
**THE CORPORATION OF
THE TOWNSHIP OF RYERSON**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2025

THE CORPORATION OF THE TOWNSHIP OF RYERSON

CONTENTS

	Page
Independent Auditor's Report	1 - 2
Consolidated Statement of Financial Position	3
Consolidated Statements of Operations and Accumulated Surplus	4
Consolidated Statement of Change in Net Financial Assets	5
Consolidated Statement of Cash Flows	6
Notes to the Consolidated Financial Statements	7 - 27

Independent Auditor's Report

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

Doane Grant Thornton LLP

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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 December 31, 2025, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Ryerson as at December 31, 2025, and its results of operations, its 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 Consolidated Financial Statements* section of our report. We are independent of the Township in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements for the year ended December 31, 2024 were audited by another auditor who expressed an unqualified opinion on those financial statements on September 18, 2025.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Doane Grant Thornton LLP

North Bay, Canada
September 22, 2026

Chartered Professional Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWNSHIP OF RYERSON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash (Note 4)	\$ 3,514,305	\$ 2,924,078
Investments (Note 5)	57,067	50,604
Taxes receivable (Note 6)	401,182	345,656
Accounts receivable	523,928	175,118
Inventories held for resale	2,369	2,835
	4,498,851	3,498,291
LIABILITIES		
Accounts payable and accrued liabilities	659,707	279,747
Deferred revenue-general (Note 7)	33,872	21,010
Deferred revenue-obligatory reserve funds (Note 8)	468,998	378,915
Long-term debt (Note 9)	84,571	169,171
Employee benefits payable (Note 10)	22,684	22,396
Asset retirement obligations (Note 12)	217,203	216,812
	1,487,035	1,088,051
NET FINANCIAL ASSETS	3,011,816	2,410,240
NON-FINANCIAL ASSETS		
Tangible capital assets - net (Note 14)	5,987,470	5,824,114
Inventories of supplies	130,252	161,365
Prepaid expenses	3,015	24,986
	6,120,737	6,010,465
ACCUMULATED SURPLUS (Note 15)	\$ 9,132,553	\$ 8,420,705

Contingencies (Note 2)
Contractual Obligations (Note 13)

APPROVED ON BEHALF OF COUNCIL:

Original Signed by Glenn Miller Deputy
Mayor

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE TOWNSHIP OF RYERSON
CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget 2025 (see Note 17)	Actual 2025	Actual 2024
REVENUE			
Property taxes	\$ 2,592,339	\$ 2,646,154	\$ 2,595,705
User charges	93,383	110,556	99,437
Government transfers	692,065	596,582	748,371
Other	261,972	249,697	225,646
TOTAL REVENUE	3,639,759	3,602,989	3,669,159
EXPENSES			
General government	586,700	524,011	538,031
Protection to persons and property	417,810	400,449	409,553
Transportation services	1,323,314	1,159,158	1,224,043
Environmental services	207,167	226,422	185,273
Health services	103,347	113,357	93,652
Social and family services	163,864	163,864	157,022
Recreation and cultural services	279,165	295,659	272,276
Planning and development	38,000	8,221	7,829
TOTAL EXPENSES	3,119,367	2,891,141	2,887,679
ANNUAL SURPLUS (Note 15)	520,392	711,848	781,480
ACCUMULATED SURPLUS, BEGINNING OF YEAR	8,420,705	8,420,705	7,639,225
ACCUMULATED SURPLUS, END OF YEAR	\$ 8,941,097	\$ 9,132,553	\$ 8,420,705

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE TOWNSHIP OF RYERSON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget 2025 (see Note 17)	Actual 2025	Actual 2024
Annual surplus	\$ 520,392	\$ 711,848	\$ 781,480
Acquisition of tangible capital assets	(658,517)	(673,297)	(672,729)
Shared services tangible capital assets transfer - net	-	(2,677)	565
Revaluation of tangible capital assets - ARO	-	3,315	(17,809)
Amortization of tangible capital assets	456,581	456,581	427,228
Loss on disposal of tangible capital assets	-	52,722	80,917
Proceeds from disposal of tangible capital assets	-	-	7,834
Change in supplies inventories	-	31,113	15,339
Change in prepaid expenses	-	21,971	(13,367)
Increase in net financial assets	318,456	601,576	609,458
Net financial assets, beginning of year	2,410,240	2,410,240	1,800,782
Net financial assets, end of year	\$ 2,728,696	\$ 3,011,816	\$ 2,410,240

