

Consolidated Financial Statements of

**THE CORPORATION OF THE
TOWNSHIP OF RYERSON**

Year ended December 31, 2024

THE CORPORATION OF THE TOWNSHIP OF RYERSON

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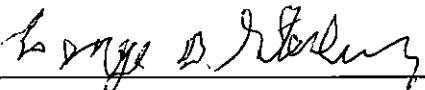
Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The Corporation of the Township of Ryerson (the "Township") are the responsibility of the Township's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Township's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets 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.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Township. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Township's consolidated financial statements.



Mayor



CAO / Treasurer

September 18, 2025



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of Ryerson

Opinion

We have audited the consolidated financial statements of The Corporation of the Township of Ryerson (the "Township"), which comprise:

- the consolidated statement of financial position as at end of December 31, 2024
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Township as at December 31, 2024, and its results of operations, its changes in 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 auditor's report.

We are independent of the Township 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.



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 Township's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Township or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Township'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 the 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 Township's internal control.



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- 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 Township'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 Township 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

September 18, 2025

THE CORPORATION OF THE TOWNSHIP OF RYERSON

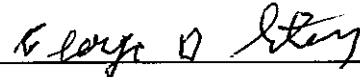
Consolidated Statement of Financial Position

December 31, 2024, with comparative information for 2023

| | 2024 | 2023 |
|--|---------------------|---------------------|
| Financial assets: | | |
| Cash (note 5) | \$ 2,924,078 | \$ 2,767,571 |
| Investments (note 6) | 50,604 | 34,666 |
| Taxes receivable (note 7) | 345,656 | 280,328 |
| Accounts receivable | 175,118 | 113,539 |
| Inventories held for resale | 2,835 | 2,646 |
| | <u>3,498,291</u> | <u>3,198,750</u> |
| Financial liabilities: | | |
| Accounts payable and accrued liabilities | 302,143 | 376,031 |
| Deferred revenue (note 8) | 21,010 | 97,318 |
| Deferred revenue - obligatory reserve funds (note 9) | 378,915 | 471,606 |
| Municipal debt (note 10) | 169,171 | 285,681 |
| Asset retirement obligations (note 11) | 216,812 | 167,332 |
| | <u>1,088,051</u> | <u>1,397,968</u> |
| Net financial assets | 2,410,240 | 1,800,782 |
| Non-financial assets: | | |
| Tangible capital assets (note 13) | 5,824,114 | 5,650,120 |
| Inventory of supplies | 161,365 | 176,704 |
| Prepaid expenses | 24,986 | 11,619 |
| | <u>6,010,465</u> | <u>5,838,443</u> |
| Contingencies (notes 3 and 12) | | |
| Accumulated surplus (note 14) | \$ 8,420,705 | \$ 7,639,225 |

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

On behalf of Council:

 Mayor

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

| | 2024 Budget (note 16) | 2024 Actual | 2023 Actual |
|--|-----------------------------|----------------|----------------|
| Revenue: | | | |
| Property taxes | \$ 2,491,119 | \$ 2,595,705 | \$ 2,345,528 |
| User charges | 65,107 | 99,437 | 85,827 |
| Government transfers | 753,207 | 748,371 | 576,089 |
| Other | 271,546 | 225,646 | 320,704 |
| Total revenue | 3,580,979 | 3,669,159 | 3,328,148 |
| Expenses: | | | |
| General government | 630,751 | 538,031 | 605,741 |
| Protection to persons and property | 409,871 | 409,553 | 360,807 |
| Transportation services | 1,317,935 | 1,224,043 | 1,168,956 |
| Environment services | 196,174 | 185,273 | 197,611 |
| Health services | 99,113 | 93,652 | 107,083 |
| Social and family services | 157,022 | 157,022 | 151,195 |
| Recreation and cultural services | 262,262 | 272,276 | 228,946 |
| Planning and development | 8,000 | 7,829 | 51,012 |
| Total expenses | 3,081,128 | 2,887,679 | 2,871,351 |
| Annual surplus | 499,851 | 781,480 | 456,797 |
| Accumulated surplus, beginning of year | 7,639,225 | 7,639,225 | 7,182,428 |
| Accumulated surplus, end of year | \$ 8,139,076 | \$ 8,420,705 | \$ 7,639,225 |

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

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

| | 2024 Budget (note 16) | 2024 Actual | 2023 Actual |
|--|-----------------------------|----------------|----------------|
| Annual surplus | \$ 499,851 | \$ 781,480 | \$ 456,797 |
| Acquisition of tangible capital assets | (697,596) | (672,729) | (570,755) |
| Shared services tangible capital assets transfer-net | - | 565 | 1,420 |
| Revaluation of tangible capital assets - ARO | - | (17,809) | (6,839) |
| Amortization of tangible capital assets | 427,228 | 427,228 | 393,202 |
| Loss on disposal of tangible capital assets | - | 80,917 | 7,345 |
| Proceeds from disposal of tangible capital assets | 2,356 | 7,834 | 9,635 |
| Change in supplies inventories | - | 15,339 | 24,173 |
| Change in prepaid expenses | - | (13,367) | (1,077) |
| Change in net financial assets | 231,839 | 609,458 | 313,901 |
| Net financial assets, beginning of the year | 1,800,782 | 1,800,782 | 1,486,881 |
| Net financial assets, end of the year | \$ 2,032,621 | \$ 2,410,240 | \$ 1,800,782 |

