Consolidated Financial Statements of

THE CORPORATION OF THE TOWN OF TECUMSEH

Year ended December 31, 2024

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Financial Statements

Year ended December 31, 2024

Management's Responsibility for the Consolidated Financial Statements

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

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

Management meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

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

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Windsor, ON N8W 5K8
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INDEPENDENT AUDITOR'S REPORT

To the Mayor, Members of Council, Inhabitants and Ratepayers of Corporation of the Town of Tecumseh

Opinion

We have audited the consolidated financial statements of Corporation of the Town of Tecumseh (the Town), which comprise:

- the consolidated statement of financial position as at December 31, 2024
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2024, and its consolidated results of operations, its consolidated changes 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 Financial Statements"*** section of our auditor's report.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

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

KPMG

- 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 Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Town to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

July 28, 2026

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash and cash equivalents	$ 81,121,097	$ 80,019,945
Taxes receivable	3,391,512	2,872,792
Accounts receivable	9,647,842	4,518,108
Promissory note receivable - government business enterprise (note 2)	1,544,408	1,544,408
Due from government business enterprise (note 2)	2,054,714	2,106,445
Accounts receivable - long term (note 3)	335,547	488,033
Investment - government business enterprise (note 4)	12,305,197	12,305,362
Investment - portfolio	4,452,091	2,022,369
	114,852,408	105,877,462
Liabilities		
Accounts payable and accrued liabilities	15,937,798	13,869,511
Other current liabilities	6,678,709	2,567,922
Deferred revenue (note 5)	16,313,845	11,998,877
Employee future benefits payable (note 6)	10,438,853	10,948,883
Asset retirement obligation (note 7)	2,026,891	2,032,667
Municipal debt (note 8)	9,276,850	10,505,118
	60,672,946	51,922,978
Net financial assets	54,179,462	53,954,484
Non-financial assets		
Tangible capital assets (Schedule 1)	267,836,674	250,042,259
Inventories of supplies	301,804	253,252
Prepaid expenses	104,241	71,464,
	268,242,719	250,366,975
Contingent liabilities (note 10)		
Contractual obligations (note 11)		
Accumulated surplus (note 9)	$ 322,422,181	$ 304,321,459

See accompanying notes to consolidated financial statements.

Approved on behalf of Council:

Mayor

Treasurer

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget	2024 Actual	2023 Actual
	(note 14)		
Revenues:			
Property taxes	$ 29,390,563	$ 29,705,509	$ 28,095,008
User charges	14,145,735	14,376,851	13,479,937
Capital contributions	4,873,960	2,210,638	4,565,431
Government transfers	16,922,717	10,037,554	2,939,377
Investment income	3,868,200	4,529,328	4,130,524
Penalties and interest on property taxes	380,000	512,402	449,200
Income from government business enterprise (note 4)	849,975	473,640	499,930
Gain (loss) on disposal of tangible capital assets	(221,873)	248,995	(332,171)
Other	6,500	322,425	672,224
	70,215,777	62,417,342	54,499,460
Expenses:			
General government	7,730,952	6,911,609	5,269,385
Protection to persons and property	6,707,660	6,484,589	6,686,516
Transportation	8,334,034	7,682,904	7,130,944
Environmental	13,010,869	13,052,125	13,215,781
Social and family	8,554	22,187	60,792
Recreational and cultural	7,385,891	7,359,950	5,982,029
Planning and development	2,488,986	2,803,256	3,653,267
	45,666,946	44,316,620	41,998,714
Annual surplus	24,548,831	18,100,722	12,500,746
Accumulated surplus, beginning of year	307,716,972	304,321,459	291,820,713
Accumulated surplus, end of year	$ 332,265,803	$ 322,422,181	$ 304,321,459

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 14)	2024 Actual	2023 Actual
Annual surplus	$ 24,548,831	$ 18,100,722	$ 12,500,746
Acquisition of tangible capital assets	(49,270,092)	(7,065,676)	(20,659,648)
Change in tangible capital assets WIP	(13,857,893)	(19,167,052)	(940,884)
Amortization of tangible capital assets	8,402,581	8,402,971	8,136,351
Loss (gain) on disposal of tangible capital assets	221,873	(248,995)	332,171
Proceeds from sale of tangible capital assets	–	284,337	58,643
	(54,503,531)	(17,794,415)	(13,073,367)
Net change in inventories of supplies	–	(48,552)	(77,076)
Net change in prepaid expense	–	(32,777)	(50,557)
	–	(81,329)	(127,633)
Change in net financial assets excluding net remeasurement gains and losses	(29,954,700)	224,978	(700,254)
Net financial assets, beginning of year	53,954,484	53,954,484	54,654,738
Net financial assets, end of year	$ 23,999,784	$ 54,179,462	$ 53,954,484

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
Annual surplus	$ 18,100,722	$ 12,500,746
Items not involving cash:		
Amortization	8,402,971	8,136,351
Income from government business enterprise	(473,640)	(499,930)
Loss on disposal of tangible capital assets	(248,995)	332,171
Change in non-cash operating working capital:		
Financial assets	(5,596,723)	(349,293)
Liabilities	9,978,236	10,116,935
Non-financial assets	(81,329)	(127,633)
Cash provided from operating transactions	30,081,242	30,109,347
Capital:		
Acquisition of tangible capital assets	(7,065,676)	(20,659,648)
Change in assets under construction	(19,167,052)	(940,884)
Proceeds on sale of tangible capital assets	284,337	58,643
Cash used in capital transactions	(25,948,391)	(21,541,889)
Investing:		
Accounts receivable - long-term - new	–	(9,829)
Accounts receivable - long-term - repayment	152,486	243,626
Investment portfolio purchases	(2,000,000)	(100,000)
Investment portfolio reinvestment	(429,722)	(113,965)
Dividends from government business enterprise	473,805	466,930
Cash used in investing activities	(1,803,431)	486,762
Financing:		
Municipal debt principal repayment	(1,228,268)	(1,218,231)
Cash used in financing activities	(1,228,268)	(1,218,231)
Change in cash and cash equivalents	1,101,152	7,835,989
Cash and cash equivalents, beginning of year	80,019,945	72,183,956
Cash and cash equivalents, end of year	$ 81,121,097	$ 80,019,945

See accompanying notes to consolidated financial statements.

