
THE CORPORATION OF THE COUNTY OF LAMBTON

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

**THE CORPORATION OF THE COUNTY OF LAMBTON
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FOR THE YEAR ENDED DECEMBER 31, 2022**

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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers
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, 2022, 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, 2022, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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
Sarnia, Ontario
June 30, 2023

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022**

	2022 ACTUAL \$	2021 ACTUAL \$
<u>FINANCIAL ASSETS</u>		
Cash and Temporary Investments (Note 4)	90,125,602	83,770,244
Accounts Receivable	10,074,220	11,685,783
Amounts Recoverable on Long Term Debt (Note 7)	134,745	663,053
TOTAL FINANCIAL ASSETS	100,334,567	96,119,080
<u>LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	29,744,297	24,634,463
Deferred Grant (Note 6)	0	622,731
Deferred Revenue (Note 21)	6,168,378	6,650,920
Long Term Debt (Note 7)	29,064,040	30,547,878
Landfill Closure and Post Closure Costs (Note 10)	1,648,103	1,986,041
Employment Benefits Payable (Note 2)	3,672,441	3,591,257
Accrued Tax Liabilities (Note 16)	1,261,776	782,169
TOTAL LIABILITIES	71,559,035	68,815,459
NET FINANCIAL ASSETS	28,775,532	27,303,621
<u>NON-FINANCIAL ASSETS</u>		
Tangible Capital Assets - net (Schedule 1)	299,768,955	287,940,045
Inventories	395,177	420,055
Prepaid Expenses	3,374,324	3,394,515
TOTAL NON-FINANCIAL ASSETS	303,538,456	291,754,615
ACCUMULATED SURPLUS (Schedule 2)	332,313,988	319,058,236

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, 2022**

	2022 BUDGET	2022 ACTUAL	2021 ACTUAL
	\$	\$	\$
REVENUE			
Taxation (Note 16)	85,902,901	86,395,617	84,720,182
Federal Government Transfers	8,704,579	7,943,541	6,966,805
Provincial Government Transfers	105,056,978	115,168,021	114,072,302
Other Municipalities	1,608,394	2,169,272	3,329,349
User Charges	24,812,471	25,776,627	26,131,339
Investment Income	700,000	2,120,175	697,375
Donations	56,997	104,040	240,865
Other	150,000	441,406	893,267
Loss on Disposal of Tangible Capital Assets	0	(167,395)	(1,485,562)
	<u>226,992,320</u>	<u>239,951,304</u>	<u>235,565,922</u>
EXPENSES			
General Government	16,248,410	16,467,852	14,492,840
Protection Services	4,880,219	4,883,092	4,556,834
Transportation Services	19,438,562	19,962,093	22,057,394
Environmental Services	3,160,105	2,439,293	2,718,377
Health Services	32,809,310	33,167,669	33,772,071
Social and Family Services	105,834,388	112,948,524	106,463,316
Social Housing	14,087,456	15,214,049	14,284,914
Recreation and Cultural Services	12,502,842	11,690,677	10,857,459
Planning and Development	9,889,579	9,922,303	9,641,229
	<u>218,850,871</u>	<u>226,695,552</u>	<u>218,844,434</u>
ANNUAL SURPLUS	8,141,449	13,255,752	16,721,488
ACCUMULATED SURPLUS, beginning of the year	<u>319,058,236</u>	<u>319,058,236</u>	<u>302,336,748</u>
ACCUMULATED SURPLUS, end of the year	<u>327,199,685</u>	<u>332,313,988</u>	<u>319,058,236</u>

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, 2022**

	2022 BUDGET \$	2022 ACTUAL \$	2021 ACTUAL \$
ANNUAL SURPLUS	8,141,449	13,255,752	16,721,488
Amortization of Tangible Capital Assets	17,311,630	18,545,769	17,820,738
Acquisition of Tangible Capital Assets	(28,368,955)	(30,542,074)	(27,168,192)
Loss on Sale of Tangible Capital Assets	0	167,395	1,485,562
Change in Inventories	0	24,878	7,715
Change in Prepaid Expenses	0	20,191	(358,128)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(2,915,876)	1,471,911	8,509,183
NET FINANCIAL ASSETS, beginning of the year	27,303,621	27,303,621	18,794,438
NET FINANCIAL ASSETS, end of the year	<u>24,387,745</u>	<u>28,775,532</u>	<u>27,303,621</u>

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, 2022**

	2022 ACTUAL \$	2021 ACTUAL \$
OPERATING TRANSACTIONS		
Annual Surplus	13,255,752	16,721,488
Uses of Cash		
Increase in Accounts Receivable		(3,223,742)
Increase in Prepaid Expenses	0	(358,128)
Decrease in Accounts Payable and Accrued Liabilities		(182,164)
Decrease in Deferred Grant	(622,731)	0
Decrease in Deferred Revenue	(482,542)	0
Decrease in Accrued Tax Liabilities	0	(1,029,372)
Decrease in Landfill Closure and Post Closure Costs	(337,938)	(133,293)
Decrease in Employment Benefits Payable		
	<u>(1,443,211)</u>	<u>(4,926,699)</u>
Sources of Cash		
Decrease in Accounts Receivable	1,611,563	0
Increase in Accounts Payable and Accrued Liabilities	5,109,834	0
Increase in Employment Benefits Payable	81,184	678,135
Increase in Deferred Revenue	0	3,261,789
Increase in Accrued Tax Liabilities	479,607	0
Decrease in Inventories	24,878	7,715
Decrease in Prepaid Expenses	20,191	0
	<u>7,327,257</u>	<u>3,947,639</u>
Non-cash Charges to Operations		
Amortization	18,545,769	17,820,738
Loss on Sale of Tangible Capital Assets	167,395	1,485,562
	<u>18,713,164</u>	<u>19,306,300</u>
Cash Provided by Operations	<u>37,852,962</u>	<u>35,048,728</u>
CAPITAL TRANSACTIONS		
Cash Used to Acquire Tangible Capital Assets	<u>(30,542,074)</u>	<u>(27,168,192)</u>
INVESTING TRANSACTIONS		
Decrease in Investment in Bioindustrial Innovation Canada	<u>0</u>	<u>500,000</u>
FINANCING TRANSACTIONS		
Amounts Recoverable on Long Term Debt	528,308	511,642
Long Term Debt Issued	2,808,145	17,919,930
Long Term Debt Principal Repayments	(4,291,983)	(4,058,131)
Bankers Acceptance	0	(16,455,094)
Net Decrease in Cash from Financing Activities	<u>(955,530)</u>	<u>(2,081,653)</u>
INCREASE IN CASH	6,355,358	6,298,883
CASH, beginning of the year	<u>83,770,244</u>	<u>77,471,361</u>
CASH, end of the year	<u>90,125,602</u>	<u>83,770,244</u>

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

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

1. ACCOUNTING POLICIES

The 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 excess of revenues over expenses, provides the Change in Net Financial Debt 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 CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

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.