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE TOWNSHIP OF RYERSON
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
Operating transactions		
Annual surplus	\$ 711,848	\$ 781,480
Non-cash charges to operations:		
Amortization of tangible capital assets	456,581	427,228
Accretion expense on ARO liability	8,732	7,869
Revaluation of tangible capital assets - ARO	3,315	(17,809)
Change in ARO liability excluding accretion and settlements	(8,341)	41,611
Shared services tangible capital assets transfer - net	(2,677)	565
Loss on disposal of tangible capital assets	52,722	80,917
Change in employee benefits payable	288	2,352
	1,222,468	1,324,213
Changes in non-cash items:		
Taxes receivable	(55,526)	(65,328)
Accounts receivable	(348,810)	(61,579)
Inventories held for resale	466	(189)
Accounts payable and accrued liabilities	379,960	(76,240)
Deferred revenue-general	12,862	(76,308)
Deferred revenue-obligatory reserve funds	90,083	(92,691)
Inventories of supplies	31,113	15,339
Prepaid expenses	21,971	(13,367)
	132,119	(370,363)
Cash provided by operating transactions	1,354,587	953,850
Capital transactions		
Acquisition of tangible capital assets	(673,297)	(672,729)
Proceeds from disposal of tangible capital assets	-	7,834
Cash applied to capital transactions	(673,297)	(664,895)
Investing transactions		
Change in investments	(6,463)	(15,938)
Cash applied to investing transactions	(6,463)	(15,938)
Financing transactions		
Debt principal repayments	(84,600)	(116,510)
Cash applied to financing transactions	(84,600)	(116,510)
Net change in cash	590,227	156,507
Cash, beginning of year	2,924,078	2,767,571
Cash, end of year	\$ 3,514,305	\$ 2,924,078
Cash flow supplementary information:		
Cash paid for interest	\$ 2,676	\$ 4,810

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

MANAGEMENT RESPONSIBILITY

The consolidated financial statements of the Corporation of the Township of Ryerson (the "Municipality") 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

Significant aspects of the accounting policies adopted by the Municipality 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) Proportionally consolidated entities

The following joint boards and committees are proportionally consolidated:

- Fire
- Waste Management
- Arena and Community Centre
- Library
- Building Committee

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

(ii) Non-consolidated entities

The following joint boards are not consolidated:

- 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 Municipality are not included in these consolidated financial statements, but are reported separately on the trust funds financial statements.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of Accounting

(i) Accrual basis of accounting

Revenue and expenses are reported on the accrual basis of accounting. Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied by providing the promised goods or services to the payer. Performance obligations are defined as enforceable promises to provide specific goods or services to a specific payer. Revenue from transactions with no performance obligations is recognized when the Municipality has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset. 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) 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.

(a) Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset, as well as any asset retirement obligations related to 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:

Land improvements - 20 years
Buildings - 10 to 40 years
Leasehold improvements - 20 years
Machinery, equipment and furniture - 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.

Estimated closure and post-closure expenses for active landfill sites as well as the land occupied by the sites and related land improvements are amortized annually on the basis of capacity used during the year as a percentage of the estimated total capacity of the landfill site.

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

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

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Inventories of supplies

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

(iv) 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.

(v) 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 as the stipulation liabilities are settled.

(vi) 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 in the year in which it is used for the specified purpose.

(vii) Taxation and related revenue

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 Province of Ontario in respect of education taxes. Property tax billings are prepared by the Municipality 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 Municipality is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

(viii) Pensions and employee benefits

The Municipality 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 THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ix) 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 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 Municipality's financial instruments are measured according to the following methods:

<u>Financial instrument</u>	<u>Measurement method</u>
Cash	Amortized cost
Investments	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Long-term debt	Amortized cost

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) 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.

(xi) 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 Municipality 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, estimated costs and timing of asset retirement obligations and supplementary taxes. Actual results could differ from these estimates.

There is a measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations of \$217,203 (2024 - \$216,812). These estimates are subject to uncertainty because of several factors including, but not limited to estimated settlement dates, estimated costs and change in the discount rate. These estimates are reviewed annually and, as adjustments become necessary, they are recorded in the period in which they become known.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

2. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

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

		2025		2024
District of Parry Sound Social Services Administration Board	\$	93,741	\$	88,852
North Bay Parry Sound District Health Unit		22,374		21,308
District of Parry Sound (East) Home for the Aged		70,123		68,170
	\$	186,238	\$	178,330

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

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

3. TRANSACTIONS ON BEHALF OF OTHERS

(a) During the year, \$314,124 of taxation was collected on behalf of school boards (2024 - \$310,842).