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

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

| | 2024 | 2023 |
|---|--------------|--------------|
| Cash provided by (used in): | | |
| Operating activities: | | |
| Annual surplus | \$ 781,480 | \$ 456,797 |
| Items not involving cash: | | |
| Amortization of tangible capital assets | 427,228 | 393,202 |
| Accretion expense on ARO liability | 7,869 | 6,328 |
| Revaluation of tangible capital assets - ARO | - | (6,839) |
| Change in ARO liability excluding accretion and settlements | 1,505 | - |
| Shared services tangible capital assets transfer - net | 565 | 1,420 |
| Loss on disposal of tangible capital assets | 80,917 | 7,345 |
| | 1,299,564 | 858,253 |
| Change in non-cash assets and liabilities: | | |
| Taxes receivable | (65,328) | (72,058) |
| Accounts receivable | (61,579) | 103,835 |
| Inventories held for resale | (189) | 50 |
| Accounts payable and accrued liabilities | (73,888) | (493,216) |
| Deferred revenue | (76,308) | (10,388) |
| Deferred revenue - obligatory reserve funds | (92,691) | 97,930 |
| Inventories of supplies | 15,339 | 24,173 |
| Prepaid expenses | (13,367) | (1,077) |
| Net change in cash from operating activities | 931,553 | 507,502 |
| Capital activities: | | |
| Acquisition of tangible capital assets | (650,432) | (548,069) |
| Proceeds from disposal of tangible capital assets | 7,834 | 9,635 |
| Net change in cash from capital activities | (642,598) | (538,434) |
| Investing activities: | | |
| Change in investments | (15,938) | (1,984) |
| Net change in cash from investing activities | (15,938) | (1,984) |
| Financing activities: | | |
| Debt principal repayments | (116,510) | (115,479) |
| Net change in cash from financing activities | (116,510) | (115,479) |
| Net change in cash | 156,507 | (148,395) |
| Cash, beginning of year | 2,767,571 | 2,915,966 |
| Cash, end of year | \$ 2,924,078 | \$ 2,767,571 |
| Cash flow supplementary information: | | |
| Interest paid | \$ 4,810 | \$ 7,016 |

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

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements

Year ended December 31, 2024

The Corporation of the Township of Ryerson (the "Township") is a single-tier municipal corporation located in Northern Ontario. It is subject to provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

The consolidated financial statements of The Township are the responsibility of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of significant accounting policies is provided in Note 1. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management maintains a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

1. Significant accounting policies:

The consolidated financial statements of the Township are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies by the Township are as follows:

(a) Reporting entity:

These consolidated statements reflect the assets, liabilities, revenue, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all committees of Council and the boards, joint boards and municipal enterprises for which Council is politically accountable as follows:

(i) Proportionately consolidated entities:

The following joint boards and committees are proportionately consolidated:

- Fire
- Waste Management
- Arena and Community Centre
- Library
- Building Committee
- Economic Development was proportionally consolidated up to the year ending December 31, 2023 only to reflect the Township's withdrawal from the partnership effective December 31, 2023.

Inter-organizational transactions and balances between these organizations are eliminated.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(a) Reporting entity (continued):

(ii) Non-consolidated entities:

- North Bay Parry Sound District Health Unit
- Parry Sound District Social Services Administration Board
- District of Parry Sound (East) Home for the Aged

(iii) Accounting for school board transactions:

The taxation, other revenue, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in these consolidated financial statements.

(iv) Trust funds:

Trust funds administered by the Township are not included in these consolidated financial statements but are reported separately on the trust funds financial statements.

(b) Basis of accounting:

(i) Accrual basis of accounting:

Revenue and expenses are reported on the accrual basis of accounting. Revenue is recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(ii) Cash:

Cash includes cash on hand and balances held at financial institutions.

(iii) Investments:

Investments are recorded at cost plus accrued interest.

(iv) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of municipal services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(c) Inventories of supplies:

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

(d) Reserves and reserve funds:

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Balances related to these funds are included in the accumulated surplus of the Consolidated Statement of Financial Position.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(e) 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. Tangible capital assets received as donations are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

| Asset | Estimated Useful Life |
|-------------------------|-----------------------|
| Land improvements | 20 years |
| Buildings | 10 to 40 years |
| Leasehold improvements | 20 years |
| Machinery and equipment | 5 to 20 years |
| Vehicles | 5 to 20 years |
| Roads | 8 to 75 years |
| Bridges | 60 years |

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

Works of art and historical treasures owned by the Township are not included in the tangible capital assets of the Township. The Township owns a number of historical artifacts housed in the Township's museum.

Interest related to the acquisition of capital assets is not capitalized but is expensed in the year incurred.

(f) Government transfers:

Government transfers are recognized in the financial statements as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Consolidated Statement of Operations and Accumulated Surplus as the stipulation liabilities are settled.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(g) User charges and other revenue:

Other revenues from transactions with performance obligations, for example, fees or royalties from the sale of goods or rendering of services, are recognized as the Township satisfies a performance obligation by providing the promised goods or services to the payor. Other revenue from transactions with no performance obligations, for example, fines and penalties, are recognized when the Township has the authority to claim or retain an inflow of economic resources and when a past transaction or event is an asset. Amounts received prior to the end of the year that will be recognized in subsequent fiscal year are deferred and reported as a liability.

(h) Deferred revenue:

Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the Consolidated Statement of Financial Position. The revenue is reported on the Consolidated Statement of Operations and Accumulated Surplus in the year in which it is used for the specified purpose.

(i) Taxation and related revenue:

Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Township is required to collect on behalf of the Province of Ontario in respect of education taxes. Property tax billings are prepared by the Township based on assessment rolls, supplementary assessment rolls and other assessment adjustments issued by the Municipal Property Assessment Corporation ("MPAC"). Taxation revenue is initially recorded at the time assessment information is received from MPAC and is subsequently adjusted based on management's best estimate of the amount of tax revenue resulting from assessment adjustments that have not yet been received from MPAC. The Township is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

(j) Pensions and employee benefits:

The Township accounts for its participation in the Ontario Municipal Employee Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan. Obligations for sick leave benefits and retirement gratuities under employee benefits payable are accrued as the employees render the services necessary to earn the benefits.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(k) 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 revenue and expenses during the period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Township may undertake in the future. Significant accounting estimates include valuation allowances for taxes and accounts receivable, estimated useful lives of tangible capital assets, employee benefits payable, solid waste landfill closure and asset retirement obligations and supplementary taxes. Actual results could differ from these estimates.

