Doane Grant Thornton

Consolidated Financial Statements

The Corporation of the City of Dryden

December 31, 2025

DRYDEN

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Statement of Administrative Responsibility

The management of The Corporation of the City of Dryden have prepared the accompanying consolidated financial statements and are responsible for their accuracy and integrity. These statements consolidate all operations for which the City has legislative and financial responsibility. The consolidated financial statements have been prepared by management in accordance with the accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board [PSAB] of the CPA Canada.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that Municipal assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Municipal Council reviews and approves the consolidated financial statements before such statements are submitted to the Ministry of Municipal Affairs and Housing and published for the residents of The Corporation of the City of Dryden. The external auditors have access to and meet with Municipal Council to discuss their audit and the results of their examination.

The 2025 Consolidated Financial Statements have been reported on by The Corporation of the City of Dryden's external auditors, Doane Grant Thornton LLP, the auditors appointed by Municipal Council. The independent auditor's report outlines the scope of their audit and their opinion on the presentation of the information included in the consolidated financial statements.

Roger Nesbitt, CAO

Kim Junko, Director of Finance/Treasurer

The Corporation of the City of Dryden

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Doane Grant Thornton

Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the City of Dryden

Opinion

We have audited the consolidated financial statements of The Corporation of the City of Dryden (the "City"), 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 consolidated financial position of The Corporation of the City of Dryden as at December 31, 2025, and its results of operations, its change in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City 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 of the City for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on January 26, 2026.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal 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 City'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 City or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities for the Audit of the 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 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 City'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 City'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 City 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 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.

Deane Grant Thornton LLP

Thunder Bay, Canada
October 20, 2026

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the City of Dryden
Consolidated Statement of Financial Position

Year Ended December 31

	2025	2024
Financial assets		
Cash and cash equivalents [Note 3]	$ 15,580,370	$ 7,273,069
Investments [Note 4]	77,159	74,708
Taxes receivable	1,284,095	1,440,883
Accounts receivable [Note 5]	1,399,499	1,672,744
User charges receivable	594,097	599,853
Grants receivable	1,476,641	4,313,934
Total financial assets	20,411,861	15,375,191
Liabilities		
Accounts payable and accrued liabilities	5,607,603	8,025,463
Employee benefits liability [Note 7]	975,700	979,400
Asset retirement obligations [Note 8]	1,437,522	1,374,202
Post retirement benefits liability [Note 9]	1,389,300	1,468,200
Deferred revenue/obligatory reserve funds [Note 10]	5,091,180	943,930
Debt financing [Note 12]	4,073,569	4,993,495
Capital lease obligations [Note 13]	723,092	171,299
Total liabilities	19,297,966	17,955,989
Net financial assets (debt)	1,113,895	(2,580,798)
Non-financial assets		
Inventory for internal consumption	497,241	435,658
Inventory of surplus land	1,309,259	1,317,803
Prepaid expenses	286,796	1,034,281
Tangible capital assets [Note 14] [Schedule 2]	91,485,027	93,513,869
	93,578,323	96,301,611
Accumulated surplus [Schedule 1]	$ 94,692,218	$ 93,720,813

On behalf of the City

Mayor

Councillor

See accompanying notes to the consolidated financial statements.

The Corporation of the City of Dryden
Consolidated Statements of Operations and Accumulated Surplus

Year Ended December 31	2025 Budget [Note 22]	2025 Actual	2024 Actual
Revenue [Schedule 3]			
Taxation [Note 15]	$ 16,737,163	**$ 16,737,968**	$ 16,325,760
Fees and user charges	9,255,760	**9,620,318**	8,836,553
Government transfers - federal	267,514	**312,581**	1,030,562
Government transfers - provincial	7,542,597	**4,087,173**	11,695,605
Other income [Note 16]	4,109,845	**5,476,335**	4,930,865
	37,912,879	**36,234,375**	42,819,345
Expenses [Schedule 3]			
General government	4,466,312	**5,191,799**	3,551,129
Protection services	8,577,846	**8,270,711**	9,396,654
Transportation services	6,235,746	**6,353,651**	6,310,073
Environmental services	6,242,709	**6,343,707**	5,988,632
Health services	1,319,324	**1,338,453**	1,187,341
Social and family services	1,029,332	**1,004,520**	1,001,983
Social housing	559,032	**559,032**	577,406
Recreation and cultural services	5,363,492	**5,544,201**	4,999,287
Planning and development	309,876	**656,896**	1,253,321
	34,103,669	**35,262,970**	34,265,826
Annual surplus	3,809,210	**971,405**	8,553,519
Accumulated surplus, beginning of year	93,720,813	**93,720,813**	85,167,294
Accumulated surplus, end of year [Schedule 1]	$ 97,530,023	**$ 94,692,218**	$ 93,720,813

See accompanying notes to the consolidated financial statements.

The Corporation of the City of Dryden
Consolidated Statement of Change in Net Financial Assets (Debt)

Year Ended December 31

	2025 Budget [Note 22]	2025 Actual	2024 Actual
Annual surplus	$ 3,809,210	**$ 971,405**	$ 8,553,519
Acquisition of tangible capital assets	(7,641,326)	**(3,185,152)**	(10,577,355)
Amortization of tangible capital assets	5,138,131	**5,138,131**	4,986,341
Loss on disposal of tangible capital assets	-	**75,863**	9,307
Write-down of tangible capital assets - change in ARO estimate	-	**-**	55,955
Increase in net financial assets	1,306,015	**3,000,247**	3,027,767
Use of prepaid expenses, inventory of surplus land and inventory for internal consumption	-	**694,446**	(763,308)
Net change in financial assets	1,306,015	**3,694,693**	2,264,459
Net debt, beginning of year	(2,580,798)	**(2,580,798)**	(4,845,257)
Net financial assets (debt), end of year	$ (1,274,783)	**$ 1,113,895**	$ (2,580,798)

See accompanying notes to the consolidated financial statements.

