F I N A N C I A L S T A T E M E N T S

For the

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

For year ended

DECEMBER 31, 2025

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

The Municipality of
SOUTH DUNDAS

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Morrisburg, ON K0C1X0
613-543-2673 | southdundas.com

Management's Responsibility for the Financial Statements

The accompanying financial statements of the **Corporation of the Municipality of South Dundas** are the responsibility of management and have been approved by Council.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor’s report.

The external auditors, Welch LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the Corporation of the Municipality of South Dundas and meet when required.

On behalf of the Corporation of the Municipality of South Dundas:

Benjamin de H	J Stewart
Ben de Haan	**Julie Stewart**
Chief Administrative Officer/Clerk	**Treasurer**

Morrisburg, Ontario
July 8, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the:

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

We have audited the accompanying financial statements of **Corporation of the Municipality of South Dundas** (the Municipality), which comprise the statement of financial position as at December 31, 2025 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2025 and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Organization for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, 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 related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 and error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 the audit.

Welch LLP

Cornwall, Ontario | **CHARTERED PROFESSIONAL ACCOUNTANTS**
July 8, 2026 | **LICENSED PUBLIC ACCOUNTANTS**

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

	2025	2024
Financial assets		
Cash (note 2)	$ 11,007,987	$ 10,034,393
Taxes receivable	1,543,737	1,428,962
Accounts receivable (note 3)	1,148,200	1,574,494
Long-term receivables	124,046	108,805
Long-term investment (note 4)	938,352	938,352
Investment in Rideau St. Lawrence Holdings Inc (note 5)	2,135,832	2,102,071
	16,898,154	16,187,077
Financial liabilities		
Accounts payable and accrued liabilities	1,475,157	1,349,999
Employee benefits payable (note 7)	107,004	914
Deferred revenue - obligatory reserve funds (note 8)	213,663	65,680
Deferred revenue - other (note 9)	501,044	369,557
Municipal debt (note 10)	5,909,369	6,707,482
Asset retirement obligations (note 11)	4,026,887	3,651,177
	12,233,124	12,144,809
Net financial assets	4,665,030	4,042,268
Non-financial assets		
Tangible capital assets (note 12)	114,546,472	114,497,818
Work in progress	505,223	283,970
Inventories	254,074	242,241
Prepaid expenses	135,771	-
	115,441,540	115,024,029
Accumulated surplus (note 13)	$120,106,570	$119,066,297

Contingencies (note 17)

The accompanying notes are an integral part of these financial statements.

(See accompanying notes)

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
Operating revenues			
Municipal taxation	$ 9,742,205	$ 9,822,533	$ 9,154,154
User charges	6,336,033	5,384,171	4,991,707
Government transfers - operating	1,478,800	1,515,214	1,716,636
Investment income	280,000	513,946	726,466
Interest and penalties on taxes	198,000	238,363	191,516
Equity increase from Rideau St. Lawrence Holdings	-	33,761	102,545
	18,035,038	17,507,988	16,883,024
Operating expenditures			
General government	2,140,086	2,077,486	2,167,862
Protection to persons and property	1,863,207	1,821,032	1,830,327
Transportation services	4,478,647	4,883,413	4,087,061
Environmental services	1,151,985	1,037,628	1,505,040
Water and sewer services	3,539,119	3,733,454	3,631,258
Health services	93,412	93,412	35,979
Recreational and cultural services	2,675,867	2,793,095	2,716,135
Planning and development	293,704	331,641	367,528
	16,236,027	16,771,161	16,341,190
Net operating income	1,799,011	736,827	541,834
Other income related to capital			
Government transfers - capital	-	765,080	1,252,939
Remeasurement of asset retirement obligations	-	(503,435)	1,343,296
Donations	147,218	179,732	13,645
Loss on disposal of tangible capital assets	-	(137,931)	(102,344)
	147,218	303,446	2,507,536
Annual surplus	1,946,229	1,040,273	3,049,370
Accumulated surplus at beginning of year (note 18)	119,066,297	119,066,297	116,016,927
Accumulated surplus at end of year	$121,012,526	$120,106,570	$119,066,297

(See accompanying notes)

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

YEAR ENDED DECEMBER 31, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
Annual surplus	$ 1,946,229	$ 1,040,273	$ 3,049,370
Amortization of tangible capital assets	3,565,728	3,565,727	3,451,126
Acquisition of tangible capital assets and assets under construction	(5,977,053)	(4,037,905)	(3,914,729)
Loss on disposal of tangible capital assets	-	137,931	102,344
Proceeds on sale of tangible capital assets	-	64,340	79,913
Change in inventory	-	(11,833)	(17,037)
Change in prepaid expenses	-	(135,771)	-
Increase (decrease) in net financial assets	(465,096)	622,762	2,750,987
Net financial assets at beginning of year	4,042,268	4,042,268	1,291,281
Net financial assets at end of year	**$ 3,577,172**	**$ 4,665,030**	**$ 4,042,268**

(See accompanying notes)

