$ 493,879	\$ 3,295,654	\$ 21,148	\$ 19,386	\$ (3,077)

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

SCHEDULE 6

	2024									
	Mitchell Rec Reserve	New Bothwell Rec Reserve	Village of Kleefeld	Village of New Bothwell	General Garbage/Recy	Road Infrastructure	New Bothwell Desludge	Grunthal Rec Land	Grunthal Rec Sidewalk	Kleefeld Rec Land
REVENUE										
Investment income	\$ 1,728	\$ 1,055	\$ 7,652	\$ 1,750	\$ 9,807	\$ 20,844	\$ 6,579	\$ 2,893	\$ 398	\$ 3,090
Other income	-	-	-	-	-	-	-	-	-	-
Total revenue	1,728	1,055	7,652	1,750	9,807	20,844	6,579	2,893	398	3,090
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	1,728	1,055	7,652	1,750	9,807	20,844	6,579	2,893	398	3,090
TRANSFERS										
Transfers from general operating fund	25,330	52,479	74,383	60,000	53,890	392,495	-	6,274	9,000	16,644
Transfers to general operating fund	(160,516)	(104,142)	-	(24,365)	(10,000)	(116,540)	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfer from reserves	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	24,489	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(133,458)	(50,608)	82,035	37,385	53,697	296,799	31,068	9,167	9,398	19,734
FUND SURPLUS, BEGINNING OF YEAR	158,860	66,909	200,124	57,903	267,863	515,983	189,572	78,822	8,746	82,654
FUND SURPLUS, END OF YEAR	\$ 25,402	\$ 16,301	\$ 282,159	\$ 95,288	\$ 321,560	\$ 812,782	\$ 220,640	\$ 87,989	\$ 18,144	\$ 102,388

RURAL MUNICIPALITY OF HANOVER

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2024

SCHEDULE 6

	2024								2023	
	Kleefeld Rec Sidewalk	Blumenort Rec Land	Blumenort Rec Sidewalk	Mitchell Rec Land	Mitchell Rec Sidewalk	New Bothwell Rec Land	New Bothwell Rec Sidewalk	Rural Infrastructure	Total	Total
REVENUE										
Investment income	\$ 671	\$ 307	\$ 738	\$ 9,555	\$ 1,839	\$ 984	\$ 167	\$ 42,855	\$ 817,320	\$ 697,255
Other income	-	-	-	-	-	-	-	-	-	-
Total revenue	671	307	738	9,555	1,839	984	167	42,855	817,320	697,255
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	671	307	738	9,555	1,839	984	167	42,855	817,320	697,255
TRANSFERS										
Transfers from general operating fund	13,500	3,161	2,000	58,155	32,500	-	-	-	4,921,847	5,367,588
Transfers to general operating fund	-	-	-	-	-	-	-	(337,800)	(6,503,849)	(2,552,061)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfer from reserves	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	288,555	564,273
Transfers to utility operating fund	-	-	-	-	-	-	-	-	(182,023)	(729,622)
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	14,171	3,468	2,738	67,710	34,339	984	167	(294,945)	(658,150)	3,347,433
FUND SURPLUS, BEGINNING OF YEAR	15,768	7,862	20,653	258,308	43,458	28,353	4,819	1,330,192	24,957,140	21,609,707
FUND SURPLUS, END OF YEAR	\$ 29,939	\$ 11,330	\$ 23,391	\$ 326,018	\$ 77,797	\$ 29,337	\$ 4,986	\$ 1,035,247	\$ 24,298,990	\$ 24,957,140

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF L.U.D. OPERATIONS - Summary
For the Year Ended December 31, 2024

SCHEDULE 7

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	\$ 1,567,398	\$ 1,567,398	\$ 1,416,509
Other Revenue	5,801	105,344	7,863
Total revenue	1,573,199	1,672,742	1,424,372
Expenses			
General Government:			
Indemnities	107,165	93,692	94,356
Transportation Services			
Road and street maintenance	424,444	349,980	298,549
Ditches and drainage	14,192	163,971	36,246
Sidewalk and boulevard maintenance	101,309	94,564	25,464
Street lighting	105,941	107,858	143,340
Other	7,716	8,111	7,400
Environmental health			
Waste collection and disposal	2,169	18,680	7,478
Recycling	-	2,791	-
Other	5,501	10,073	440
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	900	7,032	838
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	8,611	7,716	31,969
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	777,948	864,468	646,080
Net revenues (expenses)	795,251	808,274	778,292
Transfers:			
Transfers from (to) L.U.D. reserves	237,099	258,599	(354,700)
Transfers from (to) operating fund	45,000	(8,800)	(152,862)
Other	(1,077,350)	(1,091,772)	(216,850)
Change in L.U.D. balances	\$ -	(33,699)	53,880
Unexpended balance, beginning of year		100,541	46,661
Unexpended balance, end of year		\$ 66,842	\$ 100,541

