

Consolidated Financial Statements of

**THE CORPORATION OF THE
MUNICIPALITY OF WAWA**

And Independent Auditor's Report thereon

Year ended December 31, 2025

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Consolidated Financial Statements

Year ended December 31, 2025

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Management's Responsibility for the Consolidated Financial Statements

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

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

The finance committee meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to its approval of the consolidated financial statements.

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

Maury O'Neill, Chief Administrative Officer / Deputy Clerk

Heather Rainville, Treasurer

September 11, 2026



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of The
Municipality of Wawa

Opinion

We have audited the consolidated financial statements of The Corporation of The Municipality of Wawa (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- the consolidated statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity 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.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Canada

September 11, 2026

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Consolidated Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets		
Cash	\$ 6,324,120	\$ 4,868,729
Investments (note 2)	7,979,159	7,661,046
Taxes receivable (note 3)	621,006	1,028,499
Accounts receivable	3,246,832	2,262,481
Inventory for resale	102,936	61,151
Investment in government business enterprise (note 4)	53,098	53,098
	18,327,151	15,935,004
Financial liabilities		
Accounts payable and accrued liabilities	1,051,913	860,755
Deferred revenue - obligatory reserves (note 5)	2,780,928	2,889,518
Deferred revenue - other (note 5)	63,265	21,432
Employee future benefit obligations (note 6)	2,172,709	2,072,895
Asset retirement obligations (note 7)	1,619,793	1,576,145
Long-term obligations (note 8)	2,062,252	2,131,849
	9,750,860	9,552,594
Net financial assets	8,576,291	6,382,410
Non-financial assets		
Tangible capital assets (note 9)	35,476,701	33,972,025
Prepaid expenses	42,654	100,605
Inventories	79,280	46,938
	35,598,635	34,119,568
Commitments (note 15)		
Accumulated surplus (note 13)	\$ 44,174,926	\$ 40,501,978
Accumulated surplus is comprised of:		
Accumulated operating surplus	\$ 44,208,989	\$ 40,540,148
Accumulated remeasurement losses	(34,063)	(38,170)
	\$ 44,174,926	\$ 40,501,978

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

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2025, with comparative information for 2024

	Budget (note 16)	2025	2024
Revenue:			
Net taxation (note 11)	\$ 5,718,063	\$ 5,489,687	\$ 5,120,230
Government transfers and grants	8,607,131	7,285,743	6,271,518
Fees and user charges	3,048,111	3,306,131	3,113,380
Investment and interest income	330,174	371,073	361,197
Other	1,466,260	1,365,785	769,488
Total revenue	19,169,739	17,818,419	15,635,813
Expenses:			
General government	2,313,069	1,750,960	2,022,454
Protection services	1,427,819	1,332,529	1,304,351
Transportation services	3,506,661	3,461,021	3,954,083
Environmental services	3,039,282	3,107,674	2,566,612
Health services	143,585	184,838	151,553
Social and family services	1,859,185	1,784,032	1,739,354
Recreation and cultural services	2,322,308	2,379,179	2,319,730
Planning and development	197,117	114,978	44,257
Total expenses	14,809,026	14,115,211	14,102,394
Annual surplus before undernoted	4,360,713	3,703,208	1,533,419
Asset retirement obligation accretion expense (note 7)	-	(34,367)	(33,349)
Annual surplus	4,360,713	3,668,841	1,500,070
Accumulated surplus, beginning of year	40,540,148	40,540,148	39,040,078
Accumulated surplus, end of year	\$ 44,900,861	\$ 44,208,989	\$ 40,540,148

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

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Consolidated Statement of Change in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Budget (note 16)	2025	2024
Annual surplus	\$ 4,360,713	\$ 3,668,841	\$ 1,500,070
Acquisition of tangible capital assets	(7,229,704)	(4,196,587)	(4,366,851)
Amortization of tangible capital assets	2,691,911	2,691,911	2,590,545
(Gain) loss on disposal of tangible capital assets	-	(23,125)	21,965
Proceeds on sale of tangible capital assets	-	23,125	-
	(177,080)	2,164,165	(254,271)
Change in prepaid supplies	-	57,951	(59,644)
Change in inventories of supplies	-	(32,342)	7,761
Change in net assets excluding net remeasurement (losses) gains	(177,080)	2,189,774	(306,154)
Remeasurement (losses) gains	-	4,107	43,324
Change in net assets	(177,080)	2,193,881	(262,830)
Net assets, beginning of year	6,382,410	6,382,410	6,645,240
Net assets, end of year	\$ 6,205,330	\$ 8,576,291	\$ 6,382,410