(b) The Municipality administers care and maintenance trust funds totaling \$18,745 (2024 - \$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 Municipality'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.

4. CASH

Cash is comprised of:

		2025		2024
Unrestricted cash	\$	3,045,307	\$	2,545,163
Restricted cash		468,998		378,915
	\$	3,514,305	\$	2,924,078

Federal and Provincial legislation restricts how restricted cash related to obligatory reserve funds, reported in Note 8, may be used.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

5. INVESTMENTS

Investments are comprised of guaranteed investment certificates bearing interest at rates ranging from 2.8% to 4.9% and maturing between May 23, 2026 and July 9, 2027.

6. TAXES RECEIVABLE

Taxes receivable are comprised of the following:

	2025	2024
Taxes receivable	\$ 403,182	\$ 347,656
Valuation allowance	(2,000)	(2,000)
	\$ 401,182	\$ 345,656

7. DEFERRED REVENUE-GENERAL

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

	2025	2024
Balance, beginning of year:		
Ontario Cannabis Legalization Implementation Fund	\$ 20,000	\$ 20,000
Northern Ontario Resource Development Support (NORDS)	-	72,475
Other deferred revenue	1,010	4,843
	21,010	97,318
Received during the year:		
Northern Ontario Resource Development Support (NORDS)	72,722	70,313
Other funding	13,872	1,010
	86,594	71,323
Recognized in revenue during the year	(73,732)	(145,470)
Refunded in the year	-	(2,161)
Balance, end of year	\$ 33,872	\$ 21,010
Ontario Cannabis Legalization Implementation Fund	\$ 20,000	\$ 20,000
Other deferred revenue	13,872	1,010
Balance, end of year	\$ 33,872	\$ 21,010

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

8. DEFERRED REVENUE-OBLIGATORY RESERVE FUNDS

The Municipality 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 under an agreement 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 Municipality 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 and Ontario Community Infrastructure Fund revenue recognition occurs when the Municipality 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:

	2025	2024
Balance, beginning of year:		
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
Received during the year:		
Recreational land (the Planning Act)	2,500	17,128
Canada Community-Building Fund	49,152	47,486
Ontario Community Infrastructure Fund	108,320	100,000
Interest earned	10,080	21,506
	170,052	186,120
Recognized in revenue during the year	(79,969)	(278,811)
Balance, end of year	\$ 468,998	\$ 378,915
Recreational land (the Planning Act)	\$ 193,321	\$ 201,740
Building Code Act	103,349	106,663
Canada Community-Building Fund	29	178
Ontario Community Infrastructure Fund	172,299	70,334
Balance, end of year	\$ 468,998	\$ 378,915

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

9. LONG-TERM DEBT

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

	2025	2024
Ontario Infrastructure and Lands Corporation serial debenture, fully repaid in 2025	\$ -	\$ 6,592
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 Municipality has pledged future Provincial funding	8,770	26,310
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 Municipality has pledged future Provincial funding.	54,713	108,556
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	21,088	27,713
	\$ 84,571	\$ 169,171

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

	Principal	Interest
2026	\$ 70,306	\$ 1,188
2027	7,027	372
2028	7,238	162
	\$ 84,571	\$ 1,722

(c) Total charges for the year for long-term debt which are reported in the financial statements are as follows:

	2025	2024
Principal payments	\$ 84,600	\$ 116,510
Interest	2,586	4,578
	\$ 87,186	\$ 121,088

THE CORPORATION OF THE TOWNSHIP OF RYERSON**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**
Year Ended December 31, 2025

10. EMPLOYEE BENEFITS PAYABLE

- (a) Under the sick leave benefits plan, unused sick leave can accumulate to a prescribed maximum and qualifying employees may become entitled to a cash payment when they leave the Municipality's employment. The sick leave benefit liability estimates the use of accumulated sick leave prior to retirement, as well as any lump-sum payments upon retirement, and assumes that both the appropriate discount rate and future salary and wage levels will increase by 2% per annum. The liability for these accumulated days amounted to \$19,208 (2024 - \$18,746) at the end of the year.
- (b) Under the retirement gratuity policy of the Joint Building Committee, qualifying employees are entitled to a payout, upon retirement, based on length of service and rate of pay. The retirement gratuity liability estimates the lump-sum payments upon retirement, and assumes that both the appropriate discount rate and future salary and wage levels will increase by 2% per annum. The liability for the retirement gratuity is estimated at \$3,476 (2024 - \$3,650) at the end of the year.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

11. FINANCIAL INSTRUMENTS

Risks arising from financial instruments and risk management

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

Credit risk

Credit risk is the risk of financial loss to the Municipality if a debtor fails to honour its contractual obligations. The Municipality 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 Municipality as at the reporting date.