The Corporation of the Town of Tecumseh (the "Municipality") was formed on January 1, 1999, by the amalgamation of the former municipalities of the Village of St. Clair Beach, the Town of Tecumseh and the Township of Sandwich South.

1. Significant accounting policies:

The consolidated financial statements of the Municipality are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada. The Corporation of the Town of Tecumseh is a municipality in the Province of Ontario and operates under the provisions of the Community Charter. The Municipality provides municipal services such as fire, policing, roads, water, wastewater, planning, parks, recreation and other general government services.

The focus of PSAB consolidated financial statements is on the financial position of the Municipality and the changes thereto. The Consolidated Statement of Financial Position includes all the assets and liabilities of the Municipality. Financial assets are those which provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position and is the difference between assets and liabilities. This provides information about the Municipality's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statement reflect the financial assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the Municipality. The following entities have been consolidated:

Tecumseh Business Improvement Area Board Tecumseh Police Services Board

All inter-entity transactions and balances have been eliminated.

(ii) Non-consolidated entity:

The investment in Essex Power Corporation ("EPC") is accounted for using the modified equity basis of accounting. Under this method, the government business enterprise's accounting policies, which follow IFRS Accounting Standards ("IFRS"), are not adjusted to conform with Public Sector Accounting Standards. Inter-entity transactions and balances are not eliminated.

The Municipality recognizes its equity interest in the annual income or loss of EPC in its Consolidated Statement of Operations with a corresponding increase or decrease in its' investment account. Any dividends that the Municipality receives from EPC are reflected as reductions in the investment account.

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

(iii) Accounting for County of Essex and School Board transactions:

Taxation and other revenues with respect to the operations of the County of Essex (the "County") and School Boards are not reflected in the Consolidated Statement of Operations. In addition, the revenues, expenses, assets and liabilities with respect to the operations of the County and School Boards are not reflected in these consolidated financial statements except to the extent that any amounts due to or from are reported on the Consolidated Statement of Financial Position in "accounts receivable" or "accounts payable".

(iv) Trust funds:

Trust funds and their related operations that are administered by the Municipality are not consolidated.

(v) Municipal debt:

The charges for municipal debt assumed by non-consolidated entities or by individuals, in the case of tile drainage and shoreline property assistance loans, are not reflected in these consolidated financial statements.

(b) Basis of accounting:

(i) Accrual basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting. 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.

(ii) Cash and cash equivalents:

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

(iii) Portfolio investments:

Portfolio investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(iv) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They generally 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 Assets for the year.

(v) Accounts receivable - long term:

Interest is recognized as income in the year that it is earned.

(vi) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Asset	Rate
Land improvements	20 – 50 years
Buildings	20 – 50 years
Leasehold improvements	15 – 50 years
Equipment / vehicles	3 – 40 years
Computer	4 – 12 years
Furniture and fixtures	10 years
Linear assets – roads	20 – 50 years
Linear assets – water	20 – 80 years
Linear assets – wastewater	65 years
Linear assets – stormwater	65 years

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 to $10,000, so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have greater than $100,000 value, or for operational reasons. Examples of pools are desktop computer systems, furniture and fixtures, sidewalks and water meters.

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(vii) Contribution of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

(viii) Leased assets:

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Municipality, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

(ix) Inventories:

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

(x) Taxation and related revenue:

Taxes are recognized as revenue in the year they are levied. Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation (“MPAC”). Tax rates are established annually by Municipal Council, incorporating amounts to be raised for local services, the requisition made by the County in respect of County services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issuance of supplementary assessment rolls, which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenue is recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal and write off for physical changes to the property. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known. The Municipality is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(x) Taxation and related revenue (continued):

Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. Government transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met. Government transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability.

Sanitary sewer and water operations are funded by various revenues including frontage, connection and usage charges. Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

(xi) Deferred revenue:

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. Government transfers of gas taxes, development charges collected under the Development Charges Act, 1997 and parkland contributions collected under the Planning Act are reported as deferred revenue in the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

(xii) Retirement benefits and other employee benefit plans:

The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System (“OMERS”), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement, sick leave benefits and certain post-employment benefits. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits and other post-employment benefits that accumulate over the period of service provided by employees are subject to actuarial valuations and are accrued in accordance with the projected benefit method, prorated on service and management’s best estimate of salary escalation and retirement ages of employees, inflation rates, investment returns, wage and salary escalation, insurance and health care cost trends, employee turnover and discount rates. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(xiii) Use of estimates:

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation allowances for receivables, certain accrued liabilities and obligations related to employee future benefits and the landfill post closure liability, the carrying value of tangible capital assets and the evaluation of contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

(xiv) Asset retirement obligation:

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

- 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 for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos and septic systems in several of the buildings owned by the Town has been recognized based on estimated future expenses on closure of the site and post-closure care. Under the prospective method, the liability is measured as of the date it was incurred and the discount rate and assumptions used are those as of the date the obligation was incurred. Comparatives are not restated. Assumptions used in the subsequent calculations are revised yearly.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital asset is being amortized in accordance with the depreciation accounting policies outlined in (vi).

1. Significant accounting policies (continued):

(c) Change in accounting policies:

(i) PS 3160 Public Private Partnerships ("P3s") provides specific guidance on the accounting and reporting for P3s between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

(ii) PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

(iii) PSG-8 Purchased Intangibles provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

As a result of applying these new accounting standards, there has been no impact to the Town's consolidated financial statements.

