THE CORPORATION OF THE COUNTY OF LAMBTON

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

THE CORPORATION OF THE COUNTY OF LAMBTON
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FOR THE YEAR ENDED DECEMBER 31, 2025

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Independent Auditor's Report

To the Members of Council of The Corporation of the County of Lambton

Opinion

We have audited the consolidated financial statements of The Corporation of the County of Lambton (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations, the consolidated statement of change in net financial assets and the consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Municipality 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 purposes of the group audit. We remain solely responsible for our audit opinion.

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

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Windsor, Ontario
July 9, 2026

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	2025 ACTUAL $	2024 ACTUAL $
FINANCIAL ASSETS		
Cash (Note 4)	94,208,905	89,618,731
Accounts Receivable	11,000,207	7,215,303
TOTAL FINANCIAL ASSETS	105,209,112	96,834,034
LIABILITIES		
Accounts Payable and Accrued Liabilities	33,209,805	26,895,402
Deferred Revenue (Note 20)	7,328,579	7,504,874
Long Term Debt (Note 6)	30,419,674	29,098,288
Asset Retirement Obligation (Note 9)	12,101,730	12,495,479
Employment Benefits Payable (Note 2)	4,753,652	4,722,437
Accrued Tax Liabilities (Note 16)	947,964	548,764
TOTAL LIABILITIES	88,761,404	81,265,244
NET FINANCIAL ASSETS	16,447,708	15,568,790
NON-FINANCIAL ASSETS		
Tangible Capital Assets - net (Schedule 1)	350,546,254	332,844,657
Open Landfill ARO asset	11,930	14,316
Inventories	510,504	479,354
Prepaid Expenses	4,340,325	4,978,936
TOTAL NON-FINANCIAL ASSETS	355,409,013	338,317,263
ACCUMULATED SURPLUS (Schedule 2)	371,856,721	353,886,053

The accompanying notes and schedules are an integral part of this financial statement.

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025 BUDGET $ (Note 21)	2025 ACTUAL $	2024 ACTUAL $
REVENUE			
Provincial Government Transfers	148,484,398	143,468,967	136,181,105
Taxation (Note 16)	103,346,997	103,022,750	99,867,068
User Charges (Note 10)	27,165,541	28,034,064	25,196,131
Federal Government Transfers	12,954,111	5,982,094	5,627,549
Investment Income	3,300,000	2,755,855	4,118,282
Other (Note 10)	400,000	2,685,326	3,206,302
Other Municipalities	1,810,928	1,435,356	1,685,914
Donations	45,752	88,325	95,074
	297,507,727	287,472,737	275,977,425
EXPENSES			
General Government	19,475,411	20,084,626	16,460,468
Protection Services	5,007,997	5,726,220	5,349,629
Transportation Services	21,155,352	20,901,154	20,018,595
Environmental Services	3,376,440	3,360,558	2,637,475
Health Services	36,391,791	35,767,072	33,695,349
Social and Family Services	149,260,954	141,863,500	136,246,211
Social Housing	19,037,551	18,575,787	18,033,530
Recreation and Cultural Services	14,649,865	13,306,678	13,075,376
Planning and Development	9,464,001	9,373,194	11,833,522
Loss on Disposal of Tangible Capital Assets	0	543,280	284,685
	277,819,362	269,502,069	257,634,840
ANNUAL SURPLUS	19,688,365	17,970,668	18,342,585
ACCUMULATED SURPLUS, beginning of the year	353,886,053	353,886,053	335,543,468
ACCUMULATED SURPLUS, end of the year	373,574,418	371,856,721	353,886,053

The accompanying notes and schedules are an integral part of this financial statement.

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

	2025 BUDGET $	2025 ACTUAL $	2024 ACTUAL $
	(Note 21)		
ANNUAL SURPLUS	19,688,365	17,970,668	18,342,585
Amortization of Open Landfill ARO	0	2,386	2,386
Amortization of Tangible Capital Assets	19,891,630	21,196,627	20,850,214
Acquisition of Tangible Capital Assets	(78,988,841)	(39,441,504)	(46,881,091)
Loss on Disposal of Tangible Capital Assets	0	543,280	284,685
Change in Inventories	0	(31,150)	73,125
Change in Prepaid Expenses	0	638,611	(370,273)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(39,408,846)	878,918	(7,698,369)
NET FINANCIAL ASSETS, beginning of the year	15,568,790	15,568,790	23,267,159
NET FINANCIAL ASSETS, end of the year	(23,840,056)	16,447,708	15,568,790

The accompanying notes and schedules are an integral part of this financial statement.

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025 ACTUAL $	2024 ACTUAL $
OPERATING TRANSACTIONS		
Annual Surplus	17,970,668	18,342,585
Uses of Cash		
Increase in Accounts Receivable	(3,784,904)	(2,187,088)
Increase in Prepaid Expenses	0	(370,273)
Increase in Inventories	(31,150)	0
Decrease in Accounts Payable and Accrued Liabilities	0	(1,640,654)
Decrease in Deferred Revenue	(176,295)	0
Decrease in Accrued Tax Liabilities	0	(1,257,543)
	(3,992,349)	(5,455,558)
Sources of Cash		
Decrease in Prepaid Expenses	638,611	0
Decrease in Inventories	0	73,125
Increase in Accounts Payable and Accrued Liabilities	6,314,403	0
Increase in Deferred Revenue	0	2,760,543
Increase in Employment Benefits Payable	31,215	19,649
Increase in Accrued Tax Liabilities	399,200	0
	7,383,429	2,853,317
Non-cash Charges to Operations		
Amortization of Tangible Capital Assets	21,196,627	20,850,214
Accretion	381,820	369,282
Loss on Disposal of Tangible Capital Assets	543,280	284,685
	22,121,727	21,504,181
Cash Provided by Operations	43,483,475	37,244,525
CAPITAL TRANSACTIONS		
Decrease in Asset Retirement Obligation	(773,183)	(936,851)
Cash Used to Acquire Tangible Capital Assets	(39,441,504)	(46,881,091)
	(40,214,687)	(47,817,942)
FINANCING TRANSACTIONS		
Long Term Debt Issued	4,944,942	7,000,000
Long Term Debt Principal Repayments	(3,623,556)	(3,302,978)
Net Increase in Cash from Financing Activities	1,321,386	3,697,022
INCREASE (DECREASE) IN CASH	4,590,174	(6,876,395)
CASH, beginning of the year	89,618,731	96,495,126
CASH, end of the year	94,208,905	89,618,731

The accompanying notes and schedules are an integral part of this financial statement.

1. ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the County of Lambton (the Municipality) are the representation of management and have been prepared in accordance with Canadian public sector accounting standards for municipal governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) Basis of Consolidation

(i) The consolidated financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations owned or controlled by the Municipality. The following entity has been consolidated:

- The County of Lambton Community Development Corporation (CLCDC) 100%

All inter-entity transactions and balances have been eliminated.

(ii) Trust funds and their related operations administered by the Municipality are not consolidated but are reported separately on the "Trust Funds Financial Report".

(b) Basis of Accounting

(i) Sources of financing and expenditures are reported on the accrual basis of accounting.

(ii) The accrual basis of accounting recognizes revenues, as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(iii) Non-Financial Assets
Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the Change in Net Financial Assets for the year.

a) Tangible Capital Assets (TCAs)
Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, less accumulated amortization. The cost, less residual value, of the tangible capital assets, are amortized over their estimated useful lives as follows:

Bridges	35 - 75 years	Straight Line
Buildings	15 - 40 years	Double Declining Balance
Building Contents	5 - 50 years	Straight Line
Building Site Elements	10 - 50 years	Straight Line
Fleet	5 - 10 years	Straight Line
Information Technology	3 - 10 years	Straight Line
Leasehold Improvements	10 - 40 years	Double Declining Balance
Machinery and Equipment	3 - 40 years	Straight Line
Medical and Emergency Equipment	2 - 20 years	Straight Line
Roads	15 - 50 years	Straight Line
Signage and Illuminations	10 - 20 years	Straight Line

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.
The Municipality has a capitalization threshold of $5,000 so that individual TCAs of lesser value are expensed unless they are pooled because, collectively, they have significant value.