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF L.U.D. OPERATIONS - LUD of Mitchell
For the Year Ended December 31, 2024

SCHEDULE 7

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	\$ 698,789	\$ 698,789	\$ 607,846
Other Revenue	200	1,195	1,265
Total revenue	698,989	699,984	609,111
Expenses			
General Government:			
Indemnities	32,002	27,520	32,338
Transportation Services			
Road and street maintenance	134,299	151,615	97,286
Ditches and drainage	4,740	43,735	29,965
Sidewalk and boulevard maintenance	7,800	3,846	9,085
Street lighting	36,383	39,361	89,589
Other	1,358	1,989	1,248
Environmental health			
Waste collection and disposal	-	70	5,297
Recycling	-	-	-
Other	4,001	10,073	440
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	500	6,207	365
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	2,645	3,542	20,298
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	223,728	287,958	285,911
Net revenues (expenses)	475,261	412,026	323,200
Transfers:			
Transfers from (to) L.U.D. reserves	280,489	360,989	(194,700)
Transfers from (to) operating fund	15,000	25,000	(82,576)
Other	(770,750)	(824,747)	-
Change in L.U.D. balances	\$ -	(26,732)	45,924
Unexpended balance, beginning of year		70,598	24,674
Unexpended balance, end of year		\$ 43,866	\$ 70,598

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF L.U.D. OPERATIONS - LUD of Grunthal
For the Year Ended December 31, 2024

SCHEDULE 7

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	\$ 361,391	\$ 361,391	\$ 342,825
Other Revenue	5,600	5,935	6,153
Total revenue	366,991	367,326	348,978
Expenses			
General Government:			
Indemnities	36,254	36,376	29,518
Transportation Services			
Road and street maintenance	141,846	109,889	153,224
Ditches and drainage	4,500	36,735	1,450
Sidewalk and boulevard maintenance	2,250	6,792	15,301
Street lighting	36,757	32,397	21,641
Other	5,646	5,372	5,182
Environmental health			
Waste collection and disposal	2,169	509	2,171
Recycling	-	-	-
Other	1,000	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	200	100	318
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	2,180	3,018	8,385
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	232,802	231,188	237,190
Net revenues (expenses)	134,189	136,138	111,788
Transfers:			
Transfers from (to) L.U.D. reserves	(16,589)	(29,589)	(74,000)
Transfers from (to) operating fund	15,000	(500)	(23,375)
Other	(132,600)	(106,661)	-
Change in L.U.D. balances	\$ -	(612)	14,413
Unexpended balance, beginning of year		14,369	(44)
Unexpended balance, end of year		\$ 13,757	\$ 14,369

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF L.U.D. OPERATIONS - LUD of Blumenort
For the Year Ended December 31, 2024

SCHEDULE 7

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	\$ 507,218	\$ 507,218	\$ 465,838
Other Revenue	1	98,214	445
Total revenue	507,219	605,432	466,283
Expenses			
General Government:			
Indemnities	38,909	29,796	32,500
Transportation Services			
Road and street maintenance	148,299	88,476	48,039
Ditches and drainage	4,952	83,501	4,831
Sidewalk and boulevard maintenance	91,259	83,926	1,078
Street lighting	32,801	36,100	32,110
Other	712	750	970
Environmental health			
Waste collection and disposal	-	18,101	10
Recycling	-	2,791	-
Other	500	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	200	725	155
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	3,786	1,156	3,286
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	321,418	345,322	122,979
Net revenues (expenses)	185,801	260,110	343,304
Transfers:			
Transfers from (to) L.U.D. reserves	(26,801)	(72,801)	(86,000)
Transfers from (to) operating fund	15,000	(33,300)	(46,911)
Other	(174,000)	(160,364)	(216,850)
Change in L.U.D. balances	\$ -	(6,355)	(6,457)
Unexpended balance, beginning of year		15,574	22,031
Unexpended balance, end of year		\$ 9,219	\$ 15,574