(l) Financial instruments:

Financial instruments are classified as either fair value, amortized cost or cost.

Financial instruments classified as fair value are initially recognized at cost and subsequently carried at fair value. Financing fees and transaction costs on financial instruments measured at fair value are expensed as incurred. Unrealized gains and losses on financial assets are recognized in the Consolidated Statement of Remeasurement Gains and Losses. Once realized, remeasurement gains and losses are transferred to the Consolidated Statement of Operations. A Consolidated Statement of Remeasurement Gains and Losses has not been included as there are no matters to report therein.

Financial instruments classified as amortized cost are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. The effective interest rate method allocates interest income or interest expense over the relevant period, based on the effective interest rate. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement, provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(l) Financial instruments (continued):

are recognized in the Consolidated Statement of Operations.

Financial liabilities (or part of a financial liability) are removed from the Statement of Financial Position when, and only when, they are discharged, cancelled or expire.

The Township's financial instruments are measured according to the following methods:

| Financial instrument | Measurement method |
|--|--------------------|
| Cash | Amortized cost |
| Investments | Amortized cost |
| Accounts receivable | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |
| Long-term debt | Amortized cost |

(m) Asset retirement obligations:

A liability for an asset retirement obligation is recognized when, at the financial reporting date, all of the following criteria are met:

- there is a legal obligation to incur retirement costs in relation to a 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 liability is recorded at an amount that is the best estimate of the expenditure required to retire a capital asset at the financial statement date. The liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. When an asset retirement obligation is initially recognized, a corresponding asset retirement cost is added to the carrying value of the related capital asset when it is still in productive use. This cost is amortized over the useful life of the capital asset. If the related capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

2. Change In Accounting Policy - Adoption of New Accounting Standards:

On January 1, 2024, the Township adopted Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. As at December 31, 2024 the Township determined that the adoption of this new standard did not have an impact on the amounts presented in the financial statements.

On January 1, 2024, the Municipality adopted new Public Sector Guideline PSG 8 Purchased Intangibles. The main features of PSG 8 include a definition of purchased intangibles (which does not include those received through government transfer, contribution or inter entity transactions), examples of items that are not purchased intangibles, reference to other guidance in the Handbook on intangibles and reference to the asset definition, general recognition criteria and the GAAP hierarchy for accounting for purchased intangibles. The Municipality has adopted this new guideline prospectively. The adoption of this new guideline had no impact on the Municipality's consolidated financial statements.

On January 1, 2024, the Municipality adopted Public Sector Accounting Standard PS 3160 Public Private Partnerships. New Section PS 3160 establishes standards on how to account for partnerships between public and private sector entities where infrastructure is procured by a public sector entity using a private sector partner that is obligated to design, build, acquire or better infrastructure; finance the infrastructure past the point where the infrastructure is ready for use and operate and/or maintain the infrastructure. Infrastructure typically includes items such as tangible capital assets (i.e., complex network systems), but may also include items that are intangible in nature. The Municipality has adopted this new standard prospectively. The adoption of this new standard had no impact on the Municipality's consolidated financial statements.

3. Contribution of unconsolidated joint boards:

Further to Note 1(a)(ii), the following contributions were made by the Township to these boards:

| | 2024 | 2023 |
|--|------------|------------|
| District of Parry Sound Social Services Administration Board | \$ 88,852 | \$ 84,941 |
| North Bay Parry Sound District Health Unit | 21,308 | 20,687 |
| District of Parry Sound (East) Home for the Aged | 68,170 | 66,254 |
| | \$ 178,330 | \$ 171,882 |

The Township is contingently liable for its share, if any, of the accumulated deficits as at the end of the year for these boards. The Township's share of the accumulated surpluses (or deficits) of these boards has not been determined at this time.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

3. Contribution of unconsolidated joint boards (continued):

The Township is also contingently liable for its share, if any, of the long-term liabilities issued by other municipalities for these boards. The Township's share of these long-term liabilities has not been determined at this time.

4. Transactions on behalf of others:

- (a) During the year, \$310,842 of taxation was collected on behalf of school boards (2023 - \$296,902).
- (b) The Township administers care and maintenance trust funds totalling \$18,165 (2023 - \$18,165) which are funded by the sale of cemetery interment rights and markers. These funds are invested, and earnings derived therefrom are used to perform maintenance at the Township's cemetery. The trust funds are not included in these consolidated financial statements, as they are being held in trust for the benefit of others.

5. Cash:

Cash is comprised of:

| | 2024 | 2023 |
|-------------------|---------------------|---------------------|
| Unrestricted cash | \$ 2,545,163 | \$ 2,295,965 |
| Restricted cash | 378,915 | 471,606 |
| | <u>\$ 2,924,078</u> | <u>\$ 2,767,571</u> |

Federal and Provincial legislation restricts how restricted cash related to obligatory reserve funds, reported in Note 9, may be used.