Examples of pools are appliances, furnishings, shelving, street furniture, telephone equipment and tools.

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

Works of art, artifacts, cultural and historic assets are not recorded as assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

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

b) Inventories and Prepaid Expenses
Inventories and prepaid expenses held for consumption are recorded at the lower of cost and net realizable value. Cost for inventories is determined on the average cost basis.

(iv) Revenue Recognition

a) Taxation revenue is recognized in the year that the taxes are levied. Part of the assessment process is supplementary assessment rolls, which provide updated information with respect to changes in property assessment. The County receives supplemental tax revenues and is also subject to tax adjustments as a result of appeals. Each year, management provides a best estimate of the effect on tax revenue.
b) Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
c) Investment income is recorded as earned.
d) Donations are recorded when the amount is determinable and collectability is reasonably assured.
e) Revenues from transactions with performance obligations are recognized when (at a point in time) or as (over a period of time) the County satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.
f) The County recognizes revenue from long-term care residents and rentals of County property and equipment on a straight-line basis over the period of time that the relevant performance obligations are satisfied by the County.
g) The County recognizes revenue from administrative services, building permits, development permits, sales of goods, solid waste disposal fees, recoveries and other licenses and permits at the point in time that the County has performed the related performance obligations and control of the related benefits has passed to the payors.
h) Revenue from transactions without performance obligation is recognized at realizable value when the County has the authority to claim or retain an inflow of economic resources received or receivable and there is a past transaction or event that gives rise to the economic resources.
i) The County recognizes revenue from tax penalties and interest, fines, and other revenue without associated performance obligations at the realizable value at the point in time when the County is authorized to collect these revenues.

(v) Temporary Investments
Temporary investments are recorded at the lower of cost and market value.

(vi) Liability for Contaminated Sites
A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are

only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. At December 31, 2025, the Municipality has not identified any instances that meet the criteria for a liability for contaminated sites.

(vii) Leases
Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to operations as incurred.

(vii) Financial Instruments
Cash is measured at fair value. Accounts receivable, accounts payable and accrued liabilities and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the consolidated statement of financial position.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

Under PSAS, the County is required to present a statement of remeasurement gains and losses. As the County has no remeasurement gains and losses, this statement has not been presented.

(viii) Asset Retirement Obligation
A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

(ix) Multi-employer Pension Plan
The County participates in a multi-employer defined benefit pension plan, however, sufficient information is not available to use defined benefit accounting. Therefore, the County accounts for the plan as if it were a defined contribution plan, recognizing contributions as an expense in the year to which they relate.

2. EMPLOYMENT BENEFITS PAYABLE

Liability for Vacation Credits
Under the provisions of certain employee vacation plans, some vacation credits are earned as at December 31 but are generally unavailable for use until a later date. In addition, the provisions of certain plans allow the accumulation of vacation credits for use in future periods. On termination the credits are paid out to employees in cash. The approximate value of these credits as of December 31, 2025, is $4,753,652 (2024 - $4,722,437).

3. TRUST FUNDS

Trust funds administered by the Municipality amounting to $76,199 (2024 - $73,153) have not been included in the "Consolidated Statement of Financial Position", nor have their operations been included in the "Consolidated Statement of Operations".

4. CASH

	2025 $	2024 $
Cash on Hand and in Banks	94,208,905	89,618,731

The Municipality's cash is held at a Canadian chartered bank and earns interest based on the monthly average prime rate less 1.65%.

The Municipality has a $5,500,000 demand operating line available. Interest rate of prime less 1.0% is charged on money borrowed. At December 31, 2025, the Municipality had a balance owing of $Nil (2024 - $Nil).

The County of Lambton Community Development Corporation has a revolving line of credit of $2,000,000 with its banker that bears interest at the bank prime rate minus 0.50% per annum. As of April 30, 2025, the County of Lambton Community Development Corporation had utilized $1,666,919, leaving an unused line of credit balance of $333,081.

5. COUNTY OF LAMBTON COMMUNITY DEVELOPMENT CORPORATION CONSOLIDATION

The following summarizes the financial position and operations of CLCDC prepared in accordance with Canadian public sector accounting standards and consolidated in these financial statements.

	April 30, 2025 **$**	**April 30, 2024** **$**
Statement of Financial Position		
Assets	16,985,983	18,334,039
Liabilities	17,123,598	18,262,900
Accumulated Surplus (Deficit)	(137,615)	71,139
Statement of Operations		
Revenues	4,803,262	3,463,997
Expenses	5,012,016	4,856,133
Deficiency of revenue over expenses	(208,754)	(1,392,136)

CLCDC is included in these consolidated financial statements using the financial information of CLCDC prepared as of April 30, 2025, covering the period May 1, 2024 - April 30, 2025.

6. LONG-TERM DEBT

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

	2025 $	2024 $
CIBC loan, bearing interest at 4.64%; repayable in principal monthly payments of $29,167; due June 2044	6,512,127	6,825,004
CIBC loan, bearing interest at 4.64%; repayable in principal monthly payments of $19,123; due August 2029	611,946	8,815
CIBC loan, bearing interest at 4.64%; repayable in principal monthly payments of $16,667; due September 2030	949,919	1,149,923
CIBC loan, bearing interest at 3.35%; repayable in blended monthly payments of $2,812; due December 2026	33,139	65,188
CIBC loan, bearing interest at 4.64%; repayable in blended monthly payments of $14,976; due February 2032	1,185,788	1,378,078
CIBC loan, bearing interest at 4.64%; repayable in principal monthly payments of $14,976; due December 2029	725,999	898,586
CIBC loan, bearing interest at 5.50%, repayable in blended monthly payments of $16,452; due May 2028	1,178,258	1,307,026
CIBC loan, bearing interest at 1.84%, repayable in blended monthly payments of $30,784; due August 2026	244,543	605,845
CIBC loan, bearing interest at 5.18%, repayable in blended monthly payments of $52,370; due July 2027	953,314	1,516,405
CIBC loan, bearing interest at 4.64%, repayable in blended monthly payments of $78,659; due August 2030	3,999,279	-
CIBC loan, bearing interest at 1.67%, repaid October 2025	-	531,850
Long-term debt assumed by Community Development County of Lambton Corporation	14,025,362	14,811,568
	30,419,674	29,098,288
Long-term debt assumed by local (lower tier) Municipalities and others	14,025,362	14,811,568
Net long-term debt at the end of the year	16,394,312	14,286,720

(b) Of the long-term debt reported in (a) of this note,
$14,724,876 in principal is payable from 2026 to 2030
$6,818,971 from 2031 to 2035, and
$8,875,827 thereafter and are summarized as follows:

	Years 2026 2030 $	Years 2031 2035 $	Years 2036 Thereafter $	Total $
from general municipal revenue	10,566,818	2,252,637	3,574,857	16,394,312
from local Municipalities and others	4,158,058	4,566,334	5,300,970	14,025,362
	14,724,876	6,818,971	8,875,827	30,419,674

The assumed CLCDC long-term debt is due on demand and is structured with fixed repayment terms which will retire the debt over an agreed period of time.