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

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.

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.

User charges are recorded when the amount is determinable, collectability is assured and the services provided.

Investment income is recorded as earned.

Donations are recorded when the amount is determinable and collectability is reasonably assured.

(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. The liability is recorded net of any expected recoveries. At December 31, 2022, 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.

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

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, 2022 is \$3,672,441 (2021 - \$3,591,257).

3. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$83,178 (2021 - \$83,725) 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 AND TEMPORARY INVESTMENTS

	2022	2021
	\$	\$
Cash on Hand and in Banks	90,032,186	83,678,275
Temporary Investments	93,416	91,969
	<u>90,125,602</u>	<u>83,770,244</u>

The Municipality's cash is held at a Canadian chartered bank and earns interest based on the monthly average prime rate less 1.55%.

The temporary investments, held in a money market fund, are due on demand.

The Municipality has a \$5,500,000 demand operating line available to it. Interest rate of prime less 1.0% is charged on money borrowed. At December 31, 2022, the Municipality had a balance owing of \$Nil (2021 - \$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, 2022, the County of Lambton Community Development Corporation has an unused line of credit balance of \$1,513,519.

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, 2022	April 30, 2021
	\$	\$
<u>Statement of Financial Position</u>		
Assets	20,467,249	21,795,785
Liabilities	<u>17,487,212</u>	<u>18,190,653</u>
Surplus (Deficit)	2,980,037	3,605,132
<u>Statement of Operations</u>		
Revenues	4,101,287	3,935,579
Expenses	<u>4,726,382</u>	<u>4,502,836</u>
Deficiency of revenue over expenses	(625,095)	(567,257)

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

CLCDC is included in these consolidated financial statements using the financial information of CLCDC prepared as of April 30, 2022, covering the period May 1, 2021 - April 30, 2022.

6. DEFERRED GRANT

The balance of \$0 (2021 - \$622,731) represents the monies received in 2006 for the Best Start Program.

7. LONG-TERM DEBT

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

Total long-term debt incurred by the Municipality, including those incurred on behalf of local (lower tier) Municipalities, and outstanding at the end of the year:

	2022	2021
	\$	\$
Long-Term Care	2,656,923	3,091,422
Roads	4,947,383	4,678,924
Emergency Medical Services	98,031	190,100
County Administration Building	80,776	118,845
Information Technology	138,869	233,088
Housing	2,085,252	2,082,514
Lambton Heritage Museum	207,065	295,976
Oil Museum	486,247	-
Alix Art Gallery	1,566,358	1,672,335
Inn of the Good Shepherd	280,488	315,628
CLCDC	16,310,113	17,029,586
Bioindustrial Innovation Centre – non recoverable	71,791	176,407
Bioindustrial Innovation Centre – recoverable	<u>134,744</u>	<u>663,053</u>
	29,064,040	30,547,878
Long-term debt assumed by local (lower tier) Municipalities and others	<u>16,444,858</u>	<u>17,692,639</u>
Net long-term debt at the end of the year	<u>12,619,182</u>	<u>12,855,239</u>

(b) Of the long-term debt reported in (a) of this note, \$14,010,766 in principal is payable from 2023 to 2027, \$6,833,121 from 2028 to 2032, and \$8,220,153 thereafter and are summarized as follows:

	Years 2023 2027	Years 2028 2032	Years 2033 Thereafter	Total
	\$	\$	\$	\$
from general municipal revenue	10,032,290	2,542,485	44,407	12,619,182
from local Municipalities and other	<u>3,978,476</u>	<u>4,290,636</u>	<u>8,175,746</u>	<u>16,444,858</u>
	<u>14,010,766</u>	<u>6,833,121</u>	<u>8,220,153</u>	<u>29,064,040</u>

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.

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

- (c) The long-term debt in (a) issued in the name of the Municipality has received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law.

Approval of the Ontario Municipal Board has been obtained for those pending issues of long-term debt and commitments to be financed by revenues beyond the term of council and approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law.

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, 2023 has been authorized at \$24,152,878. Actual annual repayment of principal and interest in 2022 was \$4,534,680 (2021 - \$4,220,965). Interest rates on long term debt vary between 1.67% and 5.18%.

8. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 1051 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 nearly 559,000 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, 2022. The results of the valuation disclosed total actuarial liabilities of \$128,800 million in respect of benefits accrued for service with actuarial assets at that date of \$122,100 million indicating an actuarial deficit of \$6,700 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 2022 was \$5,968,389 (2021 - \$5,640,222) 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 2022 (2021 – 9.0% to 14.6%) depending on income level.

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

9. 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 \$1,488,891 (2021 - \$1,470,151) in operating funds during 2022. SLEP has not been consolidated.

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

10. LIABILITY FOR LANDFILL CLOSURE AND POST CLOSURE COSTS

The Ontario Environmental and Protection Act sets out regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post closure care of solid waste landfill sites.

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

The total projected closure and post closure costs at December 31, 2022 are \$4,841,791.

The estimated liability of \$1,648,103 (2021 - \$1,986,041) represents the sum of the discounted future cash flows for closure and post closure care activities discounted at the Municipality's current long-term borrowing rate of 3.0%. The estimated remaining capacity of the Municipality's sites is approximately 73,606 cubic metres, which will be filled in eight years. Post-closure care is estimated to continue for a period of at least 25 years.