2. Government business enterprise:

	2024	2023
Note receivable from EPC (note 4), long-term interest rate of 4.00%, repayable up to 20% of the original balance of $1,544,408 in each year. The Municipality can request payment in full upon a year's notice subject to EPC's ability to make such payment. Term is from January 1, 2024 to December 31, 2027. The Municipality can defer any payment to a subsequent year.	$ 1,544,408	$ 1,544,408
Amount due from EPC relates to water and sewer billings collected by EPC on behalf of the Municipality under an ongoing agreement.	2,054,714	2,106,445

3. Accounts receivable - long-term:

Accounts receivable – long term consists of the following:

		2024		2023
Debentures	$	298,836	$	417,780
Other		36,711		70,253
	$	335,547	$	488,033

(a) Debentures:

These accounts receivable are owing from taxpayers and are related to amounts recoverable with regards to infrastructure work completed and paid for by the Municipality but for which the taxpayers are responsible. Due to the work performed being substantial and the related costs being significant, the Municipality provides taxpayers the option to pay when the work is completed or to provide payments over a term of five years. If the taxpayer could prove undue hardship, then the Municipality allows for a term of 10 years.

		2024		2023
Receivable over a ten year term in annual instalments of $5,349 at an interest rate of 4.53% and will mature in 2028	$	19,175	$	23,461
Receivable over a five year term in annual instalments of $114,739 at an interest rate of 2.21% and will mature in 2026		222,089		329,545
Receivable over a ten year term in annual instalments of $9,352 at an interest rate of 3.32% and will mature in 2031		57,572		64,774
	$	298,836	$	417,780

3. Accounts receivable - long-term (continued):

(b) Other:

	2024	2023
Municipal Drain receivable over a five year term in annual instalments of $13,488 at an interest rate of 4.00% and matured during the year	$ –	$ 12,523
Municipal Drain receivable over a five year term in annual instalments of $11,598 at an interest rate of 2.70% and will mature in 2025	11,294	22,290
Municipal Drain receivable over a five year term in annual instalments of $8,997 at an interest rate of 2.70% and will mature in 2026	17,305	25,611
Municipal Drain receivable over a five year term in annual instalments of $2,382 at an interest rate of 6.76% and will mature in 2028	8,112	9,829
	$ 36,711	$ 70,253

4. Investment – Government Business Enterprise:

(a) Pursuant to the Energy Competition Act, the Municipality incorporated companies created for the purposes of generating, distributing and retailing electricity. The corporations include the former Utilities of the Towns of Amherstburg, Lasalle, Leamington and Tecumseh.

The Corporation of the Town of Tecumseh holds a 26.44% interest in Essex Power Corporation.

(b) Investment balance at December 31, 2024 is comprised of the following:

	2024	2023
2,678,177 Class A voting common shares – EPC	$ 2,678,177	$ 2,678,177
2,289,242 Class B non-voting common shares – EPC	2,289,242	2,289,242
373,943 special shares, Class A non-voting – EPC	373,943	373,943
Share of accumulated earnings 26.44%	6,963,835	6,964,000
	$ 12,305,197	$ 12,305,362

4. Investment – Government Business Enterprise (continued):

(c) Supplementary financial information for EPC:

(in thousands of dollars)		2024		2023
Cash and cash equivalents	$	2,724	$	2,881
Accounts receivable		9,040		10,352
Unbilled revenue		7,151		6,627
Other current assets		3,906		3,460
Property, plant and equipment		90,126		85,190
Intangible assets		6,376		6,127
Right-of-use assets		1,252		1,350
Goodwill		1,623		1,623
Deferred assets		380		196
Note receivable		2,248		2,253
Regulatory balances		8,200		8,814
Total assets and regulatory balances	$	133,026	$	128,873
Current liabilities	$	25,083	$	21,316
Long-term debt		35,368		38,642
Post-employment benefits		2,667		2,578
Deferred revenue		13,738		11,633
Deferred tax liabilities		5,875		5,802
Other non-current liabilities		1,174		1,182
Total liabilities		83,905		81,153
Share capital		19,667		19,667
Retained earnings		20,702		20,528
Net assets attributable to external Limited Partners		1,638		1,825
Accumulated other comprehensive income		2,162		2,178
Total equity		44,169		44,198
Regulatory balances		4,952		3,522
Total liabilities, equity and regulatory balances	$	133,026	$	128,873
Total revenues	$	108,621	$	100,321
Total expenses		(102,786)		(92,162)
Non-recurring items		–		(250)
Finance costs		(1,111)		(1,135)
Income tax expense		(554)		(680)
Net movement in regulatory balances, net of tax		(2,014)		(3,875)
Other comprehensive income		(16)		21
Total comprehensive income for the year	$	2,140	$	2,240

4. Investment – Government Business Enterprise (continued):

(c) Supplementary financial information for EPC (continued):

(in thousands of dollars)	2024	2023
26.44% share of comprehensive income	$ 566	$ 592
26.44% share of Green Share Dividend	(16)	(16)
26.44% share of regulatory adjustments	(76)	(76)
Income from government business enterprise	$ 474	$ 500

5. Deferred revenue:

	2024 Opening balance	Contributions received	Externally restricted investments income	Revenue recognized	2024 Ending balance
Development charges	$ 671,987	$ 2,267,668	$ 18,414	$ (2,105,081)	$ 852,988
Gas tax	6,426,669	1,189,415	383,732	–	7,999,816
Parkland development fees	890,676	173,646	24,407	–	1,088,729
Storm sewer	4,407,120	2,056,244	288,339	–	6,751,703
Building code	(397,575)	18,184	–	–	(379,391)
	$ 11,998,877	$ 5,705,157	$ 714,892	$ (2,105,081)	$ 16,313,845

6. Employee future benefits payable:

Employee future benefits payable consists of the following:

	2024	2023
Sick leave benefit plan (note 6 (b))	$ 376,349	$ 340,957
Health and dental (note 6 (c))	10,062,504	10,607,926
	$ 10,438,853	$ 10,948,883

6. Employee future benefits payable (continued):

(a) Pension:

Certain employees of the Municipality are eligible to be members of the Ontario Municipal Employees Retirement System (“OMERS”), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of credited service and rates of pay. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable the Municipality to account for the plan as a defined benefit plan. At December 31, 2024, the OMERS plan is in a deficit position. Contribution rates for 2024 were 9.0% (2023 - 9.0%) for employee earnings below the year’s maximum pensionable earnings and 14.6% (2023 - 14.6%) thereafter. During the year ended December 31, 2024, the Municipality contributed $947,136 (2023 - $839,350) to the plan. These contributions are the Municipality’s pension benefit expense. No pension liability for this type of plan is included in the Municipality’s Consolidated Statement of Financial Position.