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2024

SCHEDULE 8

	2024					2023
	Mitchell Utility	Blumenort Utility	New Bothwell Utility	Grunthal Utility	Kleefeld Utility	Total
FINANCIAL ASSETS						
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts receivable	-	-	-	-	-	-
Portfolio investments	-	-	-	-	-	-
Due from other funds	124,838	-	-	-	-	823,418
	<u>\$ 124,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 823,418</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Long-term debt (Note 9)	-	-	170,055	1,115,437	186,480	2,415,026
Due to other funds	-	19,446	752,572	680,921	161,412	158,016
	<u>-</u>	<u>19,446</u>	<u>922,627</u>	<u>1,796,358</u>	<u>347,892</u>	<u>2,573,042</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 124,838</u>	<u>\$ (19,446)</u>	<u>\$ (922,627)</u>	<u>\$ (1,796,358)</u>	<u>\$ (347,892)</u>	<u>\$ (1,749,624)</u>
NON-FINANCIAL ASSETS						
Tangible capital assets (Schedule 1)	\$ 2,765,369	\$ 4,008,160	\$ 3,506,720	\$ 4,750,233	\$ 3,748,937	\$ 18,995,218
Inventories	-	-	-	21,853	3,809	22,097
Prepaid expenses	-	-	-	-	-	-
	<u>2,765,369</u>	<u>4,008,160</u>	<u>3,506,720</u>	<u>4,772,086</u>	<u>3,752,746</u>	<u>19,017,315</u>
FUND SURPLUS (DEFICIT)	<u>\$ 2,890,207</u>	<u>\$ 3,988,714</u>	<u>\$ 2,584,093</u>	<u>\$ 2,975,728</u>	<u>\$ 3,404,854</u>	<u>\$ 17,267,691</u>

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Summary
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
REVENUE			
Water			
Water fees	\$ 327,060	\$ 331,792	\$ 344,582
Bulk Water fees	23,955	-	-
sub-total- water	351,015	331,792	344,582
Sewer			
Sewer fees	432,209	492,111	414,597
Lagoon tipping fees	-	24,300	19,959
sub-total- sewer	432,209	516,411	434,556
Property taxes	929,219	929,219	921,132
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	18,600	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	6,122	7,727	6,838
Contributed tangible capital assets	-	608,000	613,800
Investment income	-	-	-
Administration fees	-	94,147	91,384
Gain on sale of tangible capital assets	-	-	-
Other income	824,639	633,922	696,108
sub-total- other	849,361	1,343,796	1,408,130
Total revenue	\$ 2,561,804	\$ 3,121,218	\$ 3,108,400

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Summary
For the Year Ended December 31, 2024

SCHEDULE 9

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
EXPENSES			
General			
Administration	\$ 147,032	\$ 203,592	\$ 177,321
Training costs	-	-	-
Billing and collection	9,363	8,219	4,612
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>156,395</u>	<u>211,811</u>	<u>181,933</u>
Water General			
Purification and treatment	195,631	225,859	186,414
Water purchases	-	-	-
Transmission and distribution	51,232	106,866	58,070
Hydrant maintenance	-	-	-
Other water supply costs	6,649	3,395	3,115
Connection costs	1,122	6,087	-
sub-total- water general	<u>254,634</u>	<u>342,207</u>	<u>247,599</u>
Water Amortization & Interest			
Amortization	-	205,910	134,065
Interest on long term debt	28,136	24,914	33,877
sub-total- water amortization & interest	<u>28,136</u>	<u>230,824</u>	<u>167,942</u>
Sewer General			
Collection system costs	74,779	133,375	60,921
Treatment and disposal cost	430,040	570,558	335,303
Lift Station costs	143,544	166,073	100,247
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>648,363</u>	<u>870,006</u>	<u>496,471</u>
Sewage Amortization & Interest			
Amortization	-	712,904	728,645
Interest on long term debt	62,172	51,421	76,961
sub-total- sewer amortization & interest	<u>62,172</u>	<u>764,325</u>	<u>805,606</u>
Total expenses	<u>1,149,700</u>	<u>2,419,173</u>	<u>1,899,551</u>
NET OPERATING SURPLUS	1,412,104	702,045	1,208,849
TRANSFERS			
Transfer to capital	(227,770)	(1,914,069)	-
Transfers from (to) operating fund	(929,069)	(105,539)	201,110
Transfers from (to) reserve funds	<u>(255,263)</u>	<u>(106,532)</u>	<u>(165,349)</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ 2</u>	<u>(1,424,095)</u>	<u>1,244,610</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>17,267,691</u>	<u>16,023,081</u>
FUND SURPLUS, END OF YEAR		<u>\$ 15,843,596</u>	<u>\$ 17,267,691</u>