The Municipality has established a reserve fund in order to fund this future liability. The fund is currently valued at \$1,700,685.

11. EXPENDITURE BY OBJECT

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

	2022	2021
	\$	\$
Salaries, wages and employee benefits	96,276,055	91,723,147
Materials	66,545,794	68,517,594
Contracted services	9,198,906	8,632,095
Rents and financial expenses	3,625,941	3,457,372
Interest on long-term debt	771,005	674,476
Contributions to other organizations	31,732,082	28,019,012
Amortization	<u>18,545,769</u>	<u>17,820,738</u>
	<u>226,695,552</u>	<u>218,844,434</u>

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.

THE CORPORATION OF THE COUNTY OF LAMBTON
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Protective Services - The Building 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 two 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 two main streams. Environmental Health & Prevention 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 & Program Support focuses on the prevention of chronic disease, injury prevention and substance abuse prevention programs.

Emergency Medical Services - The EMS Department offers 24 hour, 7 days a week, land ambulance services to residents from nine stations located throughout the County.

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, ensures compliance of funds allocated and administers the Lambton Shared Services Centre.

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

Child Care - The Children's Services Department maintains service agreements with not-for-profit and profit centres in the County to provide subsidized child care spaces. The Department also offers a variety of services through programs such as Best Start and Child Health.

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.

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
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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.

Detail Code Program Name	2022 Subsidy Received \$	2022 Subsidy Earned \$	(Surplus)/ Deficit \$
EDU - Ministry of Education			
<u>Operating Allocations</u>			
Core Services Delivery - 100%	5,951,661	5,951,661	-
Special Purpose Operating Allocation	5,307,814	5,307,814	-
	<u>11,259,475</u>	<u>11,259,475</u>	<u>-</u>
<u>Wage Enhancement</u>			
Wage Enhancement	1,596,663	1,504,492	(92,171)
Wage Enhancement Administration	39,848	39,848	-
	<u>1,636,511</u>	<u>1,544,340</u>	<u>(92,171)</u>
Expansion Plan	1,899,317	1,899,317	-
ELCC	989,171	989,171	-
Base Funding for Licensed Home Child Care (LHCC)	262,200	262,200	-
One-Time Transitional Grant	908,892	176,726	(732,166)
Other COVID-19 Allocations – Emergency Child Care	27,156	27,156	-
CWELCC	5,404,412	4,787,118	(617,294)
Total Calendar Year Child Care Allocation	<u>22,387,134</u>	<u>20,945,503</u>	<u>(1,349,460)</u>
The Journey Together - Indigenous Hub	340,880	340,880	-
Ontario Early Years Child Care and Family Centres	2,418,549	2,418,549	-
Childcare and Early Years Workforce Allocation	1,207,859	393,615	(814,244)
Total	<u>26,354,422</u>	<u>24,098,547</u>	<u>(2,255,875)</u>

**THE CORPORATION OF THE COUNTY OF LAMBTON
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Detail Code Program Name	2022 Subsidy Received \$	2022 Subsidy Earned \$	(Surplus)/ Deficit \$
MCCSS - Ministry of Children, Community and Social Services			
<u>Program Delivery</u>			
8693 Ontario Works Upload Funding	2,442,300	2,442,300	-
8648 Ontario Works 50/50 Funding	4,244,200	4,244,200	-
9285 Admin Time Limited Projects	100,000	100,000	-
Total	<u>6,786,500</u>	<u>6,786,500</u>	-

**THE CORPORATION OF THE COUNTY OF LAMBTON
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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 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.

	2022 Mandatory & Related	2022 Excluded Programs	2022 Total Public Health Unit
Total Public Health Unit Operating Costs:	13,452,640	1,475,628	14,928,268
Total Public Health Unit Amortization Expense:	172,243	18,893	191,136
Total Public Health Unit TCA Expenditures:	233,149	-	233,149

PUBLIC HEALTH GRANTS

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

A. Base Funding

	2022 Subsidy Approved \$	2022 Subsidy Earned \$	2022 Subsidy Received \$	(Payable)/ Receivable at December 31, 2022 \$	Subsidy Recovered/ (Received) in Q1 2023	Remaining (Payable)/ Receivable \$
PHD Programs Funded at 70%						
Mandatory Programs	6,979,475	6,979,475	6,979,484	(9)	-	(9)
Total	6,979,475	6,979,475	6,979,484	(9)	-	(9)
Related Programs Funded at 100% (PHD)						
Ontario Seniors Dental Care Program	734,000	734,000	608,206	125,794	(125,800)	(6)
Total	734,000	734,000	608,206	125,794	(125,800)	(6)
MOH/AMOH Compensation						
MOH/AMOH Compensation	160,000	52,986	153,045	(100,059)	-	(100,059)
Total	160,000	52,986	153,045	(100,059)	-	(100,059)
Sub-Total A. Base Funding	7,873,475	7,766,461	7,740,735	25,726	(125,800)	(100,074)

**THE CORPORATION OF THE COUNTY OF LAMBTON
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B. 2022 One-Time Funding Approved to December 31, 2022

	2022 Subsidy Approved \$	2022 Subsidy Earned \$	2022 Subsidy Received \$	(Payable)/ Receivable at December 31, 2022 \$	Subsidy Recovered/ (Received) in Q1 2023	Remaining (Payable)/ Receivable \$
Related Programs Funded at 100% (PHD)						
Mitigation	409,100	409,100	409,100	-	-	-
COVID-19: General Program	254,600	254,600	254,600	-	-	-
COVID-19: Vaccine Program	973,600	2,324	973,600	(971,276)	971,359	83
Total	<u>1,637,300</u>	<u>666,024</u>	<u>1,637,300</u>	<u>(971,276)</u>	<u>971,359</u>	<u>83</u>
Sub-Total B. 2022 One-Time Funding Approved to Dec. 31, 2022	<u>1,637,300</u>	<u>666,024</u>	<u>1,637,300</u>	<u>(971,276)</u>	<u>971,359</u>	<u>83</u>