(c) The principal and interest payments required to service these actual and pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs. The annual repayment limit to be effective January 1, 2026 has been authorized at $28,760,664. Actual annual repayment of principal and interest in 2025 was $4,688,047 (2024 - $4,285,137). Interest rates on long-term debt vary between 1.84% and 5.49%.

7. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 1,164 members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

The Administration Corporation Board of Directors, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the plan assets and administration of the benefits. OMERS provides pension services to approximately 665,000 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 the valuation disclosed total actuarial liabilities of $149,600 million in respect of benefits accrued for service with actuarial assets at that date of $145,500 million indicating an actuarial deficit of $4,100 million.

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit. The amount contributed to OMERS for 2025 was $7,591,271 (2024 - $7,351,693) for current service and is included as an expenditure on the Statement of Operations. The OMERS Board rate was 9.0% to 14.6% depending on income level for 2025 (2024 – 9.0% to 14.6%) depending on income level.

The Municipality makes no contributions under the past services provisions of the OMERS Agreement.

8. SARNIA-LAMBTON ECONOMIC PARTNERSHIP ASSOCIATION

The Sarnia-Lambton Economic Partnership Association (SLEP) is an independent body charged with the responsibility for managing economic development within the County of Lambton. It is jointly funded by the Municipality, local Municipalities, the private sector and senior levels of government. The Municipality provided operating funds of $1,560,238 (2024 - $1,560,238). SLEP has not been consolidated.

9. ASSET RETIREMENT OBLIGATIONS

The municipality's financial statements include an asset retirement obligation for various County owned buildings and solid waste landfills. The related asset retirement costs are being amortized on a straight-line basis. The liability has been estimated using a net present value technique with a discount rate of 3.3% (2024 – 3.3%). The estimated total undiscounted future expenditures are $18,566,016 (2024 - $20,155,906), which are to be incurred over 40 years for Buildings, 7 to 59 years for Landfills. The liability is expected to be settled by 2040 for Buildings, 2055 for Landfills.

The carrying amount of the liability is as follows:	2025 $	2024 $
Asset Retirement Obligation as at January 1	12,495,479	13,065,434
Increase due to liability incurred during the current year	-	-
(Decrease) due to liability settled during the current year	(775,569)	(939,237)
Increase due to accretion expense	381,820	369,282
Increase / (decrease) due to revisions in estimated cash flows	-	-
Asset retirement obligation as at December 31	12,101,730	12,495,479

10. USER FEES AND OTHER REVENUE

	2025		2024	
	User Fees $	Other $	User Fees $	Other $
Long-term care resident fees	9,764,901		9,700,810	
Long-term care other revenue		36,400		
Housing rental income	4,620,024		4,527,979	
Housing other revenue		2,225,931		3,077,594
Court services penalties and fees	3,127,127		3,427,919	
Community Development Corporation rental income	2,570,017		2,587,955	
Social Services fees	1,388,073		3,237,046	
Roads department equipment revenue	445,137		326,880	
Road department recoveries				128,708
Waste management tipping fees	252,430		272,697	
Miscellaneous Fees*	5,866,355	422,995	1,114,845	
	28,034,064	2,685,326	25,196,131	3,206,302

* 2025 Miscellaneous Fees include one-time WSIB rebates of $2,211,751

11. EXPENDITURE BY OBJECT

Total current expenditures for the year reported on the Consolidated Statement of Operations are as follows:

	2025 $	2024 $
Salaries, wages and employee benefits	113,444,289	108,297,534
Materials	87,907,545	79,833,503
Contracted services	8,635,117	9,143,822
Rents and financial expenses	3,951,501	2,427,355
Interest on long-term debt	1,064,492	1,057,669
Contributions to other organizations	32,759,218	35,740,058
Amortization	21,196,627	20,850,214
	268,958,789	257,350,155

12. SEGMENTED INFORMATION

The County of Lambton is a diversified municipal government organization that provides a wide range of services to its citizens. For management reporting purposes the County's operations and activities are organized and reported by segments. The County's services are provided by departments and their activities are reported in these segments. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General Government & Administration - Providing support to the entire Corporation, this segment includes the Council, CAO, Clerk, Finance, Human Resources, Information Technology, Legal and Procurement and Project Management Departments.

Court Administration - Administration of the County's Court offices includes setting trials, recording court proceedings, generating transcripts and receiving payments for fines resulting from charges laid by the various police forces operating within the County. Grants to area Municipalities towards the cost of court security and local policing are also reflected.

Protective Services - The Protective Services Department provides County-wide inspections for plumbing, sewage disposal systems and weed control. Building inspection services and property standards enforcements for most local Municipalities, as well as zoning by-law enforcement is provided.

Public Works - The Public Works Department is responsible for the maintenance and upgrade of the County's road system and bridges. The County's fleet of road equipment operates out of three main depot locations.

Environmental Services - The County owns, operates and manages six former lower tier municipal landfill sites, of which only one continues to accept domestic and commercial waste for disposal. Environmental monitoring and post-closure care continues on an ongoing basis for the five closed facilities. Contracts with private landfills for additional capacity allow the County to fulfill its mandate to dispose of municipally collected waste.

Public Health - Provides specialized public health programs and services in the County through three main streams. Health Protection Services protects the public’s health with programs and clinical services such as safe water and food handling, immunizations and the investigation of communicable disease outbreaks and health hazards. Health Promotion Services focuses on the prevention of chronic disease, injury prevention and substance abuse prevention programs. Clinical and Family Services focuses on child health, sexual health and dental health services.

Emergency Medical Services - The EMS Department offers 24 hour, 7 days a week, land ambulances services to residents from nine stations located throughout Lambton County. The Community Paramedicine program provides coordinated care planning and medical support for high end users of emergency services.

General Assistance - The Ontario Works Department provides employment and income assistance to eligible participants. Income support assistance is provided to persons in need to cover the costs of food, shelter and basic needs. Persons receiving social assistance are required to participate in a plan of increased employment activity. The Social Planning & Program Support Department examines the community's needs and ensures compliance of funds allocated.

Assistance to Aged - The County operates three long-term care facilities which provide comfort, quality and security to rural and urban residents. In addition, Adult Day programs are provided for seniors who continue to live in their own homes or with family members.

Child Care - The Children’s Service’s Department is funded by the Ministry of Education and is the Consolidated Municipal Service Manager (CMSM), providing oversight for the childcare and early years’ system in the County of Lambton. The Department maintains service agreements with not-for-profit and for-profit agencies in the County to provide and expand subsidized child care spaces, early years programming, special needs resourcing, and workforce development.

Housing - The Housing Services Department provides subsidized, well-maintained housing for County residents. The Department completes eligibility assessments, maintains the centralized waiting list for rent-geared-to-income assistance, and administers the non-profit housing programs, rent supplement programs and the affordable housing programs. A Home Ownership down payment program is also provided.

Library - The Library Department provides services to the public through numerous branch libraries, one bookmobile and deposit collections in Long-Term Care Homes.

Culture - Culture is comprised of the Museums and Art Gallery Departments. Two museums are operated by the County, one collects family and corporate artifacts which depict the history of Sarnia-Lambton and the other is located at the site of North America's first commercial oil well. Judith & Norman Alix Art Gallery collects, preserves and holds in trust a collection of Canadian paintings and sculptures. The Lambton County Archives gathers and maintains Lambton County archival materials.

Planning & Development - The Department prepares and maintains the County's Official Plan and provides consent, subdivision, municipal official plan and woodlot approvals. The Department also works closely with local Municipalities preparing official plan and zoning by-laws, and providing comprehensive, ongoing planning advisory services.