RURAL MUNICIPALITY OF HANOVER

SCHEDULE OF UTILITY OPERATIONS - Mitchell Utility

For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
REVENUE			
Sewer			
Sewer fees	\$ 94,598	\$ 96,247	\$ 85,305
Lagoon tipping fees	-	7,170	5,610
sub-total- sewer	94,598	103,417	90,915
Property taxes	269,446	269,446	269,446
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	45,000	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	6,178	24,389	-
sub-total- other	6,178	69,389	-
Total revenue	\$ 370,222	\$ 442,252	\$ 360,361

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Mitchell Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 20,320	\$ 52,736	\$ 19,829
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	20,320	52,736	19,829
Sewer General			
Collection system costs	11,113	10,068	5,305
Treatment and disposal cost	34,169	62,562	39,170
Lift Station costs	7,631	22,607	6,146
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	52,913	95,237	50,621
Sewage Amortization & Interest			
Amortization	-	219,903	244,703
Interest on long term debt	10,313	6,895	16,944
sub-total- sewer amortization & interest	10,313	226,798	261,647
Total expenses	83,546	374,771	332,097
NET OPERATING SURPLUS	286,676	67,481	28,264
TRANSFERS			
Transfers to capital	(13,000)	(307,552)	-
Transfers from (to) operating fund	(259,133)	(19,489)	-
Transfers from (to) reserve funds	(14,542)	(54,000)	(8,496)
CHANGE IN UTILITY FUND BALANCE	\$ 1	(313,560)	19,768
FUND SURPLUS, BEGINNING OF YEAR		3,203,767	3,183,999
FUND SURPLUS, END OF YEAR		\$ 2,890,207	\$ 3,203,767

RURAL MUNICIPALITY OF HANOVER

SCHEDULE OF UTILITY OPERATIONS - Blumenort Utility

For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
REVENUE			
Sewer			
Sewer fees	\$ 160,751	\$ 166,436	\$ 150,973
Lagoon tipping fees	-	-	-
sub-total- sewer	160,751	166,436	150,973
Property taxes	-	-	-
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	90,000
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	454,654	380,868	424,167
sub-total- other	454,654	380,868	514,167
Total revenue	\$ 615,405	\$ 547,304	\$ 665,140

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Blumenort Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 45,367	\$ 53,411	\$ 40,627
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	45,367	53,411	40,627
Sewer General			
Collection system costs	32,771	81,912	28,068
Treatment and disposal cost	189,286	232,877	175,251
Lift Station costs	44,981	45,935	17,324
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	267,038	360,724	220,643
Sewage Amortization & Interest			
Amortization	-	243,667	243,109
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	-	243,667	243,109
Total expenses	312,405	657,802	504,379
NET OPERATING SURPLUS	303,000	(110,498)	160,761
TRANSFERS			
Transfer to capital	(63,000)	-	-
Transfer from (to) operating fund	-	(23,705)	-
Transfers from (to) reserve funds	(240,000)	(130,316)	(305,749)
CHANGE IN UTILITY FUND BALANCE	\$ -	(264,519)	(144,988)
FUND SURPLUS, BEGINNING OF YEAR		4,253,233	4,398,221
FUND SURPLUS, END OF YEAR		\$ 3,988,714	\$ 4,253,233

RURAL MUNICIPALITY OF HANOVER
SCHEDULE 9

SCHEDULE OF UTILITY OPERATIONS - New Bothwell Utility

For the Year Ended December 31, 2024

	Budget	2024	2023
REVENUE			
Sewer			
Sewer fees	\$ 59,967	\$ 60,637	\$ 50,304
Lagoon tipping fees	-	4,650	3,060
sub-total- sewer	59,967	65,287	53,364
Property taxes	87,203	87,203	87,203
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	563,000	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	185,785	221,749	261,000
sub-total- other	185,785	784,749	261,000
Total revenue	\$ 332,955	\$ 937,239	\$ 401,567