C. 2021 One-Time Funding Approved to March 31, 2022

	Subsidy Carried Forward \$	Subsidy Earned \$	Further Subsidy Received \$	(Payable)/ Receivable \$
Related Programs Funded at 100% (PHD)				
Needle Exchange Program Initiative	(6,329)	8,671	15,000	-
Public Health Inspector Practicum Program	(2,494)	-	2,494	-
Temporary Retention Incentive for Nurses	-	124,813	125,600	(787)
COVID-19: School-Focused Nurses Initiative	(750)	150,000	150,750	-
Total	<u>(9,573)</u>	<u>283,484</u>	<u>293,844</u>	<u>(787)</u>
Sub-Total C. 2021 One-Time Funding Approved to Mar. 31, 2022	<u>(9,573)</u>	<u>283,484</u>	<u>293,844</u>	<u>(787)</u>

D. 2022 One-Time Funding Approved to March 31, 2023

	2022 Subsidy Approved \$	2022 Subsidy Earned \$	2022 Subsidy Received \$	Subsidy to Carryover \$
Related Programs Funded at 100% (PHD)				
COVID-19: School Focused Nurses Initiative	598,000	448,000	448,000	-
Temporary Retention Incentive for Nurses	119,800	119,055	68,778	50,277
Needle Exchange Program Initiative	61,000	54,275	45,738	8,537
Public Health Inspector Practicum Program	10,000	10,000	7,506	2,494
Total	<u>788,800</u>	<u>631,330</u>	<u>570,022</u>	<u>61,308</u>
Total One-Time Subsidy Receivable/(Carryover)				<u>61,308</u>

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

Vaccine Program

	2022 Subsidy Earned \$	2022 Subsidy Received \$	(Payable)/ Receivable at December 31, 2022 \$	Subsidy Recovered/ (Received) in Q1 2023	Remaining (Payable)/ Receivable \$
Universal Influenza Immunization Program	21,540	165	21,375	(21,375)	-
Meningococcal C Conjugate Vaccine	11,968	2,372	9,597	(9,597)	-
Human Papilloma Virus Program	13,354	3,324	10,030	(10,030)	-
Total	<u>46,862</u>	<u>5,860</u>	<u>41,002</u>	<u>(41,002)</u>	<u>-</u>

Total Vaccine Program Receivable/(Payable) 41,002 -

**Child and Youth Development Branch, Ministry of Children and Youth Services
Strategic Policy and Planning Division**

Funding Approved April 1, 2022 to Mar. 31, 2023

	Subsidy Approved \$	Subsidy Earned \$	Subsidy Payable \$
Healthy Babies Healthy Children	<u>933,093</u>	<u>933,093</u>	<u>-</u>
Total	<u>933,093</u>	<u>933,093</u>	<u>-</u>
Sub-Total Funding Approved April 1, 2022 to Mar. 31, 2023	<u>933,093</u>	<u>933,093</u>	<u>-</u>

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

15. LIBRARY GOVERNMENT TRANSFERS

Government Transfers recorded as 2022 revenue for the Library segment are comprised of the following amounts:

Ministry of Heritage, Sport, Tourism & Culture Industries Operating Grant	\$ 265,865
Ministry of Heritage, Sport, Tourism & Culture Industries Pay Equity Grant	<u>18,083</u>
	<u>\$ 283,948</u>

16. ACCRUED TAX LIABILITIES

Taxation Revenue - General Levy	\$ 84,946,203
Taxation Revenue - Supplementary Tax Levy	1,149,123
Payment in Lieu Taxation Revenue	1,545,977
Tax Write-Offs	(766,079)
Accrued Tax Liability	<u>(479,607)</u>
Total Property Taxation	<u>\$ 86,395,617</u>

Reconciliation of Assessment Appeal Provision and Accrued Tax Liability

Estimate of Expected Appeals	\$ 815,414
Estimate of Expected Supplementary Taxes	(78,929)
Other Adjustments	<u>525,291</u>
Potential Future Tax Liability	<u>\$ 1,261,776</u>

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, 2022 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. LOAN GUARANTEE

The Municipality has agreed to provide Southwestern Integrated Fibre Technology (SWIFT) Inc., a guarantee in the amount of \$2,100,000 in support of a credit facility to provide SWIFT with short-term bridge financing.

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

19. 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 2022 amounted to \$129,903.

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 entered into an agreement with the Town of Petrolia for the maintenance of County roads within the Town over a five year period commencing September 1, 2015 and ended August 31, 2020. The Municipality is currently in negotiations to renew the agreement.

The Municipality has entered into an agreement with the City of Sarnia and the Township of St. Clair for the construction of an oversized load corridor. The Municipality's estimated contribution to the roads portion of the project is \$1,200,000.

The Municipality's lease agreement to rent office, storage and terrace premises expired in May 2017 but has continued under the same terms on a month to month basis. The Municipality has negotiated a new lease to continue renting space at the same location. The lease term commenced in 2022 upon completion of building renovations and will be a 20 year lease.

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.

20. 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 landfill closure and post closure liability is subject to measurement uncertainty. The estimate is based on 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.

21. DEFERRED REVENUE

The balance of \$6,168,378 (2021 - \$6,650,920) represents the Federal Gas Tax top up monies received in 2019 and 2022 and is unspent at December 31, 2022.

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

22. BUDGET FIGURES

The Financial Plan (budget) adopted by the County of Lambton Council on March 2, 2022, 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 Debt represent the budget adopted by Council with adjustments as follows:

	2022
	\$
Financial Plan (budget) surplus for the year - County	0
Add:	
Capital Expenditures	28,368,955
Principal Payments	4,407,427
Less:	
Amortization	16,091,630
Long Term Financing	4,292,882
Net Reserve and Reserve Fund Transfers	<u>3,728,739</u>
Budget Surplus for the County of Lambton	<u>8,663,131</u>
Add:	
Community Development Corporation budget deficit for the year	<u>(521,682)</u>
Budget Surplus per Consolidated Statement of Operation	<u>8,141,449</u>

23. INVESTMENT IN BIOINDUSTRIAL INNOVATION CANADA

In 2018, the Municipality entered into an agreement with Bioindustrial Innovation Centre (BIC). The intent of this agreement was to assist the BIC in leveraging funding from the Federal Government for the purpose of investing emerging bioindustrial enterprises.