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

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Consolidated Statement of Remeasurement Gains and Losses

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Accumulated remeasurement losses, beginning of year	\$ (38,170)	\$ (81,494)
Unrealized gains attributable to:		
Investments	4,107	74,456
Realized losses attributable to:		
Investments	-	(31,132)
Net remeasurement (losses) gains for the year	4,107	43,324
Accumulated remeasurement losses, end of year	\$ (34,063)	\$ (38,170)

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

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Consolidated Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 3,668,841	\$ 1,500,070
Items not involving cash:		
Amortization of tangible capital assets	2,691,911	2,590,545
(Gain) loss on disposal of tangible capital assets	(23,125)	21,965
Change in future employee benefit obligations	99,814	626,605
Accretion expense	34,367	33,349
	6,471,808	4,772,534
Change in non-cash assets and liabilities:		
Taxes receivable	407,493	398,426
Accounts receivable	(984,351)	(1,196,286)
Loans receivable	-	207,082
Prepaid expenses	57,951	(59,644)
Inventories	(74,127)	50,645
Accounts payable and accrued liabilities	191,158	179,799
Deferred revenue - obligatory reserves	(108,590)	(74,012)
Deferred revenue - other	41,833	(21,820)
	6,003,175	4,256,724
Capital activities:		
Proceeds on sale of tangible capital assets	23,125	-
Cash used to acquire tangible capital assets	(4,187,306)	(3,977,190)
	(4,164,181)	(3,977,190)
Financing activities:		
(Decrease) increase in investments	(314,006)	1,588,613
Repayment of long-term liabilities	(69,597)	(68,500)
	(383,603)	1,520,113
Net change in cash	1,455,391	1,799,647
Cash, beginning of year	4,868,729	3,069,082
Cash, end of year	\$ 6,324,120	\$ 4,868,729

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

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements

Year ended December 31, 2025

The Municipality of Wawa (the "Municipality") is a municipality in the Province of Ontario, Canada. The Municipality provides municipal services such as public works, planning, parks and recreation, library and other general government operations in accordance with the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. Significant accounting policies:

The consolidated financial statements of the Municipality are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Municipality are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and which are owned or controlled by the Municipality.

These entities and organizations include:

Wawa Public Library Board

Interdepartmental and inter-organizational transactions and balances between these entities and organizations have been eliminated.

(ii) Investment in Government Business Enterprise:

The Municipality's investment in a Government Business Enterprise (GBE) is accounted for by the modified equity method. Under the modified equity method, the business enterprise's accounting principles are not adjusted to conform with those of the Municipality and inter-organization transactions and balances are not eliminated. The Municipality recognizes its equity interest in the annual income or loss of the GBE in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends that the Municipality may receive from the GBE will be reflected as reductions in the investment asset account.

(iii) Related entities:

The consolidated financial statements do not reflect the assets, liabilities, sources of financing, expenses and the activities of the following Boards and enterprises which are not under the control of Council.

Algoma Health Unit

Algoma District Social Services Administration Board

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

(v) Accounting for school board transactions:

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

(b) Basis of accounting:

The Municipality follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

The Municipality prepares tax billings based on assessment rolls issued by the Municipal Property Assessment Corporation, in accordance with rates established and approved annually by Council and the Province of Ontario. Taxation revenue is recognized in the period in which the taxes are levied.

A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessments. Assessments and related property taxes are subject to appeal by ratepayers. Tax adjustments as a result of supplementary assessments and appeals are estimated based on historical results.

The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the accounts in the period the interest and penalties are levied.

Government transfers are recognized in the period in which the events giving rise to the transfer occurred, provided that the transfer is authorized and the amount can be reasonably estimated. Government grants are recognized when approved to the extent the related expenditures have been incurred and collection can be reasonably assured. Grants received where expenditures have not been incurred are included in deferred revenue.