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - New Bothwell Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 13,643	\$ 82,465	\$ 46,507
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	13,643	82,465	46,507
Sewer General			
Collection system costs	7,017	6,126	830
Treatment and disposal cost	95,925	67,092	53,370
Lift Station costs	8,204	14,291	6,118
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	111,146	87,509	60,318
Sewage Amortization & Interest			
Amortization	-	66,324	66,323
Interest on long term debt	9,501	6,955	9,982
sub-total- sewer amortization & interest	9,501	73,279	76,305
Total expenses	134,290	243,253	183,130
NET OPERATING SURPLUS	198,665	693,986	218,437
TRANSFERS			
Transfer to capital	(28,000)	(643,247)	-
Transfers from (to) operating fund	(77,702)	(13,248)	(56,296)
Transfers from (to) reserve funds	(92,963)	(55,124)	(106,982)
CHANGE IN UTILITY FUND BALANCE	\$ -	(17,633)	55,159
FUND SURPLUS, BEGINNING OF YEAR		2,601,726	2,546,567
FUND SURPLUS, END OF YEAR		\$ 2,584,093	\$ 2,601,726

RURAL MUNICIPALITY OF HANOVER

SCHEDULE OF UTILITY OPERATIONS - Grunthal Utility

For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
REVENUE			
Water			
Water fees	\$ 139,169	\$ 132,783	\$ 138,690
Bulk Water fees	15,290	-	-
sub-total- water	154,459	132,783	138,690
Sewer			
Sewer fees	83,017	134,172	92,558
Lagoon tipping fees	-	7,470	8,289
sub-total- sewer	83,017	141,642	100,847
Property taxes	381,439	381,439	373,352
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	8,250	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	3,511	4,504	3,997
Contributed tangible capital assets	-	-	174,000
Investment income	-	-	-
Administration fees	-	50,428	49,541
Gain on sale of tangible capital assets	-	-	-
Other income	131,528	6,916	6,059
sub-total- other	143,289	61,848	233,597
Total revenue	\$ 762,204	\$ 717,712	\$ 846,486

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Grunthal Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 45,598	\$ 12,128	\$ 50,236
Training costs	-	-	-
Billing and collection	5,165	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	50,763	12,128	50,236
Water General			
Purification and treatment	98,869	105,250	91,619
Water purchases	-	-	-
Transmission and distribution	41,037	83,361	47,551
Hydrant maintenance	-	-	-
Other water supply costs	6,649	3,395	3,115
Connection costs	65	3,553	-
sub-total- water general	146,620	195,559	142,285
Water Amortization & Interest			
Amortization	-	41,603	39,008
Interest on long term debt	21,357	18,966	24,677
sub-total- water amortization & interest	21,357	60,569	63,685
Sewer General			
Collection system costs	22,202	31,199	26,483
Treatment and disposal cost	98,518	130,443	66,078
Lift Station costs	62,661	64,679	47,410
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	183,381	226,321	139,971
Sewage Amortization & Interest			
Amortization	-	126,516	123,516
Interest on long term debt	36,947	32,823	42,691
sub-total- sewer amortization & interest	36,947	159,339	166,207
Total expenses	439,068	653,916	562,384
NET OPERATING SURPLUS	323,136	63,796	284,102
TRANSFERS			
Transfer to capital	(82,000)	(754,819)	-
Transfers from (to) operating fund	(413,293)	(37,456)	285,465
Transfers from (to) reserve funds	172,158	132,408	21,571
CHANGE IN UTILITY FUND BALANCE	\$ 1	(596,071)	591,138
FUND SURPLUS, BEGINNING OF YEAR		3,571,799	2,980,661
FUND SURPLUS, END OF YEAR		\$ 2,975,728	\$ 3,571,799

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Kleefeld Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
REVENUE			
Water			
Water fees	\$ 187,891	\$ 199,009	\$ 205,892
Bulk Water fees	8,665	-	-
sub-total- water	196,556	199,009	205,892
Sewer			
Sewer fees	33,876	34,619	35,457
Lagoon tipping fees	-	5,010	3,000
sub-total- sewer	33,876	39,629	38,457
Property taxes	191,131	191,131	191,131
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	10,350	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	2,611	3,223	2,841
Contributed tangible capital assets	-	-	349,800
Investment income	-	-	-
Administration fees	-	43,719	41,843
Gain on sale of tangible capital assets	-	-	-
Other income	46,494	-	4,882
sub-total- other	59,455	46,942	399,366
Total revenue	\$ 481,018	\$ 476,711	\$ 834,846