The Municipality has invested \$500,000 directly into the BIC's investment portfolio, assuming an indirect equity position in three bioindustrial enterprises located in Lambton County. The value of these investments varied with the financial performance of the three enterprises. The investments were redeemed by December 31, 2021.

24. EMERGENCY MEDICAL SERVICES COVID-19

The Ministry of Health provided one-time funding to support paramedic services as part of the COVID-19 response in the emergency health services sector. In order to meet Ministry reporting requirements, the details for Lambton Emergency Medical Services (EMS) are outlined as follows:

Subsidy Received	COVID-19 Expenses	(Payable)/ Receivable
\$	\$	\$
6,331	6,331	-

**THE CORPORATION OF THE COUNTY OF LAMBTON
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022**

25. 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 \$774,748 (2021 - \$762,536) in operating funds during 2022. TSL has not been consolidated.

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Schedule 1

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
COST					
Land	39,316,448	431,630	0	0	39,748,078
Bridges	38,539,135	1,872,872	172,279	(5,748)	40,233,980
Buildings	188,323,422	4,760,661	27,997	(805,712)	192,250,374
Building Contents	13,413,232	2,578,293	719,191	(1,630)	15,270,704
Building Site Elements	11,598,067	2,114,921	251,713	0	13,461,275
Fleet	8,433,203	1,036,043	619,479	0	8,849,767
Information Technology	3,246,681	993,438	550,503	0	3,689,616
Leasehold Improvements	377,928	5,203,484	0	1,310	5,582,722
Machinery and Equipment	9,797,780	714,766	179,060	(6,758)	10,326,728
Medical and Emergency Equ	3,647,893	1,034,196	223,663	5,922	4,464,348
Roads	272,747,924	11,135,705	0	32,870	283,916,499
Signage and Illuminations	3,041,896	560,398	22,596	0	3,579,698
Work In Progress	9,467,438	(1,114,587)	0	0	8,352,851
TOTAL COST	601,951,047	31,321,820	2,766,481	(779,746)	629,726,640
ACCUMULATED AMORTIZATION					
Land	0	0	0	0	0
Bridges	15,386,895	825,554	117,962	(8,833)	16,085,654
Buildings	101,984,204	6,351,331	17,590	(682,670)	107,635,275
Building Contents	7,904,125	985,710	707,078	1,189	8,183,946
Building Site Elements	6,079,708	410,177	194,636	(1,139)	6,294,110
Fleet	5,475,617	820,129	619,479	0	5,676,267
Information Technology	1,524,090	692,222	526,549	0	1,689,763
Leasehold Improvements	110,884	286,744	0	366	397,994
Machinery and Equipment	5,378,170	541,608	176,544	(830)	5,742,404
Medical and Emergency Equ	2,284,198	269,576	216,652	(1,708)	2,335,414
Roads	165,530,628	7,961,068	0	1,441	173,493,137
Signage and Illuminations	2,352,483	93,844	22,596	(10)	2,423,721
Work In Progress	0	0	0	0	0
ACCUMULATED AMORTIZA	314,011,002	19,237,963	2,599,086	(692,194)	329,957,685
NET BOOK VALUE					
Land	39,316,448	431,630	0	0	39,748,078
Bridges	23,152,240	1,047,318	54,317	3,085	24,148,326
Buildings	86,339,218	(1,590,670)	10,407	(123,042)	84,615,099
Building Contents	5,509,107	1,592,583	12,113	(2,819)	7,086,758
Building Site Elements	5,518,359	1,704,744	57,077	1,139	7,167,165
Fleet	2,957,586	215,914	0	0	3,173,500
Information Technology	1,722,591	301,216	23,954	0	1,999,853
Leasehold Improvements	267,044	4,916,740	0	944	5,184,728
Machinery and Equipment	4,419,610	173,158	2,516	(5,928)	4,584,324
Medical and Emergency Equ	1,363,695	764,620	7,011	7,630	2,128,934
Roads	107,217,296	3,174,637	0	31,429	110,423,362
Signage and Illuminations	689,413	466,554	0	10	1,155,977
Work In Progress	9,467,438	(1,114,587)	0	0	8,352,851
NET BOOK VALUE - 2022	287,940,045	12,083,857	167,395	(87,552)	299,768,955

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Schedule 1

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
COST					
General Government	24,966,083	1,460,343	707,505	(5,419)	25,713,502
Protection Services	1,262	0	0	0	1,262
Transportation Services	343,279,242	14,681,643	687,400	20,364	357,293,849
Environmental Services	4,161,281	0	0	0	4,161,281
Health Services	13,140,211	1,394,949	280,559	0	14,254,601
Social and Family Services	60,603,263	8,745,955	308,211	(382,144)	68,658,863
Social Housing	86,438,161	3,934,423	208,404	(303,398)	89,860,782
Recreation and Cultural Ser	24,089,216	2,219,094	574,402	(109,149)	25,624,759
Planning and Development	35,804,890	0	0	0	35,804,890
Work In Progress	9,467,438	(1,114,587)	0	0	8,352,851
TOTAL COST	601,951,047	31,321,820	2,766,481	(779,746)	629,726,640
ACCUMULATED AMORTIZATION					
General Government	7,319,082	988,488	683,551	(4,795)	7,619,224
Protection Services	1,052	84	0	0	1,136
Transportation Services	192,024,843	9,607,189	631,482	(8,247)	200,992,303
Environmental Services	3,889,612	27,325	0	2	3,916,939
Health Services	7,776,903	804,015	279,522	(16)	8,301,380
Social and Family Services	36,410,726	2,057,719	291,449	(235,002)	37,941,994
Social Housing	38,393,112	3,330,248	157,514	(338,648)	41,227,198
Recreation and Cultural Ser	13,420,375	1,199,534	555,568	(105,486)	13,958,855
Planning and Development	14,775,297	1,223,361	0	(2)	15,998,656
Work In Progress	0	0	0	0	0
ACCUMULATED AMORTIZA	314,011,002	19,237,963	2,599,086	(692,194)	329,957,685
NET BOOK VALUE					
General Government	17,647,001	471,855	23,954	(624)	18,094,278
Protection Services	210	(84)	0	0	126
Transportation Services	151,254,399	5,074,454	55,918	28,611	156,301,546
Environmental Services	271,669	(27,325)	0	(2)	244,342
Health Services	5,363,308	590,934	1,037	16	5,953,221
Social and Family Services	24,192,537	6,688,236	16,762	(147,142)	30,716,869
Social Housing	48,045,049	604,175	50,890	35,250	48,633,584
Recreation and Cultural Ser	10,668,841	1,019,560	18,834	(3,663)	11,665,904
Planning and Development	21,029,593	(1,223,361)	0	2	19,806,234
Work In Progress	9,467,438	(1,114,587)	0	0	8,352,851
NET BOOK VALUE - 2022	287,940,045	12,083,857	167,395	(87,552)	299,768,955