(b) Sick leave benefit plan:

The Municipality provides paid sick leave that can be carried forward up to a maximum of 65 days and employees may become entitled to a cash payment of one-half of the sick bank balance when they leave the Municipality’s employment. The benefit costs and liabilities recorded in 2024 are based on an actuarial valuation prepared by an independent firm. The most recent full actuarial valuation was performed as at December 31, 2024. Information about the Municipality’s sick leave benefit plan is as follows:

	2024	2023
Accrued benefit liability, January 1	$ 340,957	$ 332,070
Expense for the year:		
Current service cost	42,626	39,790
Interest	16,574	16,372
Amortization of actuarial gain	(5,672)	(9,041)
Benefits paid for the year	(18,136)	(38,234)
Accrued benefit liability, December 31	376,349	340,957
Unamortized actuarial (gain)/loss	5,608	(14,205)
Obligation, December 31	$ 381,957	$ 326,752

6. Employee future benefits payable (continued):

(b) Sick leave benefit plan (continued):

The main actuarial assumptions employed for the valuations are as follows:

	2024	2023
Discount rate	4.40%	4.60%
Rate of compensation increase	3.00%	3.00%

A sick leave reserve has been established in the amount of $266,025 (2023 - $284,161).

(c) Health and dental:

The Municipality pays certain benefits on behalf of its retired employees.

The Municipality provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age. In addition, the Municipality provides dental and health care benefits beyond age 65 until death for the union employees hired prior to March 31, 2010 and for management employees hired prior to January 9, 2007. The benefit costs and liabilities related to this plan are based on an actuarial valuation prepared by an independent firm. The date of the last actuarial valuation was as of December 31, 2024.

Information about the Municipality's health and dental plan is as follows:

	2024	2023
Accrued benefit liability, January 1	$ 10,607,926	$ 11,449,735
Expense for the year:		
Current service cost	102,112	91,196
Interest	305,271	306,894
Amortization of actuarial gain	(640,818)	(1,011,040)
Benefits paid for the year	(311,987)	(228,859)
Accrued benefit liability, December 31	10,062,504	10,607,926
Unamortized actuarial gain	851,116	(3,917,595)
Obligation, December 31	$ 10,913,620	$ 6,690,331

6. Employee future benefits payable (continued):

(c) Health and dental (continued):

The main actuarial assumptions employed for the valuations are as follows:

	2024	2023
Discount rate	4.70%	4.60%
Rate of compensation increase:		
Dental	4.50%	4.50%
Health care:		
Initial	5.50%	6.50%
Ultimate reached in 2039	4.00%	4.50%

7. Asset retirement obligation:

The Town’s asset retirement obligations consist of several obligations as follows:

(a) Landfill obligation:

Landfill #3 was closed in 1997 and requires care consisting of hauling and treating leachate for an indefinite period of time. Landfill #3 is the joint responsibility of the Municipality, the Town of Lakeshore and the City of Windsor. The site is administered by the Essex Windsor Solid Waste Authority.

	2024	2023
Landfill post-closure liability, January 1	$ 616,074	$ 545,175
Adjustment on adoption of PS 3280	–	76,960
Expense for the year:		
Interest	28,826	25,961
Amortization of actuarial loss	585	(1,300)
Amounts paid for the year	(24,930)	(30,722)
Landfill post-closure liability, December 31	620,555	616,074
Unamortized actuarial (gain)/loss	(26,771)	23,042
Obligation, December 31	$ 593,784	$ 639,116

7. Asset retirement obligation (continued):

(a) Landfill obligation (continued):

The main actuarial assumptions employed for the valuations are as follows:

	2024	2023
Discount rate	4.80%	4.60%
Annual growth rate	2.50%	2.50%

(b) Asbestos obligation:

The liability for the removal of asbestos in several buildings owned by the Town has been recognized based on estimates related to the removal and post-removal care.

These costs have been capitalized and are being amortized on the same basis as the related tangible capital asset.

	2024	2023
Asbestos liability, January 1	$ 1,416,593	$ 1,416,593
Reductions/abatements	(10,257)	–
Asbestos liability, December 31	$ 1,406,336	$ 1,416,593

8. Municipal debt:

(a) The balance of municipal debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2024	2023
Ontario Infrastructure and Lands Corporation Debenture - repayable in semi-annual instalments of $348,228 including interest at 3.78%, due 2036	$ 6,669,175	$ 7,101,247
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $106,736 including interest at 4.71%, due 2025	206,161	402,945
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $75,229 including interest at 4.76%, due 2026	283,829	416,039
Balance carryforward	7,159,165	7,920,231

8. Municipal debt (continued):

(a) (continued):

		2024		2023
Balance carryforward	$	7,159,165	$	7,920,231
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $68,111 including interest at 4.95%, due 2027		375,479		488,887
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $61,485 including interest at 5.62%, due 2028		435,088		529,605
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $31,583 including interest at 4.77%, due 2029		278,066		326,239
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $26,241 including interest at 4.40%, due 2030		274,134		313,259
Ontario Infrastructure and Lands Corporation Debenture - repayable in semi-annual instalments of $20,666 including interest at 3.59%, due 2031		253,837		285,209
Ontario Infrastructure and Lands Corporation Debenture - repayable in semi-annual instalments of $11,979 including interest at 3.41%, due 2032		166,511		184,334
Ontario Infrastructure and Lands Corporation Debenture - repayable in semi-annual instalments of $2,651 including interest at 3.97% due 2033		39,790		43,404
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $2,480 including interest at 3.28%, due 2028		18,454		22,704
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $55,932 including interest at 1.46%, due 2026		219,702		327,180
Ontario Strategic Infrastructure Financing Authority Debenture - repayable in semi-annual instalments of $4,365 including interest at 2.07%, due 2031		56,624		64,066
Net municipal debt at the end of the year	$	9,276,850	$	10,505,118