RURAL MUNICIPALITY OF HANOVER
SCHEDULE OF UTILITY OPERATIONS - Kleeefeld Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	Budget	2024	2023
EXPENSES			
General			
Administration	\$ 22,104	\$ 2,852	\$ 20,122
Training costs	-	-	-
Billing and collection	4,198	8,219	4,612
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	26,302	11,071	24,734
Water General			
Purification and treatment	96,762	120,609	94,795
Water purchases	-	-	-
Transmission and distribution	10,195	23,505	10,519
Hydrant maintenance	-	-	-
Other water supply costs	-	-	-
Connection costs	1,057	2,534	-
sub-total- water general	108,014	146,648	105,314
Water Amortization & Interest			
Amortization	-	164,307	95,057
Interest on long term debt	6,779	5,948	9,200
sub-total- water amortization & interest	6,779	170,255	104,257
Sewer General			
Collection system costs	1,676	4,070	235
Treatment and disposal cost	12,142	77,584	1,434
Lift Station costs	20,067	18,561	23,249
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	33,885	100,215	24,918
Sewage Amortization & Interest			
Amortization	-	56,494	50,994
Interest on long term debt	5,411	4,748	7,344
sub-total- sewer amortization & interest	5,411	61,242	58,338
Total expenses	180,391	489,431	317,561
NET OPERATING SURPLUS	300,627	(12,720)	517,285
TRANSFERS			
Transfer to capital	(41,770)	(208,451)	-
Transfers from (to) operating fund	(178,941)	(11,641)	(28,059)
Transfers from (to) reserve funds	(79,916)	500	234,307
CHANGE IN UTILITY FUND BALANCE	\$ -	(232,312)	723,533
FUND SURPLUS, BEGINNING OF YEAR		3,637,166	2,913,633
FUND SURPLUS, END OF YEAR		\$ 3,404,854	\$ 3,637,166

RURAL MUNICIPALITY OF HANOVER

SCHEDULE 10

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2024

	Financial Plan General	Financial Plan Utilities	LUD	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE									
Property taxes	\$ 11,656,212	929,219	1,567,398	\$ -	\$ -	\$ (2,496,617)	\$ -	\$ -	\$ 11,656,212
Grants in lieu of taxation	157,348	-	-	-	-	-	-	-	157,348
User fees	1,710,180	-	-	-	-	-	-	-	1,710,180
Permits, licences and fines	773,070	-	-	-	-	-	-	-	773,070
Investment income	306,141	-	-	-	-	-	-	509	306,650
Other revenue	612,354	-	5,801	-	-	-	-	106,336	724,491
Water and sewer	-	1,632,585	-	-	-	-	-	-	1,632,585
Grants - Province of Manitoba	6,660,183	-	-	-	-	-	-	216,790	6,876,973
Grants - other	-	-	-	-	-	-	-	456,388	456,388
Transfers from general fund	-	-	45,000	-	-	(45,000)	-	-	-
Transfers from reserves	5,198,154	172,158	237,099	-	-	(5,607,411)	-	-	-
Total revenue	\$ 27,073,642	\$ 2,733,962	\$ 1,855,298	\$ -	\$ -	\$ (8,149,028)	\$ -	\$ 780,023	\$ 24,293,897
EXPENSES									
General government services	\$ 2,695,217	\$ -	\$ 107,165	\$ 139,836	\$ -	\$ (465,031)	\$ -	\$ -	\$ 2,477,187
Protective services	2,046,767	-	-	328,897	-	(705,000)	-	-	1,670,664
Transportation services	7,357,337	-	653,602	1,878,012	-	(2,692,021)	-	-	7,196,930
Environmental health services	1,070,641	-	7,670	14,307	-	-	-	29,481	1,122,099
Public health and welfare services	8,602	-	-	-	-	-	-	-	8,602
Regional planning and development	268,493	-	900	-	-	-	-	-	269,393
Resource cons and industrial dev	79,130	-	-	-	-	-	-	5,513	84,643
Recreation and cultural services	8,029,844	-	8,611	440,820	-	(2,042,000)	-	-	6,437,275
Water and sewer services	-	1,149,700	-	918,814	-	-	-	-	2,068,514
Fiscal services:									
Transfer to capital	100,000	227,770	1,077,350	-	-	(1,405,120)	-	-	-
Transfer to utility	929,218	-	-	-	-	(929,218)	-	-	-
Transfer to LUD	2,181,118	-	-	-	-	(2,181,118)	-	-	-
Debt charges	356,607	929,069	-	-	-	(1,285,676)	-	-	-
Short term interest	-	-	-	-	-	-	-	-	-
Transfer to reserves	1,945,699	427,421	-	-	-	(2,373,120)	-	-	-
Allowance for tax assets	4,969	-	-	-	-	(4,969)	-	-	-
Total expenses	\$ 27,073,642	\$ 2,733,960	\$ 1,855,298	\$ 3,720,686	\$ -	\$ (14,083,273)	\$ -	\$ 34,994	\$ 21,335,307
Surplus (Deficit)	\$ -	\$ 2	\$ -	\$ (3,720,686)	\$ -	\$ 5,934,245	\$ -	\$ 745,029	\$ 2,958,590

