



## Staff Report

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**Report To:** Dan Best, Chief Administrative Officer  
**From:** **Sandy Becker, Director of Financial Services**  
**Date:** August 12 2019  
**Report:** FIN.19.17  
**Subject:** 2018 Audited Financial Statements

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### Recommendations:

**That** South Huron Council receives the report from S. Becker, Director of Financial Services/Treasurer re: 2018 Audited Financial Statements;

**And that** South Huron Council adopts the Audited Financial Statements as presented by Paul Seebach, Seebach & Company LLP.

### Purpose:

To provide Council with 2018 Audited Financial Statements.

### Background and Analysis:

The audited financial statements are provided pursuant to section 294.1 of the *Municipal Act* which states that a municipality shall, for each fiscal year, prepare annual financial statements in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Section 295 contains requirements for municipalities to publish the financial statements in a newspaper in the municipality or to advertise the availability of the financial statements within 60 days of receiving the audited financial statements of the previous fiscal year. The audited statements will be posted on our municipal website and an ad was placed in the newspaper indicating that the financial statements are available on the website or from the municipal office.

If a request is made for a copy of the audited financial statements, one will be provided at no cost to the taxpayer or resident.

Seebach & Company, LLP were appointed as external auditors for South Huron and have now completed the 2018 annual audit.

Paul Seebach, Partner, Seebach & Company, LLP will be in attendance to present the 2018 Audited Financial Statements.

Attached to this report are the audited statements for;

- Municipality of South Huron
- Exeter Business Improvement Area (BIA)
- Kirkton-Woodham Swimming Pool
- Kirkton-Woodham Community Centre

#### Municipality of South Huron

Overall, the municipality continues to be financially stable. In 2018 the municipality had positive cash flows from operations to cover all activities including capital activities. The municipality continues to update the long-term plan to increase funding to the capital program each year to address the infrastructure gap.

The overall 2018 general tax surplus was \$337,422, which includes \$144,784 from Operating and \$192,638 from Capital. The operating surplus was transferred to the working fund reserve and the capital surplus was transferred to the respective capital replacement reserves.

#### Exeter Business Improvement Area (BIA)

The Exeter Business Improvement Area's financial transactions are part of the overall audit. The revenue and expenses are consolidated with the municipal financial. The audited financial statement attached to this report has been provided to the BIA.

#### Kirkton-Woodham Swimming Pool

The Kirkton-Woodham Swimming Pool is a joint local board between the Municipality of South Huron and the Township of Perth South, with each municipality having a 50% interest. The audited financial attached to this report has been provided to the Township of Perth South.

#### Kirkton-Woodham Community Centre Board

The Kirkton-Woodham Community Centre Board is a joint local board between the Municipality of South Huron and the Township of Perth South, with each municipality having a 50% interest. The audited financial

statement attached to this report has been provided to the Township of Perth South.

### **Operational Considerations:**

No alternatives are presented.

### **South Huron's Strategic Plan:**

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies key priorities and strategic directions. The following elements are supported by the actions outlined in this report:

- ✓ Administrative Efficiency and Fiscal Responsibility
- ✓ Transparent, Accountable, and Collaborative Governance

### **Financial Impact:**

There are no financial implications for the Corporation resulting from the proposed recommendation.

### **Legal Impact:**

There are no legal implications for the Corporation resulting from the proposed recommendation.

### **Staffing Impact:**

There are no staffing implications for the Corporation resulting from the proposed recommendation.

### **Policies/Legislation:**

Municipal Act, 2001, Part VII, Section 294-296  
Reserves and Reserve Funds Policy & Procedure

### **Consultation:**

Chief Administrative Officer

**Related Documents:**

Municipality of South Huron – 2018 Audited Financial Statements  
Exeter Business Improvement Area – 2018 Audited Financial Statements  
Kirkton-Woodham Swimming Pool – 2018 Audited Financial Statements  
Kirkton-Woodham Community Centre Board – 2018 Audited Financial Statements

Respectfully submitted,

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**Sandy Becker, Director of Financial Services**