The Corporation of the City of Dryden
Consolidated Statement of Cash Flows

Year Ended December 31

	2025	2024
Cash provided by (used in)		
Operating activities		
Annual surplus	**$ 971,405**	$ 8,553,519
Items not involving cash		
Revision in asset retirement obligation's estimated cash flows	**-**	(77,616)
Amortization of tangible capital assets	**5,138,131**	4,986,341
Loss on disposal of tangible capital assets	**75,863**	9,307
Accretion of asset retirement obligations	**63,320**	54,471
	6,248,719	13,526,022
Changes in non-cash operating balances		
(Increase) decrease in taxes receivable	**156,788**	(261,836)
(Increase) decrease in accounts receivable	**273,245**	28,969
(Increase) decrease in user charges receivable	**5,756**	(104,706)
(Increase) decrease in grants receivable	**2,837,293**	(1,105,587)
Increase (decrease) in accounts payable and accrued liabilities	**(2,417,860)**	1,296,814
Increase (decrease) in employee benefits liability	**(3,700)**	(26,044)
Increase (decrease) in post-retirement benefits liability	**(78,900)**	(82,224)
Increase (decrease) in deferred revenue	**4,147,250**	(1,276,880)
(Increase) decrease in inventory held for internal consumption	**(61,583)**	(60,777)
(Increase) decrease in surplus land inventory	**8,544**	**-**
(Increase) decrease in prepaid expenses	**747,485**	(702,531)
	5,614,318	(2,294,802)
	11,863,037	11,231,220
Capital activities		
Purchase of tangible capital assets net of capital lease financing	**(2,509,401)**	(10,577,355)
Proceeds on disposal of tangible capital assets	**-**	**-**
	(2,509,401)	(10,577,355)
Investing activities		
Increase in investments	**(2,451)**	(1,614)
Financing activities		
Repayment of debt financing	**(919,926)**	(898,795)
Repayment of capital lease obligations	**(123,958)**	(154,503)
	(1,043,884)	(1,053,298)
Net change in cash and cash equivalents	**8,307,301**	(401,047)
Cash and cash equivalents, beginning of year	**7,273,069**	7,674,116
Cash and cash equivalents, end of year	**$ 15,580,370**	$ 7,273,069

See accompanying notes to the consolidated financial statements.

GENERAL

The Corporation of the City of Dryden ("the City") is a Corporation in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of the City are prepared by management in accordance with accounting principles generally accepted for local government, as prescribed by the Public Sector Accounting Board ("PSAB") of CPA Canada. The more significant of these accounting policies are as follows:

[a] Basis of consolidation

Reporting entity

These consolidated financial statements reflect the financial assets, liabilities, revenues and expenses, and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, local boards, and committees accountable for the administration of their financial affairs and resources, to the City, and which are owned or controlled by the City. Accordingly, the following are consolidated in these financial statements:

Dryden Regional Airport
Dryden Public Library Board
Dryden Police Services Board
Dryden Museum Advisory Board
Dryden Cemetery Board
Dryden Waterworks Department
Dryden Tourism Development Corporation
Dryden Renewable Energy City

Local boards

The financial activities of certain entities associated with the City are not consolidated. The City's contribution to these entities are recorded in the Consolidated Statement of Operations. The entities that are accounted for in this manner are:

District of Kenora Home for the Aged
Northwestern Health Unit
Kenora District Services Board

Trust funds

Funds held in trust by the City, and their related operations, are not included in these consolidated financial statements. The financial activity and position of the trust funds are reported separately.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

[b] Basis of accounting

Accrual accounting

The City uses the accrual basis of accounting which recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent. It recognizes a liability until the obligation or conditions underlying the liability is partly or wholly satisfied and recognizes an asset until the future economic benefit underlying the asset is partly or wholly used or lost.

Cash and cash equivalents

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents

Inventory held for consumption

Inventory held for consumption is valued at the lower of cost and replacement cost. Cost is determined on the average unit cost.

Non-financial assets

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

[a] Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition construction, development, or betterment of the tangible capital asset. Cost includes transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs.

Contributed tangible capital assets are recorded at fair value on the date of contribution, except in unusual circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset, commencing once the asset is available for productive use, as follows:

Land improvements	20 to 50 years
Linear assets	7 to 60 years
Buildings and improvements	10 to 50 years
Machinery and equipment	3 to 20 years
Vehicles	5 to 15 years

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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, at which time they are transferred to their respective tangible capital asset categories.

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Works of art and historical treasures held by the City include historical treasures held. These items are not recognized as tangible capital assets in the City's financial statements.

[b] Leased capital asset

A lease that transfers substantially all of the benefits and risks of ownership to the lessee is recorded as a tangible capital asset and the incurrence of a lease obligation. At inception, a tangible capital asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments, excluding executory costs, and the leased property's fair value at the beginning of the lease. The discount rate used to determine the present value of the lease payments is the lower of the City's rate for incremental borrowing or the interest rate implicit in the lease. Leased tangible capital assets are amortized over the economic life of the leased property as follows:

Vehicles	5 to 15 years

[c] Inventories

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

Reserves and reserve funds

Council segregates its accumulated surplus into various categories including reserves which are specifically for future operating and capital purposes.