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	2025	2024
Cash flows from operating activities		
Annual surplus	$ 1,040,273	$ 3,049,370
Items not affecting cash:		
Amortization	3,565,727	3,451,126
Loss on disposal of tangible capital assets	137,931	102,344
Equity income from Rideau St. Lawrence Holdings Inc.	(33,761)	(102,545)
Asset retirement obligations	375,710	(1,318,380)
	5,085,880	5,181,915
Net changes in non-cash working capital items:		
Taxes receivable	(114,775)	(350,259)
Accounts receivable	426,294	53,612
Inventories	(11,833)	(17,037)
Prepaid expenses	(135,771)	-
Accounts payable and accrued liabilities	125,158	(24,260)
Employee benefits payable	106,090	(2,208)
Deferred revenue - other	131,487	(69,224)
Deferred revenue, obligatory reserve funds	147,983	(51,987)
	5,760,513	4,720,552
Cash flows from capital activities		
Acquisition of tangible capital assets	(4,037,905)	(3,914,729)
Proceeds on disposal of tangible capital assets	64,340	79,913
	(3,973,565)	(3,834,816)
Cash flows from investing activities		
Net increase (payment) of long-term receivable	(15,241)	10,206
Cash flows from financing activities		
Municipal debt repaid	(848,113)	(801,405)
Proceeds from long-term debt	50,000	-
	(798,113)	(801,405)
Increase in cash	973,594	94,537
Cash at beginning of year	10,034,393	9,939,856
Cash at end of year	$11,007,987	$10,034,393

(See accompanying notes)

NATURE OF OPERATIONS

The Corporation of the Municipality of South Dundas (the "Municipality") is a lower tier municipality in the Province of Ontario. The Municipality is responsible for providing a variety of municipal services to its residents. The Municipality conducts its operations under the direction of its elected Council, guided by the provisions of provincial statutes such as the Municipal Act, 2001, Municipal Affairs Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Municipality are prepared by management in accordance with Canadian generally accepted accounting policies for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. These financial statements include the following significant accounting policies:

a) Reporting entity

These financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all municipal organizations, committees, and local boards accountable to the Municipality, and which are owned or controlled by the Municipality.

b) Accounting for United Counties and School Board transactions

The assets, liabilities, revenues, and expenditures with respect to the operations of the school boards and the United Counties of Stormont, Dundas and Glengarry are not reflected in these financial statements.

c) Basis of accounting

These financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon cost of goods or services acquired.

d) Investment in government business enterprises

These financial statements include the Municipality’s investment in a government business enterprise, which is accounted for using the modified equity method in accordance with Public Sector Accounting Standards. Under this method, the investment is initially recorded at cost and adjusted annually to recognize the Municipality’s share of the enterprise’s net income or loss and other changes in equity.

The accounting policies of the government business enterprise are not adjusted to conform with those of the Municipality, and inter-organizational transactions and balances are not eliminated.

The Municipality reports the following government business enterprise:

Rideau St. Lawrence Holdings Inc.

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

e) Deferred revenue

The Municipality receives contributions under the authority of federal and provincial legislation and funding agencies. These funds, by their nature, are restricted in their use, and until applied to applicable projects, are recorded as deferred revenue. Amounts applied to projects are recorded as revenue in the fiscal period in which they are expended.

f) Deferred revenue - obligatory reserve funds

The Municipality receives restricted contributions under the authority of federal and provincial legislations. These funds by their nature are restricted in their use and are recorded as deferred revenue until applied to applicable costs. Amounts applied to qualifying expenditures are recorded as revenue in the fiscal period they are expended.

g) Reserve and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital expenditures. Transfers to and from reserves and reserve funds are recorded as an adjustment to the respective fund when approved.

h) Government transfers

Government transfers are recognized as revenues or expenditures in the period in which the events giving rise to the transfer occurred, provided the transfers are authorized, any eligibility criteria have been met by the recipient, and a reasonable estimates of the amounts can be made.

i) Fees, services and other revenues

Fees and services and other revenues are recognized when the activity is performed or when the services are rendered. Examples include, but are not limited to, water and waste water charges, solid waste tipping fees, licensing fees, permits, and other fees from various recreation programs and facilities.

j) Investment income

Investment income earned on surplus funds and dividends received are reported as revenue in the period earned. Investment income earned on obligatory funds such as parkland allowances and gas tax funds is added to the associated funds and forms part of the respective deferred revenue, obligatory reserve fund balances.

k) Cash and cash equivalents

Cash and cash equivalents is defined as cash on hand, cash on deposit and short term investments.

l) Long-term investments

Long-term investments are recorded at cost. Temporary declines in the market value of these investments are not adjusted.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Future employee benefits payable

Employee benefits include vacation entitlement and sick leave benefits. Vacation and sick leave benefits are accrued in accordance with the Municipality's policy. The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), as a defined contribution plan.

n) Inventories

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

o) Taxation and related revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council incorporating amounts to be raised for local services and amounts the Municipality is required to collect on behalf of the United Counties of Stormont, Dundas and Glengarry and the Province of Ontario in respect of education taxes. Realty taxes are billed based on the assessment rolls provided by MPAC. Taxation revenues are recorded at the time tax billings are issued.