Community Development Corporation - A university style research and development park, located in Sarnia, Ontario.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

13. SOCIAL SERVICE CONTRACTS

The Corporation of the County of Lambton has Service Contracts with the Ministry of Education (EDU) and the Ministry of Children, Community and Social Services (MCCSS). A reconciliation report summarizes by detail code where applicable, all revenue and expenditures and resulting surplus or deficit related to the Service Contracts. The surplus amount is included in Accounts Payable and Accrued Liabilities.

The presentation below was prepared in accordance with the modified accrual basis of accounting, which includes short term accruals of revenue and expenditures and does not recognize non-cash transactions such as amortization. The presentation is reflected prior to application of flexibility of funding between detail codes. The subsidy received (revenue) and subsidy earned (expenditure) comprise part of Provincial Government Transfers Revenue and Social and Family Services Expenses that are included in the Statement of Operations.

Program Name	2025 Subsidy Received $	2025 Subsidy Earned $	(Surplus)/ Deficit $
EDU			
Cost Based Funding Allocations			
Cost Based Funding - 100% Provincial	2,972,298	2,972,298	-
Cost based Funding - Cost Shared Requirement 80/20	3,175,644	3,175,644	-
Cost Based Funding - 100% Federal	22,786,953	21,325,228	(1,461,725)
	28,934,895	27,473,170	(1,461,725)
Local Prioirties			
Flexibility Allocation - 100% Provincial	6,344,977	6,344,978	1
Flexibility Allocation - Cost Shared Requirement 80/20	697,092	697,092	-
Wage Enhancement	223,533	225,356	1,823
Workforce Compensation	416,067	137,677	(278,390)
Professional Learning	129,844	129,844	-
	7,811,513	7,534,946	(276,567)

Program Name	2025 Subsidy Received	2025 Subsidy Earned	(Surplus)/ Deficit
	$	$	$
Startup Grants	2,325,354	654,552	(1,670,802)
ELCC Infrastructure funding	443,959		(443,959)
ELCC Infrastructure funding	2,198,262		(2,198,262)
	4,967,575	654,552	(4,313,023)
Administration	742,060	742,060	-
Wage Enhancement Administration	39,848	39,848	-
	781,908	781,908	-
Total Calendar Year Child Care Allocation	42,495,891	36,444,576	(6,051,315)
The Journey Together - Indigenous Hub	340,880	340,880	-
Ontario Early Years Child Care and Family Centres	2,906,800	2,906,799	(1)
Total Contract	45,743,571	39,692,255	(6,051,316)
MCCSS - Ministry of Children, Community and Social Services			
Program Delivery			
8693 Ontario Works Upload Funding	972,900	972,900	-
8648 Ontario Works 50/50 Funding	4,686,800	4,686,800	-
9285 Admin Time Limited Projects	110,771	110,771	-
Total Contract	5,770,471	5,770,471	-

14. PUBLIC HEALTH UNIT

The Council of The Corporation of the County of Lambton is also the Board of Health for the County of Lambton. The departments and programs that together constitute the operation of the Lambton Health Unit all form parts of other functional areas as reported in these statements. The Ministry of Health and Ministry of Long-Term Care requires that the values for the Lambton Health Unit be reported on the basis of a single integrated entity. Therefore, in order to meet these requirements these values are presented below.

	2025 Mandatory & Related	2025 Excluded Programs	2025 Total Public Health Unit
Total Public Health Unit Operating Costs:	13,122,123	980,072	14,102,195
Total Public Health Unit Amortization Expense:	152,647	11,401	164,048
Total Public Health Unit TCA Expenditures:	138,800	-	138,800

PUBLIC HEALTH GRANTS

Program-Based Grants, Ministry of Health and Ministry of Long-Term Care - Public Health Division (PHD)

A. Base Funding	2025 Subsidy Approved $	Eligible Expenses Less Offset Revenues $	Subsidy Earned in 2025 $	Subsidy Received in 2025 $	(Payable)/ Receivable at December 31, 2025 $	Subsidy Recovered/ (Received) in Q1 2026 $	Remaining (Payable)/ Receivable $
PHD Cost Shared Programs							
Mandatory Programs	7,626,300	12,214,240	7,626,300	7,626,303	(3)	-	(3)
Total	7,626,300	12,214,240	7,626,300	7,626,303	(3)	-	(3)
Related Programs Funded at 100% (PHD)							
Ontario Seniors Dental Care Program	632,000	391,165	391,165	632,002	(240,837)	-	(240,837)
IPAC Hub	346,000	346,000	346,000	345,450	550	-	550
Total	978,000	737,165	737,165	977,452	(240,287)	-	(240,287)
MOH/AMOH Compensation							
MOH/AMOH Compensation	77,660	77,660	77,660	160,004	(82,344)	-	(82,344)
Total	77,660	77,660	77,660	160,004	(82,344)	-	(82,344)
Sub-Total A. Base Funding	8,681,960	13,029,065	8,441,125	8,763,759	(322,634)	-	(322,634)

B. 2024 One-Time Funding Approved to March 31, 2025	Subsidy Carried Forward $	Eligible Expenses Less Offset Revenues $	Subsidy Earned $	Further Subsidy Received $	(Payable)/ Receivable $
Related Programs Funded at 100% (PHD)					
Public Health Inspector Practicum Program	(20,000)	-	-	20,000	-
COVID-19 Vaccine Program	(148,630)	25,666	25,666	255,700	(81,404)
	-	-	-	-	-
Total	(168,630)	25,666	25,666	275,700	(81,404)
Sub-Total B. 2024 One-Time Funding Approved to Mar. 31, 2025	(168,630)	25,666	25,666	275,700	(81,404)

C. 2025 One-Time Funding Approved to March 31, 2026	2025 Subsidy Approved $	Eligible Expenses Less Offset Revenues $	Subsidy Earned at December 31, 2025 $	Subsidy Received in 2025 $	Subsidy to Carryover to Q1 2026 $
Related Programs Funded at 100% (PHD)					
Capital – Purpose Built Vaccine Refrigerator	28,600	16,874	16,874	-	16,874
Outbreaks of Measles Extraordinary Costs	14,900	-	-	-	-
Public Health Inspector Practicum Program	20,000	20,000	20,000	-	20,000
COVID-19 Vaccine Program	196,500	115,894	115,894	-	115,894
IPAC Hub	344,600	267,339	267,339	129,752	137,587
MOH Compensation Initiative: 23/24 Retroactive Lump Sum	7,400	-	-	-	-
MOH Compensation Initiative: 24/25 Retroactive Lum Sum	31,600	-	-	-	-
MOH Compensation Initiative: 25/26 Eligible Funding	9,300	-	-	-	-
Total	652,900	420,107	420,107	129,752	290,355

Total One-Time Subsidy Receivable/(Carryover) 290,355

Vaccine Program	Subsidy	Subsidy	(Payable)/ Receivable	Subsidy Recovered/	Remaining (Payable)/

	Earned in 2025 $	Received in 2025 $	at December 31, 2025 $	(Received) in Q1 2026 $	Receivable $
Universal Influenza Immunization Program	2,865	70	2,795	-	2,795
Meningococcal C Conjugate Vaccine	6,970	1,607	5,364	(349)	5,015
Human Papilloma Virus Program	11,433	6,239	5,194	(442)	4,752
Total	21,268	7,916	13,352	(791)	12,562
Total Vaccine Program Receivable/(Payable)			13,352		12,562

Healthy Child Development, Minister of Children, Community and Social Services

Funding Approved April 1, 2025 to Mar. 31, 2026	Subsidy Approved $	Subsidy Earned $	Subsidy Payable $
Healthy Babies Healthy Children	996,637	996,637	-
Total Funding Approved April 1, 2025 to Mar. 31, 2026	996,637	996,637	-

15. LIBRARY GOVERNMENT TRANSFERS

Government Transfers recorded as 2025 revenue for the Library segment are comprised of the following amounts:

	2025 $	2024 $
Ministry of Heritage, Sport, Tourism & Culture Industries Operating Grant	265,865	265,865
Ministry of Heritage, Sport, Tourism & Culture Industries Pay Equity Grant	18,083	18,083
	283,948	283,948

16. ACCRUED TAX LIABILITIES

	2025 $	2024 $
Taxation Revenue - General Levy	101,701,542	95,567,791
Taxation Revenue - Supplementary Tax Levy	957,345	1,974,571
Payment in Lieu Taxation Revenue	1,668,632	1,621,062
Tax Write-Offs	(226,872)	(553,899)
Accrued Tax Liability	(1,077,897)	1,257,543
Total Property Taxation	103,022,750	99,867,068

Reconciliation of Assessment Appeal Provision and Accrued Tax Liability

	2025 $	2024 $
Estimate of Expected Appeals	135,626	72,499
Estimate of Expected Supplementary Taxes	(5,364)	(8,475)
Other Adjustments	817,702	484,740
Potential Future Tax Liability	947,964	548,764

The potential future tax liability includes all potential changes due to the results of tax appeals and supplementary taxes as the result of Assessment Review Board Decisions, Minutes of Settlement, Post Roll Assessments notices, Supplementary and Omitted Assessments and other tax adjustments that are processed under the Municipal Act, 2001.

The actual future results will differ from these estimates as tax appeals are settled and actual assessment values are applied to supplemental properties.

17. CONTINGENT LIABILITIES

The Municipality is a defendant in various legal actions. The ultimate outcomes are indeterminable at December 31, 2025, as litigation is still in progress. The Municipality's management is of the opinion that the Municipality has adequate insurance coverage to offset the amount of the claims and related costs, if any. Consequently, no provision for potential loss, if any, is reflected in these financial statements.

18. COMMITMENTS

The Municipality routinely enters into short-term lease arrangements for the supply of vehicles, photocopiers, postage machines and other such similar office equipment. Annual payments in 2025 amounted to $119,014.

The Municipality entered into an agreement with the City of Sarnia for the maintenance of County roads within the City west of Modeland Road commencing October 26, 2020. The agreement continues until terminated by either party with a minimum one year advance notice.

The Municipality has entered into an agreement with the Village of Point Edward for the maintenance of County roads within the Village over a ten year period commencing June 1, 2020 and ending May 31, 2030.

The Municipality has approved the provision of a $1,050,000 grant to the Strathroy Middlesex General Hospital over a ten year period commencing in 2018 and ending 2027. The Municipality will pay $105,000 each year to the hospital.

19. USE OF ACCOUNTING ESTIMATES AND MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

In particular, management's estimate for the Asset Retirement Obligations liability is subject to measurement uncertainty. The estimate includes assumptions and calculations prepared by the County's Public Works engineering staff. Actual results could differ significantly from those estimates because of the uncertainty related to future cost estimates, future use of the landfill site, etc.

20. DEFERRED REVENUE

The balance of $7,328,579 (2024 - $7,504,874) includes Ontario Communities Infrastructure Fund and Canada Community-Building Funds (formerly Federal Gas Tax) top up monies as well provincial housing funding and tenant charges received and unspent at December 31, 2025.

21. BUDGET FIGURES

The Financial Plan (budget) adopted by the County of Lambton Council on March 5, 2025, was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated using surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to $NIL. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the Statement of Operations and Statement of Changes in Net Financial Assets represent the budget adopted by Council with adjustments as follows:

	2025 $	2024 $
Financial Plan (budget) surplus for the year - County	-	-
Add:		
Capital Expenditures	78,988,841	28,118,906
Principal Payments	4,147,359	3,619,777
Less:		
Amortization	18,667,630	16,765,989
Long-Term Financing	32,095,346	3,113,150
Net Reserve and Reserve Fund Transfers	12,070,402	2,209,460
Budget Surplus for the County of Lambton	20,302,822	9,650,084
Add:		
Community Development Corporation budget deficit for the year	(614,457)	(1,444,858)
Budget Surplus per Consolidated Statement of Operations	19,688,365	8,205,226

22. EMERGENCY MEDICAL SERVICES

Community Paramedicine for Long-Term Care Program

The Ministry of Long-Term Care provides funding to Lambton Emergency Medical Services (EMS) to carry out the Community Paramedicine for Long-Term Care (CPLTC) Program. Funding and costs related to the CPLTC Program for the period April 2025 – March 2026 are as follows:

Funding	874,900
Expenses	875,423
Surplus/(Deficit)	(523)

Community Health Integrated Care Program

Ontario Health provided funding for the period April 2025 – March 2026 to pilot a Health-Led Mobile Crisis Response Team. Details of revenue and expenses for the program are as follows:

Funding	844,000
Expenses	846,231
Surplus/(Deficit)	(2,231)

23. TOURISM SARNIA-LAMBTON

Tourism Sarnia-Lambton (TSL) is an independent body charged with the responsibility for providing growth and development of the tourism industry in the County of Lambton. It is jointly funded by the Municipality, the private sector and senior levels of government. The Municipality provided $812,601 (2024 - $812,601) in operating funds during 2025. TSL has not been consolidated.

24. FINANCIAL INSTRUMENT RISK MANAGEMENT

The County is exposed to credit risk, and liquidity risk from its financial instruments. This note describes the County's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

(a) 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. The County is exposed to credit risk through its cash and accounts receivable.

The County holds its cash accounts with a federally regulated chartered bank.

Accounts receivable credit risk is resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The County manages its credit risk by limiting the amount of days aged in accounts receivable before appropriate action is taken.

The County's maximum exposure to credit risk at the financial statement date is the carrying value of accounts receivable as presented on the statement of financial position.

At year end, the amounts outstanding for the County's accounts receivable are as follows:

As at December 31

	2025			2024		
	Accounts Receivable	Impairment Allowance	Total	Accounts Receivable	Impairment Allowance	Total
Current	$5,547,850		$5,547,850	$6,262,495		$6,262,495
31 to 60 days	1,113,885		1,113,885	806,929		806,929
61 to 90 days	745,591		745,591	97,105		97,105
Over 90 days	3,795,313	(202,432)	3,592,881	249,700	(200,926)	48,774
	$11,202,639	$(200,432)	$11,000,207	$7,416,229	$(200,926)	$7,215,303

At year end, management has determined that the credit quality of accounts receivable are not past due or impaired.

There have not been any changes from the prior year in the County's exposure to credit risk or the policies, procedures and methods it uses to manage and measure the risk.

(b) Liquidity Risk

Liquidity risk is the risk that the County will encounter difficulty in meeting obligations associated with financial liabilities. The County is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, and long-term debt.