6. Investments:

Investments are comprised of guaranteed investment certificates bearing interest at rates ranging from 4.9% to 5.1% and maturing between July 5, 2025 and July 5, 2026.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

7. Taxes receivable:

Taxes receivables are comprised of the following:

| | 2024 | 2023 |
|---------------------|-------------------|-------------------|
| Taxes receivable | \$ 347,656 | \$ 282,328 |
| Valuation allowance | (2,000) | (2,000) |
| | <u>\$ 345,656</u> | <u>\$ 280,328</u> |

8. Deferred revenue:

Details of the deferred revenue reported on the Consolidated Statement of Financial Position are as follows:

| | 2024 | 2023 |
|---|------------------|------------------|
| Balance, beginning of year: | | |
| Ontario Cannabis Legalization Implementation Fund | \$ 20,000 | \$ 20,000 |
| Northern Ontario Resource Development Support (NORDS) | 72,475 | 54,487 |
| Other deferred revenue | 4,843 | 33,219 |
| | <u>97,318</u> | <u>107,706</u> |
| Received during the year: | | |
| Northern Ontario Resource Development Support (NORDS) | 70,313 | 71,938 |
| Other funding | 1,010 | – |
| Interest earned | – | 2,408 |
| | <u>71,323</u> | <u>74,346</u> |
| Recognized in revenue during the year | (145,470) | (61,885) |
| Refunded in the year | (2,161) | (22,849) |
| Balance, end of year | <u>\$ 21,010</u> | <u>\$ 97,318</u> |
| Ontario Cannabis Legalization Implementation Fund | \$ 20,000 | \$ 20,000 |
| Northern Ontario Resource Development Support (NORDS) | – | 72,475 |
| Other deferred revenue | 1,010 | 4,843 |
| | <u>\$ 21,010</u> | <u>\$ 97,318</u> |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

9. Deferred revenue – obligatory reserve funds:

The Township receives payments in lieu of parkland under the Planning Act, building permit revenue under the Building Code Act, Canada Community-Building (previously Gas Tax) funding and provincial Main Street revitalization funding under agreements with the Association of Municipalities of Ontario, and Ontario Community Infrastructure Fund funding under an agreement with the Ministry of Infrastructure. Legislation restricts how these funds may be used, and under certain circumstances, how these funds may be refunded.

In the case of payments in lieu of parkland, revenue recognition occurs when the Township has approved eligible expenditures for park and other public recreation purposes. Building permit revenue is recognized when applicable building expenditures are incurred. Canada Community-Building, Main Street revitalization and Ontario Community Infrastructure Fund revenue recognition occurs when the Township has approved the expenditures for eligible operating expenditures and capital works.

Details of the deferred revenue-obligatory reserve funds reported on the Consolidated Statement of Financial Position are as follows:

| | 2024 | 2023 |
|---------------------------------------|------------|------------|
| Balance, beginning of year: | | |
| Recreational land (the Planning Act) | \$ 202,945 | \$ 181,984 |
| Building Code Act | 140,107 | 113,314 |
| Canada Community-Building Fund | 51,178 | 6,328 |
| Ontario Community Infrastructure Fund | 77,376 | 72,050 |
| | 471,606 | 373,676 |
| Received during the year: | | |
| Recreational land (the Planning Act) | 17,128 | 30,870 |
| Building Code Act | – | 26,793 |
| Canada Community-Building Fund | 47,486 | 42,890 |
| Ontario Community Infrastructure Fund | 100,000 | 100,000 |
| Interest earned | 21,506 | 23,109 |
| | 186,120 | 223,662 |
| Recognized in revenue during the year | (278,811) | (125,732) |
| Balance, end of year | \$ 378,915 | \$ 471,606 |
| Recreational land (the Planning Act) | \$ 201,740 | \$ 202,945 |
| Building Code Act | 106,663 | 140,107 |
| Canada Community-Building Fund | 178 | 51,178 |
| Ontario Community Infrastructure Fund | 70,334 | 77,376 |
| | \$ 378,915 | \$ 471,606 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

10. Municipal debt:

- (a) The balance of the municipal debt reported on the Consolidated Statement of Financial Position is made up of the following:

| | 2024 | 2023 |
|--|------------|------------|
| Ontario Infrastructure and Lands Corporation serial debenture, due February 2025, repayable in monthly payments of \$3,296 plus interest calculated at 1.98%. As security, the Township has pledged future Provincial funding. | \$ 6,592 | \$ 46,142 |
| Ontario Infrastructure and Lands Corporation serial debenture, due June 2026, repayable in semi-annual payments of \$8,770 plus interest calculated at 2.27%. As security, the Township has pledged future Provincial funding. | 26,310 | 43,850 |
| Ontario Infrastructure and Lands Corporation amortizing debenture due November 2026, repayable in semi-annual payments of \$27,687 including interest calculated at 1.61%. As security the Township has pledged future Provincial funding. | 108,556 | 161,543 |
| Proportionate share of Fire Department Ontario Infrastructure and Lands Corporation amortizing debenture, due July 2028, repayable in semi-annual payments of \$15,703 including interest calculated at 2.97%. Secured by future Provincial funding. | 27,713 | 34,146 |
| | \$ 169,171 | \$ 285,681 |

- (b) Future estimated principal and interest payments on the municipal debt are as follows:

| Year | Principal | Interest |
|------|------------|----------|
| 2025 | \$ 84,600 | \$ 2,820 |
| 2026 | 70,306 | 1,337 |
| 2027 | 7,027 | 372 |
| 2028 | 7,238 | 162 |
| | \$ 169,171 | \$ 4,691 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

10. Municipal debt (continued):

(c) Total charges for municipal debt which are reported in the financial statements are as follows:

| | 2024 | 2023 |
|--------------------|-------------------|-------------------|
| Principal payments | \$ 116,510 | \$ 115,497 |
| Interest | 4,578 | 6,970 |
| | <u>\$ 121,088</u> | <u>\$ 122,467</u> |

11. Asset retirement obligations:

The Township's asset retirement obligation consists of several obligations as follows:

(a) Landfill obligation:

The Township of Armour, the Village of Burk's Falls and the Township of Ryerson jointly operate a landfill site through the TRI R Committee. The liability for the closure of operational sites and post-closure care has been recognized under *PS 3280 Asset Retirement Obligations* (ARO).