Taxation revenue

The amount of the total tax levy is determined each year through Council's approval of the annual operation budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council approved policies, in order to raise the revenues required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund the costs of education on a Province wide basis.

Property assessment, on which property taxes are based, are established by the Municipal Property Assessment Corporation. The current value assessment (CVA) of a property represents an estimated market value of a property as of a fixed date. Assessed values for all properties within the Corporation are provided to the City in the form of the returned assessment roll in December of each year.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

The amount of property tax levied on an individual property is the product of the CVA of the property and the tax rate for the class, together with any adjustments that reflect Council approved mitigation or other tax policy measures.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of allowance for anticipated uncollectable amounts.

Collection of Taxes on Behalf of Other Taxation Authorities

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

Revenue recognition

Government transfers are recognized in the consolidated financial statements 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.

Charges for water and sewer usage are recorded as user fees and are recognized when the services are performed and there is reasonable assurance of collection. Connection fee revenues are recognized when the connection has been established.

Sales of service and other revenue is recognized when the services are performed or goods are delivered and there is reasonable assurance of collection.

Fees, rental and other user charge revenue are recorded in the accounts when title passes to the buyer and/or when services have been rendered and the transaction can be reasonably measured.

Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances for accounts receivable and doubtful taxes, useful lives of tangible capital assets, tax revenue due to reassessments and appeals, employee benefits and postretirement benefits liabilities, contingencies, and asset retirement obligations. Actual results could differ materially from management's best estimates as additional information becomes available in the future.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Post-retirement Benefits

The City is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The City has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The City records their contributions to the plan as pension expense in the Statement of Operations.

The cost of other post-employment benefits offered to employees are actuarially determined using the projected benefit method, prorated on service and based on management's best estimate assumptions. Under this method, the projected post-retirement benefit is deemed to be earned on pro-rata basis over the years of service in the attribution period commencing at date of hire, and ending at the earliest age the employee could retire and qualify for benefits.

Asset retirement obligations

A liability for an asset retirement obligation is recognized when is there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made.

The liability is measured at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include postretirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset. For obligations for which there is not tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for (1) changes as a result of the passage of time with corresponding accretion expense and (2) adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate. Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use, which are expensed in the period they are incurred.

A recovery related to asset retirement obligations is recognized when the recovery can be appropriately measured, reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value as provided by the professional investment firm managing the portfolio with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the Statement of Operations. A Statement of Remeasurement Gains and Losses has not been included as there are no matters to report therein.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

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

2. Trust Funds

Trust funds administered by the City amounting to $714,529 [2024 - $694,774] have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations.

3. Cash and Cash Equivalents

Cash and cash equivalents are comprised of the following:

		2025		2024
Cash on hand and bank balances	**$**	**9,490,790**	$	2,735,120
ONE Investment high interest savings		**6,089,580**		4,537,949
	$	**15,580,370**	$	7,273,069

The ONE Investment high interest savings account earned interest at rates which varied between 2.7750%% - 3.9550% during the year.

4. Investments

		2025		2024
Guaranteed Investment Certificates - interest earned at varying rates between 1.15% and 3.35% per annum, maturity dates between January 2026 and September 2029	**$**	**77,159**	$	74,708

5. Accounts Receivable

	2025	2024
Trade and other	**$ 1,548,971**	$ 1,865,572
Allowance for doubtful accounts	**(149,472)**	(192,828)
Provincial Offences Act		
Fines and charges	**14,564,103**	14,558,431
Allowance for doubtful accounts	**(14,564,103)**	(14,558,431)
	$ 1,399,499	$ 1,672,744

Provincial Offences Act

The majority of the fines and penalties receivable for the Provincial Offences Act have been outstanding for more than one hundred and twenty days. Due to the nature of these fines and penalties, it is difficult for the City to actively pursue collection of these outstanding accounts.

6. Bank Indebtedness

The City has an operating line of credit of $7,500,000 with the BMO Financial Group. This operating line of credit is for general business purposes, is due on demand and bears interest at prime. The operating line of credit is not being utilized at year end.

7. Employee Benefits Liability

The employee benefits liability consists of non-vested sick leave (NVSL) and a retirement sick bank benefit (RSBB) that has been calculated by an actuary based on the projected benefit method prorated on service. The significant assumptions assume a discount rate of 4.6% (2023 - 4.4%) for NVSL and 4.6%% (2024 - 4.1%) for RSBB; future salary increases of 3.0% for both NVSL and RSBB; and an estimated average remaining service life of 11.6 years for NVSL and 8.4 years for RSBB.

Employee Benefits Liability	**2025**	2024
Accrued employee benefits liability	**$ 574,100**	$ 539,800
Unamortized actuarial gain	**401,600**	439,600
Employee benefits liability	**$ 975,700**	$ 979,400

Employee Benefits Liability Expense (Recovery)	**2025**	2024
Current year benefit costs	**$ 63,700**	$ 60,456
Interest on accrued benefit obligation	**23,900**	23,600
Amortization of actuarial gains / losses	**(37,900)**	(42,200)
Employee contributions	**(53,400)**	(67,900)
Curtailment		-
Employee benefits expense (recovery)	**$ (3,700)**	$ (26,044)

8. Asset retirement obligations

The City's financial statements include asset retirement obligations for the closure and post closure costs of the City's solid waste landfill and for the abatement of asbestos within certain properties owned by the City.

