

# Annual Report

2025



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# Message from the Chair



In 2025, the Rural Ontario Municipal Association continued to support and strengthen rural municipalities across the province.

We began the year with a record-breaking annual conference in January, bringing together municipal leaders, provincial decision-makers, and key partners to advance shared priorities that support the growth and long-term sustainability of rural communities.

As the rural voice of the Association of Municipalities of Ontario (AMO), ROMA continued to work in collaboration with AMO to ensure rural priorities and perspectives were reflected in provincial advocacy. Together, we advanced a unified voice in support of effective, accountable municipal governance.

Throughout the year, ROMA addressed emerging local challenges, including the economic uncertainty arising from trade and tariff impacts affecting municipalities across the province.

ROMA secured a major win for rural communities in 2025 by successfully stepping into a legal battle between Chatham-Kent and Canadian Pacific Railway (CP). The court ruled that federal railways must follow Ontario's Drainage Act, meaning CP is now legally required to pay its fair share of municipal drainage costs.

By teaming up, rural municipalities proved the financial, economic, and environmental impacts caused when big corporations don't play by the

**"My sincere thanks to the ROMA Board and staff for their continued dedication to building a strong and prosperous rural Ontario."**

rules, and showed that when we stand together, we get real results for our communities.

In response to growing infrastructure cost pressures, the ROMA Board developed a new rural infrastructure strategy calling for long-term, predictable, and sustainable provincial funding to support housing-enabling infrastructure.

ROMA continued its advocacy on the defining issues for rural communities, calling for real solutions to address growing rural homelessness and better access to local healthcare and hospital services.

Additionally, AMO's first Rural Healthy Democracy Forum was hosted in my home community of Mississippi Mills, Ontario, bringing together municipal leaders, academics, and public-sector partners for a meaningful discussion on the state of democracy in rural Ontario.

I am proud of ROMA's accomplishments in 2025 and extend my sincere thanks to the ROMA Board and staff for their continued dedication to building a strong and prosperous rural Ontario. I also want to thank the Government of Ontario, and our members — rural municipalities themselves — for their ongoing confidence in ROMA to represent the diversity of rural communities across our beautiful province.

Christa Lowry, ROMA Chair

# ROMA Conference

ROMA's annual conference, held in Toronto, welcomed more than 2,000 attendees from across Ontario for three days of focused and intentional discussions on rural Ontario.

The 2025 conference opened the door to new learning opportunities, advocacy efforts, and partnership-building initiatives to help launch a critical year aimed at strengthening rural Ontario.

ROMA welcomed renowned journalist Chantal Hébert for the opening keynote to provide insight into the implications of the ever-shifting political landscape for rural municipal leaders.

Following the release of AMO's housing and homelessness report—which found a 30 per cent increase in rural homelessness between 2024 and 2025—discussions focused on strengthening rural mental health and addictions services to better address these challenges.

Additionally, Infrastructure Minister Kinga Surma announced a new Health and Safety Water Stream as part of the Municipal Housing Infrastructure Program. While initially launched with \$175 million, the stream was later topped up to more than \$875 million. This program is a major win for rural communities because it does not tie infrastructure funding to local housing growth.

The 2025 conference arrived at a pivotal time for rural communities. Its growth reflects the ongoing need for a forum that brings together ministers, elected officials, staff, and partners to address the day-to-day matters that rural municipalities face.



ROMA's annual  
conference welcomed  
more than **2,000**  
**attendees** from across  
Ontario





# Advocacy Priorities

As the rural arm of AMO, ROMA makes sure that AMO priorities and positions reflect the needs and perspectives of rural Ontario. These include the following top priorities set by the ROMA Board:

- Making sure smaller municipalities can access the infrastructure funding needed to build more homes in their communities;
- Improving access to both primary and hospital care for rural Ontarians in their communities; and
- Responding to the unique and growing challenges of homelessness in rural communities.

Last year, ROMA made progress across these priorities and more.