The site is comprised of the original, inactive, site area with a capacity of 58,000 cubic metres, and an additional 27,700 capacity area, approved in March 2017, that is currently active. The liability for both the inactive and active areas represents the total discounted future cash flows for closure and post-closure care using an estimated long-term borrowing rate of 3.92% (2023 - 4.14%) and inflation rate of 2.6% (2023 - 2.6%). The estimated remaining capacity of the site is approximately 12,695 (2023 - 13,509) cubic metres, estimated to be filled in 12 years (2023 - 11 years). Post-closure care is estimated to be required for a period of 25 years.

A liability of \$193,534 (2023 - \$167,332) relating to the landfill closure and post closure care requirements for the landfill site has been recognized.

(b) Asbestos obligation:

The Township owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove or remediate it. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

A liability of \$14,758 (2023 - \$Nil) relating to designated substances in the Burk's Falls and District Fire Department fire hall has been recognized, which represents the Municipality's share of the estimated removal and disposal costs as estimated at January 1, 2022, adjusted for accretion at a long term borrowing rate of 4.4%.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

11. Asset retirement obligations (continued):

(b) Asbestos obligation (continued):

A liability of \$8,520 (2023 - \$Nil) relating to designated substances in the Armour, Ryerson and Burk's Falls arena, which represents the Municipality's share of the total discounted future cash flows for removal and disposal using an estimated long term borrowing rate of 4.4% and inflation rate of 2.6%.

The continuity of the asset retirement obligation for the site is shown below:

| | 2024 | 2023 |
|---|------------|------------|
| Balance, beginning of year - as previously reported | \$ 167,332 | \$ 112,766 |
| Adjustment due to change in accounting policy | — | 25,552 |
| Increase in liability reflecting changes in the estimated cash flows, inflation and discount rate | 42,582 | 20,746 |
| Increase in liability due to accretion (the passage of time) | 7,869 | 6,328 |
| Increase (decrease) in liability due to change in Municipality's proportionate share | (971) | 1,940 |
| Balance, end of year | \$ 216,812 | \$ 167,332 |

The Municipality has reserves of \$163,415 (2023 - \$150,681) related to the waste disposal and recycling operations that could be used to fund this obligation.

12. Contingencies:

The Township is involved from time to time in litigation, which arises in the normal course of business. With respect to outstanding claims, the Township believes that insurance coverage is adequate, and that no material exposure exists on the eventual settlement of such litigation. Therefore, no provision has been made in the accompanying financial statements.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements

Year ended December 31, 2024, with comparative information for 2023

13. Tangible capital assets:

| Cost | Balance at December 31, 2023 | Additions and betterments | Shared services assets - redistribution | Disposals and write-down | Balance at December 31, 2024 |
|-------------------------------------|------------------------------------|---------------------------------|--|--------------------------------|------------------------------------|
| Land and land improvements | \$ 598,938 | \$ 17,809 | \$ (942) | (13,754) | \$ 602,051 |
| Building and leasehold improvements | 1,552,530 | 49,271 | (71) | (25,302) | 1,576,428 |
| Machinery and equipment | 541,354 | 50,673 | (339) | (6,891) | 584,797 |
| Vehicles | 1,876,364 | 178,099 | - | (57,944) | 1,996,519 |
| Roads and bridges | 8,473,541 | 385,120 | - | (273,140) | 8,585,521 |
| Construction in progress | 53,197 | 9,566 | - | (451) | 62,312 |
| Total | \$ 13,095,924 | 690,538 | (1,352) | \$ (377,482) | \$ 13,407,628 |

| Accumulated Amortization | Balance at December 31, 2023 | Annual amortization | Shared services accumulated amortization redistribution | Amortization disposals | Balance at December 31, 2024 |
|-------------------------------------|------------------------------------|------------------------|--|---------------------------|------------------------------------|
| Land and land improvements | \$ 181,740 | \$ 11,697 | \$ (693) | \$ (13,754) | \$ 178,990 |
| Building and leasehold improvements | 673,780 | 54,648 | (16) | (18,315) | 710,097 |
| Machinery and equipment | 311,473 | 37,525 | (78) | (6,891) | 342,029 |
| Vehicles | 657,473 | 122,085 | - | (54,443) | 725,115 |
| Roads and bridges | 5,621,338 | 201,273 | - | (195,328) | 5,627,283 |
| Construction in progress | - | - | - | - | - |
| Total | \$ 7,445,804 | \$ 427,228 | \$ (787) | \$ (288,731) | \$ 7,583,514 |

| | Net book value, December 31, 2023 | Net book value December 31, 2024 |
|-------------------------------------|---|--|
| Land and land improvements | \$ 417,198 | \$ 423,061 |
| Building and leasehold improvements | 878,750 | 866,331 |
| Machinery and equipment | 229,881 | 242,768 |
| Vehicles | 1,218,891 | 1,271,404 |
| Roads and bridges | 2,852,203 | 2,958,238 |
| Construction in progress | 53,197 | 62,312 |
| Total | \$ 5,650,120 | \$ 5,824,114 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements

Year ended December 31, 2024, with comparative information for 2023

13. Tangible capital assets (continued):

| Cost | Balance at December 31, 2022 | Additions and betterments | Shared services assets - redistribution | Disposals and write-down | Balance at December 31, 2023 |
|-------------------------------------|------------------------------------|---------------------------------|--|--------------------------------|------------------------------------|
| Land and land improvements | \$ 593,817 | \$ 6,839 | \$ (1,718) | \$ - | \$ 598,938 |
| Building and leasehold improvements | 1,557,108 | - | 182 | (4,760) | 1,552,530 |
| Machinery and equipment | 500,523 | 54,811 | 2,143 | (16,123) | 541,354 |
| Vehicles | 1,751,897 | 306,271 | (469) | (181,335) | 1,876,364 |
| Roads and bridges | 8,337,485 | 209,673 | - | (73,617) | 8,473,541 |
| Construction in progress | 53,197 | - | - | - | 53,197 |
| Total | \$ 12,794,027 | 577,594 | 138 | \$ (275,835) | \$ 13,095,924 |

| Accumulated Amortization | Balance at December 31, 2022 | Annual amortization | Shared services accumulated amortization redistribution | Amortization disposals | Balance at December 31, 2023 |
|-------------------------------------|------------------------------------|------------------------|--|---------------------------|------------------------------------|
| Land and land improvements | \$ 172,397 | \$ 8,786 | \$ 557 | \$ - | \$ 181,740 |
| Building and leasehold improvements | 639,622 | 38,878 | 40 | (4,760) | 673,780 |
| Machinery and equipment | 286,513 | 33,884 | 1,107 | (10,031) | 311,473 |
| Vehicles | 733,085 | 105,868 | (146) | (181,334) | 657,473 |
| Roads and bridges | 5,478,282 | 205,786 | - | (62,730) | 5,621,338 |
| Construction in progress | - | - | - | - | - |
| Total | \$ 7,309,899 | \$ 393,202 | \$ 1,558 | \$ (258,855) | \$ 7,445,804 |

| | Net book value, December 31, 2022 | Net book value December 31, 2023 |
|-------------------------------------|---|--|
| Land and land improvements | \$ 421,420 | \$ 417,198 |
| Building and leasehold improvements | 917,486 | 878,750 |
| Machinery and equipment | 214,010 | 229,881 |
| Vehicles | 1,018,812 | 1,218,891 |
| Roads and bridges | 2,859,203 | 2,852,203 |
| Construction in progress | 53,197 | 53,197 |
| Total | \$ 5,484,128 | \$ 5,650,120 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

14. Accumulated surplus:

The 2024 continuity of accumulated surplus reported on the Consolidated Statement of Financial Position is as follows:

| | Balance, beginning of year | Annual surplus (deficit) | Balance, end of year |
|--------------------------------------|----------------------------------|--------------------------------|----------------------------|
| Reserves and reserve funds: | | | |
| Working funds | \$ 663,120 | \$ — | \$ 663,120 |
| Operating contingency | — | 105,194 | 105,194 |
| Capital funds | 562,898 | — | 562,898 |
| Election | 3,500 | 3,500 | 7,000 |
| Fire | 144,468 | (61,157) | 83,311 |
| Roads | 644,686 | 147,025 | 791,711 |
| Waste disposal and recycling | 150,681 | 12,734 | 163,415 |
| JBC | 15,181 | 7,488 | 22,669 |
| Hospital | 60,000 | 21,805 | 81,805 |
| Cemetery | 4,676 | (500) | 4,176 |
| Arena | 44,540 | 8,848 | 53,388 |
| Library | 19,480 | 28,614 | 48,094 |
| Fire Department | 723 | — | 723 |
| | 2,313,953 | 273,551 | 2,587,504 |
| Other: | | | |
| Consolidated tangible capital assets | 5,650,120 | 173,994 | 5,824,114 |
| General operating surplus: | | | |
| Municipality | 146,423 | 267,590 | 414,013 |
| Library | 1,786 | 1,667 | 3,453 |
| Unfunded amounts: | | | |
| Long-term debt | (285,681) | 116,510 | (169,171) |
| Employee benefits payable | (20,044) | (2,352) | (22,396) |
| Asset retirement obligations | (167,332) | (49,480) | (216,812) |
| | \$ 7,639,225 | \$ 781,480 | \$ 8,420,705 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

15. Segment disclosures and expenses by object:

The Township and its Boards and Committees provide a wide range of services to its citizens. The schedule of segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations by major reporting segment. The segments correspond to the major functional categories used in the Township's Financial Information Return, which include the following activities:

General Government

This segment includes Council, Clerk's Department, and Treasury. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues relating to governance, strategic planning and service delivery.

Protection to Persons and Property

This segment includes fire, police, building inspection, and bylaw enforcement. Police services are provided by the Ontario Provincial Police under contract.

Transportation Services

Transportation services include roadway systems and winter control.

Environmental Services

This segment includes solid waste management.

Health Services

This segment includes cemeteries, ambulance services as well as payments to the district health unit.

Social and Family Services

This segment consists primarily of payments made to the district social services administration board and home for the aged for the provision of social services such as childcare, social housing, general assistance and assistance to the elderly.

Recreation and Cultural Services

This segment includes parks, recreation programs, recreation facilities, library services and cultural services such as museums.

Planning and Development

This segment includes activities related to planning, zoning and economic development.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

15. Segment disclosures and expenses by object (continued):

Unallocated Amounts

Items are recorded as unallocated amounts when there is no reasonable basis for allocating them to a segment. Major items included in this category are property taxation and related penalty and interest charges, and unconditional grants such as the Township's annual Ontario Municipal Partnership Fund grant.