RURAL MUNICIPALITY OF HANOVER
ANALYSIS OF TAXES ON ROLL
December 31, 2024

SCHEDULE 11

	2024	2023
Balance, beginning of year	\$ 2,214,264	\$ 1,854,543
Add:		
Tax levy (Schedule 12)	24,720,718	22,728,079
Taxes added	366,096	678,271
Penalties or interest	204,721	180,190
Other accounts added	-	-
Tax Adjustments (Redemption Fees)	4,050	1,345
Tax Adjustments (A/R Added to Taxes)	-	-
Sub-total	25,295,585	23,587,885
Deduct:		
Cash collections - current	22,531,253	20,534,565
Cash collections - arrears	1,731,658	1,432,439
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	1,271,233	1,261,160
Other credits (specify)	-	-
Sub-total	25,534,144	23,228,164
Balance, end of year	\$ 1,975,705	\$ 2,214,264

RURAL MUNICIPALITY OF HANOVER
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2024

SCHEDULE 12

	2024			2023
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
LUD of Blumenort	\$ 118,607,300	\$ 4.255	\$ 504,674	\$ 463,290
LUD of Kleefeld	\$ 87,498,700	\$ 5.000	437,494	389,405
LUD of Mitchell	\$ 126,003,280	\$ 5.500	693,018	602,634
LUD of Grunthal	\$ 71,358,490	\$ 5.000	356,792	338,229
LUD of New Bothwell	\$ 33,497,860	\$ 5.250	175,864	158,556
sub-total- L.U.D.			<u>2,167,842</u>	<u>1,952,114</u>
Debt charges:				
Frontage	\$ -	\$ -	101,573	54,858
Grunthal Utility	\$ 79,670,760	\$ 4.750	378,436	370,349
Kleefeld Utility	\$ 79,015,800	\$ 2.419	191,139	191,117
New Bothwell Utility	\$ 34,743,610	\$ 2.507	87,102	87,063
Mitchell Utility	\$ 140,821,050	\$ 1.905	268,264	268,127
New Bothwell Rec Centre 2381-	\$ 35,465,130	\$ 0.390	13,831	13,833
BFD Hall 2408-17	\$ 1,073,171,590	\$ 0.078	83,707	83,629
BFD Trucks 2408-17	\$ 1,073,171,590	\$ 0.076	81,561	81,564
PW Shop 2375-15	\$ 1,073,171,590	\$ 0.168	180,293	179,647
sub-total- Debt charges			<u>1,385,907</u>	<u>1,330,187</u>
Deferred surplus	\$ -	\$ -	<u>-</u>	<u>-</u>
Reserves:				
Machinery Replacement Reserv	\$ 1,016,179,900	\$ 0.608	617,837	641,699
Fire Hall/Equipment Reserve	\$ 1,016,179,900	\$ 0.243	246,932	222,051
General Utility Reserve	\$ 1,016,179,900	\$ 0.292	296,725	-
Recreation Reserve	\$ 1,016,179,900	\$ 0.549	557,883	500,838
Office Reserve	\$ 1,016,179,900	\$ 0.078	79,262	79,234
sub-total- Reserves			<u>1,798,638</u>	<u>1,443,822</u>
General municipal	\$ 1,016,179,900	\$ 0.017	<u>17,275</u>	<u>407,909</u>
Rural Area	\$ 579,214,270	\$ 7.140	<u>4,135,590</u>	<u>3,802,387</u>
Special levies:				
Fire Protection	\$ 1,073,171,590	\$ 0.700	751,220	776,406
Garbage Disposal	\$ -	\$ -	819,708	618,208
sub-total- Special levies			<u>1,570,928</u>	<u>1,394,614</u>
Business tax (rate%)	\$ -	\$ -	<u>-</u>	<u>-</u>
Total municipal taxes (Schedule 2)			<u>11,076,181</u>	<u>10,331,033</u>
Education support levy	\$ 95,235,820	\$ 8.128	<u>774,077</u>	<u>739,387</u>
Special levies:				
Hanover School Division	\$ 1,010,240,250	\$ 12.740	<u>12,870,461</u>	<u>11,657,659</u>
sub-total- Special levies			<u>12,870,461</u>	<u>11,657,659</u>
Total education taxes			<u>13,644,538</u>	<u>12,397,046</u>
Total tax levy (Schedule 11)			<u>\$ 24,720,718</u>	<u>\$ 22,728,079</u>