A normal part of the assessment process is the issue of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the period they are determined and the effect shared with the school boards as appropriate.

p) Asset Retirement Obligations ("ARO")

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Municipality to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at fiscal year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the Municipality reviews the carrying amount of the asset retirement obligation liability. The Municipality recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) *Asset Retirement Obligations ("ARO") (continued)*

The Municipality continues to recognize the asset retirement obligation liability relating to the landfill post-closure costs until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

q) *Contaminated Sites Liability*

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. A liability for remediation of contaminated sites is recognized when all of 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 to remediate the site;
iv. The municipality expects that future economic benefits will be given up; and
v. A reasonable estimate of the amount can be made.

Liabilities are accrued to record the estimated costs related to the management and remediation of contaminated sites. The liability estimate includes costs that are directly attributable to the remediation activities and includes integral postremediation operation, maintenance and monitoring costs that are a part of the remediation strategy for the contaminated site. The costs that would be included in a liability are:

- Costs directly attributable to remediation activities (for example, payroll and benefits, equipment and facilities, materials, and legal and other professional services); and
- Costs of tangible capital assets acquired as part of remediation activities to the extent they have no other alternative use.

The measurement of a liability is based on estimates and professional judgment. The liability is recorded net of any expected recoveries. The carrying amount of a liability is reviewed at each financial reporting date with any revisions to the amount previously recognized accounted for in the period in which revisions are made.

A contingency is disclosed if all of the above criteria are not met.

r) *Use of Estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically and adjustments are made as appropriate in the year they become known. Management makes accounting estimates when determining the estimated useful life of the Municipality's tangible capital assets, its allowance for doubtful accounts, and the accrued liability for employee benefits. Actual results could differ from those estimates.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

s) *Tangible capital assets*

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful life as follows:

Buildings	20 to 40 years
Land improvements	25 to 40 years
Vehicles	5 to 20 years
Machinery and equipment	15 to 25 years
Transportation:	
- roads	10 to 40 years
- bridges and structures	25 to 75 years
Water and waste plants and networks:	
- underground networks	75 to 100 years
- sewage treatment plants	75 years
- water pumping stations and reservoirs	75 years
- flood stations and other infrastructure	75 years

One half of the annual amortization is charged in the year of acquisition and the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Similarly, transfer of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of transfer.

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of 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.

t) *Segment disclosure*

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The Municipality has provided definitions of the segments used and presented financial information in segmented format in Note 14.

2. CASH

Cash consists of the following:

	2025	2024
Unappropriated cash	$ 5,025,166	$ 5,649,349
Restricted under the Canada Community-Building Fund	213,663	31,849
Restricted for water and sewer	300,495	300,371
Restricted for reserves	5,468,663	4,052,824
	$11,007,987	$10,034,393

3. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	2025	2024
Excise tax rebates receivable	$ 58,621	$ 175,734
Municipal drains charges receivable	162,251	105,548
Accounts receivable - other	927,328	1,293,212
	$1,148,200	**$1,574,494**

4. LONG-TERM INVESTMENTS

The balance of the long-term investment consists of the following:

	2025	2024
Promissory note, Rideau St. Lawrence Holdings Inc., interest as described below, no specific terms of repayment, unsecured	**$ 938,352**	**$ 938,352**

The promissory note due from Rideau St. Lawrence Holdings Inc. bears interest at a rate determined by the Board of Directors not to exceed 7.25% per annum. Interest is payable at the discretion of the Board of Directors. The interest rate as at December 31, 2025 was 3.72% (2024 - 3.72%) which amounted to $34,907 (2024: $34,907) in interest income which has been reflected in these financial statements.

5. INVESTMENT IN RIDEAU ST. LAWRENCE HOLDINGS INC.

The Municipality of South Dundas owns 33.63% of the outstanding share capital of Rideau St. Lawrence Holdings Inc. The value of the investment is as follows:

	2025	2024
Investment, beginning of year	$ 2,102,071	$ 1,999,526
Share of net income for the fiscal year	90,932	159,716
Dividends received	(57,171)	(57,171)
Investment, end of year	**$ 2,135,832**	**$ 2,102,071**

The following tables provide condensed supplementary financial information for Rideau St. Lawrence Holdings Inc. from their audited financial statements issued April 21, 2026. The statements were audited by another firm:

Financial Position

	2025	2024
Current assets	$ 6,554,375	$ 5,177,864
Deferred taxes	42,451	57,228
Capital	14,022,919	11,741,133
Regulatory assets	877,947	1,256,192
Total assets	**$ 21,497,692**	**$ 18,232,417**
Current liabilities	$ 11,953,173	$ 6,275,441
Long-term portion of customer deposits	214,757	206,312
Contributions in aid of construction	2,250,708	1,883,097
Long-term debt	-	3,109,222
Regulatory liabilities	728,077	507,757
Total Liabilities	**$ 15,146,715**	**$ 11,981,829**
Shareholders' Equity	**$ 6,350,977**	**$ 6,250,588**

5. INVESTMENT IN RIDEAU ST. LAWRENCE HOLDINGS INC. *(continued)*

Financial Activities

	2025	2024
Total revenue	$ 20,509,345	$ 18,824,498
Total expenses	20,238,956	18,349,578
Net income	**$ 270,389**	**$ 474,920**
Municipality's share of net income (33.63%)	**$ 90,932**	**$ 159,716**

6. CREDIT FACILITY

The Municipality has an overdraft lending product with a credit limit of up to $2,000,000 with its main financial institution to finance current expenditures pending receipt of property taxes. The credit facility bears interest at prime plus 0.25%. At December 31, 2025 the Municipality had not drawn any amounts (2024 - $nil) on the lending product.