## Rural Infrastructure Strategy

**Rural Infrastructure Strategy** While rural municipalities have benefited from one-time provincial infrastructure funding, including nearly \$370 million through the Housing-Enabling Water Systems Fund and a \$50 million top-up to the Ontario Municipal Partnership Fund, these investments do not address the long-term infrastructure funding challenges facing small, rural, and northern communities. ROMA continues to advocate for sustainable, long-term solutions that support local infrastructure stability and growth. Key ROMA infrastructure priorities include:

- Establishing long-term, predictable infrastructure funding transfers
- Creating a dedicated stream within the Building Faster Fund for small, rural and northern communities to ensure fair access
- Uploading appropriate roads, bridges, and non-powered dams back to provincial responsibility
- Supporting municipalities in stretching limited property tax dollars by reducing funding program red tape and providing low-cost municipal financing.

Through ongoing advocacy, ROMA remains focused on advancing fair, predictable, and sustainable funding models that enable rural municipalities to maintain and strengthen infrastructure and invest for growth.

## Rural Homelessness

**Rural Homelessness** Addressing rural homelessness remained a top advocacy priority for ROMA, as communities across rural Ontario continued to face increasingly complex housing challenges. Recent data released by AMO underlines the severity of the homelessness crisis in Ontario. In 2025, nearly 85,000 people experienced homelessness, an uptick of nearly eight per cent from the previous year. Within rural Ontario, the numbers indicate a more acute reality, as homelessness rose by 30 per cent. In 2025, nearly 85,000 Ontarians experienced homelessness. Rural areas often face service gaps, including limited emergency shelter and supportive housing options, and greater geographic dispersion. ROMA continued to call for a tailored, coordinated approach to expand deeply affordable housing across rural Ontario, alongside significant new investment in the root causes of homelessness. Ensuring rural communities have the tools, funding, and flexibility they need remains central to ROMA's advocacy.



**In rural Ontario,  
homelessness rose by  
30 per cent.**

## Conservation Authorities

ROMA, in collaboration with AMO, engaged the Province on its proposal to consolidate Ontario's 36 Conservation Authorities into seven regional authorities and the creation of a new provincial oversight agency – the Ontario Provincial Conservation Agency. We raised concerns that consolidation could reduce capacity for land development services and lead to a loss of local expertise and municipal oversight that is critical to effective watershed management and serving local needs. Our advocacy focused on what successful governance and implementation would look like, including

transition funding, restoring the 50 per cent provincial cost sharing arrangement, and creating an implementation working group with rural representation to guide rollout of the proposed changes.

## Broadband

Reliable, high-speed internet is vital for work, education, healthcare, and social connection across Ontario. In recent years, ROMA advocacy has helped secure over 4 billion in federal and provincial investment to expand high-speed access across the province. Page 6 ROMA 2025 Annual Report Amid ongoing trade and tariff pressures, the provincial timeline for delivering broadband access to all Ontarians has been extended from 2025 to 2028. ROMA's position is clear: rural municipalities must be part of efforts to address broadband infrastructure challenges. ROMA continues to enable municipalities to play a central role in broadband expansion by working with Internet Service Providers to support timely approvals and advance connectivity in rural communities.

## Energy Projects

Rural municipalities are key partners in advancing clean, reliable, affordable energy to support housing and economic development. The province agrees that municipalities must play a critical role in siting and hosting local energy projects and achieving shared goals.

ROMA remains committed to securing long-term, sustainable funding for energy distribution and transmission infrastructure, and maintaining public ownership of utilities. This is central to enabling reliable distribution of energy to residents and local businesses and minimizing financial burdens on municipalities and ratepayers.

## Rural Health Strategy

Access to primary care close to home supports is an essential for livable rural communities. Since the release of ROMA's 2024 report, Fill the Gaps Closer to Home, the Ontario government has undertaken meaningful action to expand access to primary care, including the introduction of the new Primary Care Action Plan aimed at connecting all Ontarians to primary care. ROMA acknowledged meaningful progress on this priority and wants to be a partner in ensuring its success in rural Ontario, where opportunities to expand clinical space are limited and attracting and retaining physicians often depends on municipal incentives. ROMA has reprioritized its health care advocacy, including development of a new rural health strategy that builds on the 2024 report, Fill the Gaps Closer to Home, and reinforces the need for tangible, practical benefits for rural communities.