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Schedule 1

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
COST					
Land	39,313,983	2,465	0	0	39,316,448
Bridges	36,803,030	1,999,651	144,916	(118,630)	38,539,135
Buildings	184,038,000	5,569,784	210,486	(1,073,876)	188,323,422
Building Contents	14,298,298	1,042,196	1,927,262	0	13,413,232
Building Site Elements	10,919,259	775,759	84,693	(12,258)	11,598,067
Fleet	8,331,518	407,563	306,405	527	8,433,203
Information Technology	3,156,513	673,401	583,233	0	3,246,681
Leasehold Improvements	2,927,636	42,963	2,592,671	0	377,928
Machinery and Equipment	10,058,437	489,179	749,836	0	9,797,780
Medical and Emergency Equipment	3,384,006	372,528	108,641	0	3,647,893
Roads	262,958,186	9,778,831	23,834	34,741	272,747,924
Signage and Illuminations	2,938,959	137,428	34,491	0	3,041,896
Work In Progress	2,421,498	7,045,940	0	0	9,467,438
TOTAL COST	581,549,323	28,337,688	6,766,468	(1,169,496)	601,951,047
ACCUMULATED AMORTIZATION					
Land	0	0	0	0	0
Bridges	14,747,924	769,022	67,662	(62,389)	15,386,895
Buildings	96,729,822	6,233,275	139,422	(839,471)	101,984,204
Building Contents	8,777,967	939,648	1,817,270	3,780	7,904,125
Building Site Elements	5,765,685	385,751	62,467	(9,261)	6,079,708
Fleet	4,971,453	810,543	306,405	26	5,475,617
Information Technology	1,454,369	632,046	562,311	(14)	1,524,090
Leasehold Improvements	1,559,001	66,898	1,515,015	0	110,884
Machinery and Equipment	5,507,417	526,288	655,534	(1)	5,378,170
Medical and Emergency Equipment	2,149,131	245,368	105,790	(4,511)	2,284,198
Roads	157,505,871	8,042,526	19,883	2,114	165,530,628
Signage and Illuminations	2,302,530	79,110	29,147	(10)	2,352,483
Work In Progress	0	0	0	0	0
ACCUMULATED AMORTIZATION	301,471,170	18,730,475	5,280,906	(909,737)	314,011,002
NET BOOK VALUE					
Land	39,313,983	2,465	0	0	39,316,448
Bridges	22,055,106	1,230,629	77,254	(56,241)	23,152,240
Buildings	87,308,178	(663,491)	71,064	(234,405)	86,339,218
Building Contents	5,520,331	102,548	109,992	(3,780)	5,509,107
Building Site Elements	5,153,574	390,008	22,226	(2,997)	5,518,359
Fleet	3,360,065	(402,980)	0	501	2,957,586
Information Technology	1,702,144	41,355	20,922	14	1,722,591
Leasehold Improvements	1,368,635	(23,935)	1,077,656	0	267,044
Machinery and Equipment	4,551,020	(37,109)	94,302	1	4,419,610
Medical and Emergency Equipment	1,234,875	127,160	2,851	4,511	1,363,695
Roads	105,452,315	1,736,305	3,951	32,627	107,217,296
Signage and Illuminations	636,429	58,318	5,344	10	689,413
Work In Progress	2,421,498	7,045,940	0	0	9,467,438
NET BOOK VALUE - 2021	280,078,153	9,607,213	1,485,562	(259,759)	287,940,045

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Schedule 1

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
COST					
General Government	24,786,326	762,990	583,233	0	24,966,083
Protection Services	1,262	0	0	0	1,262
Transportation Services	332,216,980	12,229,339	1,049,513	(117,564)	343,279,242
Environmental Services	4,147,405	13,876	0	0	4,161,281
Health Services	12,444,093	765,585	13,454	(56,013)	13,140,211
Social and Family Services	63,035,895	2,159,734	4,156,587	(435,779)	60,603,263
Social Housing	82,765,485	4,476,592	291,582	(512,334)	86,438,161
Recreation and Cultural Services	23,925,489	883,632	672,099	(47,806)	24,089,216
Planning and Development	35,804,890	0	0	0	35,804,890
Work In Progress	2,421,498	7,045,940	0	0	9,467,438
TOTAL COST	581,549,323	28,337,688	6,766,468	(1,169,496)	601,951,047
ACCUMULATED AMORTIZATION					
General Government	6,934,587	946,812	562,311	(6)	7,319,082
Protection Services	968	84	0	0	1,052
Transportation Services	183,409,672	9,607,710	901,301	(91,238)	192,024,843
Environmental Services	3,862,142	27,470	0	0	3,889,612
Health Services	7,055,836	769,833	12,422	(36,344)	7,776,903
Social and Family Services	37,866,770	1,771,444	2,961,553	(265,935)	36,410,726
Social Housing	35,872,784	3,209,681	211,621	(477,732)	38,393,112
Recreation and Cultural Services	12,916,508	1,174,043	631,698	(38,478)	13,420,375
Planning and Development	13,551,903	1,223,398	0	(4)	14,775,297
Work In Progress	0	0	0	0	0
ACCUMULATED AMORTIZATION	301,471,170	18,730,475	5,280,906	(909,737)	314,011,002
NET BOOK VALUE					
General Government	17,851,739	(183,822)	20,922	6	17,647,001
Protection Services	294	(84)	0	0	210
Transportation Services	148,807,308	2,621,629	148,212	(26,326)	151,254,399
Environmental Services	285,263	(13,594)	0	0	271,669
Health Services	5,388,257	(4,248)	1,032	(19,669)	5,363,308
Social and Family Services	25,169,125	388,290	1,195,034	(169,844)	24,192,537
Social Housing	46,892,701	1,266,911	79,961	(34,602)	48,045,049
Recreation and Cultural Services	11,008,981	(290,411)	40,401	(9,328)	10,668,841
Planning and Development	22,252,987	(1,223,398)	0	4	21,029,593
Work In Progress	2,421,498	7,045,940	0	0	9,467,438
NET BOOK VALUE - 2021	280,078,153	9,607,213	1,485,562	(259,759)	287,940,045