The Municipality also has established credit card facilities to facilitate the purchase of goods and services and for travel expenditures. These credit cards have a combined authorized limit of $75,000. Amounts drawn on these facilities are due in full on a monthly basis and are recorded as accounts payable until settled. Interest charges may apply on outstanding balances; however, the Municipality’s practice is to pay all balances prior to the due date to avoid interest costs. The use of credit cards is governed by the Municipality’s financial policies, which establish spending limits, approval requirements, and monitoring procedures to ensure appropriate use and safeguard public funds.

7. EMPLOYEE BENEFITS PAYABLE

Vacation pay and banked time liabilities have been estimated based on pay rates in effect at December 31, 2025 and are expected to be paid out over the next fiscal year.

Employee benefits payable is comprised of:

	2025	2024
Sick leave benefits	$ 29,766	$ -
Vacation pay	62,825	-
Banked time	14,413	914
	$107,004	**$ 914**

8. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

	Covid 19	CCBF	2025	2024
Balance, beginning of the year	$ 33,831	$ 31,849	$ 65,680	$ 117,666
Grants, received	-	361,692	361,692	352,577
Interest earned	-	3,736	3,736	5,495
Used for operating	(33,831)	-	(33,831)	(21,000)
Used for capital	-	(183,614)	(183,614)	(389,058)
Balance, end of the year	**$ -**	**$ 213,663**	**$ 213,663**	**$ 65,680**

9. DEFERRED REVENUE - OTHER

	OCIF	Campsite & Marina	Parkland	2025	2024
Balance, beginning of the year	$ 84,008	$ 2,993	$ 282,556	$ 369,557	$ 438,783
Funds, received	676,324	2,810	17,250	696,384	635,351
Interest earned	12,459	-	7,102	19,561	34,186
Used for operating	-	(2,993)	(41,226)	(44,219)	(98,231)
Used for capital	(540,239)	-	-	(540,239)	(640,532)
Balance, end of the year	**$ 232,552**	**$ 2,810**	**$ 265,682**	**$ 501,044**	**$ 369,557**

10. MUNICIPAL DEBT

Municipal debt consists of the following:

	2025	2024
Ontario Infrastructure and Lands Corporation:		
Debenture loan - 3.35% repayable in monthly payments of $16,667 plus interest, due September 2034, South Dundas Municipal Centre	$ 1,750,000	$ 1,950,000
Debenture loan - 3.90% repayable in semi-annual payments of $25,841 plus interest, due November 2033, Iroquois Medical Centre	413,462	465,144
Debenture loan - 4.75% repayable in semi-annual payments of $104,500 plus interest, due February 2028, South Dundas Municipal Water Plant	522,500	731,500
Debenture loans - 3.31% repayable in monthly payments of $54,529 plus interest, due November 2028, Industrial Park	327,175	436,233
Debenture loan - 1.76% repayable in blended semi-annual payments of $69,242, due September 2035, Williamsburg landfill closure costs	1,264,733	1,379,441
Debenture loan - 2.00% repayable in blended semi-annual payments of $40,920, due March 2036, Water Tower Rehabilitation	771,628	837,052
Debenture loan - 2.71% repayable in blended semi-annual payments of $19,453, due July 2041, Dutch Meadows Pumping Station	501,929	526,693
Debenture loan - 4.26% repayable in blended semi-annual payments of $20,573, due October 2032, Taylor Road Bridge	246,795	276,476
	5,798,222	6,602,539
Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA):		
Tile drainage debenture loans - 6% repayable over a ten year period in blended annual payments ranging between $163 and $6,263, maturity dates ranging from 2026 to 2035	111,147	104,943
	$ 5,909,369	**$ 6,707,482**

The Municipality has offsetting tile drain loans receivable from property owners with the same terms and maturity dates as the OMAFRA tile drain loans above. These loans receivable have been included in long-term receivables on the statement of financial position.

Principal repayments on municipal debt are estimated to be as follows:

2026	$ 821,015
2027	827,131
2028	728,928
2029	521,854
2030	528,533
2031 and subsequent	2,481,908
	$ 5,909,369

11. ASSET RETIREMENT OBLIGATIONS

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. Some closure costs are incurred on an ongoing basis and are included in the yearly fiscal operating budget. All remaining expected closure and post-closure costs have been discounted at the Municipality's average long-term borrowing rate, net of estimated inflation. There is currently $1,259,490 (2024: $910,842) in reserves set aside for either closure or post-closure activities.