The liability for the landfill has been estimated using a net present value technique with a discount rate of 4.60% (2024 - 4.60%). The estimated total undiscounted future expenditures are $2,176,009 (2024 - $2,176,009), which are estimated to be incurred over the next 44 years. The liability is expected to be settled in 44 years.

The liability for the abatement of asbestos has been estimated using a net present value technique with a discount rate of 4.60% (2024 - 4.60%). The estimated total undiscounted future expenditures are $50,290 (2024 - $50,290), which are estimated to be incurred over the next 48 years. The liability is expected to be settled in 48 years.

	2025	2024
Balance, beginning of year	$ **1,374,202**	$ 1,453,302
Increase (decrease) due to revisions in estimated cash flows	**-**	(133,571)
Accretion expense	**63,320**	66,852
Decrease due to liability settled during the current year	**-**	(12,381)
Balance, end of year	$ **1,437,522**	$ 1,374,202

Measurement uncertainty

Significant estimates and assumptions are made in determining the asset retirement costs as there are numerous factors that will affect the amount ultimately payable. Those uncertainties may result in future actual expenditures that are different than the amounts currently recorded. At each reporting date, as more information and experience is obtained as it relates to these asset retirement obligations. Adjustments of the timing, the undiscounted cash flows and the discount rates may change. Adjustments to these factors are accounted for as an adjustment to the asset retirement obligation and the related tangible capital asset in the current period on a prospective basis.

9. Post-retirement Benefits Liability

The City provides the following benefits to employees who have been a member of the benefits plan for at least one year immediately prior to retirement from active service with retirement under the terms of the OMERS pension plan:

- Extended health care drug plan
- Dental benefits
- Semi-private hospital coverage
- Vision care
- Group life insurance and AD&D insurance

At December 31, 2025, The City's accrued benefit obligation relating to post-retirement benefit plans was $1,389,300 (2024 - $1,468,200).

The significant actuarial assumptions adopted and estimated for City's accrued benefit obligations are as follows:

Discount Rate	4.60%
Health Care Drug Cost Increase	6.0% decreasing linearly to an ultimate rate after 10 years of 4.0%
General Inflation	2.50%
Other Benefits Cost Increase	4.0% per year

Post-retirement Benefits Liabilities	**2025**	2024
Accrued post-retirement benefits obligations	**$ 988,500**	$ 1,018,200
Unamortized actuarial (gain) loss	**400,800**	450,000
Post-retirement benefits liability	**$ 1,389,300**	$ 1,468,200

Post-retirement Benefits Expense (Recovery)	**2025**	2024
Current year benefit costs	**$ 46,100**	$ 44,076
Amortization of actuarial gains / losses	**(36,700)**	(39,900)
Interest on accrued benefit obligation	**44,800**	46,700
Employee contributions	**(133,100)**	(133,100)
Post-retirement benefits expense (recovery)	**$ (78,900)**	$ (82,224)

10. Deferred revenue /Obligatory reserve funds

	2025	2024
Government transfers:		
Federal gas tax / Canada Community-Building funds	**$ 440,977**	$ 28,829
Connecting Links	**1,500,000**	-
Ontario Community Infrastructure Fund	**1,420,799**	420,440
Housing-Enabling Water Systems (HEWS) Core Grant	**768,719**	22,857
Housing-Enabling Core Servicing stream (HECS) Grant	**536,872**	-
Ontario Trillium Foundation	**100,000**	-
Bail Compliance and Warrant Apprehension Grant	**-**	277,400
Other deferred revenue	**323,813**	194,404
	$ 5,091,180	$ 943,930

The continuity of deferred revenue /obligatory reserve funds is as follows:

	Government Transfers	Other	2025 Total	2024 Total
Balance, beginning of year	$ 749,526	$ 194,404	**$ 943,930**	$ 2,220,810
Gas tax proceeds	483,915	-	**483,915**	
Gas tax revenue earned	(71,767)	-	**(71,767)**	(273,798)
Other funds received in year	4,225,097	162,747	**4,387,844**	
Other amounts earned during the year	(619,404)	(33,338)	**(652,742)**	(1,003,082)
Balance, end of year	**$ 4,767,367**	**$ 323,813**	**$ 5,091,180**	$ 943,930

11. Pension agreements

The City makes contributions to the Ontario Municipal Employees 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 the 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 services 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 City does not recognize any share of the Plan surplus or deficit.

Contributions made by the City to OMERS for 2025 totaled $723,473 [2024 - $680,827].

12. Debt financing

a) The balance of debt financing reported on the consolidated statement of financial position is made up of the following:

	2025	2024
Daimler Truck Financial financing, repayable in monthly installments of $4,646 including interest at 6.54% secured by specific automotive equipment with a net book value of $146,793, maturing 2027	$ **62,559**	$ 112,330
Bank of Montreal loan, repayable in monthly instalments of $13,458 plus interest at 3.72%, secured by By-Law #4205-2014; maturing 2026	**80,788**	242,284
Canada Mortgage and Housing Corporation mortgage, repayable in annual instalments of $868,965 including principal and interest at 3.82%, secured by By-law #3808-2010; maturing 2030	**3,888,116**	4,582,046
Ford Credit Canada financing, repayable in monthly instalments of $2,211 including interest at 5.60%, secured specific automotive equipment with a net book value of $76,025, maturing 2027	**42,106**	56,835
Balance, end of year	$ **4,073,569**	$ 4,993,495

b) Debt charges for the next five years are as follows:

	Principal	Interest	Total
2026	$ 879,245	$ 151,873	1,031,118
2027	774,492	121,081	895,573
2028	776,532	92,433	868,965
2029	806,195	62,770	868,965
2030	837,105	31,973	869,078
	$ **4,073,569**	$ **460,130**	$ **4,533,699**

c) The net long term debt in a) issued in the name of the City is within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

The agreements governing the long term debt facilities contain certain covenants regarding provision of audited financial statements within 120 days of the fiscal year end. The City is in violation of this covenant for the 2025 audited financial statements.