The County's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flow to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The County also maintains certain credit facilities, which can be drawn upon as needed.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flow of financial liabilities):

	2025			
	within 6 months	6 months to 1 year	1 - 5 years	>5 years
Accounts Payable and Accrued Liabilities	$ 26,999,485	$ 18,708	$ 6,191,612	$ -
Long-term Debt	$ 1,871,621	$ 1,773,183	$11,080,072	$ 15,694,798
Total	$ 28,871,106	$ 1,791,891	$17,271,684	$ 15,694,798

	2024			
	within 6 months	6 months to 1 year	1 - 5 years	>5 years
Accounts Payable and Accrued Liabilities	$ 21,254,428	$ 752,945	$ 4,765,375	$ 122,650
Long-term Debt	$ 1,710,055	$ 1,612,621	$ 8,817,493	$ 16,958,119
Total	$ 22,964,483	$ 2,365,566	$ 13,582,868	$ 17,080,769

There have not been any changes from the prior year in the County's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

THE CORPORATION OF THE COUNTY OF LAMBTON
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025
Schedule 1

	Balance, beginning of year $	Additions $	Disposals $	Other- Donations, Writedowns $	Balance, end of year $
COST					
Land	44,409,000	404,123	431,375	0	44,381,748
Bridges	44,787,488	1,004,373	60,012	0	45,731,849
Buildings	218,305,996	8,294,116	225,333	(1,197,281)	225,177,498
Building (ARO)	4,573,619	0	0	0	4,573,619
Building Contents	15,571,685	1,593,806	1,185,324	0	15,980,167
Building Site Elements	14,407,374	697,011	42,623	0	15,061,762
Fleet	9,162,878	3,781,459	1,238,796	0	11,705,541
Information Technology	4,775,828	743,443	887,313	0	4,631,958
Leasehold Improvements	5,646,306	0	0	(73,640)	5,572,666
Machinery and Equipment	11,240,334	275,731	248,189	0	11,267,876
Medical and Emergency Equipment	4,950,219	647,199	295,777	0	5,301,641
Roads	302,532,322	6,934,097	0	0	309,466,419
Signage and Illuminations	3,680,457	162,924	46,513	0	3,796,868
Work In Progress	15,891,138	16,174,143	0	0	32,065,281
TOTAL COST	699,934,644	40,712,425	4,661,255	(1,270,921)	734,714,893
ACCUMULATED AMORTIZATION					
Land	0	0	0	0	0
Bridges	17,737,862	997,211	50,363	66	18,684,776
Buildings	119,610,343	7,823,196	199,498	(1,010,001)	126,224,040
Building (ARO)	2,617,857	102,983	0	0	2,720,840
Building Contents	7,990,829	1,195,001	1,181,452	110	8,004,488
Building Site Elements	7,115,135	467,091	36,018	482	7,546,690
Fleet	6,334,184	977,335	1,180,277	1,285	6,132,527
Information Technology	2,139,288	815,494	887,313	37	2,067,506
Leasehold Improvements	1,354,015	408,541	0	(20,655)	1,741,901
Machinery and Equipment	6,847,372	600,200	241,194	322	7,206,700
Medical and Emergency Equipment	2,845,703	374,203	295,777	(2)	2,924,127
Roads	189,861,072	8,325,477	0	28,524	198,215,073
Signage and Illuminations	2,636,327	109,747	46,083	(20)	2,699,971
Work In Progress	0				0
ACCUMULATED AMORTIZATION	367,089,987	22,196,479	4,117,975	(999,852)	384,168,639
NET BOOK VALUE					
Land	44,409,000	404,123	431,375	0	44,381,748
Bridges	27,049,626	7,162	9,649	(66)	27,047,073
Buildings	98,695,653	470,920	25,835	(187,280)	98,953,458
Building (ARO)	1,955,762	(102,983)	0	0	1,852,779
Building Contents	7,580,856	398,805	3,872	(110)	7,975,679
Building Site Elements	7,292,239	229,920	6,605	(482)	7,515,072
Fleet	2,828,694	2,804,124	58,519	(1,285)	5,573,014
Information Technology	2,636,540	(72,051)	0	(37)	2,564,452
Leasehold Improvements	4,292,291	(408,541)	0	(52,985)	3,830,765
Machinery and Equipment	4,392,962	(324,469)	6,995	(322)	4,061,176
Medical and Emergency Equipment	2,104,516	272,996	0	2	2,377,514
Roads	112,671,250	(1,391,380)	0	(28,524)	111,251,346
Signage and Illuminations	1,044,130	53,177	430	20	1,096,897
Work In Progress	15,891,138	16,174,143	0	0	32,065,281
NET BOOK VALUE	332,844,657	18,515,946	543,280	(271,069)	350,546,254

THE CORPORATION OF THE COUNTY OF LAMBTON
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025
Schedule 1

	Balance, beginning of year $	Additions $	Disposals $	Other- Donations, Writedowns $	Balance, end of year $
COST					
General Government	31,721,689	1,807,940	1,670,947	(265,189)	31,593,493
Protection Services	1,262	0	0	0	1,262
Transportation Services	381,225,173	9,358,112	1,071,367	401,870	389,913,788
Environmental Services	4,181,563	55,625	0	0	4,237,188
Health Services	14,715,022	2,931,544	357,784	(26,293)	17,262,489
Social and Family Services	85,783,986	1,466,725	954,471	(239,494)	86,056,746
Social Housing	101,852,278	7,211,150	73,465	(631,682)	108,358,281
Recreation and Cultural Services	28,237,512	1,185,724	533,221	(12,606)	28,877,409
Planning and Development	36,325,021	23,935	0	0	36,348,956
Work In Progress	15,891,138	16,174,143	0	0	32,065,281
TOTAL COST	699,934,644	40,214,898	4,661,255	(773,394)	734,714,893
ACCUMULATED AMORTIZATION					
General Government	8,533,343	1,142,396	1,231,113	(237,933)	8,206,693
Protection Services	1,262	0	0	0	1,262
Transportation Services	220,114,041	10,222,131	1,047,688	42,952	229,331,436
Environmental Services	3,969,851	25,648	0	4	3,995,503
Health Services	9,397,609	971,818	299,265	(15,867)	10,054,295
Social and Family Services	41,914,974	3,033,440	945,817	(177,590)	43,825,007
Social Housing	49,232,719	4,055,804	73,399	(602,524)	52,612,600
Recreation and Cultural Services	15,304,271	1,510,597	520,693	(8,890)	16,285,285
Planning and Development	18,621,917	1,234,645	0	(4)	19,856,558
Work In Progress	0				0
ACCUMULATED AMORTIZATION	367,089,987	22,196,479	4,117,975	(999,852)	384,168,639
NET BOOK VALUE					
General Government	23,188,346	665,544	439,834	(27,256)	23,386,800
Protection Services	0	0	0	0	0
Transportation Services	161,111,132	(864,019)	23,679	358,918	160,582,352
Environmental Services	211,712	29,977	0	(4)	241,685
Health Services	5,317,413	1,959,726	58,519	(10,426)	7,208,194
Social and Family Services	43,869,012	(1,566,715)	8,654	(61,904)	42,231,739
Social Housing	52,619,559	3,155,346	66	(29,158)	55,745,681
Recreation and Cultural Services	12,933,241	(324,873)	12,528	(3,716)	12,592,124
Planning and Development	17,703,104	(1,210,710)	0	4	16,492,398
Work In Progress	15,891,138	16,174,143	0	0	32,065,281
NET BOOK VALUE	332,844,657	18,018,419	543,280	226,458	350,546,254

THE CORPORATION OF THE COUNTY OF LAMBTON
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
Schedule 1