In the preparation of segmented financial information, some allocation of expenses is made. This generally includes charges of administrative time to specific segments.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements

Year ended December 31, 2024, with comparative information for 2023

15. Segment disclosures and expenses by object (continued):

| | General Government | Protection to Persons and Property | Transportation Services | Environmental Services | Health Services | Social and Family Services | Recreation and Cultural Services | Planning and Development | Unallocated Amounts | 2024 |
|---|-----------------------|--|----------------------------|---------------------------|-----------------|----------------------------------|--|--------------------------------|------------------------|--------------|
| Revenues: | | | | | | | | | | |
| Property taxes | \$ - | - | - | - | - | - | - | - | 2,595,705 | \$ 2,595,705 |
| User charges | 3,591 | 838 | - | 29,356 | - | - | 57,482 | 8,170 | - | 99,437 |
| Government grants: | | | | | | | | | | |
| Canada | 2,683 | - | 101,498 | - | - | - | 1,030 | - | - | 105,211 |
| Ontario | - | 4,527 | 256,472 | 22,656 | - | - | 3,574 | - | 344,800 | 632,029 |
| Other municipalities | - | 10,312 | - | - | - | - | 819 | - | - | 11,131 |
| Gain (loss) on disposal of capital assets | - | 3,882 | (79,122) | - | - | - | (5,677) | - | - | (80,917) |
| Other | 200 | 56,344 | 10,674 | 6,868 | 941 | 620 | 44,230 | - | 186,686 | 306,563 |
| | 6,474 | 75,903 | 289,522 | 58,880 | 941 | 620 | 101,458 | 8,170 | 3,127,191 | 3,669,159 |
| Expenses: | | | | | | | | | | |
| Salaries, wages and benefits | 367,466 | 140,344 | 448,633 | 93,189 | - | - | 122,024 | - | - | 1,171,656 |
| Long-term debt charges | - | 880 | 3,698 | - | - | - | - | - | - | 4,578 |
| Materials | 72,688 | 51,367 | 416,171 | 26,694 | 39 | - | 98,828 | - | - | 665,787 |
| Contracted services | 84,237 | 175,050 | 15,272 | 39,525 | 71,103 | - | 17,099 | 2,829 | - | 405,115 |
| Rents and financial expenses | - | 2,630 | 4,831 | 12,666 | - | - | 4,898 | - | - | 25,025 |
| External transfers | 3,960 | - | - | - | 22,308 | 157,022 | - | 5,000 | - | 188,290 |
| Interfunctional adjustments | (2,000) | 2,000 | - | - | - | - | - | - | - | - |
| Amortization of tangible capital assets | 11,680 | 37,282 | 335,438 | 13,199 | 202 | - | 29,427 | - | - | 427,228 |
| | 538,031 | 409,553 | 1,224,043 | 185,273 | 93,652 | 157,022 | 272,276 | 7,829 | - | 2,887,679 |
| Annual surplus (deficit) | \$ (531,557) | (333,650) | (934,521) | (126,393) | (92,711) | (156,402) | (170,818) | 341 | 3,127,191 | \$ 781,480 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements

Year ended December 31, 2024, with comparative information for 2023

15. Segment disclosures and expenses by object (continued):

| | General Government | Protection to Persons and Property | Transportation Services | Environmental Services | Health Services | Social and Family Services | Recreation and Cultural Services | Planning and Development | Unallocated Amounts | 2023 |
|---|-----------------------|--|----------------------------|---------------------------|-----------------|----------------------------------|--|--------------------------------|------------------------|--------------|
| Revenues: | | | | | | | | | | |
| Property taxes | \$ - | - | - | - | - | - | - | - | 2,345,528 | \$ 2,345,528 |
| User charges | 4,195 | 52,166 | - | 27,183 | - | - | 49,199 | 4,150 | - | 136,893 |
| Government grants: | | | | | | | | | | |
| Canada | 327 | - | - | - | - | - | 899 | 12,620 | - | 13,846 |
| Ontario | 11,571 | 5,178 | 159,779 | 23,646 | - | - | 3,481 | 6,750 | 348,600 | 559,005 |
| Other municipalities | - | 2,414 | - | - | - | - | 824 | - | - | 3,238 |
| Gain (loss) on disposal of capital assets | (3,050) | - | (1,652) | (650) | - | - | (1,993) | - | - | (7,345) |
| Other | - | 7,704 | 16,917 | 3,899 | 1,657 | - | 34,089 | - | 212,717 | 276,983 |
| | 13,043 | 67,462 | 175,044 | 54,078 | 1,657 | - | 86,499 | 23,520 | 2,906,845 | 3,328,148 |
| Expenses: | | | | | | | | | | |
| Salaries, wages and benefits | 423,048 | 129,182 | 429,492 | 110,565 | 985 | - | 110,413 | 26,886 | - | 1,230,571 |
| Long-term debt charges | - | 1,069 | 5,721 | - | - | - | - | - | - | 6,790 |
| Materials | 84,548 | 34,911 | 391,970 | 21,772 | 81 | - | 74,561 | 3,905 | - | 611,748 |
| Contracted services | 83,580 | 174,494 | 13,464 | 45,909 | 68,829 | - | 14,916 | 12,689 | - | 413,881 |
| Rents and financial expenses | 1,565 | 1,998 | - | 9,398 | - | - | 2,915 | - | - | 15,876 |
| Restructuring net revenue | - | - | - | - | - | - | - | 7,355 | - | 7,355 |
| External transfers | 3,747 | - | - | - | 36,986 | 151,195 | - | - | - | 191,928 |
| Interfunctional adjustments | (2,000) | 2,000 | - | - | - | - | - | - | - | - |
| Amortization of tangible capital assets | 11,253 | 17,153 | 328,309 | 9,967 | 202 | - | 26,141 | 177 | - | 393,202 |
| | 605,741 | 360,807 | 1,168,956 | 197,611 | 107,083 | 151,195 | 228,946 | 51,012 | - | 2,871,351 |
| Annual surplus (deficit) | \$ (592,698) | (293,345) | (993,912) | (143,533) | (105,426) | (151,195) | (142,447) | (27,492) | 2,906,845 | \$ 456,797 |