ROMA's advocacy helped secure **over \$4 billion** in federal and provincial investment to expand high-speed access across the province.



Over **525,000 rural Ontarians** are without a primary care physician.

(ROMA Fill the Gaps Closer to Home)

## Strengthening Rural Leadership and Sector Unity

ROMA is actively architecting a resilient future for rural Ontario by investing in both current governance networks and the next generation of civic leaders.

- **Unified Sector Advocacy:** We drive collective impact by providing strategic support to key municipal partners, including Ontario Small Urban Municipalities (OSUM), the Northwestern Ontario Municipal Association (NOMA), and the Federation of Northern Ontario Municipalities (FONOMA). This collaboration ensures a cohesive and powerful voice for rural and northern interests at the provincial level.

**Cultivating the Leadership Pipeline:** To address the long-term sustainability of rural governance, ROMA is intentionally removing barriers for rural youth. By investing in future leaders, we ensure that rural communities retain the talent and expertise necessary to thrive in an evolving landscape.

- **Strategic Academic Partnerships:** Since 2021, the Board has executed a \$75,000 multi-year commitment (\$15,000 annually) to establish dedicated awards at the University of Guelph, Lakehead University, and Trent University. These institutions were specifically selected for their deep integration with Northern, Indigenous, and rural industry sectors, ensuring our investment delivers measurable benefits back to the communities we serve.

## Trains and Drains Win

One of ROMA's key milestones in 2025 was a court ruling that the federal railways are not above Ontario law and must pay their fair share for municipal drainage work apportioned to their property.

ROMA was granted intervener status in a dispute between Canadian Pacific Railway (CP) and the Municipality of Chatham-Kent over costs related to critical drain work on CP property, highlighting the broader impact of federal railway practices on rural municipalities.

ROMA noted over \$500,000 in unpaid maintenance costs from CP and other railways, more than \$1 million in unpaid capital construction costs, and \$1.7 million in projects delayed. This evidence illustrates that the corporation has failed to adhere to laws that have governed Ontario's drainage system for 150 years.

Through collaboration with many rural municipalities, ROMA illustrated the financial, economic, and environmental impact of this behaviour on rural communities. Given CP is appealing the ruling, ROMA will continue to offer legal support to once again intervene on this matter and fight back against railways who say they are above Ontario law.

# Programs and Partnerships

## Teeny Tiny Summits

In 2025, the Teeny Tiny Summit series was again delivered in partnership with the Ministry of Rural Affairs. ROMA has provided financial support to the Teeny Tiny Summits host communities since 2016. The Summits share practical examples, lessons learned and community economic development tactics. Three summits were planned across the province, in Manitouwadge, Picton, and Strathroy-Caradoc. Close to 500 participants attended the 2025 Teeny Tiny Summits.