	Balance, beginning of year $	Additions $	Disposals $	Other- Donations, Writedowns $	Balance, end of year $
COST					
Land	39,748,602	4,660,398	0	0	44,409,000
Bridges	42,538,299	2,298,114	63,483	14,558	44,787,488
Buildings	199,269,330	19,772,894	118,630	(617,598)	218,305,996
Building (ARO)	4,573,619	0	0	0	4,573,619
Building Contents	15,065,226	1,261,377	754,783	(135)	15,571,685
Building Site Elements	14,089,913	364,003	46,542	0	14,407,374
Fleet	10,010,739	247,359	1,099,549	4,329	9,162,878
Information Technology	3,788,063	1,109,569	226,655	104,851	4,775,828
Leasehold Improvements	5,630,616	15,690	0	0	5,646,306
Machinery and Equipment	10,650,085	617,940	30,272	2,581	11,240,334
Medical and Emergency Equipment	4,688,961	402,721	141,463	0	4,950,219
Roads	292,303,938	10,291,388	69,050	6,046	302,532,322
Signage and Illuminations	3,606,307	76,118	1,968	0	3,680,457
Work In Progress	9,642,250	6,248,888	0	0	15,891,138
TOTAL COST	655,605,948	47,366,459	2,552,395	(485,368)	699,934,644
ACCUMULATED AMORTIZATION					
Land	0	0	0	0	0
Bridges	16,832,333	947,865	50,784	8,448	17,737,862
Buildings	112,988,393	7,297,680	83,439	(592,291)	119,610,343
Building (ARO)	2,511,188	106,669	0	0	2,617,857
Building Contents	7,602,617	1,127,446	744,958	5,724	7,990,829
Building Site Elements	6,689,761	457,057	30,359	(1,324)	7,115,135
Fleet	6,365,229	873,729	905,474	700	6,334,184
Information Technology	1,569,557	769,907	213,291	13,115	2,139,288
Leasehold Improvements	899,147	454,868	0	0	1,354,015
Machinery and Equipment	6,292,746	584,436	30,272	462	6,847,372
Medical and Emergency Equipment	2,639,151	348,001	141,463	14	2,845,703
Roads	181,587,574	8,340,672	67,277	103	189,861,072
Signage and Illuminations	2,529,787	106,953	393	(20)	2,636,327
Work In Progress	0				0
ACCUMULATED AMORTIZATION	348,507,483	21,415,283	2,267,710	(565,069)	367,089,987
NET BOOK VALUE					
Land	39,748,602	4,660,398	0	0	44,409,000
Bridges	25,705,966	1,350,249	12,699	6,110	27,049,626
Buildings	86,280,937	12,475,214	35,191	(25,307)	98,695,653
Building (ARO)	2,062,431	(106,669)	0	0	1,955,762
Building Contents	7,462,609	133,931	9,825	(5,859)	7,580,856
Building Site Elements	7,400,152	(93,054)	16,183	1,324	7,292,239
Fleet	3,645,510	(626,370)	194,075	3,629	2,828,694
Information Technology	2,218,506	339,662	13,364	91,736	2,636,540
Leasehold Improvements	4,731,469	(439,178)	0	0	4,292,291
Machinery and Equipment	4,357,339	33,504	0	2,119	4,392,962
Medical and Emergency Equipment	2,049,810	54,720	0	(14)	2,104,516
Roads	110,716,364	1,950,716	1,773	5,943	112,671,250
Signage and Illuminations	1,076,520	(30,835)	1,575	20	1,044,130
Work In Progress	9,642,250	6,248,888	0	0	15,891,138
NET BOOK VALUE (prior)	307,098,465	25,951,176	284,685	79,701	332,844,657

THE CORPORATION OF THE COUNTY OF LAMBTON
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
Schedule 1

	Balance, beginning of year $	Additions $	Disposals $	Other- Donations, Writedowns $	Balance, end of year $
COST					
General Government	25,868,574	6,144,857	228,724	(63,018)	31,721,689
Protection Services	1,262	0	0	0	1,262
Transportation Services	368,507,355	13,223,673	528,053	22,198	381,225,173
Environmental Services	4,168,673	12,890	0	0	4,181,563
Health Services	15,170,618	385,452	812,513	(28,535)	14,715,022
Social and Family Services	69,584,551	16,498,879	98,123	(201,321)	85,783,986
Social Housing	98,789,434	3,548,504	257,960	(227,700)	101,852,278
Recreation and Cultural Services	27,555,534	1,295,992	627,022	13,008	28,237,512
Planning and Development	36,317,697	7,324	0	0	36,325,021
Work In Progress	9,642,250	6,248,888	0	0	15,891,138
TOTAL COST	655,605,948	47,366,459	2,552,395	(485,368)	699,934,644
ACCUMULATED AMORTIZATION					
General Government	7,722,309	1,058,587	215,360	(32,193)	8,533,343
Protection Services	1,220	42	0	0	1,262
Transportation Services	210,466,114	10,147,856	508,589	8,660	220,114,041
Environmental Services	3,943,744	26,111	0	(4)	3,969,851
Health Services	9,144,746	890,282	621,746	(15,673)	9,397,609
Social and Family Services	39,397,219	2,739,100	85,357	(135,988)	41,914,974
Social Housing	46,027,756	3,840,168	249,840	(385,365)	49,232,719
Recreation and Cultural Services	14,415,124	1,480,469	586,818	(4,504)	15,304,271
Planning and Development	17,389,251	1,232,668	0	(2)	18,621,917
Work In Progress	0				0
ACCUMULATED AMORTIZATION	348,507,483	21,415,283	2,267,710	(565,069)	367,089,987
NET BOOK VALUE					
General Government	18,146,265	5,086,270	13,364	(30,825)	23,188,346
Protection Services	42	(42)	0	0	0
Transportation Services	158,041,241	3,075,817	19,464	13,538	161,111,132
Environmental Services	224,929	(13,221)	0	4	211,712
Health Services	6,025,872	(504,830)	190,767	(12,862)	5,317,413
Social and Family Services	30,187,332	13,759,779	12,766	(65,333)	43,869,012
Social Housing	52,761,678	(291,664)	8,120	157,665	52,619,559
Recreation and Cultural Services	13,140,410	(184,477)	40,204	17,512	12,933,241
Planning and Development	18,928,446	(1,225,344)	0	2	17,703,104
Work In Progress	9,642,250	6,248,888	0	0	15,891,138
NET BOOK VALUE (prior)	307,098,465	25,951,176	284,685	79,701	332,844,657

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2025
Schedule 2

	2025 ACTUAL $	2024 ACTUAL $
RESERVES (Schedule 3)	68,867,671	67,512,823
RESERVE FUNDS (Schedule 4)	17,458,518	18,109,111
Total Reserves and Reserve Funds	86,326,189	85,621,934
SURPLUSES		
Invested in Tangible Capital Assets	350,546,254	332,844,657
Open Landfill ARO asset	11,930	14,316
General Revenue Fund	(10,349,610)	(11,690,360)
Debenture Receivable Reversed	(4,939,954)	(4,939,954)
Unfunded		
Long Term Debt	(30,419,674)	(29,098,288)
Asset Retirement Obligation	(12,101,730)	(12,495,479)
Employment Benefits Payable	(4,753,652)	(4,722,437)
Accrued Tax Liabilities	(947,964)	129,933
Bank Indebtedness - CLCDC	(1,666,919)	(1,443,406)
Accounts Payable & Accrued Liabilities - CLCDC	(408,309)	(1,017,598)
Accounts Receivable - CLCDC	228,353	299,485
Prepaid Expenses - CLCDC	331,807	383,250
Total Surpluses	285,530,532	268,264,119
ACCUMULATED SURPLUS	371,856,721	353,886,053

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CONTINUITY OF RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025
Schedule 3

	2025 BUDGET $	2025 ACTUAL $	2024 ACTUAL $
BALANCE, beginning of the year	67,512,823	67,512,823	71,525,547
REVENUE CONTRIBUTIONS			
From Operations	17,374,753	34,049,689	29,787,382
TRANSFERS			
To Operations	3,689,068	5,596,899	3,929,788
To Capital Acquisitions	23,891,553	27,097,942	29,870,318
Total Transfers	27,580,621	32,694,841	33,800,106
BALANCE, end of the year	57,306,955	68,867,671	67,512,823
REPRESENTED BY:			
Reserve for Working Funds	3,656,048	3,839,496	3,506,048
Reserve for Future Operations	53,650,907	65,028,175	64,006,775
	57,306,955	68,867,671	67,512,823

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CONTINUITY OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
Schedule 4