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

SCHEDULE 13

	2024 Actual	2023 Actual
General government services:		
Legislative	\$ 507,274	\$ 542,912
General administrative	1,738,315	1,683,384
Other	165,990	166,491
	<u>2,411,579</u>	<u>2,392,787</u>
Protective services:		
Police	-	-
Fire	1,138,699	1,181,684
Emergency measures	12,972	12,595
Other	530,956	453,362
	<u>1,682,627</u>	<u>1,647,641</u>
Transportation services:		
Road transport		
Administration and engineering	2,819,203	2,563,363
Road and street maintenance	2,911,282	3,118,722
Ditches and drainage	177,467	62,223
Sidewalk and boulevard maintenance	11,052	-
Street lighting	71,400	3,148
Other	-	-
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>5,990,404</u>	<u>5,747,456</u>
Environmental health services:		
Waste collection and disposal	536,695	522,509
Recycling	413,139	341,720
Other	1,181,967	439,145
	<u>2,131,801</u>	<u>1,303,374</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	8,602	8,602
Other	-	-
	<u>8,602</u>	<u>8,602</u>
Regional planning and development		
Planning and zoning	251,039	255,307
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	320	-
Other	-	-
	<u>251,359</u>	<u>255,307</u>
Resource conservation and industrial development		
Rural area weed control	4,106	15,602
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	22,000	22,000
Regional development	16,418	16,522
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>42,524</u>	<u>54,124</u>
Sub-totals forward	<u>\$ 12,518,896</u>	<u>\$ 11,409,291</u>

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

SCHEDULE 13

	2024 Actual	2023 Actual
Sub-totals forward	\$ 12,518,896	\$ 11,409,291
Recreation and cultural services:		
Administration	1,062,277	958,620
Community centers and halls	136,358	123,836
Swimming pools and beaches	113,422	91,491
Golf courses	-	-
Skating and curling rinks	568,049	410,754
Parks and playgrounds	217,618	296,043
Other recreational facilities	128,275	58,672
Museums	-	-
Libraries	14,410	15,250
Other cultural facilities	-	-
	2,240,409	1,954,666
Total expenses	\$ 14,759,305	\$ 13,363,957

RURAL MUNICIPALITY OF HANOVER

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2024

	2024			2023
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 184,911	\$ (287,739)	\$ (102,828)	\$ 285,725
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	4,921,847	288,555	5,210,402	5,931,861
Eliminate expense - transfers from nominal surplus	-	-	-	-
Eliminate revenue - transfers from reserves	(6,503,849)	(182,023)	(6,685,872)	(3,281,683)
Increase revenue - reserve funds interest	817,320	-	817,320	697,255
Increase revenue - reserve fund other revenue	-	-	-	-
Increase expense - reserve fund other expenses	-	-	-	-
Decrease revenue - internally funded debentures	(334,762)	-	(334,762)	-
Eliminate expense - repayments of internally funded debentures	539,643	-	539,643	93,349
Eliminate transfers between funds	(105,539)	105,539	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	745,029	-	745,029	367,301
Decrease expense - elimination of contributions to (from) consolidated entities	215,907	50,458	266,365	(1,266,750)
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	181,589	-	181,589	(314,425)
Decrease revenue - proceeds on sale of tangible capital assets	(785,509)	-	(785,509)	-
Increase expense - amortization of tangible capital assets	(2,801,873)	(918,814)	(3,720,687)	(3,371,844)
Decrease revenue - proceeds from long term debt	-	-	-	-
Decrease expense - principal portion of debenture debt	230,173	943,053	1,173,226	1,131,585
Increase revenue - contributions of tangible capital assets	636,000	608,000	1,244,000	2,051,900
Eliminate expense - acquisitions of tangible capital assets	11,048,164	95,016	11,143,180	6,858,442
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 8,989,051	\$ 702,045	\$ 9,691,096	\$ 9,182,716