First-ever  
Rural Healthy  
Democracy  
Forum  
**Sold out!**



**100+ participants**  
from across  
the province,  
championing  
diversity in local  
governance

# Board Members



**Christa Lowry, Chair**  
**Zone 8 Representative**  
 Mayor, Municipality of Mississippi Mills



**Carma Williams, First Vice Chair**  
**Zone 7 Representative**  
 Councillor, Township of North Glengarry



**Janet Hager, Second Vice Chair**  
**Zone 10 Representative**  
 Councillor, Municipality of Red Lake



**Jamie McGrail**  
**Zone 1 Representative**  
 Councillor, Municipality of Chatham-Kent



**Steve McCabe**  
**Zone 2 Representative**  
 Councillor, Township of Wellington North



**Dave Beres**  
**Zone 3 Representative**  
 Deputy Mayor, Town of Tillsonburg



**Christina Early**  
**Zone 4 Representative**  
 Councillor, Town of Caledon



**Pam Sayne**  
**Zone 5 Representative**  
 Councillor, Township of Minden Hills



**Jennifer Murphy**  
**Zone 6 Representative**  
 Councillor, County of Renfrew



**Mark Wilson**  
**Zone 9 Representative**  
 Councillor, City of Temiskaming Shores



**Nicole Martin**  
**AMO Rural Caucus**  
 CAO, Township of Amaranth



**Dane Nielsen**  
**AMO Rural Caucus**  
 Deputy Mayor, Municipality of Grey Highlands



**Natasha Salonen**  
**AMO Rural Caucus**  
 Mayor, Township of Wilmot



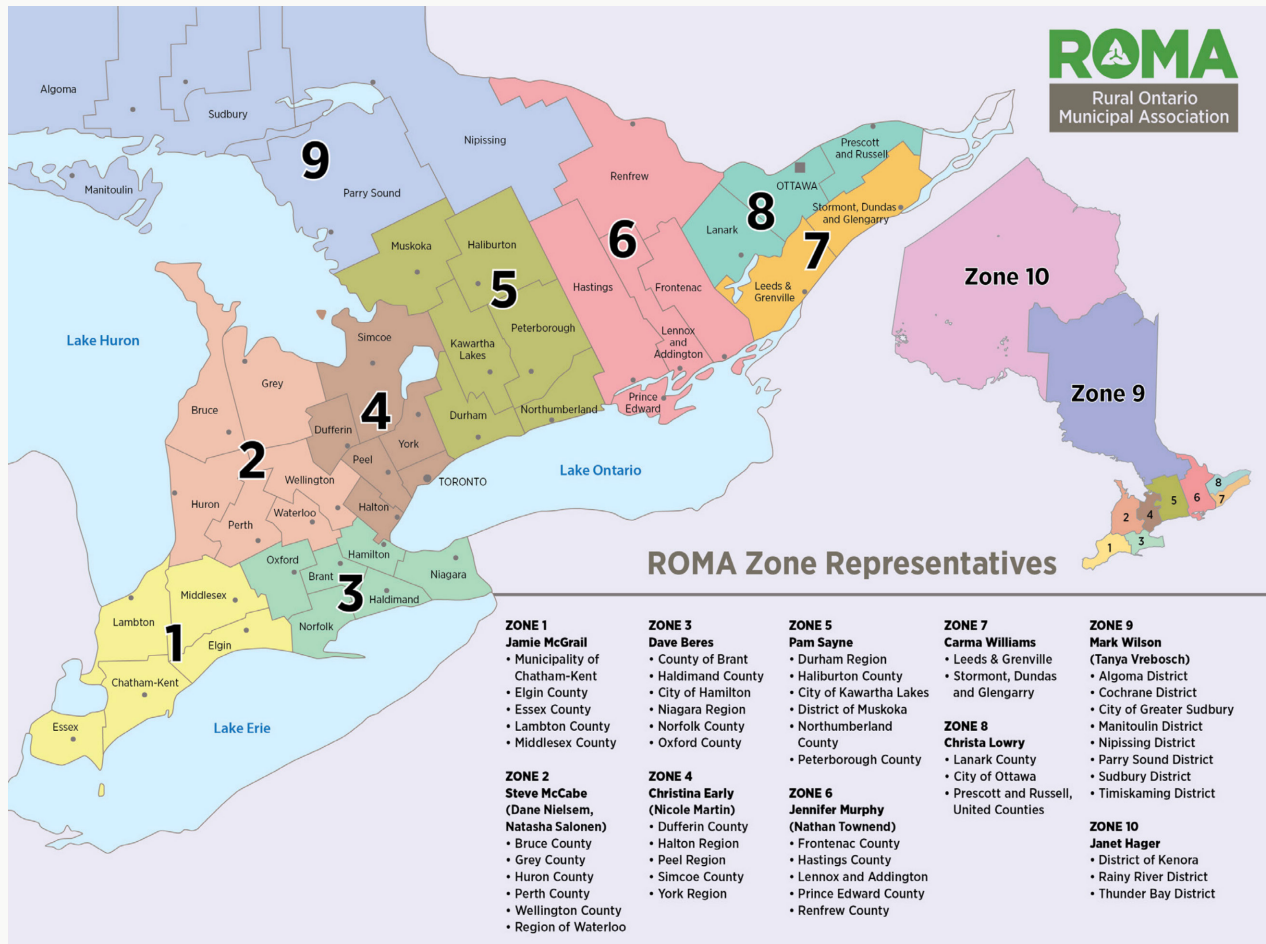
**Nathan Townend**  
**AMO Rural Caucus**  
 Warden, County of Lennox and Addington