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2022
Schedule 2**

	2022 ACTUAL \$	2021 ACTUAL \$
RESERVES (Schedule 3)	66,553,667	62,463,199
RESERVE FUNDS (Schedule 4)	14,108,335	12,070,087
Total Reserves and Reserve Funds	80,662,002	74,533,286
SURPLUSES		
Invested in Tangible Capital Assets	299,768,955	287,940,045
Invested in Bioindustrial Innovation Canada	0	0
General Revenue Fund	(8,218,213)	(2,908,104)
Debenture Receivable Reversed	(4,939,954)	(4,939,954)
Unfunded		
Long Term Debt	(28,929,295)	(29,884,825)
Landfill Closure and Post Closure Costs	(1,648,103)	(1,986,041)
Employment Benefits Payable	(3,672,441)	(3,591,257)
Accrued Tax Liabilities	(233,080)	246,528
Bank Indebtedness - CLCDC	(489,676)	(698,417)
Accounts Payable & Accrued Liabilities - CLCDC	(511,261)	(462,650)
Accounts Receivable - CLCDC	164,566	75,015
Prepaid Expenses - CLCDC	360,488	734,610
Total Surpluses	251,651,986	244,524,950
ACCUMULATED SURPLUS	332,313,988	319,058,236

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CONTINUITY OF RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022
Schedule 3**

	2022 BUDGET \$	2022 ACTUAL \$	2021 ACTUAL \$
BALANCE, beginning of the year	62,463,199	62,463,199	56,182,222
REVENUE CONTRIBUTIONS			
From Operations	11,376,711	26,346,643	24,988,624
TRANSFERS			
To Operations	5,504,841	5,533,469	3,997,248
To Capital Acquisitions	9,860,144	16,722,706	14,710,399
Total Transfers	15,364,985	22,256,175	18,707,647
BALANCE, end of the year	58,474,925	66,553,667	62,463,199
REPRESENTED BY:			
Reserve for Working Funds	3,688,242	3,408,906	3,523,462
Reserve for Future Operations	54,786,683	63,144,761	58,939,737
	58,474,925	66,553,667	62,463,199

**THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CONTINUITY OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
Schedule 4**

	2022 BUDGET \$	2022 ACTUAL \$	2021 ACTUAL \$
BALANCE, beginning of the year	12,070,087	12,070,087	10,396,161
REVENUE CONTRIBUTIONS			
Interest Income	0	329,621	105,311
From Operations	2,093,320	2,426,063	2,345,606
	2,093,320	2,755,684	2,450,917
TRANSFERS			
To Operations	1,833,785	589,175	576,931
To Capital Acquisitions	0	128,261	200,060
Total Transfers	1,833,785	717,436	776,991
BALANCE, end of the year	12,329,622	14,108,335	12,070,087
REPRESENTED BY:			
Capital Reserve Fund	6,838,549	7,024,370	6,475,578
Lambton Heritage Museum Reserve Fund	351,959	281,706	339,470
Oil Museum Reserve Fund	111,892	88,952	109,292
Gallery Lambton Reserve Fund	198,291	203,828	193,291
R.T. Bradley Reserve Fund	12,133	12,461	12,133
Waste Management Reserve Fund	1,220,330	1,700,685	1,408,015
Senior Services Reserve Fund	3,173,702	4,362,104	3,109,542
Social Housing Reserve Fund	422,766	434,229	422,766
	12,329,622	14,108,335	12,070,087

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2022
Schedule 5

	General Gov't & Administration \$	Court Administration \$	Protective Services \$	Public Works \$	Environmental Services \$	Public Health \$	Emergency Medical Services \$	General Assistance \$
REVENUE								
Taxation	20,244,023	(489,112)	178,492	10,579,629	2,633,985	3,111,669	8,433,118	5,514,025
Government Transfers	493,449	596,044	157,088	7,026,405	0	10,716,346	10,107,973	38,413,108
User Charges & Other	4,211,301	1,936,513	1,245,691	2,971,946	520,583	279,123	294,420	1,652,822
Gain/Loss from TCA Disposal	(23,954)	0	0	(55,918)	0	(1,037)	0	0
	<u>24,924,819</u>	<u>2,043,445</u>	<u>1,581,272</u>	<u>20,522,062</u>	<u>3,154,568</u>	<u>14,106,101</u>	<u>18,835,511</u>	<u>45,579,954</u>
EXPENDITURES								
Salaries, Wages & Employee Benefits	8,030,686	568,850	1,343,892	2,638,171	304,735	11,355,742	15,894,739	8,739,382
Interest on Long Term Debt	8,165	0	0	119,871	0	0	4,102	0
Goods and Services	6,573,518	1,267,951	297,204	7,605,109	2,107,231	2,620,471	1,982,381	9,438,302
Contributions to Other Organizations	871,789	1,405,112	0	0	0	505,000	0	25,747,598
Amortization	983,693	0	84	9,598,942	27,327	191,136	614,096	319,720
	<u>16,467,851</u>	<u>3,241,912</u>	<u>1,641,180</u>	<u>19,962,094</u>	<u>2,439,293</u>	<u>14,672,349</u>	<u>18,495,319</u>	<u>44,245,002</u>
ANNUAL SURPLUS (DEFICIT) 2022	<u>8,456,968</u>	<u>(1,198,467)</u>	<u>(59,908)</u>	<u>559,968</u>	<u>715,275</u>	<u>(566,248)</u>	<u>340,192</u>	<u>1,334,952</u>