8. Municipal debt (continued):

(b) Principal due on municipal debt reported in (a) is summarized as follows:

	Recoverable from taxes	Recoverable from benefitting landowners	Total
2025	$ 1,158,360	$ 121,041	$ 1,279,401
2026	993,868	122,934	1,116,802
2027	885,156	12,603	897,759
2028	785,404	12,932	798,336
2029	693,640	8,250	701,890
	4,516,428	277,760	4,794,188
2030-2034	3,136,138	17,019	3,153,157
Thereafter	1,329,505	–	1,329,505
	$ 8,982,071	$ 294,779	$ 9,276,850

(c) The municipal debt in the name of the Municipality has received the approval of the Ontario Municipal Board or has been approved by the Council of the Municipality by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

9. Accumulated surplus:

(a) Accumulated surplus consists of individual fund surplus (deficit) as follows:

	2024	2023
Surplus:		
Invested in tangible capital assets	$ 267,836,674	$ 250,042,259
Inventories	301,804	253,253
To be used to offset user charges and taxation	1,014,219	487,723
To be financed by user charges and municipal debt	(7,196,095)	(6,007,485)
Equity in EPC	11,870,458	11,870,623
Amounts to be recovered:		
Benefitting landowners	298,836	417,780
Vacation pay liability	(517,900)	(507,700)
Employee benefits payable	(10,379,455)	(10,889,485)
Asset retirement obligation - TCA	(1,406,336)	(1,416,593)
Landfill post-closure liability	(620,555)	(616,074)
Accrued interest on net long term liabilities	(27,300)	(30,500)
Municipal debt	(9,276,850)	(10,505,118)
Reserves and reserve funds (note 9 (b))	70,524,681	71,222,776
Total surplus	$ 322,422,181	$ 304,321,459

9. Accumulated surplus (continued):

(b) Reserves and reserve funds consist of the following:

	2024	2023
Reserves set aside for specific purposes by Council:		
Capital / lifecycle	$ 37,852,861	$ 41,044,785
Tax rate stabilization	5,656,555	4,557,068
Community Improvement Plan	647,783	724,782
Sick and vacation leave	590,401	615,756
Storm sewer	284,345	284,345
Working capital	216,300	216,300
Business improvement area	98,908	120,011
Land stewardship	62,576	–
General	17,435	17,435
Fire Education Awareness	7,500	7,500
Total reserves	45,434,664	47,587,982
Reserve funds set aside for specific purposes by Council:		
Water capital	15,885,829	14,592,830
Sanitary sewers	6,406,293	6,674,011
Post-retirement benefits	2,797,895	2,367,953
Total reserve funds	25,090,017	23,634,794
Total reserve and reserve funds	$ 70,524,681	$ 71,222,776

10. Contingent liabilities:

During the normal course of operations, the Municipality is subject to various legal actions, including some which could be substantial. The settlement of the actions that can be reasonably estimated is not expected to have a material effect on the consolidated financial statements of the Municipality. Other legal actions may be at an early stage and therefore the likelihood and magnitude of impact cannot be reasonably determined.

11. Contractual obligations:

(a) The former municipalities entered into agreements with the City of Windsor (“Windsor”) whereby Windsor provides sewage treatment services to the Municipality at its Little River plant. In exchange for treatment services, the Municipality is responsible to the City of Windsor for a portion of debt charges associated with the Little River plant. Currently, there are no debt charges outstanding.

The Consolidated Statement of Financial Position does not reflect any assets or liabilities related to the Little River plant as the Municipality does not and will not have any ownership interest in the plant.

11. Contractual obligations (continued):

(a) (continued):

Included in the Consolidated Statement of Operations, are the following charges from the City of Windsor:

	2024	2023
Sewage treatment	$ 2,098,208	$ 1,736,671

(b) The Municipality has entered into various service agreements. The two largest relate to Waste Collection and The Solicitor General of Ontario ("Police Services"). The obligations under these contracts approximate $0.7M and $3.2M respectively in expenditures on an annual basis. The duration of these contracts is five years. The contract with Police Services can be terminated by either party with written notice of one year.

12. Trust funds:

The Municipality does not administer any trust funds and, as such, there are no trust funds included in these consolidated financial statements.

13. Operations of School Boards and the County of Essex:

The taxation, other revenues and expenditures of the School Boards and the County of Essex are comprised of the following:

	2024	2023
Taxation and share of payments in lieu and rights of way:		
School Boards	$ 9,258,494	$ 9,149,264
County	18,861,867	17,787,431
	28,120,361	26,936,695
Requisitions	28,120,361	26,936,695
Over levy for the year	$ –	$ –

14. Budget:

(a) The Financial Plan (Budget) By-Law adopted by Council on January 23, 2024, was not prepared on a basis consistent with that used to report actual results (“Canadian public sector accounting standards”). The budget was prepared on a modified accrual basis while Canadian public sector accounting standards now 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. Subsequently Council approved a report from the Treasurer restating the Financial Plan (Budget) to conform with PSAB basis of accounting. As a result, the budget figures presented in the Consolidated Statements of Operations and change in net financial assets represent the Financial Plan adopted by Council on January 23, 2024, with adjustments as follows:

	2024	2023
Financial Plan (Budget By-Law deficit) for the year	$ (36,155,870)	$(13,709,925)
Add:		
Share of government business enterprises surplus	849,975	835,000
Asset retirement obligations	29,840	29,000
Loss on sale of tangible capital assets	(221,873)	(120,879)
Deferred revenue	5,996,030	2,200,000
Capital expenditures	63,127,985	35,708,140
	69,781,957	38,651,261
Less:		
Accrued interest expense	(3,600)	(2,900)
Dividend from government business enterprise	493,275	460,000
Employee future benefits expense	153,000	455,000
Asset retirement obligations	32,000	31,715
Amortization	8,402,581	8,101,262
	9,077,256	9,045,077
Budget surplus	$ 24,548,831	$ 15,896,259

14. Budget (continued):

(b) The Business Improvement Area (BIA) is a Consolidated Entity which is not included in the Budget By-Law adopted by Council. These Consolidated Budget figures include the BIA budget approved by the BIA Board. Total overall budget surplus is: $24,508,828.