**Tanya Vrebosch**  
**AMO Rural Caucus**  
 Councillor, City of North Bay

# Map of ROMA Zones

(Upper-Tier, Single-Tier, and District Representation by ROMA Zone)



## ZONE 1

- Municipality of Chatham-Kent
- Elgin County
- Essex County
- Lambton County
- Middlesex County

## ZONE 2

- Bruce County
- Grey County
- Huron County
- Perth County
- Wellington County
- Region of Waterloo

## ZONE 3

- County of Brant
- Haldimand County
- City of Hamilton
- Niagara Region
- Norfolk County
- Oxford County

## ZONE 4

- Dufferin County
- Halton Region
- Peel Region
- Simcoe County
- York Region

## ZONE 5

- Durham Region
- Haliburton County
- City of Kawartha Lakes
- District of Muskoka
- Northumberland County
- Peterborough County

## ZONE 6

- Frontenac County
- Hastings County
- County of Lennox and Addington
- Prince Edward County
- County of Renfrew

## ZONE 7

- United Counties of Leeds and Grenville
- Stormont, Dundas and Glengarry Counties

## ZONE 8

- Lanark County
- City of Ottawa
- United Counties of Prescott and Russell

## ZONE 9

- Algoma District
- Cochrane District
- City of Greater Sudbury
- Manitoulin District
- Nipissing District
- Parry Sound District
- Sudbury District
- Timiskaming District

## ZONE 10

- District of Kenora
- Rainy River District
- Thunder Bay District

**Rural Ontario Municipal Association**  
**Financial Statements**  
For the year ended December 31, 2025

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## Independent Auditor's Report

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### To the Directors of Rural Ontario Municipal Association

#### Opinion

We have audited the financial statements of Rural Ontario Municipal Association ("ROMA"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ROMA as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### 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 ROMA in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 ROMA'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 ROMA or to cease operations, or has no realistic alternative but to do so.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

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 ROMA'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 ROMA'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 ROMA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Oakville, Ontario  
June 12, 2026

# Rural Ontario Municipal Association Statement of Financial Position

|                    |             |             |
|--------------------|-------------|-------------|
| <b>December 31</b> | <b>2025</b> | <b>2024</b> |
|--------------------|-------------|-------------|

## Assets

### Current

|                           |              |              |
|---------------------------|--------------|--------------|
| Cash                      | \$ 145,192   | \$ 152,213   |
| Investments (Note 3)      | 2,203,757    | 1,880,051    |
| Accounts receivable       | 5,017        | 6,423        |
| Prepaid expenses (Note 5) | 46,589       | 61,966       |
|                           | \$ 2,400,555 | \$ 2,100,653 |

## Liabilities and Net Assets

### Current

|                                                              |           |           |
|--------------------------------------------------------------|-----------|-----------|
| Accounts payable and accrued liabilities                     | \$ 79,964 | \$ 54,279 |
| Government remittances payable                               | 90,553    | 116,653   |
| Due to Association of Municipalities of Ontario (Note 4 (a)) | 6,707     | 6,347     |
| Deferred revenue (Note 5)                                    | 1,199,440 | 1,058,640 |
|                                                              | 1,376,664 | 1,235,919 |