Government transfers received or receivable are recognized in revenue once the eligibility criteria, if any, are met unless they meet the definition of a liability. Government transfers paid are recognized as a liability and an expense when the transfer is authorized and all eligibility criteria have been met by the recipient.

User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(d) Financial Instruments:

All financial instruments are initially recorded on the statement of financial position at fair value.

All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments that are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded at fair value, as described below:

Level 1 Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly

Level 3 Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

Financial assets measured at amortized cost include cash and cash equivalents, taxes receivable, accounts receivable and loans receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term obligations.

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial assets, a valuation allowance is used to reflect the financial asset at the lower of cost and estimated net recoverable value, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(e) Inventories:

Inventories held for resale are stated at the lower of cost and net realizable value, while inventories of supplies are stated at the lower of cost and replacement value.

(f) Deferred revenue:

Deferred revenues represent licenses, permits and other fees which have been collected, but for which the related services or inspections have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

A requirement for local governments is that the obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation and other agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. Given the restriction in use until spent on qualifying projects or expenses these amounts are deferred.

(g) 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.

(i) Tangible capital assets:

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. With the exception of land, the cost, less (if applicable) residual value, of the tangible capital assets excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Machinery, equipment and computers	3 - 20 years
Library collection	5 years
Landfill and land improvements	10 years
Vehicles	5 - 15 years
Buildings and building improvements	20 - 40 years
Infrastructure	25 - 50 years

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(g) Non-financial assets (continued):

(i) Tangible capital assets (continued):

Assets are amortized in the month following purchase or in-service date. Assets under construction are not amortized until the asset is available for productive use.

The Municipality of Wawa has a capitalization threshold between \$5,000 and \$75,000 for various categories of tangible capital assets. Individual assets below the threshold are expensed, unless they are pooled, because collectively, they have significant value. The Municipality's threshold for pooled assets is \$5,000.

(ii) Contributions for tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also recorded as revenue.

(iii) Leased tangible capital assets:

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

(iv) Works of art and historical treasures:

Works of art and historical treasures are property that has cultural, aesthetic, or historical value that is worth preserving perpetually. Works of art and historical treasures would not be recognized as tangible capital assets in government financial statements because a reasonable estimate of the future benefits associated with such property cannot be determined. Disclosure of the existence of such property is required under PSAB.

Tangible capital assets meeting the aforementioned description for the Municipality of Wawa are:

Wawa Goose Monument	\$	275,000
Drill Rig Monument		50,000
Train Display		5,000

(h) Surplus land:

The carrying value of surplus land is based on the purchase and development costs and does not reflect any gain that may arise if the land sells for more than the carrying value.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(i) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, asset retirement obligation and in performing actuarial valuations of employee future benefits.

Actual results could differ from these estimates.

(j) Employee future benefits:

The Municipality accrues its obligations for employee benefit plans. The cost of post-retirement and post-employment benefits earned by employees is actuarially determined using the projected benefit method pro-rated on services and management's best estimate of salary escalation, retirement ages and expected health care costs.

(k) Post-employment benefits:

The Municipality 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 Municipality has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. The Municipality records the current service cost within salaries and benefits expense at the time incurred.

(l) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- i. There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- ii. The past transaction or event giving rise to the liability has occurred;
- iii. It is expected that the future economic benefits will be given up; and
- iv. A reasonable estimate of the amount can be made.

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the Municipality and other retirement obligations has also been recognized based on estimated future expenses on closure of the site and post-closure care.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(I) Asset retirement obligation (continued):

The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in note 1(g) i.