13. Capital Lease obligations

a) The balance of capital lease obligations reported on the consolidated statement of financial position is made up of the following:

	2025	2024
CLE Capital lease, repayable in monthly instalments of $5,903 including principal and interest at 4.95%, secured by machinery and equipment; maturing 2027	$ **107,502**	$ 171,299
Northpoint Commercial Finance lease, monthly installments of $3,771 including principal and interest at 0.55%, secured by machinery and equipment; maturing 2030	**190,321**	-
Daimler Truck Financial Services lease, monthly installments of $7,185 including principal and interest at 0.61%, secured by machinery and equipment; maturing 2032	**425,269**	-
Balance, end of year	$ **723,092**	$ 171,299

b) Lease payments for the next five years and thereafter are as follows:

	Principal	Interest	Total
2026	$ 156,629	$ 44,459	$ 201,088
2027	141,997	37,067	179,064
2028	104,398	27,073	131,471
2029	111,969	19,502	131,471
2030	116,320	11,380	127,700
Thereafter	91,779	4,438	96,217
	$ **723,092**	$ **143,919**	$ **867,011**

14. Tangible capital assets

Schedule 2 provides information on the tangible capital assets of the City by major asset class, as well as accumulated amortization of the assets controlled.

There were write-downs of $nil of assets in 2025 [2024 - $nil].

Interest capitalized during 2025 was $nil [2024 - $nil].

There were no contributed tangible capital assets in 2025 [2022 - $nil].

Certain assets have been recorded at a nominal value on adoption of tangible capital assets due to the difficulty in determining an appropriate value. Municipal lands are assigned nominal values. The total of these municipal lands valued in 2025 was $1,309,259 [2024 - $1,317,803].

15. Taxation

	2025	2024
Residential and farm taxation	$ **9,521,653**	9,205,489
Commercial and industrial	**6,742,776**	6,595,421
Payments-in-lieu of property	**473,539**	524,850
	$ **16,737,968**	$ 16,325,760

16. Other income

	2025	2024
Penalties & Interest on taxation	$ **200,849**	$ 174,319
Investment	**291,809**	551,834
Building Rentals	**933,850**	914,539
Provincial offences act	**1,026,232**	1,023,522
Licences and permits	**140,428**	96,737
Loss on disposal of tangible capital assets	**(75,863)**	(9,309)
Gain on sale of surplus land	**98,431**	16,044
Other fines	**29,952**	26,912
Municipal Accommodation Tax	**959,942**	453,130
Miscellaneous	**1,842,624**	1,363,370
Donations	**28,081**	319,767
	$ **5,476,335**	$ 4,930,865

17. Contributions to Unconsolidated Joint Boards

The following contributions were made by the City to joint boards:

	2025	2024
District of Kenora Home for the Aged	$ **811,053**	$ 805,977
Northwestern Health Unit	**429,027**	361,891
Kenora District Services Board	**1,409,664**	1,366,960
	$ **2,649,744**	$ 2,534,828

18. Contingencies

The Corporation of City of Dryden has been named in legal claims and grievances in the ordinary course of operations. The City has contested the claims. Legal counsel for the City has advised that it is premature to make any evaluation of the possible outcomes or possible settlement amounts. Consequently, no provisions have been made in the financial statements.

19. Contractual obligations

During 2022, the City transitioned its policing services from the Dryden Police Services Board to the Ontario Provincial Police (OPP). As such, the City has entered into an agreement with the OPP for policing services. Total estimated costs for 2026 are approximately $4.18 million. Costs are reviewed and may be adjusted annually.

20. Segmented information

The City is a diversified municipal government institution that provides a wide range of services to its citizens. The management of the City considers decisions based on separate service areas. These service areas are: general government, protection services, transportation services, environmental services, health services, social and family services, social housing, recreational and cultural services and planning and development.

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

• Unconditional grants and other income - Allocated to those segments that are funded by these amounts based on the net surplus for the year.

• Taxation - Allocated to those segments that are funded by these amounts based on the net surplus for the year after allocating unconditional grants and other income.

Descriptions of the services and funds that management bases their decisions on are as follows:

General government

General government consists of governance, corporate management and program support. These categories relate to operations of all of the various programs and services that the City offers to its citizens.

Protection to persons and property

Protection is comprised of police services and fire protection. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education related to prevention, detection or extinguishment of fires.

Transportation services

The transportation services area provides construction and maintenance of the roadways throughout the City as well as the municipal airport.

Environmental services

Environmental services consists of the management and maintenance of the sanitary sewer system, waterworks system, and waste disposal facility located within the municipal borders.

Health services

Health services are comprised of public health services and ambulance service. The City contributes to local boards which provide these services to the citizens of the City.

20. Segmented information (continued)

Social and family services

Social and family services are comprised of general assistance, child care and assistance to the aged. The City contributes to local boards which provide these services to the citizens of the City.

Social Housing

The City contributes to a local board which provides social housing if the citizens of The Corporation of the City of Dryden require the service.

Recreation and cultural services

This service area consists of the operation and maintenance of local parks, recreational facilities, cultural facilities and the town library.

Planning and development

These services relate to zoning issues as well as planning of various municipal maintenance projects.