	2025 BUDGET $	2025 ACTUAL $	2024 ACTUAL $
BALANCE, beginning of the year	18,109,111	18,109,111	16,282,677
REVENUE CONTRIBUTIONS			
Interest Income	0	636,951	869,757
From Operations	1,257,790	1,425,472	1,632,350
	1,257,790	2,062,423	2,502,107
TRANSFERS			
To Operations	822,324	573,957	554,251
To Capital Acquisitions	2,300,000	2,139,059	121,422
Total Transfers	3,122,324	2,713,016	675,673
BALANCE, end of the year	16,244,577	17,458,518	18,109,111
REPRESENTED BY:			
Capital Reserve Fund	9,069,651	9,443,402	8,737,673
Lambton Heritage Museum Reserve Fund	187,328	206,674	168,338
Oil Museum Reserve Fund	111,738	119,326	108,938
Gallery Lambton Reserve Fund	233,448	249,370	228,448
R.T. Bradley Reserve Fund	13,874	14,360	13,874
Waste Management Reserve Fund	1,701,017	1,918,860	1,888,702
Senior Services Reserve Fund	4,443,965	5,005,981	6,479,582
Social Housing Reserve Fund	483,556	500,545	483,556
	16,244,577	17,458,518	18,109,111

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2025
Schedule 5

	General Gov't & Administration	Court Administration	Protective Services	Public Works	Environmental Services	Public Health	Emergency Medical Services	General Assistance
	$	$	$	$	$	$	$	$
REVENUE								
Taxation	20,484,964	(118,083)	178,492	12,782,260	2,842,113	3,448,785	11,136,212	6,030,875
Government Transfers	0	553,577	0	5,618,020	0	9,638,325	13,042,254	42,104,274
User Charges & Other	7,793,915	3,127,127	1,509,540	469,605	319,704	16,432	498,612	1,399,029
Gain/Loss from TCA Disposal	(439,834)	0	0	(23,679)	0	0	(58,519)	0
	27,839,045	3,562,621	1,688,032	18,846,206	3,161,817	13,103,542	24,618,559	49,534,178
EXPENDITURES								
Salaries, Wages & Employee Benefits	9,190,015	535,050	1,527,181	3,723,948	301,729	10,823,058	19,513,608	10,677,634
Interest on Long Term Debt	321,897	0	0	110,426	0	0	2,313	0
Goods and Services	8,606,521	1,450,333	227,482	6,801,697	3,033,177	1,785,430	2,686,008	10,646,516
Contributions to Other Organizations	0	1,986,174	0	0	0	0	0	28,728,495
Amortization	1,966,193	0	0	10,265,083	25,652	164,048	792,607	0
	20,084,626	3,971,557	1,754,663	20,901,154	3,360,558	12,772,536	22,994,536	50,052,645
ANNUAL SURPLUS (DEFICIT)	7,754,419	(408,936)	(66,631)	(2,054,948)	(198,741)	331,006	1,624,023	(518,467)

	Assistance to Aged	Child Care	Housing	Library	Culture	Planning & Development	CLCDC	Total
	$	$	$	$	$	$	$	$
REVENUE								
Taxation	11,078,280	1,296,297	14,437,029	8,768,840	4,478,592	6,178,094		103,022,750
Government Transfers	32,063,704	39,692,255	6,002,586	318,948	154,010	263,108		149,451,061
User Charges & Other	10,046,415	0	6,862,944	112,880	155,405	117,301	2,570,017	34,998,926
Gain/Loss from TCA Disposal	(8,654)	0	(66)	(2,422)	(10,106)	0		(543,280)
	53,179,745	40,988,552	27,302,493	9,198,246	4,777,901	6,558,503	2,570,017	286,929,457
EXPENDITURES								
Salaries, Wages & Employee Benefits	41,490,153	1,212,541	2,914,753	6,758,088	2,463,358	1,766,447	546,726	113,444,289
Interest on Long Term Debt	77,440	0	77,490	0	85,808	0	389,118	1,064,492
Goods and Services	7,491,701	39,745,604	12,130,264	1,178,637	1,318,880	779,920	2,611,993	100,494,163
Contributions to Other Organizations	0	0	0	0	200	2,044,349	0	32,759,218
Amortization	1,754,868	38,548	3,453,280	848,398	653,309	5,568	1,229,073	21,196,627
	50,814,162	40,996,693	18,575,787	8,785,123	4,521,555	4,596,284	4,776,910	268,958,789
ANNUAL SURPLUS (DEFICIT)	2,365,583	(8,141)	8,726,706	413,123	256,346	1,962,219	(2,206,893)	17,970,668

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2024
Schedule 5

	General Gov't & Administration $	Court Administration $	Protective Services $	Public Works $	Environmental Services $	Public Health $	Emergency Medical Services $	General Assistance $
REVENUE								
Taxation	21,621,519	181,917	178,492	11,601,339	2,722,573	3,342,157	9,498,970	6,315,146
Government Transfers	223,448	610,477	85,287	6,822,470	0	9,839,005	11,729,555	41,903,471
User Charges & Other	4,298,825	3,427,919	1,329,499	858,297	371,652	19,459	82,472	3,263,761
Gain/Loss from TCA Disposal	(13,364)	0	0	(19,464)	0	(1,705)	(189,062)	0
	26,130,428	4,220,313	1,593,278	19,262,642	3,094,225	13,198,916	21,121,935	51,482,378
EXPENDITURES								
Salaries, Wages & Employee Benefits	8,247,860	594,432	1,415,663	3,119,881	326,188	10,460,908	18,066,148	10,478,161
Interest on Long Term Debt	222,094	0	0	93,314	0	0	2,144	0
Goods and Services	6,964,120	1,441,653	183,546	6,648,884	2,285,180	1,789,909	2,500,931	10,567,258
Contributions to Other Organizations	0	1,714,293	0	0	0	0	0	29,265,714
Amortization	1,026,394	0	42	10,156,516	26,107	177,742	697,567	843,599
	16,460,468	3,750,378	1,599,251	20,018,595	2,637,475	12,428,559	21,266,790	51,154,732
ANNUAL SURPLUS (DEFICIT) prior	9,669,960	469,935	(5,973)	(755,953)	456,750	770,357	(144,855)	327,646

	Assistance to Aged $	Child Care $	Housing $	Library $	Culture $	Planning & Development $	CLCDC $	Total $
REVENUE								
Taxation	10,764,676	1,208,704	14,161,340	8,028,406	4,136,866	6,104,963		99,867,068
Government Transfers	31,535,263	35,249,798	3,111,123	407,167	179,756	111,834		141,808,654
User Charges & Other	9,991,889	0	7,630,456	134,477	155,220	149,822	2,587,955	34,301,703
Gain/Loss from TCA Disposal	(12,766)	0	(8,120)	(5,013)	(35,191)	0		(284,685)
	52,279,062	36,458,502	24,894,799	8,565,037	4,436,651	6,366,619	2,587,955	275,692,740
EXPENDITURES								
Salaries, Wages & Employee Benefits	39,654,333	1,799,972	2,945,381	6,465,350	2,407,540	1,798,460	517,257	108,297,534
Interest on Long Term Debt	107,152	0	114,502	0	95,894	0	422,569	1,057,669
Goods and Services	8,130,132	33,641,077	11,518,844	1,308,017	1,322,610	658,395	2,444,124	91,404,680
Contributions to Other Organizations	0	0	0	0	0	4,760,051	0	35,740,058
Amortization	1,718,401	40,412	3,454,803	773,261	702,704	4,192	1,228,474	20,850,214
	49,610,018	35,481,461	18,033,530	8,546,628	4,528,748	7,221,098	4,612,424	257,350,155
ANNUAL SURPLUS (DEFICIT) prior	2,669,044	977,041	6,861,269	18,409	(92,097)	(854,479)	(2,024,469)	18,342,585