2. Investments:

	2025 Market value	2025 Cost	2024 Market value	2024 Cost
ONE Investment program				
Canadian government bond	\$ 518,884	\$ 560,449	\$ 503,862	\$ 539,778
Canadian corporate bond	27,207	29,488	26,436	28,690
High interest savings	121,447	121,447	117,478	117,478
Term deposits	7,253,469	7,253,469	6,956,671	6,956,671
Mutual funds	58,152	48,369	56,599	48,369
	\$ 7,979,159	\$ 8,013,222	\$ 7,661,046	\$ 7,690,986

3. Taxes receivable:

	2025	2024
Current	\$ 510,661	\$ 563,955
Prior years	890,345	1,094,544
	1,401,006	1,658,499
Allowance for doubtful accounts	(780,000)	(630,000)
	\$ 621,006	\$ 1,028,499

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

4. Investment in government business enterprise:

The Municipality has a 20% equity share of 2729028 Ontario Inc. (the "Corporation"). The Corporation will construct natural gas storage facilities (above ground storage tanks and associated vaporization systems) as well as local natural gas distribution systems (gas mains and laterals) to service businesses and residents in municipalities of the North Shore. The Corporation is a business enterprise of the Municipality and is accounted for on a modified equity basis in the consolidated financial statements. The Municipality has committed to contributing \$100,000 to the Corporation.

	2025	2024
Balance, beginning of year:	\$ 53,098	\$ 53,098
Municipality's contribution	—	—
Balance, end of year	\$ 53,098	\$ 53,098

Financial information for the Corporation for 2025 was not available at the time of the audit report date.

5. Deferred revenue:

The balances in the deferred revenue - obligatory of the Municipality consist of:

	2025	2024
Lot levies	\$ 87,385	\$ 33,661
Federal Gas Tax	1,184,997	972,469
Ontario Gas Tax	262,699	243,715
Ontario Community Infrastructure Fund	1,245,847	1,213,701
Ontario's Northern Ontario Resource Development Support	—	425,972
	\$ 2,780,928	\$ 2,889,518

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

5. Deferred revenue (continued):

Continuity of deferred revenue - obligatory is as follows:

	2025	2024
Balance, beginning of year	\$ 2,889,518	\$ 2,963,530
Contributions deferred	892,271	790,556
Interest	93,822	113,587
	3,875,611	3,867,673
Contributions used	(1,094,683)	(978,155)
Balance, end of year	\$ 2,780,928	\$ 2,889,518

The balances in the deferred revenue - other of the Municipality consist of:

	2025	2024
Deferred revenue - non-obligatory	\$ 63,265	\$ 21,432

Continuity of deferred revenue - other of the Municipality is as follows:

	2025	2024
Balance, beginning of year	\$ 21,432	\$ 43,252
Contributions deferred	41,833	—
Contributions used	—	(21,820)
Balance, end of year	\$ 63,265	\$ 21,432

6. Employee future benefit obligations:

Employee future benefits, which are liabilities of the Municipality to its employees and early retirees for benefits earned but not taken as at December 31 are as follows:

	2025	2024
Accumulated sick leave benefit plan entitlements	\$ 61,637	\$ 48,190
Vacation pay	226,686	195,670
Medical and dental plan entitlements	1,884,386	1,829,035
Employee future benefit obligations	\$ 2,172,709	\$ 2,072,895

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

6. Employee future benefit obligations (continued):

A reserve fund in the amount of \$47,859 (2024 – \$43,262) has been established to fund this liability.

Accumulated sick leave payable

Municipal employees are allowed six days of sick leave per year. If the days are not taken by the end of the year, they can be paid out at 50% of their value or carried forward to be used as additional sick leave in future years. At December 31, 2025, this liability is estimated at \$61,637 (2024 – \$48,190).

Employee health care and life insurance

The Municipality provides extended health care and life insurance benefits to its employees. An independent actuarial study of the post-retirement and post-employment benefits has been undertaken. The valuation of the employee future benefits was completed effective December 31, 2024, and has been used for the extrapolation at December 31, 2025.

At December 31, 2025, the Municipality's accrued benefit obligation relating to post-retirement and post-employment benefits plan is \$1,884,386 (2024 – \$1,829,035).

The benefit liability continuity is as follows:

	2025	2024
Accrued benefit liability, January 1	\$ 1,829,035	\$ 1,183,985
Expense	27,650	36,101
Payments	(58,447)	(78,057)
Interest accrued	86,148	58,150
Actuarial loss	—	628,856
Accrued benefit liability, December 31	\$ 1,884,386	\$ 1,829,035

	2025	2024
Significant assumptions:		
Discount rate	4.75%	4.75%
Health cost increase	3.5% – 6.0%	3.5% – 6.0%

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

7. Asset retirement obligations:

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

(a) Landfill closure:

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

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance.