The reported liability is based on estimates and assumptions with respect to events extending over the useful life and estimated post-closure care period using the best information available to management. Effective fiscal 2023, the Public Sector Accounting Board required all public sector entities reporting landfill liabilities to adopt the accounting methodologies outlined in PS 3280, Asset Retirement Obligations. The Municipality adopted the standard and its liability reflects the present value of the future obligation related to landfill closure and post-closure costs, based on the cost estimates provided by an external expert.

Future events that result in significant changes to the estimated liability would be recognized prospectively, as a change in estimate, when applicable.

Landfill sites' estimated remaining capacity in cubic metres	6,495
Landfill sites' remaining useful life in years *	22
Expected years of post-closure care	30

The estimated total expenses over the closure and post-closure period amount to approximately $3,830,470 (2024: $3,492,626).

The Municipality has also recognized asset retirement obligations related to the future removal and remediation of hazardous materials contained within certain buildings, including but not limited to asbestos, lead-based paint, and other regulated substances. These obligations arise from the requirement to safely remove and dispose of such materials upon renovation, replacement, or demolition of the related assets, in accordance with applicable environmental and health regulations.

* Waste diversion initiatives have resulted in a significant extension of the landfill's estimated remaining useful life from the previous fiscal year, constituting a change in estimate that impacts the measurement and timing of the associated asset retirement obligation.

11. ASSET RETIREMENT OBLIGATIONS *(continued)*

The liability is measured based on the Municipality's best estimate of the costs required to retire the assets and remediate the sites, discounted to present value where appropriate. The associated costs amounted to $196,417 (2024: $158,551) are capitalized as part of the carrying amount of the related tangible capital assets and amortized over their estimated useful lives.

	2025	2024
Opening balance, landfill closure, landfill post closure liability and contamination removal costs of buildings	$ 3,651,177	$ 4,969,557
Change in estimates relating to landfill closure and post closure costs	465,568	(1,343,296)
Change in liabilities relating to contamination removal costs from buildings	37,866	-
Landfill monitoring costs incurred during the year	(132,439)	-
Accretion	4,715	24,916
Balance, end of year	**$ 4,026,887**	**$ 3,651,177**

12. TANGIBLE CAPITAL ASSETS

Tangible capital assets consists of the following:

Cost	Balance December 31, 2024	Additions	Disposals	Balance December 31, 2025
Land	$ 6,851,982	$ 472,072	$ -	$ 7,324,054
Buildings	72,588,824	42,002	-	72,630,826
Vehicles	8,062,371	828,386	(40,766)	8,849,991
Equipment	6,241,851	740,268	(395,394)	6,586,725
Roads	28,846,382	1,374,817	(24,976)	30,196,223
Bridges	5,717,727	-	-	5,717,727
Water and sewer	34,521,350	359,107	(517)	34,879,940
	$162,830,487	**$ 3,816,652**	**$ (461,653)**	**$166,185,486**

Accumulated Amortization	Balance December 31, 2024	Amortization Expense	Disposals	Balance December 31, 2025
Land	$ 310,632	$ 49,365	$ -	$ 359,997
Buildings	18,758,605	1,157,835	-	19,916,440
Vehicles	4,253,038	605,206	(40,766)	4,817,478
Equipment	3,397,432	357,439	(199,821)	3,555,050
Roads	10,838,019	923,566	(18,511)	11,743,074
Bridges	2,256,217	70,559	-	2,326,776
Water and sewer	8,518,726	401,757	(284)	8,920,199
	$ 48,332,669	**$ 3,565,727**	**$ (259,382)**	**$ 51,639,014**

Net book value	December 31, 2024	December 31, 2025
Land	$ 6,541,350	$ 6,964,057
Buildings	53,830,219	52,714,386
Vehicles	3,809,333	4,032,513
Equipment	2,844,419	3,031,675
Roads	18,008,363	18,453,149
Bridges	3,461,510	3,390,951
Water and sewer	26,002,624	25,959,741
	$114,497,818	**$114,546,472**

13. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2025	2024
Reserves:		
Working capital	$ 805,838	$ 1,509,260
Transportation	723,638	971,445
Health and safety	89,175	88,675
Building permit fees	27,898	84,898
Cemetery and funeral assistance	72,205	60,632
Elections	63,120	50,120
Fire	185,087	91,109
Future debentures	355,512	337,383
Water	1,991,966	1,578,265
Wastewater	3,566,640	3,566,985
Landfill	1,259,490	910,842
Infrastructure	1,862,657	1,717,026
Tax stabilization	41,376	51,376
Treasury	61,563	61,563
Recreation	974,742	790,155
Campground and waterfront	452,742	274,014
Other	357,503	339,524
Less funded by reserve funds	(5,769,158)	(4,353,195)
	7,121,994	8,130,077
Reserve funds:		
General reserve funds	5,468,663	4,052,824
Water and sewer funds	300,495	300,371
	5,769,158	4,353,195
Reserves and reserve funds - total	12,891,152	12,483,272
Invested in tangible capital assets:		
Equity in tangible capital assets	115,051,695	114,781,788
Less: related debt	(4,533,489)	(5,223,098)
	110,518,206	109,558,690
Equity in Rideau St. Lawrence Holdings Inc.	2,135,832	2,102,071
Amounts to be recovered from future revenues:		
Williamsburg landfill loan	(1,264,733)	(1,379,441)
Asset retirement obligations	(4,026,887)	(3,651,177)
Accrued interest	(39,996)	(47,118)
Future employee benefits	(107,004)	-
	(5,438,620)	(5,077,736)
	$120,106,570	**$119,066,297**