For additional information see the Consolidated Schedule of Segment Disclosure [Schedule 3].

21. Reserves and reserve funds

The continuity of reserves and reserve funds which make up a part of accumulated surplus on Schedule 1 is as follows:

		2025		2024
Reserves				
Balance, beginning of year	**$**	**436,641**	$	426,886
Increases				
Transfer to reserves		**238,545**		166,046
Interest earned		**19,643**		57,649
		258,188		223,695
Decreases				
Transfer from reserves		-		(213,940)
Balance, end of year	**$**	**694,829**	$	436,641
Reserves funds				
Balance, beginning of year	**$**	**4,771,986**	$	3,175,387
Increases				
Transfer to reserve funds		**3,483,131**		2,058,854
Interest earned		**121,531**		231,135
		3,604,662		2,289,989
Decreases				
Transfer from reserve funds		**(783,964)**		(693,390)
Balance, end of year	**$**	**7,592,684**	$	4,771,986

22. Budget figures

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the Consolidated Statement of Operations and Accumulated Surplus has been adjusted to be presented on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statements.

	Approved Fiscal Plan	PSAS Adjustments	Fiscal Plan per Financial Statements
Revenues			
Taxation	$ 16,737,163	$ -	**$ 16,737,163**
Fees and user charges	9,255,760	-	**9,255,760**
Government transfers - federal	267,514	-	**267,514**
Government transfers - provincial	7,542,597	-	**7,542,597**
Other income	7,073,209	(2,963,364)	**4,109,845**
	40,876,243	(2,963,364)	**37,912,879**
Expenses			
General government	6,272,611	(1,806,299)	**4,466,312**
Protection to persons and property	8,288,656	289,190	**8,577,846**
Transportation services	5,680,545	555,201	**6,235,746**
Environmental services	11,941,555	(5,698,846)	**6,242,709**
Health services	1,394,803	(75,479)	**1,319,324**
Social and family services	1,029,332	-	**1,029,332**
Social housing	559,032	-	**559,032**
Recreation and cultural services	5,097,762	265,730	**5,363,492**
Planning and development	611,947	(302,071)	**309,876**
	40,876,243	(6,772,574)	**34,103,669**
Annual surplus	$ -	$ 3,809,210	**$ 3,809,210**
Purchase of tangible capital assets		7,641,326	
Debt repayments		855,426	
Interfund transfers		513,909	
Amortization		(5,138,131)	
Accretion		(63,320)	
		$ 3,809,210	

23. Financial Instruments

Classification

The following table provides the carrying amount information of the City's financial instruments by category. The maximum exposure to credit risk for the financial assets and liquidity risk for liabilities would be the carrying values shown below.

	2025		2024	
Financial Instrument	**Amortized Cost/Cost $**	**Fair Value $**	Amortized Cost/Cost $	Fair Value $
Cash and cash equivalents	**$ 15,580,370**	$ **-**	$ 7,273,069	$ -
Investments	**77,159**	**-**	74,708	-
Accounts receivable	**1,399,499**	**-**	1,672,744	-
User charges receivable	**594,097**	**-**	599,853	
Grants receivable	**1,476,641**	**-**	4,313,934	
Accounts payable and accrued liabilities	**5,607,603**	**-**	8,025,463	-
Debt financing	**4,073,569**	**-**	4,993,495	-
Capital lease obligations	**723,092**	**-**	171,299	-

Risk disclosures

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risks: currency risk, interest rate risk and other price risk. The City is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The City is exposed to this risk through its interest-bearing investments and debt. Fixed rate instruments subject the City to a fair value risk while variable rate risk subject the City to a cash flow risk. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Credit risk

The Credit risk is the risk of financial loss to the City if a debtor fails to discharge their obligation (e.g., pay the accounts receivable owing to the City). The City is exposed to this risk arising from its cash, investments and accounts receivable. The City holds certain cash accounts with a federally regulated chartered bank who is insured by the Canadian Deposit Insurance Corporation. In the event of default, the City's cash accounts are insured up to $100,000 per account (2024 - $100,000).

The City's investment policy operates within the constraints of the investment guidelines laid out in the Municipal Act which puts limits on the types of investments the City may invest in, lays out composition of its investment portfolio, specifies the bond quality limits and issuer type limits and general guidelines for geographical exposure. The Act permits the City's funds to be invested in bonds issued by the Government of Canada or a Canadian province having a rating of A or better, or corporate investments having a rating of AAA (high) or better. It also limits its investments in pooled funds to Canadian money market funds and bond funds.

23. Financial Instruments (continued)

Accounts receivable are primarily due from government, corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The City measures its exposure to credit risk based on how long the amounts have been outstanding. An allowance is set up based on the City's historical experience regarding collections. In the current and prior years, the allowances related to water receivables. There were no significant changes in exposures to credit risk during the period.