The Municipality owns and operates a landfill site. The liability for the closure of operational sites and post-closure care has been recognized under *PS 3280 Asset Retirement Obligation*. The reported liability is based on estimates and assumptions with respect to events extending over a forty-year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

Post-closure care for the landfill sites is estimated to be required for 30 years from the date of site closure. These costs were discounted to December 31, 2025, using a discount rate of 3.00% per annum.

At current average fill rates, the site has a remaining operating life of approximately 13 years and is expected to close in 2038.

(b) Asbestos and other removal obligations:

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

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

7. Asset retirement obligation (continued):

Changes to the asset retirement obligation in the year are as follows:

Asset Retirement Obligation	Landfill closure	Asbestos removal and other	Balance at December 31, 2025
Opening balance	\$ 1,144,984	\$ 431,161	\$ 1,576,145
Accretion expense	34,367	–	34,367
Change in estimate	–	9,281	9,281
Closing balance	\$ 1,179,351	\$ 440,442	\$ 1,619,793

Asset Retirement Obligation	Landfill closure	Asbestos removal and other	Balance at December 31, 2024
Opening balance	\$ 731,255	\$ 421,880	\$ 1,153,135
Accretion expense	33,349	–	33,349
Change in estimate	380,380	9,281	389,661
Closing balance	\$ 1,144,984	\$ 431,161	\$ 1,576,145

Obligations related to landfill closure will be funded from future taxation revenues. The Municipality has established a reserve to contribute to the cost of closing and maintaining the landfill site of \$62,205 (2024 – \$40,745).

These costs will be funded by levies in the year the expenditure is incurred.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

8. Long-term obligations:

	2025	2024
Ontario Infrastructure and Lands Corporation debenture, payable in semi-annual amounts of \$77,632 with interest at 5.6%, repayable July 2049	\$ 2,062,252	\$ 2,102,340
Loan payable to CMHC, \$30,569 annually including interest at 3.59%, repayable December 2025	—	29,509
	\$ 2,062,252	\$ 2,131,849

Principal due on long-term debt is approximately as follows:

2026	\$ 42,365
2027	44,770
2028	47,312
2029	49,999
2030	52,838
Thereafter	1,824,968

The annual principal and interest payments required to service the long-term obligations of the Municipality are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

Interest paid in the year and included in current expenses is \$118,238 (2024 – \$121,445).

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements

Year ended December 31, 2025

9. Tangible capital assets:

										2025
		Land	Landfill and Land Improvements	Buildings and Building Improvements	Infrastructure - other	Machinery, Equipment and Computers	Vehicles	Other	Assets under Construction	Total
Cost										
Balance, beginning of the year	\$	262,741	3,687,320	10,391,382	72,647,154	2,552,148	202,598	1,372,620	965,239	\$ 92,081,202
Additions		-	11,333	86,717	4,549,130	45,553	-	58,146	-	4,750,879
Disposals/transfers		-	-	-	(216,755)	-	-	-	(554,292)	(771,047)
Balance, end of year		262,741	3,698,653	10,478,099	76,979,529	2,597,701	202,598	1,430,766	410,947	96,061,034
Accumulated amortization										
Balance, beginning of the year		-	(1,394,692)	(6,895,586)	(47,780,118)	(1,199,159)	(202,598)	(637,024)	-	(58,109,177)
Disposals/transfers		-	-	-	216,755	-	-	-	-	216,755
Amortization expense		-	(157,497)	(329,137)	(2,009,646)	(106,265)	(2,113)	(87,253)	-	(2,691,911)
Balance, end of year		-	(1,552,189)	(7,224,723)	(49,573,009)	(1,305,424)	(204,711)	(724,277)	-	(60,584,333)
Net book value, end of year	\$	262,741	2,146,464	3,253,376	27,406,520	1,292,277	(2,113)	706,489	410,947	\$ 35,476,701
Net book value, beginning of year	\$	262,741	2,292,628	3,495,796	24,867,036	1,352,989	-	735,596	965,239	\$ 33,972,025

Assets under construction:

Assets under construction having a value of \$410,947 (2024 - \$965,239) have not been amortized. Amortization of these assets will commence when these assets are put into service.

Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements

Year ended December 31, 2025

9. Tangible capital assets:

										2024
		Land	Landfill and Land Improvements	Buildings and Building Improvements	Infrastructure - other	Machinery, Equipment and Computers	Vehicles	Other	Assets under Construction	Total
Cost										
Balance, beginning of the year	\$	223,244	2,420,509	8,874,007	71,821,117	2,524,134	202,598	1,242,733	480,606	\$ 87,788,948
Additions		39,497	1,266,811	1,517,375	900,634	28,014	-	129,887	516,366	4,398,584
Disposals/transfers		-	-	-	(74,597)	-	-	-	(31,733)	(106,330)
Balance, end of year		262,741	3,687,320	10,391,382	72,647,154	2,552,148	202,598	1,372,620	965,239	92,081,202
Accumulated amortization										
Balance, beginning of the year		-	(1,192,796)	(6,634,997)	(45,892,782)	(1,094,411)	(200,511)	(555,767)	-	(55,571,264)
Disposals/transfers		-	-	-	52,632	-	-	-	-	52,632
Amortization expense		-	(201,896)	(260,589)	(1,939,968)	(104,748)	(2,087)	(81,257)	-	(2,590,545)
Balance, end of year		-	(1,394,692)	(6,895,586)	(47,780,118)	(1,199,159)	(202,598)	(637,024)	-	(58,109,177)
Net book value, end of year	\$	262,741	2,292,628	3,495,796	24,867,036	1,352,989	-	735,596	965,239	\$ 33,972,025
Net book value, beginning of year	\$	223,244	1,227,713	2,239,010	25,928,335	1,429,723	2,087	686,966	480,606	\$ 32,217,684

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

10. Trust funds:

The trust funds administered by the Municipality amounting to \$213,009 (2024 – \$201,277) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the Municipality for the benefit of others; they are not presented as part of the Municipality's consolidated statement of financial position or financial activities.

11. Tax revenues:

Property tax billings are prepared by the Municipality based on an assessment roll prepared by the Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government. All assessed property values in the Municipality were reviewed and new values established based on a common valuation date which was used by the Municipality in computing the property tax bills for 2025.

	2025	2024
Residential and farm taxation	\$ 3,826,594	\$ 3,671,558
Commercial and industrial taxation	1,828,180	1,726,248
Taxation from other governments	339,948	232,594
		5,630,400
Less: Amount levied and remitted to school boards	(505,035)	(510,170)
Net taxation	\$ 5,489,687	\$ 5,120,230

During 2025, the Municipality collected and transferred property taxes totaling \$505,035 (2024 - \$510,170) on behalf of area school boards.

12. Contributions to unconsolidated joint boards:

The following contributions were made by the Municipality to these unconsolidated boards:

	2025	2024
Algoma District Services Administration Board	\$ 1,727,972	\$ 1,705,485
Algoma Health Unit	126,386	115,950
	\$ 1,854,358	\$ 1,821,435

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

13. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2025	2024
Surplus:		
Invested in tangible capital assets	\$ 35,476,701	\$ 33,972,025
Invested in government business enterprise	53,098	53,098
Accumulated remeasurement losses	(34,063)	(38,170)
Operating fund	2,486,535	1,953,168
Amounts to be recovered:		
Net long-term obligations	(2,062,252)	(2,131,849)
Asset retirement obligations	(1,619,793)	(1,576,145)
Employee future benefit obligations	(2,172,709)	(2,072,895)
Total surplus	32,127,517	30,159,232
Reserves and reserve funds set aside for specific purposes by Council:		
Working capital	293,654	283,493
Acquisition of tangible capital assets	5,597,295	5,048,981
Sick leave	86,641	82,662
Water and sewer	2,639,287	2,299,171
Other programs	3,430,532	2,628,439
Total reserves and reserve funds	12,047,409	10,342,746
	\$ 44,174,926	\$ 40,501,978