The Municipality 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:

2025				
	Current	Past Due	Indeterminate Due Date	TOTAL
Federal	\$ 94,068	\$ -	\$ -	\$ 94,068
Provincial	224,631	-	-	224,631
Other municipalities	36,147	5	157,861	194,013
Other	1,869	1,990	7,357	11,216
Valuation allowance	-	-	-	-
Net receivables	\$ 356,715	\$ 1,995	\$ 165,218	\$ 523,928

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
Valuation allowance	-	-	-	-
Net receivables	\$ 149,518	\$ 18,392	\$ 7,208	\$ 175,118

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 THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

11. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they become due. The Municipality is exposed to this risk with respect to its accounts payable and accrued liabilities and long-term debt. The Municipality 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 Municipality'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 9.

2025					
	Within 6 months	6 months to 1 year	1 to 5 years	Indeterminate payable date	TOTAL
Accounts payable and accrued liabilities	\$ 498,597	\$ 57,138	\$ 33,109	\$ 70,863	\$ 659,707

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	-	\$ 80,267	\$ 279,747

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.

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 Municipality 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 Municipality is exposed to interest rate risk on its interest-bearing investments and long-term debt. Fixed-rate instruments subject the Municipality 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 THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

12. ASSET RETIREMENT OBLIGATIONS

When initially recording this obligation, the estimated present value of future cash flows for retirement costs for assets in use are capitalized to the carrying amount of the associated assets, and amortized over the useful life of the related asset. Subsequent revisions to the estimated cost are also capitalized and amortized as part of the asset. Accretion of the discounted liability due to the passage of time is recorded as an in-year expense.

The Municipality has recorded the following asset retirement obligations:

- a) A liability of \$15,407 (2024 - \$14,758) relating to designated substances in the Burk's Falls and District Fire Department fire hall, 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%.
- b) A liability of \$8,895 (2024 - \$8,520) 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%.
- c) A liability of \$192,901 (2024 - \$193,534) relating to the landfill closure and post-closure care requirements for the landfill site jointly operated by the Township of Armour, the Village of Burk's Falls and the Township of Ryerson through the TRI R Committee, which has been defined in accordance with industry standards and includes final cover and landscaping of the landfill site, management of groundwater and leachates, and ongoing environmental monitoring and site inspection.

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 3.88% (2024 - 3.92%) and inflation rate of 2.7% (2024 - 2.6%). The estimated remaining capacity of the site is approximately 10,858 (2024 - 12,695) cubic metres, estimated to be filled in 10 years (2024 - 12 years). Post-closure care is estimated to be required for a period of 25 years.

The Municipality has reserves of \$201,669 (2024 - \$163,415) related to the landfill site that could be used to fund this liability.

The continuity of the asset retirement obligation reported on the Consolidated Statement of Financial Position is shown below:

		2025	2024
Balance, beginning of year	\$	216,812	\$ 167,332
Increase (decrease) in liability reflecting changes in the estimated cash flows, inflation and discount rate		(11,435)	42,582
Increase in liability due to accretion (the passage of time)		8,732	7,869
Increase (decrease) in liability due to change in Municipality's proportionate share		3,094	(971)
Balance, end of year	\$	217,203	\$ 216,812

THE CORPORATION OF THE TOWNSHIP OF RYERSON**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**
Year Ended December 31, 2025

13. CONTRACTUAL OBLIGATIONS

In conjunction with the Municipal Corporation of the Township of Armour and the Corporation of the Municipality of the Village of Burk's Falls, in 2025 the organization engaged Domm Construction Ltd. to construct a new fire hall at a contracted price of \$3,634,901 plus HST. To the end of the year, \$293,000 of work was completed. The balance of the contract is expected to be completed in 2026.

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

14. TANGIBLE CAPITAL ASSETS

The tangible capital assets of the Municipality by major asset class are outlined below.

