

Staff Report

Presented By: Daniel Waechter, Chief Financial Officer / Treasurer

Meeting Date: October 27, 2025

Subject: 2023 and 2024 Annual Audited Financial Statements

Attachment(s): Audit Findings – 2023 and 2024 – Saugeen Shores
2024 Draft Financial Statements
2023 Draft Financial Statements

Recommendation

That Council approve the 2023 and 2024 Financial Statements.

Report Summary

Municipalities are required to prepare consolidated Financial Statements on an annual basis in accordance with generally accepted accounting principles for local government. This report introduces the 2023 and 2024 Annual Audited Financial Statements for acceptance by Council.

Background/Analysis

Municipalities are required to prepare consolidated Financial Statements on an annual basis. The accounting principles are set by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and are revised from time to time.

Under section 296 (1)(a) of the Municipal Act 2001 (“the Act”) a municipality shall appoint an auditor licensed under the Public Accounting Act to express an opinion on the consolidated financial statements based on the results of an annual audit. MNP LLP was appointed to this role for the municipality.

The Financial Statements include the consolidated statements of financial position, the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year-end, and a summary of significant accounting policies and other explanatory information. In Saugeen Shores, the consolidated financial statements include summaries for:

- The Town of Saugeen Shores;
- Port Elgin Business Improvement Area;
- Southampton Business Improvement Area;

- Port Elgin Airport Committee;
- Bruce Area Solid Waste Recycling Association;
- Saugeen Mobility and Regional Transit; and
- Municipal Innovation Council.

In accordance with section 295(1) of the Act, within sixty days of receiving the audited Financial Statements, the Treasurer shall publish either a complete set of the statements in a newspaper having general circulation or a notice advising that complete set of the statements will be available at no cost to any taxpayer or resident upon request or may provide the information to such persons and in such manner as the Treasurer considers appropriate.

The 2023 statements identify that the Town's accumulated surplus increased by \$13,300,688 to a total of \$221,597,950. The accumulated surplus includes tangible capital assets, net debt, any unfunded liabilities, and reserve and reserve fund balances.

The 2024 statements identify that the Town's accumulated surplus increased by \$11,132,993 to a total of \$232,730,943. The accumulated surplus includes tangible capital assets, net debt, any unfunded liabilities, and reserve and reserve fund balances.

Traci Smith of MNP is attending the Council Meeting to present the draft 2023 and 2024 Annual Audited Financial Statements to Council. If no changes are required to the statements following the presentation, the draft statements will be considered for approval by Council as final.

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Corporate Services Business as Usual

Financial Impacts/Source of Funding

An improvement in the Accumulated Surplus of \$24,433,681 is anticipated as a result of the 2023 and 2024 Annual Audited Financial Statements.

Prepared By: Daniel Waechter, Chief Financial Officer / Treasurer

Reviewed By: Jim Bundschuh, Director, Corporate Services

Approved By: Kara Van Myall, Chief Administrative Officer