	Assistance to Aged \$	Child Care \$	Housing \$	Library \$	Culture \$	Planning & Development \$	CLCDC \$	Total \$
REVENUE								
Taxation	7,545,326	1,147,779	10,669,245	7,064,200	3,847,633	5,915,605	0	86,395,617
Government Transfers	27,381,484	24,721,277	2,467,034	465,372	565,980	0	0	123,111,562
User Charges & Other	8,784,158	0	4,926,096	79,038	156,378	260,937	3,292,514	30,611,520
Gain/Loss from TCA Disposal	(16,762)	0	(50,890)	0	(18,834)	0	0	(167,395)
	<u>43,694,207</u>	<u>25,869,056</u>	<u>18,011,486</u>	<u>7,608,610</u>	<u>4,551,156</u>	<u>6,176,542</u>	<u>3,292,514</u>	<u>239,951,304</u>
EXPENDITURES								
Salaries, Wages & Employee Benefits	33,653,105	1,344,468	2,288,881	5,726,074	2,170,325	1,651,557	565,448	96,276,055
Interest on Long Term Debt	99,061	0	91,871	0	70,931	4,481	372,522	771,005
Goods and Services	8,236,793	23,868,330	9,841,697	1,332,947	1,296,154	537,041	2,365,512	79,370,641
Contributions to Other Organizations	0	0	0	0	200	3,202,383	0	31,732,082
Amortization	1,457,323	44,441	2,991,600	651,518	442,530	3,232	1,220,127	18,545,769
	<u>43,446,282</u>	<u>25,257,239</u>	<u>15,214,049</u>	<u>7,710,538</u>	<u>3,980,140</u>	<u>5,398,694</u>	<u>4,523,609</u>	<u>226,695,552</u>
ANNUAL SURPLUS (DEFICIT) 2022	<u>247,925</u>	<u>611,817</u>	<u>2,797,437</u>	<u>(101,928)</u>	<u>571,016</u>	<u>777,848</u>	<u>(1,231,095)</u>	<u>13,255,752</u>

THE CORPORATION OF THE COUNTY OF LAMBTON
CONSOLIDATED SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2021
Schedule 5

	General Gov't & Administration \$	Court Administration \$	Protective Services \$	Public Works \$	Environmental Services \$	Public Health \$	Emergency Medical Services \$	General Assistance \$
REVENUE								
Taxation	23,096,146	(439,112)	178,492	10,336,186	2,498,119	3,073,928	8,571,535	5,061,070
Government Transfers	2,615,239	698,380	0	5,545,789	0	12,978,581	9,802,836	39,514,071
User Charges & Other	3,038,237	2,311,098	1,204,318	4,020,286	456,328	535,441	231,940	3,057,528
Gain/Loss from TCA Disposal	(20,922)	0	0	(148,212)	0	0	(1,032)	(1,144,803)
	<u>28,728,700</u>	<u>2,570,366</u>	<u>1,382,810</u>	<u>19,754,049</u>	<u>2,954,447</u>	<u>16,587,950</u>	<u>18,605,279</u>	<u>46,487,866</u>
EXPENDITURES								
Salaries, Wages & Employee Benefits	7,207,096	525,097	1,214,204	2,594,596	325,908	12,662,125	14,894,467	8,732,629
Interest on Long Term Debt	8,806	0	0	101,338	0	0	8,091	0
Goods and Services	5,496,798	1,216,726	145,947	9,844,988	2,364,999	3,600,014	1,764,247	13,791,146
Contributions to Other Organizations	833,333	1,454,776	0	0	0	105,000	0	22,481,057
Amortization	946,806	0	84	9,516,472	27,470	168,080	570,047	75,457
	<u>14,492,839</u>	<u>3,196,599</u>	<u>1,360,235</u>	<u>22,057,394</u>	<u>2,718,377</u>	<u>16,535,219</u>	<u>17,236,852</u>	<u>45,080,289</u>
ANNUAL SURPLUS (DEFICIT) 2021	<u>14,235,861</u>	<u>(626,233)</u>	<u>22,575</u>	<u>(2,303,345)</u>	<u>236,070</u>	<u>52,731</u>	<u>1,368,427</u>	<u>1,407,577</u>

	Assistance to Aged \$	Child Care \$	Housing \$	Library \$	Culture \$	Planning & Development \$	CLCDC \$	Total \$
REVENUE								
Taxation	7,210,108	1,042,584	8,872,074	6,747,318	3,637,533	4,834,201	0	84,720,182
Government Transfers	24,669,951	21,139,447	3,283,424	283,948	507,441	0	0	121,039,107
User Charges & Other	8,691,845	0	4,155,666	84,890	104,904	267,817	3,131,897	31,292,195
Gain/Loss from TCA Disposal	(48,068)	(2,163)	(79,961)	0	(40,401)	0	0	(1,485,562)
	<u>40,523,836</u>	<u>22,179,868</u>	<u>16,231,203</u>	<u>7,116,156</u>	<u>4,209,477</u>	<u>5,102,018</u>	<u>3,131,897</u>	<u>235,565,922</u>
EXPENDITURES								
Salaries, Wages & Employee Benefits	30,710,145	1,298,589	2,292,139	5,385,748	2,049,817	1,328,142	502,445	91,723,147
Interest on Long Term Debt	82,012	0	68,670	0	63,337	8,054	334,168	674,476
Goods and Services	6,986,183	20,880,683	9,192,154	1,362,285	860,711	857,766	2,242,414	80,607,061
Contributions to Other Organizations	0	0	0	0	0	3,144,846	0	28,019,012
Amortization	1,378,655	46,759	2,731,949	634,314	501,251	3,267	1,220,127	17,820,738
	<u>39,156,995</u>	<u>22,226,031</u>	<u>14,284,912</u>	<u>7,382,347</u>	<u>3,475,116</u>	<u>5,342,075</u>	<u>4,299,154</u>	<u>218,844,434</u>
ANNUAL SURPLUS (DEFICIT) 2021	<u>1,366,841</u>	<u>(46,163)</u>	<u>1,946,291</u>	<u>(266,191)</u>	<u>734,361</u>	<u>(240,057)</u>	<u>(1,167,257)</u>	<u>16,721,488</u>