2025							
	Land and Land Improvements	Buildings and Leasehold Improvements	Machinery and Equipment	Vehicles	Roads and Bridges	Construction in Progress	TOTAL
COST							
Balance, beginning of year	\$ 602,051	\$ 1,576,428	\$ 584,797	\$ 1,996,519	\$ 8,585,521	\$ 62,312	\$ 13,407,628
Additions and betterments	-	12,312	57,025	-	494,355	109,605	673,297
Revaluation of assets - ARO	(3,315)	-	-	-	-	-	(3,315)
Shared services assets - redistribution	2,664	210	2,601	603	-	-	6,078
Disposals and writedowns	-	(2,911)	(62,606)	-	(522,848)	-	(588,365)
Transfer between classes	-	1,311	-	-	-	(1,311)	-
BALANCE, END OF YEAR	601,400	1,587,350	581,817	1,997,122	8,557,028	170,606	13,495,323
ACCUMULATED AMORTIZATION							
Balance, beginning of year	178,990	710,097	342,029	725,115	5,627,283	-	7,583,514
Annual amortization	18,956	39,162	45,042	127,904	225,517	-	456,581
Shared services accumulated amortization - redistribution	1,776	56	1,532	37	-	-	3,401
Amortization disposals	-	(1,869)	(47,975)	-	(485,799)	-	(535,643)
BALANCE, END OF YEAR	199,722	747,446	340,628	853,056	5,367,001	-	7,507,853
TANGIBLE CAPITAL ASSETS-NET	\$ 401,678	\$ 839,904	\$ 241,189	\$ 1,144,066	\$ 3,190,027	\$ 170,606	\$ 5,987,470

2024							
	Land and Land Improvements	Buildings and Leasehold Improvements	Machinery and Equipment	Vehicles	Roads and Bridges	Construction in Progress	TOTAL
COST							
Balance, beginning of year	\$ 598,938	\$ 1,552,530	\$ 541,354	\$ 1,876,364	\$ 8,473,541	\$ 53,197	\$ 13,095,924
Additions and betterments	-	49,271	50,673	178,099	385,120	9,566	672,729
Revaluation of assets - ARO	17,809	-	-	-	-	-	17,809
Shared services assets - redistribution	(942)	(71)	(339)	-	-	-	(1,352)
Disposals and writedowns	(13,754)	(25,302)	(6,891)	(57,944)	(273,140)	(451)	(377,482)
BALANCE, END OF YEAR	602,051	1,576,428	584,797	1,996,519	8,585,521	62,312	13,407,628
ACCUMULATED AMORTIZATION							
Balance, beginning of year	181,740	673,780	311,473	657,473	5,621,338	-	7,445,804
Annual amortization	11,697	54,648	37,525	122,085	201,273	-	427,228
Shared services accumulated amortization - redistribution	(693)	(16)	(78)	-	-	-	(787)
Amortization disposals	(13,754)	(18,315)	(6,891)	(54,443)	(195,328)	-	(288,731)
BALANCE, END OF YEAR	178,990	710,097	342,029	725,115	5,627,283	-	7,583,514
TANGIBLE CAPITAL ASSETS-NET	\$ 423,061	\$ 866,331	\$ 242,768	\$ 1,271,404	\$ 2,958,238	\$ 62,312	\$ 5,824,114

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

15. ACCUMULATED SURPLUS

The 2025 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	113,000	218,194
Capital funds	562,898	178,937	741,835
Election	7,000	3,500	10,500
Fire	83,311	51,741	135,052
Roads	791,711	197,700	989,411
Waste disposal and recycling	163,415	38,254	201,669
JBC	22,669	5,600	28,269
Hospital	81,805	22,730	104,535
Cemetery	4,176	(500)	3,676
Arena	53,388	23,539	76,927
Library	48,094	29,872	77,966
Fire Department	723	-	723
	2,587,504	664,373	3,251,877
OTHER			
Consolidated tangible capital assets	5,824,114	163,356	5,987,470
General operating surplus -			
Municipality	414,013	(147,723)	266,290
Library	3,453	(2,188)	1,265
Unfinanced capital	-	(49,891)	(49,891)
Unfunded amounts -			
Long-term debt	(169,171)	84,600	(84,571)
Employee benefits payable	(22,396)	(288)	(22,684)
Asset retirement obligations	(216,812)	(391)	(217,203)
	\$ 8,420,705	\$ 711,848	\$ 9,132,553

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

16. SEGMENT DISCLOSURES AND EXPENSES BY OBJECT

The Municipality 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 Municipality'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 Culture

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.