14. Pension agreements:

OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employers. 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 going concern actuarial liabilities of \$151,365 million (2024 – \$142,489 million) in respect of benefits accrued for service with total going concern actuarial assets at that date of \$150,043 million (2024 – \$139,576 million) indicating a going concern actuarial deficit of \$1,322 million (2024 – \$2,913). OMERS is a multi-employer plan; any pension plan surpluses or deficits are a joint responsibility of Ontario organizations and their employees and the Organization's share is not determinable. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed to OMERS for 2025 was \$245,302 (2024 – \$255,482) and is included as an expense on the consolidated statement of operations and accumulated surplus.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

15. Commitments:

The Municipality has entered into various contracts for services as well as long-term lease agreements for office equipment and services which extend to 2030. The minimum annual payments under these contracts for the next three years are as follows:

2026	\$ 1,702,286
2027	474,887
2028	44,254
2029	44,628
2030	45,469

The Municipality has entered into long-term agreements for license fees and roadway access with Algoma Central Railway which extend indefinitely. The minimum annual payments under the terms of these arrangements are \$2,100.

16. Budget information:

The operating budget approved by Council for 2025 was prepared for the purpose of establishing the estimated revenues and expenses for fiscal 2025. The budget established does not include a budget for the amortization of tangible capital assets and includes allocations from reserves.

The budget information presented in the statement of operations and accumulated surplus and the statement of change in net financial assets has been restated to be comparable with the Canadian public sector accounting standards. A reconciliation of the Council approved budget and the budget presented in these consolidated financial statements is presented below:

Adopted budget:	
Budgeted annual surplus for the year	\$ —
Adjustments to adopted budget:	
Principal payments on long-term debt	69,598
Acquisition of tangible capital assets	7,229,704
Amortization of tangible capital assets	(2,691,911)
Net transfers to/from reserves and other	(246,678)
Budget surplus per consolidated statement of operations and accumulated surplus	\$ 4,360,713

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

17. Comparative information:

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year excess of revenue over expenses.

18. Financial risk:

The Municipality is exposed to various risks through its financial instruments. The following analysis provides information about the Municipality's risk exposure and concentration as of December 31, 2025.

(a) Credit risk:

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Municipality is exposed to credit risk from customers and ratepayers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Municipality has a significant number of customers and ratepayers which minimizes concentration of credit risk. Further, the Municipality has available to it a tax registration process to recover unpaid municipal taxes by way of forced transfer of properties with multi-year arrears.

(b) Liquidity risk:

Liquidity risk is the risk that the Municipality cannot repay its obligations when they become due to its creditors. The Municipality is exposed to this risk relating to its accounts payable and accrued liabilities and long-term debt.

The Municipality reduces its exposure to liquidity risk by monitoring cash activities and expected outflow through extensive budgeting and maintaining enough cash and credit facilities available to repay creditors as they become due. In the opinion of management the liquidity risk exposure to the Municipality is low.

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.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Municipality is exposed to this risk mainly in respect of certain bank credit facilities.

The Municipality has interest rate exposure on renewal of its credit facilities with fixed rates of interest.

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.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

19. Segmented information:

The Municipality of Wawa is a diversified municipal government institution that provides a wide range of services to its citizens. Municipal services are provided by departments and certain departments have been separately disclosed in the segmented information, along with the services they provide. These departments are:

General Government

General Government is comprised of Municipal Council, the Chief Administrator Officer's Office (CAO), Clerk's Department, Legal Department, Human Resources Department, Information Technology Services and the Finance Department. Each of these departments provides program support to various other areas. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of Council.

Protection Services

Protection to persons and property is comprised of police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible for providing fire suppression service; fire prevention programs; training and education related to prevention, detection, or extinguishment of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

Transportation Services

The transportation department is responsible for the delivery of Municipal public works services related to the planning, development, and maintenance of roadway systems, winter control and street lighting. The transportation department is responsible for the operation of the small aircraft airport and fueling depot in Wawa.

Environmental Services

In addition to the management of Waterworks and Sanitary Systems, the environmental department is responsible for waste disposal and recycling facilities. This section is responsible for providing clean, potable water meeting all regulatory requirements and repairing breaks and leaks in the water and sewer system.