The amounts outstanding at year end were as follows:

	2025					
	Current	**31-60 Days**	**61-90 Days**	**91-120 Days**	**Over 120 Days**	**Total**
Accounts receivable	**$ 969,529**	**$ 1,976**	**$ 170,708**	**$ 292,538**	**$ 114,220**	**$ 1,548,971**
User charges receivable	**543,670**	**35,282**	**-**	**5,165**	**9,980**	**594,097**
Grant receivables	**287,759**	**-**	**-**	**-**	**1,188,882**	**1,476,641**
Total	**1,800,958**	**37,258**	**170,708**	**297,703**	**1,313,082**	**3,619,709**
Less						
Other receivable allowances					**(149,472)**	**(149,472)**
Net receivable	**$ 1,800,958**	**$ 37,258**	**$ 170,708**	**$ 297,703**	**$ 1,163,610**	**$ 3,470,237**

	2024					
	Current	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Total
Accounts receivable	$ 197,662	$ 320,313	$ 70,762	$ 244,084	$ 1,032,751	$ 1,865,572
User charges receivable	451,729	148,124	-	-	-	599,853
Grant receivables	261	2,727,014	1,534,013	-	52,646	4,313,934
Total	649,652	3,195,451	1,604,775	244,084	1,085,397	6,779,359
Less						
Other receivable allowances	-	-	-	-	(192,828)	(192,828)
Net receivable	$ 649,652	$ 3,195,451	$ 1,604,775	$ 244,084	$ 892,569	$ 6,586,531

At year end, the City hold $1,284,095 in property taxes receivable, which are protected from risk through the registration of a tax arrears certificate under section 373 of the Municipal act.

23. Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that the City will not be able to meet all cash outflow obligations as they come due. The City mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. There were no significant changes in exposures to liquidity risk during the period. The following table sets out the expected maturities, representing undiscounted cash-flows of its financial liabilities:

	2025				
	Within 1 Year	**1-2 Years**	**2-5 Years**	**Over 5 Years**	**Total**
Accounts payable and accrued liabilities	**$ 4,940,052**	**$ 667,551**	**$ -**	**$ -**	**$ 5,607,603**
Debt financing	**879,245**	**1,551,024**	**1,643,300**	**-**	**4,073,569**
Capital Lease Obligation	**156,629**	**246,395**	**305,827**	**14,241**	**723,092**
	$ 5,975,926	**$ 2,464,970**	**$ 1,949,127**	**$ 14,241**	**$ 10,404,265**

	2024				
	Within 1 Year	1-2 Years	2-5 Years	Over 5 Years	Total
Accounts payable and accrued liabilities	$ 7,661,105	$ 364,358	$ -	$ -	$ 8,025,463
Debt financing	926,410	1,647,366	2,419,719	-	4,993,495
Capital Lease Obligation	63,913	107,386	-	-	171,299
	$ 8,651,428	$ 2,119,110	$ 2,419,719	$ -	$ 13,190,257

24. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

The Corporation of the City of Dryden
Schedule 1
Consolidated Schedule of Accumulated Surplus

Year Ended December 31	2025	2024
General fund	**$ 4,546,163**	$ 5,012,215
Investment in tangible capital assets	**86,688,366**	88,349,075
Amounts to be recovered	**(4,829,823)**	(4,849,103)
Total surpluses	**86,404,705**	88,512,188
Reserves set aside for specific purposes by council		
For general operating	**576,912**	323,800
For future municipal election costs	**28,753**	27,515
For museum	**89,164**	85,325
Total reserves	**694,829**	436,641
Reserve funds set aside for specific purposes by council		
For operating revenue	**345,703**	242,779
For Aaron park	**77,261**	31,272
For city buildings and land development	**1,357,606**	1,539,060
For purchase of capital assets	**1,715,335**	953,808
For sewer/wastewater infrastructure	**659,337**	209,733
For waterworks infrastructure	**2,235,013**	1,222,266
For transit	**222,462**	217,303
For emergency capital	**902,432**	290,019
For fire equipment	**77,535**	65,746
Total reserve funds	**7,592,684**	4,771,986
Accumulated surplus	**$ 94,692,218**	$ 93,720,813

The Corporation of the City of Dryden
Schedule 2
Consolidated Schedule of Tangible Capital Assets
Year Ended December 31

	Land	Land Improvements	Linear Assets	Building & Improvement	Machinery and Equipment	Vehicles	Construction In Progres	**Total 2025**	Total 2024
Cost									
Balance, beginning of year	$ 4,325,488	9,334,027	97,493,701	54,705,717	28,938,052	7,036,377	590,179	$ **202,423,541**	$ 191,911,449
Add								**-**	
Additions during the year	-	71,710	840,619	899,335	465,899	675,750	231,839	**3,185,152**	15,209,674
Transfers	-	-	167,788	-	2,797		(170,585)	**-**	-
Adjustments	-	-	37,976	-	-	-	-	**37,976**	
Less									
Disposals in the year	-	-	477,747	-	-	-	-	**477,747**	4,697,582
Adjust									
ARO accretion/ revision of estimated cash flows	-	-	-	-	-	-	-	**-**	
Balance, end of year	4,325,488	9,405,737	98,062,337	55,605,052	29,406,748	7,712,128	651,432	**205,168,922**	202,423,541
Accumulated Amortization									
Balance, beginning of year	-	6,761,555	56,008,797	22,161,609	20,056,256	3,921,455	-	**108,909,672**	103,923,332
Add									
Amortization during the year	-	324,309	1,906,610	1,399,095	1,094,062	414,055	-	**5,138,131**	4,987,038
Adjustments	-	-	37,976	-	-	-	-	**37,976**	-
Less									
Disposals in the year	-	-	401,884	-	-	-	-	**401,884**	698
Balance, end of year	-	7,085,864	57,551,499	23,560,704	21,150,318	4,335,510	-	**113,683,895**	108,909,672
Net book value, beginning of year	4,325,488	2,572,472	41,484,904	32,544,107	8,881,796	3,114,923	590,179	**93,513,869**	87,988,117
Net book value, end of year	**$ 4,325,488**	**$ 2,319,873**	**$ 40,510,838**	**$ 32,044,348**	**$ 8,256,430**	**$ 3,376,618**	**$ 651,432**	**$ 91,485,027**	$ 93,513,869

The construction in progress amounts not being amortized because they are under construction (or development) are $651,432 (2023 -$590,179).