	2024
Town	$ 24,548,831
BIA	(40,003)
Budget surplus per Consolidated Statement of Operations	$ 24,508,828

15. Tangible capital assets:

The Consolidated Schedule of Tangible Capital Assets (Schedule 1) provides information on the tangible capital assets of the Town by major assets as well as accumulated amortization of the assets controlled. The reader should be aware of the following relating to tangible capital assets:

(a) Contributed capital assets:

The Town records all tangible capital assets contributed by an external party at fair value on the earlier of the date received or of the transfer of risk and responsibility. Typical examples are roadways, water and sewer lines installed by a developer as part of a subdivision agreement. Transfers recorded amounted to $45,164 (2023 - $580,000).

(b) Tangible capital assets recognized at nominal value:

Certain assets have been assigned a nominal value of one Canadian Dollar, because of the difficulty of determining a tenable valuation. These assets generally consist of small parcels of land acquired over seventy years ago.

(c) Works of art and historical treasures:

The town has been given and purchased a number of paintings and other pieces of artwork. Altogether, there are 35 pieces that were appraised at $96,000 in 2005. These pieces are insured for $100,000. These have not been capitalized.

15. Tangible capital assets:

(d) Capitalization of interest:

The Town has a policy of not capitalizing borrowing costs incurred when financing the acquisition of a tangible capital asset.

Tangible capital assets consist of:

	2024	2023
General:		
Land	$ 22,927,942	$ 22,882,778
Land improvements	9,347,726	6,071,897
Buildings	26,394,229	26,295,795
Leasehold improvements	507,548	571,073
Equipment and vehicles	6,494,435	6,151,644
Computer	439,628	420,595
Furniture and fixtures	273,196	280,831
Infrastructure:		
Roads	62,116,123	64,737,931
Underground and other networks	106,119,679	108,580,598
Assets under construction	33,216,168	14,049,117
	$ 267,836,674	$ 250,042,259

16. Public Sector Salary Disclosure Act:

The Public Sector Salary Disclosure Act requires all municipalities to disclose which, if any, employees or officers received remuneration totaling more than $100,000 during the year.

Position	Name	Salary paid	Taxable benefits
Chief Administrative Officer	M. Misek-Evans	$ 262,300	$ 2,136
Director Development Services	B. Hilman	193,828	1,600
Director Public Works and Engineering Services	P. Bartnik	193,467	1,600
Director Financial Servies and CFO	T. Kitsos	188,025	1,546
Director Community and Recreation Services	M. Gignac	175,302	1,520
Director Legislative Services and Clerk	R. Auger	168,648	1,446
Director Technology and Client Services	S, Fuerth	166,032	1,362
Director Community Safety and Fire Chief	W. Bondy	156,592	1,310
Director People and Culture	M. Drouillard	148,222	1,259
Manager Water Services and Volunteer Firefighter	B. Dupuis	144,286	1,123
Manager Planning Services and Local		133,539	1,405
Economic Development	C. Jeffrey	136,209	1,123
Manager Public Works and Transportation	K. McArdle	134,184	1,123
Manager Engineering Services	J. Henderson	131,652	1,123
Manager Building Services and Chief Building Official	P. Valore	129,120	1,123
Deputy Fire Chief Operations	K. Kavanagh	124,197	1,045
Senior Manager Recreation Services	B. Palmer	124,015	1,045
Deputy Treasurer and Manager Financial Services	Z. Visekruna	123,064	1,034
Manager Facilities and Energy Management	D. Wolicki	121,265	1,034
Manager Customer Service	Circelli	115,417	1,001
Special Projects Manager	C. Hedges	114,767	966
Manager Parks and Horticulture	K. Colthurst	114,332	966
Deputy Clerk – Manager Legislative Services	J. Alexander	114,053	966
Deputy Treasurer and Manager Revenue	V. DaDalt	113,221	963
Deputy Clerk – Clerks Services and Policy Advisor	C. Hebert	111,490	934
Development Engineer	S. McVitty	110,855	966
Manager Information Technology	D. Doyon	110,591	925
Senior Planner	E. DeCecco	105,089	862
Deputy Chief Building Official	D. Garneau	104,637	814
People and Culture Generalist	M. Doetzel	103,556	868
Fire Prevention Officer and Volunteer Firefighter	R. MacEachern	100,042	816

17. Segmented information:

The Town of Tecumseh is a diversified local municipal government that provides a wide range of services to its citizens, including police, fire, water, wastewater and parks and recreation. For management reporting purposes the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Town services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

(a) General government:

General government consists of three categories: governance, corporate management and program support. It includes offices of Council, Chief Administrative Officer, Information Technology, Financial and Clerk Services.

(b) Protection to persons and property:

Protection is comprised of Fire, Police, Conservation Authority and Protective Inspection and Control. Police Services ensures the safety of the lives and property of citizens; preserves peace and good order; prevents crimes from occurring; detects offenders; and enforces the law. Conservation Authority includes the Town's share of the Essex Region Conservation Authority. Fire Services is responsible to provide fire suppression services; fire prevention programs; training and education. Protective Inspection and Control ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws.

(c) Transportation:

The Public Works department is responsible for the delivery of municipal public works services to the planning, development and maintenance of roadway systems, snow clearing and removal and street lighting.

(d) Environmental:

Includes water, wastewater as well as garbage collection and disposal. The department provides drinking water to the citizens of Tecumseh, is responsible for collecting wastewater, and providing collection and disposal of waste. Recycling is provided at the County level.

(e) Social and family:

This consists of the Town's share of the Golden Age Club operations.