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

16. Budget information:

The budget adopted for the current year was prepared on a modified accrual basis and has been restated to conform with the accounting and reporting standards applicable to the actual results. A reconciliation of the adopted and reported budgets is presented below.

| | Budget |
|---|--------------|
| Adopted budget: | |
| Decrease in general municipal operating surplus | \$ (146,421) |
| Increase in reserves and reserves funds | 271,440 |
| Decrease in joint board general operating surplus | (1,820) |
| Adjustments: | |
| Acquisition of tangible capital assets | 697,596 |
| Amortization of tangible capital assets | (427,228) |
| Accretion of asset retirement obligations | (7,869) |
| Proceeds from disposal of tangible and capital assets | (2,356) |
| Debt principal repayments | 116,509 |
| Annual surplus | \$ 499,851 |

17. Pension agreements:

The Township makes contributions to the Ontario Municipal Employee Retirement Fund (OMERS), which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pensions benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of this valuation disclosed total going concern actuarial liabilities of \$142,489 million (2023 - \$136,185 million) in respect of benefits accrued for service with total going concern actuarial assets at that date of \$139,576 million (2023 - \$131,983 million) indicating a going concern actuarial deficit of \$2,913 million (2023 - \$4,202 million). Because OMERS is a multi-employer plan, any Plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the Plan surplus or deficit.

The amount contributed to OMERS for 2024 was \$71,864 (2023 - \$79,686) for current service and is included as an expense on the Consolidated Statement of Operations and Accumulated Surplus.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

18. Financial instruments:

(a) Risks arising from financial instruments and risk management:

The Township is exposed to various risks through its financial instruments.

(b) Credit risk:

Credit risk is the risk of financial loss to the Township if a debtor fails to honour its contractual obligations. The Township is exposed to this risk as a result of its cash, investments and accounts receivable. The carrying amounts of these financial assets on the Consolidated Statement of Financial Position represent the maximum credit risk of the Township as at the reporting date.

The Township holds its cash and investments with a federally regulated chartered bank and a provincially regulated credit union who are insured, respectively, by the Canadian Deposit Insurance Corporation ("CDIC") and the Financial Services Regulatory Authority of Ontario ("FSRA"). The CDIC insurance is up to \$100,000 per deposit account and the FSRA insurance is up to \$250,000 in aggregate.

Accounts receivable are primarily due from other levels of government. Credit risk is mitigated by the financial solvency of the governments. The amounts outstanding at year-end were as follows:

| 2024 | Current | Past due | Indeterminate due date | Total |
|----------------------|------------|-----------|---------------------------|------------|
| Federal | \$ 66,681 | \$ — | \$ — | \$ 66,681 |
| Provincial | 4,681 | — | — | 4,681 |
| Other municipalities | 74,544 | — | 7,163 | 81,707 |
| Other | 3,612 | 18,392 | 45 | 22,049 |
| Net receivable | \$ 149,518 | \$ 18,392 | \$ 7,208 | \$ 175,118 |

| 2023 | Current | Past due | Indeterminate due date | Total |
|----------------------|-----------|----------|---------------------------|------------|
| Federal | \$ 62,630 | \$ — | \$ — | \$ 62,630 |
| Provincial | 6,587 | — | — | 6,587 |
| Other municipalities | 15,436 | — | 7,605 | 23,041 |
| Other | 11,370 | 9,122 | 789 | 21,281 |
| Net receivable | \$ 96,023 | \$ 9,122 | \$ 8,394 | \$ 113,539 |

There have been no significant changes from the previous year in exposure to credit risk or policies, procedures and methods used to measure the risk.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

18. Financial instruments (continued):

(c) Liquidity risk:

Liquidity risk is the risk that the Township will not be able to meet its financial obligations as they become due. The Township is exposed to this risk with respect to its accounts payable and accrued liabilities and long-term debt. The Township maintains sufficient cash balances to meet its obligations, and does not believe it is subject to significant liquidity risk.

The table below sets out the payable dates of the Township's accounts payable and accrued liabilities. This includes planning-related accounts which have an indeterminate payable date as they are settled when the related planning application has been finalized. The long-term debt repayment schedule is disclosed in Note 10.

| 2024 | | | | | | |
|---|--------------------|-----------------------|--------------|-------------------------------|----|---------|
| | Within 6 months | 6 months to 1 year | 1 to 5 years | Indeterminate payable date | | Total |
| Accounts payable and accrued liabilities | \$ 147,630 | \$ 51,850 | \$ – | \$ 102,663 | \$ | 302,143 |
| Long term debts | 45,464 | 39,136 | 84,571 | – | | 169,171 |

| 2023 | | | | | | |
|---|--------------------|-----------------------|--------------|-------------------------------|----|---------|
| | Within 6 months | 6 months to 1 year | 1 to 5 years | Indeterminate payable date | | Total |
| Accounts payable and accrued liabilities | \$ 127,121 | \$ 141,114 | \$ – | \$ 107,796 | \$ | 376,031 |
| Long term debts | 58,125 | 58,384 | 169,172 | – | | 285,681 |

There have been no significant changes from the previous year in exposure to liquidity risk or policies, procedures and methods used to measure the risk.

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk. The Township is not exposed to significant currency or equity risk as it does not transact materially in foreign currency or hold equity financial instruments. It is primarily exposed to interest rate risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Township is exposed to interest rate risk on its interest-bearing investments and long-term debt. Fixed-rate instruments subject the Township to a fair value risk.

There have been no significant changes from the prior year in exposure to market risk or the policies, procedures and methods used to measure the risk.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

19. Comparative information:

Certain prior year figures presented for comparative purposes have been reclassified to conform to the presentation adopted for the current year.