### Net assets

|                                    |              |              |
|------------------------------------|--------------|--------------|
| Internally restricted funds        |              |              |
| Teeny Tiny                         | 28,449       | 10,949       |
| Conference                         | 300,000      | 300,000      |
| ROMA Post Secondary Education Fund | 105,000      | 20,250       |
| Unrestricted                       | 590,442      | 533,535      |
|                                    | 1,023,891    | 864,734      |
|                                    | \$ 2,400,555 | \$ 2,100,653 |

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

## Rural Ontario Municipal Association Statement of Operations

| For the year ended December 31             | 2025              | 2024              |
|--------------------------------------------|-------------------|-------------------|
| <b>Revenue</b>                             |                   |                   |
| Conference fees                            | \$ 1,524,341      | \$ 1,322,683      |
| Interest income                            | 50,185            | 61,995            |
|                                            | <u>1,574,526</u>  | <u>1,384,678</u>  |
| <b>Expenditures</b>                        |                   |                   |
| Conference (Note 4 (b))                    | 912,877           | 739,976           |
| Administration (Note 4 (b))                | 209,108           | 159,946           |
| Governance                                 | 180,788           | 138,740           |
| Professional fees                          | 59,593            | 43,098            |
| Sponsorships                               | 52,750            | 54,101            |
| Other                                      | 253               | 8,956             |
|                                            | <u>1,415,369</u>  | <u>1,144,817</u>  |
| <b>Excess of revenue over expenditures</b> | <b>\$ 159,157</b> | <b>\$ 239,861</b> |

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

## Rural Ontario Municipal Association Statement of Changes in Net Assets

**For the year ended December 31**

|                                            | Internally Restricted Funds              |            |            |              |               |               |
|--------------------------------------------|------------------------------------------|------------|------------|--------------|---------------|---------------|
|                                            | ROMA Post<br>Secondary<br>Education Fund | Teeny Tiny | Conference | Unrestricted | Total<br>2025 | Total<br>2024 |
| <b>Balance, beginning of year</b>          | \$ 20,250                                | \$ 10,949  | \$ 300,000 | \$ 533,535   | \$ 864,734    | \$ 624,873    |
| <b>Excess of revenue over expenditures</b> | -                                        | -          | -          | 159,157      | 159,157       | 239,861       |
| <b>Fund transfers</b>                      | 84,750                                   | 17,500     | -          | (102,250)    | -             | -             |
| <b>Balance, end of year</b>                | \$ 105,000                               | \$ 28,449  | \$ 300,000 | \$ 590,442   | \$ 1,023,891  | \$ 864,734    |

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

## Rural Ontario Municipal Association Statement of Cash Flows

| For the year ended December 31                     | 2025              | 2024              |
|----------------------------------------------------|-------------------|-------------------|
| <b>Cash provided by (used in)</b>                  |                   |                   |
| <b>Operating activities</b>                        |                   |                   |
| Excess of revenue over expenditures                | \$ 159,157        | \$ 239,861        |
| Changes in non-cash working capital balances       |                   |                   |
| Accounts receivable                                | 1,406             | 1,269             |
| Prepaid expenses                                   | 15,377            | 925               |
| Due to Association of Municipalities of Ontario    | 360               | 9,567             |
| Accounts payable and accrued liabilities           | 25,685            | (7,218)           |
| Government remittances payable                     | (26,100)          | 23,053            |
| Deferred revenue                                   | 140,800           | 82,150            |
|                                                    | <b>316,685</b>    | <b>349,607</b>    |
| <b>Investing activity</b>                          |                   |                   |
| Purchase of investments                            | (323,706)         | (324,674)         |
| <b>Increase (decrease) in cash during the year</b> | <b>(7,021)</b>    | <b>24,933</b>     |
| <b>Cash, beginning of year</b>                     | <b>152,213</b>    | <b>127,280</b>    |
| <b>Cash, end of year</b>                           | <b>\$ 145,192</b> | <b>\$ 152,213</b> |

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

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# Rural Ontario Municipal Association

## Notes to Financial Statements

December 31, 2025

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### 1. Basis of Presentation

Rural Ontario Municipal Association ("ROMA") is the rural municipal voice of the Province of Ontario. ROMA is affiliated with the Association of Municipalities of Ontario ("AMO") and a number of its Board members serve on the AMO Board of Directors. ROMA brings the rural perspective to the policy work of AMO, focusing on matters which affect rural communities so that they are brought to the attention of the provincial and federal governments. Policy and research activities undertaken by ROMA are performed by the staff of AMO and, from time to time, consultants.