Included in vehicles assets held under capital lease with cost of $1,135,724 and accumulated amortization of $199,373.

The Corporation of the City of Dryden
Schedule 3
Consolidated Schedule of Segment Disclosure
Year Ended December 31

	General Government		Protection Services		Transportation Services		Environmental Services		Health Services	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Revenues										
Taxation	**$ 2,974,532**	$ 1,864,689	**$ 5,234,708**	$ 7,528,924	**$ 3,723,596**	$ -	**$ -**	$ -	**$ 824,035**	$ 980,945
User fees and service charges	**-**	-	**-**	-	**464,584**	425,741	**7,274,464**	6,943,914	**111,627**	105,561
Conditional grants	**763,304**	1,494,762	**477,257**	1,093,807	**345,362**	6,909,664	**215,500**	186,812	**-**	-
Unconditional grants	**449,682**	258,394	**791,369**	1,043,301	**562,923**	-	**-**	-	**124,575**	135,932
Other	**973,209**	563,192	**1,712,694**	2,273,959	**1,218,288**	-	**-**	-	**269,608**	296,275
	5,160,726	4,181,037	**8,216,027**	11,939,991	**6,314,753**	7,335,405	**7,489,964**	7,130,726	**1,329,845**	1,518,713
Expenses										
Salaries, wages and employee benefits	**2,074,029**	1,632,166	**1,496,970**	1,432,782	**2,033,375**	1,984,391	**1,609,389**	1,541,066	**43,384**	41,183
Long-term debt charges	**-**	-	**-**	-	**4,035**	7,929	**179,444**	202,763	**-**	-
Materials	**921,373**	735,644	**993,225**	1,407,342	**1,208,010**	1,218,079	**1,810,047**	1,639,148	**162,223**	149,763
Contracted services	**1,826,672**	988,600	**5,206,654**	5,974,856	**1,062,915**	1,030,051	**1,038,906**	935,833	**21,290**	14,067
Rent and financials	**109,726**	(1,722)	**-**	-	**-**	-	**-**	-	**-**	-
External transfers to others	**-**	-	**192,672**	208,090	**-**	-	**-**	-	**1,093,035**	965,389
Accretion	**175**	167	**-**	-	**740**	708	**62,201**	(11,834)	**-**	-
Amortization	**259,824**	196,273	**381,190**	373,584	**2,044,576**	2,068,915	**1,643,720**	1,681,656	**18,521**	16,939
	5,191,799	3,551,129	**8,270,711**	9,396,654	**6,353,651**	6,310,073	**6,343,707**	5,988,632	**1,338,453**	1,187,341
Annual surplus (deficit)	**$ (31,073)**	$ 629,908	**$ (54,684)**	$ 2,543,337	**$ (38,898)**	$ 1,025,332	**$ 1,146,257**	$ 1,142,094	**$ (8,608)**	$ 331,372

	Social and Family Services		Social Housing		Recreation and Cultural Services		Planning and Development		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Revenues										
Taxation	**$ 674,716**	$ 908,586	**$ 375,491**	$ 523,585	**$ 2,525,207**	$ 3,437,272	**$ 405,684**	$ 1,081,759	**$ 16,737,968**	$ 16,325,760
User fees and service charges	**-**	-	**-**	-	**1,742,365**	1,300,974	**27,278**	60,363	**9,620,318**	$ 8,836,553
Conditional grants	**-**	-	**-**	-	**67,931**	778,823	**-**	-	**1,869,354**	$ 10,463,868
Unconditional grants	**102,002**	125,905	**56,766**	72,554	**381,754**	476,311	**61,330**	149,902	**2,530,400**	$ 2,262,299
Other	**220,754**	274,420	**122,853**	158,138	**826,198**	1,038,158	**132,732**	326,723	**5,476,335**	$ 4,930,865
	997,472	1,308,911	**555,109**	754,277	**5,543,456**	7,031,538	**627,024**	1,618,747	**36,234,375**	42,819,345
Expenses										
Salaries, wages and employee benefits	**6,843**	9,950	-	-	**2,866,969**	2,620,602	**143,079**	689,555	**10,274,038**	9,951,695
Long-term debt charges	**-**	-	-	-	**-**	-	**-**	-	**183,479**	210,692
Materials	**-**	-	-	-	**1,576,690**	1,431,496	**184,355**	507,400	**6,855,923**	7,088,873
Contracted services	**-**	-	-	-	**159,238**	112,328	**305,029**	37,268	**9,620,704**	9,093,003
Rent and financials	**-**	-	-	-	**175,233**	204,790	**-**	-	**284,959**	203,068
External transfers to others	**997,677**	992,033	**559,032**	577,406	**-**	-	**-**	-	**2,842,416**	2,742,918
Accretion	**-**	-	-	-	**204**	195	**-**	-	**63,320**	(10,764)
Amortization	-	-	-	-	**765,867**	629,876	**24,433**	19,098	**5,138,131**	4,986,341
	1,004,520	1,001,983	**559,032**	577,406	**5,544,201**	4,999,287	**656,896**	1,253,321	**35,262,970**	34,265,826
Annual surplus (deficit)	**$ (7,048)**	$ 306,928	**$ (3,923)**	$ 176,871	**$ (745)**	$ 2,032,251	**$ (29,872)**	$ 365,426	**$ 971,405**	$ 8,553,519