14. SEGMENTED INFORMATION

The Municipality is a diversified municipal government that provides a wide range of services to its citizens. The services are provided by departments and their activities are reported in the statement of operations. Departments have been separately disclosed in the segmented information. For each reported segment, revenues and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore certain allocation methodologies are employed in the preparation of segmented financial information. The accounting policies used in these segments are consistent with those in the preparation of the financial statements as disclosed in note 1. The nature of the Municipality's segments and the activities they encompass are as follows:

General Government
General government includes corporate services and governance of the Municipality. Administration as a segment includes operating and maintaining municipal owned buildings, human resource management, legal, communications, information systems and technology, support to Council for policy development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting and overall budget status as well as frontline reception and customer service.

Protection to Persons and Property
Protection services includes fire protection, conservation authority, protective inspection and control, and emergency measures. Fire protection includes inspection, extinguishing and suppression services, emergency first response, and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.

Transportation Services
Transportation services includes administration and operation of traffic and parking services for the Municipality. In addition, services are provided for the winter and summer road maintenance along with the repair and construction of the municipal roads system including bridges and culverts, as well as operation and maintenance of a fleet of vehicles and equipment for use in providing services to the Municipality.

Environmental Services
Environmental services includes waste collection, disposal and recycling services and the operation of landfill sites.

Water and Sewer Services
Water and sewer services includes the operation of water and waste water facilities and infrastructure for the collection and distribution of both water and sewer services within the Municipality.

Health Services
Health services includes health and safety programs, cemetery maintenance and costs related to medical centres.

Recreation and Cultural Services
Recreation and cultural services includes services that contribute to the Municipality's development and sustainability through the provision of recreation and leisure programs including community halls, libraries, parks, recreation fields and arenas.

Planning and Development
Planning and development manages development for business interest, environmental concerns, heritage matters, local neighbourhoods and community development. It also facilitates economic development by providing services for the approval of all land development plans and the application and enforcement of the zoning by-law and official plan.

14. SEGMENTED INFORMATION (continued)

	General Government	Protection	Transportation	Environment	Water and Sewer	Health	Recreation and Cultural	Planning	2025 Totals	2024 Totals
Revenues										
Municipal taxation	$ 1,363,413	$ 1,265,775	$ 3,627,052	$ 1,301,148	$ -	$ 64,805	$ 1,970,355	$ 229,985	$ 9,822,533	$ 9,154,154
User charges	331,415	63,758	35,040	138,118	3,838,287	19,380	799,140	159,033	5,384,171	4,991,707
Government transfers - operating	4,816	-	1,407,700	52,542	-	-	-	50,156	1,515,214	1,716,636
Government transfers - capital	-	-	723,853	-	-	-	41,227	-	765,080	1,252,939
Other	409,779	-	-	-	238,363	-	179,729	-	827,871	931,828
	2,109,423	1,329,533	5,793,645	1,491,808	4,076,650	84,185	2,990,451	439,174	18,314,869	18,047,264
Expenditures										
Wages and benefits	1,361,331	950,552	1,442,019	167,961	787,192	-	1,328,973	164,443	6,202,471	5,734,284
Interest municipal debt	-	-	11,465	23,776	62,807	93,412	-	4,887	196,347	216,698
Materials and services	399,123	408,117	1,499,772	123,969	1,220,489	-	953,781	149,216	4,754,467	4,532,397
Contracted services	21,779	45,067	333,968	721,922	215,570	-	103,104	-	1,441,410	1,766,746
Insurance and financial costs	144,182	40,964	61,540	-	172,654	-	79,843	-	499,183	530,634
Third party transfers	-	98,461	-	-	-	-	-	13,095	111,556	109,307
Amortization	151,071	277,871	1,534,649	-	1,274,742	-	327,394	-	3,565,727	3,451,124
	2,077,486	1,821,032	4,883,413	1,037,628	3,733,454	93,412	2,793,095	331,641	16,771,161	16,341,190
ARO change in estimate	-	-	-	(503,435)	-	-	-	-	(503,435)	1,343,296
Net surplus (deficit)	$ 31,937	$ (491,499)	$ 910,232	$ (49,255)	$ 343,196	$ (9,227)	$ 197,356	$ 107,533	$ 1,040,273	$ 3,049,370

15. OPERATION OF SCHOOL BOARDS AND THE UNITED COUNTIES

The following taxation revenues were raised and remitted to school boards and the United Counties of Stormont, Dundas and Glengarry:

	2025	2024
School boards	$ 3,559,851	$ 3,549,450
United Counties of Stormont, Dundas and Glengarry	$10,074,115	$ 9,481,414

16. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees, based on length of service and rates of pay. OMERS provides pension services to approximately 1,000 employers and 600,000 plan members.