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 Municipality'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 THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

16. SEGMENT DISCLOSURES AND EXPENSES BY OBJECT (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2025

	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	Consolidated
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,646,154	\$ 2,646,154
User charges	4,291	1,082	1,200	25,625	-	-	70,298	8,060	-	110,556
Government transfers -										
Canada	-	-	49,151	-	-	-	483	-	-	49,634
Ontario	-	53,638	82,546	1,915	-	-	3,670	-	388,200	529,969
Other municipalities	-	11,941	3,632	-	-	-	1,406	-	-	16,979
Loss on disposal of capital assets	-	-	(37,046)	(9,938)	-	-	(5,738)	-	-	(52,722)
Other	-	58,226	13,128	27,558	3,410	-	33,031	-	167,066	302,419
TOTAL REVENUE	4,291	124,887	112,611	45,160	3,410	-	103,150	8,060	3,201,420	3,602,989
EXPENSES										
Salaries, wages and benefits	354,519	123,013	420,584	116,719	527	-	137,947	-	-	1,153,309
Long-term debt charges (interest)	-	684	1,902	-	-	-	-	-	-	2,586
Materials	60,592	36,926	333,029	38,782	24	-	99,808	-	-	569,161
Contracted services	90,519	207,368	39,231	26,421	74,271	-	24,195	3,221	-	465,226
Rents and financial expenses	1,644	2,141	2,993	11,819	-	-	4,770	-	-	23,367
External transfers	4,982	-	-	-	38,333	163,864	-	5,000	-	212,179
Interfunctional adjustments	(94)	94	-	-	-	-	-	-	-	-
Amortization	11,849	29,574	361,419	24,973	202	-	28,564	-	-	456,581
Accretion of ARO liability	-	649	-	7,708	-	-	375	-	-	8,732
TOTAL EXPENSES	524,011	400,449	1,159,158	226,422	113,357	163,864	295,659	8,221	-	2,891,141
ANNUAL SURPLUS (DEFICIT)	\$ (519,720)	\$ (275,562)	\$ (1,046,547)	\$ (181,262)	\$ (109,947)	\$ (163,864)	\$ (192,509)	\$ (161)	\$ 3,201,420	\$ 711,848

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

16. SEGMENT DISCLOSURES AND EXPENSES BY OBJECT (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2024

	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	Consolidated
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,595,705	\$ 2,595,705
User charges	3,591	838	-	29,356	-	-	57,482	8,170	-	99,437
Government transfers -										
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
TOTAL REVENUE	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	120,953	448,633	93,189	-	-	122,024	-	-	1,152,265
Long-term debt charges (interest)	-	880	3,698	-	-	-	-	-	-	4,578
Materials	72,688	51,367	416,171	26,694	39	-	98,828	-	-	665,787
Contracted services	84,237	194,441	15,272	39,525	71,103	-	17,099	2,829	-	424,506
Rents and financial expenses	-	2,008	4,831	5,778	-	-	4,539	-	-	17,156
External transfers	3,960	-	-	-	22,308	157,022	-	5,000	-	188,290
Interfunctional adjustments	(2,000)	2,000	-	-	-	-	-	-	-	-
Amortization	11,680	37,282	335,438	13,199	202	-	29,427	-	-	427,228
Accretion of ARO liability	-	622	-	6,888	-	-	359	-	-	7,869
TOTAL EXPENSES	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 THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

17. BUDGET FIGURES

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. For unbudgeted items (amortization of tangible capital assets and asset retirement obligation accretion), the actual amounts for 2025 were used to adjust the reported budget amounts. A reconciliation of the adopted and reported budgets is presented below.

	Budget
ADOPTED BUDGET:	
Decrease in general municipal operating surplus	\$ (414,014)
Increase in reserves and reserve funds	659,929
Decrease in joint board general operating surplus	(3,327)
ADJUSTMENTS:	
Acquisition of tangible capital assets	658,517
Amortization of tangible capital assets	(456,581)
Accretion of asset retirement obligations	(8,732)
Debt principal repayments	84,600
ANNUAL SURPLUS	\$ 520,392

THE CORPORATION OF THE TOWNSHIP OF RYERSON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2025

18. PENSION AGREEMENTS

The Municipality 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 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 with respect to benefits accrued for service with actuarial assets at that date of \$150,043 million indicating an actuarial deficit of \$1,322 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 Municipality does not recognize any share of the Plan surplus or deficit.

The amount contributed to OMERS for 2025 was \$77,350 (2024 - \$71,864) for current service and is included as an expense on the Consolidated Statement of Operations.

19. COMPARATIVE FIGURES

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