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### 2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Accounting standards for not-for-profit organizations require entities to select policies appropriate for their circumstances from choices provided in the specific standards. The following are details of the choices selected by ROMA and applied in these financial statements.

#### Funds

The Teeny Tiny reserve was established by ROMA to provide financial support for the Teeny Tiny summit initiative, which is designed to help the smallest of communities make the most of their potential through an asset based approach.

The Conference reserve was established to maintain an annual ROMA conference self-insurance reserve.

The ROMA Post Secondary Education Fund was established to provide scholarships to rural Ontario students. The ROMA Post Secondary Education Fund includes the Ontario Municipal Administrators Association reserve, which was established to provide bursaries to students pursuing higher education in the field of municipal management.

These funds are internally restricted by the Board of Directors. Funds are not available for general purposes and require the approval of the Board prior to use.

#### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates.

#### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs incurred on the acquisition, sale or issue of financial instruments are expensed for those items re-measured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

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## Rural Ontario Municipal Association Notes to Financial Statements

December 31, 2025

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### 2. Significant Accounting Policies (Continued)

#### Revenue Recognition

The Association follows the deferral method of accounting for conference fees. Conference fees are recognized as revenue when the event occurs. Interest income is recognized as revenue in the period it is earned.

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### 3. Investments

|                                                                                                                                                | 2025         | 2024         |
|------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| ONE Investment High Interest Savings Account (HISA)<br>bearing interest at bank prime rate less 1.675%<br>(2024 - bank prime rate less 1.675%) | \$ 2,203,757 | \$ 1,880,051 |

Cash and short-term investment in HISA follows the ROMA cash management policy. Excess cash beyond short-term needs is invested in short-term investments (HISA), which is impacted by day-to-day cash needs and accumulated net assets, including longer term or multi-year restricted programs, such as self-insurance for ROMA conference and Teeny Tiny summit initiative.

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### 4. Related Party Balance and Transactions

- a) Amounts due to AMO are unsecured, due on demand and are non-interest bearing.
  - b) Included in administration expense is \$108,659 (2024 - \$103,798) of administration and occupancy costs charged by AMO. Included in conference expenses is \$72,700 (2024 - \$79,000) of administration and support costs charged by AMO. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by both parties.
- 

### 5. Annual Conference

The registration and sponsorship fees received in fiscal 2025 relating to the 2026 conference are reflected as deferred revenue. The deposits and advances paid by ROMA to its suppliers and vendors for the 2026 conference in fiscal 2025 are reflected as part of prepaid expenses.

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## Rural Ontario Municipal Association Notes to Financial Statements

**December 31, 2025**

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### **6. Financial Instruments Risks**

#### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of market changes in interest rates. ROMA is exposed to interest rate risk on its investments. This risk has not changed from prior year.

#### **Liquidity Risk**

Liquidity risk is the risk that ROMA will encounter difficulty in meeting the obligations associated with its financial liabilities. ROMA is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, government remittances payable and due to AMO. ROMA reduces exposure to liquidity risk by ensuring that it maintains adequate cash reserves to pay creditors. This risk has not changed from prior year.

#### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. ROMA's main credit risks relate to its accounts receivable and investments. Based on creditworthiness of ROMA's counter parties, no allowance for doubtful accounts is required. This risk has not changed from prior year.

It is management's opinion that ROMA is not exposed to significant interest rate, credit or liquidity risk arising from its financial instruments.



Rural Ontario Municipal Association (ROMA)

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