Each year an independent actuary determines the funding status of the OMERS pension plan (the Plan) by comparing the actuarial value of the invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2025. The results of this valuation disclosed total actuarial liabilities of $151,365 million in respect of defined benefit obligations with actuarial assets of $150,043 million indicating an actuarial deficit of $1,322 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of employers and plan members participating in the Plan. The Municipality has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. As a result, the Municipality does not recognize any share of the OMERS pension deficit.

The Municipality has extended participation to a local not-for-profit organization. The Municipality acts as an agent for the not-for-profit's share of pension contributions, collecting and remitting both employer and employee amounts on its behalf. These amounts are not reflected as revenues or expenses of the Municipality, as it has no obligation for the related pension costs beyond its own share.

The amount contributed to OMERS for 2025 was $435,413 (2024 - $429,988) for current service and is included as an expenditure on the statement of operations net of remittances paid on behalf of the local not-for profit organization.

17. CONTINGENCIES

WSIB

The Municipality provides employee benefits that will require funding in future periods. With respect to responsibilities under the Workplace Safety and Insurance Board ("WSIB") Act the Municipality has elected to be a Schedule 2 employer and remits payments to the WSIB as required to fund disability payments. There is no liability recorded in these consolidated financial statements with respects to any WSIB liability.

Legal action

The Municipality is involved in various legal actions in the normal course of business. The Municipality and its insurers are defending all actions against the Municipality. In the opinion of administration, the aggregate amount of any potential liability is not expected to have a material adverse effect on the Municipality's financial position. Losses, if any, will be accounted for in the period they become determinable.

Contaminated sites

The Municipality identified one parcel of land that is non-productive or partially productive for PS 3260 purposes, liability for contaminated sites, that could be environmentally impacted. The estimated cost of undertaking various types of Environmental Site Assessments is unknown. A liability has not been recorded in these consolidated financial statements because the Municipality's expectation of future economic benefits being given up to remediate this site is unlikely and the liability cost of remediation cannot be determined.

18. PRIOR PERIOD ADJUSTMENT

During the current year, the Municipality identified a departure from Public Sector Accounting Standard PS 3450 in prior periods related to the recognition of internally generated receivables as long-term investments and, consequently, as part of net financial assets. Specifically, the recognition criteria set out in PS 3450 were not met for these internally generated loans.

As a result, long-term investments and net financial assets were overstated in the comparative period. The Municipality has corrected this error retrospectively in accordance with Public Sector Accounting Standards, and the comparative figures have been restated.

The impact of this correction is as follows:

- Net financial assets at the beginning of the prior year decreased by $1,025,438.
- Long-term investments at the beginning of the prior year decreased by $1,025,438.
- Net financial assets at the end of the prior year decreased by $960,106.
- Long-term investments at the end of the prior year decreased by $960,106.

The Municipality has adjusted opening net assets for the earliest period presented to reflect this correction.

19. EXPENSES BY OBJECT

Operating expenditures by object is summarized as follows:

	2025	2024
Wages and benefits	$ 6,202,471	$ 5,734,284
Interest on municipal debt	196,347	216,698
Materials and services	4,754,467	4,532,397
Contracted services	1,441,410	1,766,746
Insurance and financial costs	499,183	530,634
Third party transfers	111,556	109,307
Amortization	3,565,727	3,451,124
	$ 16,771,161	**$ 16,341,190**

20. BUDGETED FIGURES

The budgeted figures are presented for comparison purposes as prepared and approved by the Municipality's Council on January 22, 2025. The budget figures have been adjusted from the cash basis of accounting as originally prepared and have been restated as follows to conform with Canadian public sector accounting standards:

	2025
Annual surplus as budgeted	$ -
Add:	
Capital expenditures expensed	5,977,053
Principal repayment of municipal debt expensed	1,088,213
Transfers to reserves expensed	3,240,829
Less:	
Loan proceeds included as income	-
Transfers from reserves included as income	(4,794,138)
Amortization of tangible capital assets not recorded	(3,565,728)
Annual budgeted surplus as presented on the statement of operations	**$ 1,946,229**

21. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The following disclosures provide information to assist users of the financial statements in assessing the extent of risk related to the Municipality's financial instruments:

Credit risk

The Municipality is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Municipality's maximum exposure to credit risk represents the sum of the carrying value of its cash and accounts receivable. The Municipality's cash is with a Canadian chartered bank and as a result management believes the risk of loss on this item to be remote.

21. FINANCIAL INSTRUMENTS *(continued)*

Management believes that the Municipality's credit risk with respect to accounts receivable is limited. The Municipality manages its credit risk by reviewing accounts receivable aging and following up on outstanding amounts.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Municipality's long-term debt bear interest at fixed interest rates, consequently, the Municipality's exposure to interest rate risk is negligible.