(f) Recreational and cultural:

The department provides public services that responds to citizens' leisure and cultural requirements. Facilities include a wide variety of parks plus a twin pad arena, pool and various community facilities.

17. Segmented information (continued):

(g) Business Improvement Area (BIA):

The BIA, a geographic area of the municipality, has a board of management which is an organization set up to provide business promotion and improvement functions. A BIA allows local business people and property owners to join together and with the support of the municipality, organize, finance and carry out physical improvement and promote economic development in their district. The local municipality is the body responsible for approving the budget of the BIA.

(h) Planning and development:

The Planning and Development department facilitates the orderly growth of the Town through approval to all land development plans in accordance with the Official Plan.

For each reported segment, revenues and expense represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund’s net surplus. Certain government transfers, transfer from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1. For additional information see the Consolidated Schedule of Segmented Disclosure (Schedule 2).

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Tangible Capital Assets

Schedule 1

Year ended December 31, 2024

	General							Infrastructure			Totals	
2024	Land	Land improvements	Buildings	Leasehold improvements	Equipment/ vehicles	Computer	Furniture & fixtures	Linear assets - Roads	Linear assets - water wastewater & storm	Assets under construction	2024	2023
Cost												
Balance, beginning of year	$ 22,882,778	1,2489,704	45,588,935	1,572,643	15,492,681	1,531,234	426,507	131,846,755	169,505,736	14,049,117	$ 415,386,090	$ 395,386,839
Add: additions during the year	45,164	3,823,346	1,428,750	10,741	1,360,514	130,423	35,302	141,610	89,825	23,178,028	30,243,703	28,239,046
Less: disposals during the year	–	(317,650)	(10,257)	–	(349,040)	(52,980)	(29,565)	(47,227)	(82,432)	–	(889,151)	(1,601,281)
Other	–	–	–	–	–	–	–	–	–	(4,010,977)	(4,010,977)	(6,638,514)
Balance, end of year	22,927,942	15,995,400	47,007,428	1,583,384	16,504,155	1,608,677	432,244	131,941,138	169,513,129	33,216,168	440,729,665	415,386,090
Accumulated amortization												
Balance, beginning of year	–	6,417,807	19,293,140	1,001,569	9,341,037	1,110,639	145,676	67,108,824	60,925,139	–	165,343,831	158,417,947
Add: amortization	–	534,107	1,330,316	74,267	1,012,459	111,389	42,938	2,746,752	2,550,743	–	8,402,971	8,136,350
Less: accumulated amortization on disposals	–	(304,240)	(10,257)	–	(343,776)	(52,980)	(29,565)	(30,561)	(82,432)	–	(853,811)	(1,210,466)
Balance, end of year	–	6,647,674	20,613,199	1,075,836	10,009,720	1,169,048	159,049	69,825,015	63,393,450	–	172,892,991	165,343,831
Net book value	$ 22,927,942	9,347,726	26,394,229	507,548	6,494,435	439,629	273,195	62,116,123	106,119,679	33,216,168	$ 267,836,674	$ 250,042,259

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Tangible Capital Assets (continued) — Schedule 1

Year ended December 31, 2024

	General							Infrastructure			Totals	
2023	Land	Land improvements	Buildings	Leasehold improvements	Equipment/ vehicles	Computer	Furniture & fixtures	Linear assets - Roads	Linear assets - water wastewater & storm	Assets under construction	2023	2022
Cost												
Balance, beginning of year	$ 22,623,758	12,544,882	43,519,716	1,540,978	15,127,987	1,417,937	353,824	124,541,649	160,607,875	13,108,233	$ 395,386,839	$ 388,092,199
Add: additions during the year	259,020	282,207	2,126,530	31,665	645,742	151,163	85,159	8,012,265	9,065,897	7,579,398	28,239,046	15,824,235
Less: disposals during the year	–	(337,385)	(57,311)	–	(281,048)	(37,866)	(12,476)	(707,159)	(168,036)	–	(1,601,281)	(1,969,387)
Other	–	–	–	–	–	–	–	–	–	(6,638,514)	(6,638,514)	(6,560,208)
Balance, end of year	22,882,778	12,489,704	45,588,935	1,572,643	15,492,681	1,531,234	426,507	131,846,755	169,505,736	14,049,117	415,386,090	395,386,839
Accumulated amortization												
Balance, beginning of year	–	6,092,636	18,041,715	927,571	8,641,605	1,052,437	119,135	64,968,113	58,574,735	–	158,417,947	152,040,173
Add: amortization	–	510,733	1,304,234	73,998	980,480	96,068	39,017	2,646,117	2,485,703	–	8,136,350	7,783,817
Less: accumulated amortization on disposals	–	(185,562)	(52,809)	–	(281,048)	(37,866)	(12,476)	(505,406)	(135,299)	–	(1,210,466)	(1,406,043)
Balance, end of year	–	6,417,807	19,293,140	1,001,569	9,341,037	1,110,639	145,676	67,108,824	60,925,139	–	165,343,831	158,417,947
Net book value	$ 22,882,778	6,071,897	26,295,795	571,074	6,151,644	420,595	280,831	64,737,931	108,580,597	14,049,117	$ 250,042,259	$ 236,968,892