Health and Social Services

This section consists of Ambulance services, Social Services including Housing Services, Childcare, Assistance to aged persons, Cemetery Services as well as the Municipality's contributions to the Health Unit.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

19. Segmented information (continued):

Recreation and Cultural Services

This section provides public services that contribute to neighborhood development and sustainability through the provision of recreation and leisure services such as fitness and other programs and provides management of arenas and leisure facilities. This section also contributes to the information needs of the Municipality's citizens through the provision of the library and cultural services and by preserving local history and managing archived data.

Planning and Development

The goal of this section is to offer coordinated development services in order to maximize economic development opportunities. The Planning and Development section ensures that the Municipality of Wawa is planned and developed in accordance with the Ontario Planning Act, Provincial policies and good planning principles so that the Municipality is an enjoyable and beautiful community to live, work and play. This section also provides leadership in matters relating to landscape restoration, ecosystem health, biological integrity, energy conservation, air and lake water quality.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements

Year ended December 31, 2025

19. Segmented disclosure (continued):

								2025
	General government	Protection services	Transportation services	Environmental services	Health and social services	Recreation and cultural services	Planning and development	Total
Revenue:								
Taxation	\$ 679,330	516,988	1,342,791	1,219,034	763,873	923,063	44,608	\$ 5,489,687
Government grants	3,430,234	458,564	26,109	2,136,169	1,130,886	15,794	87,987	7,285,743
Fees and user charges	77,590	31,435	872,755	1,877,825	-	434,626	11,900	3,306,131
Interest income and other	118,222	118,008	207,793	155,594	97,498	1,032,549	7,194	1,736,858
	4,305,376	1,124,995	2,449,448	5,388,622	1,992,257	2,406,032	151,689	17,818,419
Expenses:								
Salaries, wages and employee benefits	911,056	269,839	1,265,939	461,483	23,568	783,695	94,421	3,810,001
Materials, supplies and contracted services	748,079	1,006,061	1,405,788	1,378,687	1,912,834	1,141,293	20,557	7,613,299
Amortization of tangible capital assets	91,825	56,629	789,294	1,267,504	32,468	454,191	-	2,691,911
	1,750,960	1,332,529	3,461,021	3,107,674	1,968,870	2,379,179	114,978	14,115,211
Asset retirement obligation accretion expense	-	-	-	34,367	-	-	-	34,367
Annual surplus (deficit)	\$ 2,554,416	(207,534)	(1,011,573)	2,246,581	23,387	26,853	36,711	\$ 3,668,841

THE CORPORATION OF THE MUNICIPALITY OF WAWA

Notes to Consolidated Financial Statements

Year ended December 31, 2025

19. Segmented disclosure (continued):

								2024
	General government	Protection services	Transportation services	Environmental services	Health and social services	Recreation and cultural services	Planning and development	Total
Revenue:								
Taxation	\$ 723,537	466,635	1,414,584	997,527	676,477	825,637	15,833	\$ 5,120,230
Government grants	3,289,986	439,093	375,849	115,055	1,097,249	916,063	38,223	6,271,518
Fees and user charges	73,986	21,288	795,640	1,841,022	-	375,769	5,675	3,113,380
Interest income and other	141,160	139,703	310,726	157,116	114,268	265,037	2,675	1,130,685
	4,228,669	1,066,719	2,896,799	3,110,720	1,887,994	2,382,506	62,406	15,635,813
Expenses:								
Salaries, wages and employee benefits	1,020,765	255,643	1,856,590	456,834	13,938	801,656	38,109	4,443,535
Materials, supplies and contracted services	902,227	994,410	1,306,540	880,240	1,868,272	1,110,477	6,148	7,068,314
Amortization of tangible capital assets	99,462	54,298	790,953	1,229,538	8,697	407,597	-	2,590,545
	2,022,454	1,304,351	3,954,083	2,566,612	1,890,907	2,319,730	44,257	14,102,394
Asset retirement obligation accretion expense	-	-	-	33,349	-	-	-	33,349
Annual surplus (deficit)	\$ 2,206,215	(237,632)	(1,057,284)	510,759	(2,913)	62,776	18,149	\$ 1,500,070