Liquidity risk

Liquidity risk refers to the adverse consequence that the Municipality will encounter difficulty in meeting obligations associated with financial liabilities, which are comprised of accounts payable, accrued liabilities, and long term liabilities.

The Municipality manages liquidity risk by monitoring its cash flow requirements on a regular basis. The Municipality considers its liquidity risk to be minimal as it finances large capital expenditures using debt, receives emergency funding from senior governments when needed, and maintains reserves for other obligations as they come due.

Changes in risk

There have been no significant changes in the Corporation's risk exposures from the prior year.

22. TRUST FUNDS

Trust funds administered by the Municipality amounting to $115,295 (2024 - $112,481) have not been included in the Statement of Financial Position, nor have their operations been included on the Statement of Operations.

23. COMPARATIVE FIGURES

Comparative figures were audited by another auditor and have been reclassified where necessary to conform to the presentation adopted for 2025.In the prior year, the financial statements included the consolidation of a local board that was dissolved during that year. Accordingly, all interfund assets, liabilities, revenues, and expenditures related to the local board were eliminated on consolidation.

24. RELATED PARTY

The Municipality is related to Rideau St. Lawrence Holdings Inc. (the “Company”), a government business enterprise, by virtue of ownership. The Municipality owns 33.63% of the voting shares of the Company. The following represent the Municipality’s key related party relationships with the Company:

- Promissory note receivable
- Agency agreement for the billing and collection of water and sewer revenues

25. FUTURE ACCOUNTING PRONOUNCEMENTS

Standards effective beginning on or after April 1, 2026:
PS 1202 – Financial Statement Presentation

In October 2023, PSAB issued *PS 1202 Financial Statement Presentation*. PS 1202 was issued to replace PS 1201 and sets out the new requirements for presenting financial statements in the public sector. Major changes include:

- Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained.
- Separating liabilities into financial liabilities and non-financial liabilities.
- Restructuring the statement of financial position to present total assets followed by total liabilities.
- Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).
- Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement will present the changes in each component of net assets (liabilities), including a new component called “accumulated other”.
- A new provision whereby an entity can use an amended budget in certain circumstances.
- In the statement of cash flows, a subtotal of cash flows before financing activities is presented to isolate financing transactions.
- Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position.

PS 1202 is effective fiscal years beginning on or after April 1, 2026 to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted if PSAB’s new conceptual framework is adopted simultaneously.

CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS

SCHEDULE 1 - FIVE YEAR FINANCIAL REVIEW (unaudited)

DECEMBER 31, 2025

	2025	2024	2023	2022	2021
Population	11,943	11,791	11,759	11,584	11,427
Number of Households	4,895	4,876	4,858	4,839	4,650
Taxable Assessment (000's)					
Residential and farm	$ 1,549,520	$ 1,540,490	$ 1,525,962	$ 1,499,442	$ 1,491,540
Commercial and industrial	210,012	203,812	202,615	201,186	201,397
Exempt	57,820	57,921	50,610	50,237	50,484
Total	$ 1,817,352	$ 1,802,223	$ 1,779,187	$ 1,750,865	$ 1,743,421
Property Taxes Billed (000's)					
Own purpose	$ 9,823	$ 9,154	$ 8,585	$ 8,071	$ 7,720
Upper-Tier Municipality	10,074	9,481	8,958	8,577	8,331
School Boards	3,560	3,549	5,067	5,011	5,057
Total	$ 23,457	$ 22,184	$ 22,610	$ 21,659	$ 21,108
Tax Arrears					
% of own levy	16 %	16 %	13 %	13 %	10 %
% of total levy	7 %	6 %	5 %	5 %	4 %
Municipal Debt (000's)					
Municipal debt	$ 5,909	$ 6,707	$ 7,508	$ 8,301	$ 8,760
Annual debt charges	$ 1,021	$ 1,050	$ 1,076	$ 1,097	$ 1,033
Municipal Equity (000's)					
Surplus and reserves	$ 15,027	$ 14,585	$ 15,070	$ 12,770	$ 12,785
Invested in tangible capital assets	$ 110,518	$ 109,559	$ 106,992	$ 101,656	$ 96,515
Reserves as % of operating expenses	89.60 %	89.25 %	86.36 %	80.27 %	91.20 %
Financial Indicators:					
Sustainability:					
Financial assets to liabilities	1.38 %	1.33 %	1.16 %	0.96 %	0.97 %
Municipal debt to tangible capital assets	5.16 %	5.86 %	6.56 %	7.55 %	8.32 %
Flexibility:					
Debt charges to total operating revenue	5.83 %	6.22 %	6.79 %	7.39 %	7.42 %
Total operating revenue to taxable assessment	9.63 %	9.37 %	8.91 %	8.49 %	7.99 %
Vulnerability:					
Operating government transfers to operating revenues	8.65 %	10.17 %	10.11 %	10.58 %	11.83 %
Total government transfers to total revenues	12.80 %	15.31 %	22.29 %	32.76 %	15.40 %