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Segment Disclosure

Schedule 2

Year ended December 31, 2024

2024	General government	Protection to persons and property	Transportation	Environmental	Social and family services	Recreation and culture	BIA	Planning and development	Totals
Revenues:									
Property taxes	$ 6,094,611	6,012,885	6,195,893	6,727,314	7,230	3,871,506	235,621	560,449	$ 29,705,509
Government transfers	2,271,084	112,016	934,751	6,152,764	–	182,516	250	384,173	10,037,554
User charges	393,475	1,126,848	283,542	10,872,209	–	1,514,583	–	186,194	14,376,851
Capital contributions	–	(2,523)	597,606	1,310,067	–	285,028	–	20,460	2,210,638
Investment income	1,148,197	995,737	464,250	963,239	–	705,732	5,107	247,066	4,529,328
Penalties and interest on property taxes	148,395	129,761	60,499	49,582	–	91,968	–	32,197	512,402
Income from government business enterprise	137,169	119,945	55,923	45,831	–	85,011	–	29,761	473,640
Gain (loss) on disposal of tangible capital assets	–	–	18,097	–	–	230,898	–	–	248,995
Other	–	100	–	–	–	322,325	–	–	322,425
	10,192,931	8,494,769	8,610,561	26,121,006	7,230	7,289,567	240,978	1,460,300	62,417,342
Expenses:									
Wages and benefits	4,382,102	2,128,202	1,331,240	2,168,965	–	2,851,660	58,690	764,383	13,685,242
Interest on municipal debt	–	–	130,639	6,284	–	262,982	–	–	399,905
Office supplies and equipment maintenance	791,396	10,815	3,552	4,252	–	7,276	34,014	1,634	852,939
Memberships	25,529	7,607	10,237	2,362	–	5,180	637	5,007	56,559
Conventions and training	124,185	45,647	14,268	37,479	–	17,539	2,543	19,705	261,366
Maintenance materials and supplies	113,423	112,710	387,975	364,931	–	556,457	–	2,063	1,537,559
Purchases for resale	12,000	–	–	1,706,596	–	–	–	–	1,718,596
Maintenance	187,354	107,743	394,228	443,708	–	289,665	–	148	1,422,846
Contract services	105,076	3,594,914	1,406,141	4,172,593	–	1,025,941	–	–	10,304,665
Professional	354,591	559	627,188	276,927	–	246,927	20,913	292,372	1,819,477
Vehicle and equipment leases	2,969	–	–	–	–	–	–	–	2,969
Utilities	64,446	51,341	225,830	223,464	–	446,335	–	–	1,011,416
Insurance	142,135	68,656	92,529	182,087	–	128,380	–	6,486	620,273
Grants and donations	8,277	–	–	4,000	–	52,239	–	201,999	266,515
Amortization	292,018	312,566	3,039,800	3,342,531	22,187	1,388,123	–	5,746	8,402,971
Other	61,883	36,723	19,277	80,561	–	65,297	145,285	1,241,617	1,650,643
Financial	70,728	68,954	28,836	59,017	–	59,784	–	15,360	302,679
	6,738,112	6,546,437	7,711,740	13,075,757	22,187	7,403,785	262,082	2,556,520	44,316,620
Annual surplus (deficit)	$ 3,454,819	$ 1,948,332	$ 898,821	$ 13,045,249	$ (14,957)	$ (114,218)	$ (21,104)	$ (1,096,220)	$ 18,100,722

THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Segment Disclosure (continued) Schedule 2

Year ended December 31, 2024

2023	General government	Protection to persons and property	Transportation	Environmental	Social and family services	Recreation and culture	BIA	Planning and development	Totals
Revenues:									
Property taxes	$ 5,636,619	5,669,714	5,943,257	6,231,747	20,840	3,619,020	235,170	738,641	$ 28,095,008
Government transfers	86,040	155,122	1,554,361	620,591	24,860	486,488	3,091	8,824	2,939,377
User charges	252,637	642,486	159,499	10,720,320	3,721	1,610,277	–	90,997	13,479,937
Capital contributions	–	503,443	1,932,693	616,320	–	1,631,828	–	(118,853)	4,565,431
Investment income	962,573	1,008,192	439,804	885,599	5,979	641,978	5,828	180,571	4,130,524
Penalties and interest on property taxes	120,637	127,098	55,444	41,572	754	80,931	–	22,764	449,200
Income from government business enterprise	134,260	141,452	61,706	46,267	839	90,071	–	25,335	499,930
Gain (loss) on disposal of tangible capital assets	4,419	–	(201,059)	(32,736)	–	(102,795)	–	–	(332,171)
Other	3,944	–	–	–	–	661,776	6,504	–	672,224
	7,201,129	8,241,955	9,945,705	19,129,680	56,993	8,719,574	250,593	948,279	54,499,460
Expenses:									
Wages and benefits	3,631,895	2,053,566	1,301,022	1,889,805	–	2,573,704	51,494	639,791	12,141,277
Interest on municipal debt	–	–	161,987	8,702	–	278,963	–	–	449,652
Office supplies and equipment maintenance	557,638	13,539	3,167	4,516	–	6,762	39,904	2,551	628,077
Memberships	25,180	7,076	7,717	3,933	–	5,182	344	4,273	53,705
Conventions and training	62,125	22,263	31,165	27,360	–	22,358	360	16,093	181,724
Maintenance materials and supplies	30,515	99,892	384,011	319,959	2,379	504,979	–	1,439	1,343,174
Purchases for resale	2,793	-	–	1,541,655	–	2,204	–	–	1,546,652
Maintenance	14,561	167,653	371,035	528,161	1,978	307,187	–	1,018	1,391,593
Contract services	69,139	3,711,058	1,044,874	4,728,559	2,340	328,887	–	1,775,966	11,660,823
Professional	276,189	87,422	527,030	390,041		37,806	10,278	962,684	2,291,450
Vehicle and equipment leases	2,827	–	-	–	–	–	–	–	2,827
Utilities	76,953	54,699	209,787	217,868	7,252	410,533	–	–	977,092
Insurance	145,250	61,488	83,253	171,104	6,502	110,300	–	6,478	584,375
Grants and donations	5,316	–	–	2,400	17,604	–	–	–	25,320
Amortization	258,393	319,081	2,961,166	3,278,385	22,187	1,291,393	–	5,746	8,136,351
Other	60,886	35,402	21,876	79,039	239	50,159	88,548	36,907	373,056
Financial	49,725	53,377	22,854	24,294	311	51,612	–	9,393	211,566
	5,269,385	6,686,516	7,130,944	13,215,781	60,792	5,982,029	190,928	3,462,339	41,998,714
Annual surplus (deficit)	$ 1,931,744	$ 1,560,991	$ 2,814,761	$ 5,913,899	$ (3,799)	$ 2,737,545	$ 59,665	$ (2,514,060)	$ 12,500,746