



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Dana Stanescu, Manager of Accounting

DATE: July 8, 2024

REPORT NO.: CS-2024-017

SUBJECT: 2023 Annual Financial Statements, Management Discussion and Analysis and Financial Information Return

RECOMMENDATION:

THAT Report No. CS-2024-017 dated July 8, 2024, regarding the 2023 Financial Statements, Management Discussion and Analysis, and Financial Information Return be received;

AND FURTHER THAT the 2023 audited draft Financial Statements, and Financial Information Return be approved as presented and forwarded to Council for approval;

AND FURTHER THAT the 2023 Management Discussion and Analysis be received as information;

AND FURTHER THAT the 2023 audit findings report be received as information and forwarded to Council for information.

KEY POINTS:

The following are key points for consideration with respect to this report:

- The draft statements presented for approval will be published under an annual financial report which will include the Town's consolidated financial statements, and separate financial statements for the Halton Hills Public Library, the Acton Business Improvement Area, the Georgetown Central Business Improvement Area, Halton Hills Community Energy Corporation (HHCEC), and Halton Digital Access Municipal Services Corporation (HDASC).

BACKGROUND AND DISCUSSION:

This report is presented in order to provide General Committee with an overview of the 2023 Financial Statements, and Financial Information Return (FIR). The Financial Statements have been prepared by staff in accordance with Canadian Public Sector Accounting Standards for local governments as recommended and established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. These statements have been audited by the Town's external auditors KPMG LLP, who have provided an audit findings report.

Approval is requested from Committee for the audited draft 2023 Financial Statements and FIR. As in other years, it will be presented to Council for approval following the General Committee Meeting.

In addition, a Management Discussion and Analysis is also included to provide Committee with a narrative to accompany the draft financial statements.

The attached financial statements (Appendix A) are presented in draft format and will be finalized pending Council approval on July 8, 2024. The statements consist of:

- Consolidated draft Financial Statements of the Town including the Halton Hills Public Library, the Acton Business Improvement Area, the Georgetown Central Business Improvement Area, and Investments in Halton Hills Community Energy Corp. (HHCEC) and Halton Digital Access Municipal Services Corporation (HDASC)
- Draft Trust Fund Statements administered by the Town
- Financial Information Return (FIR)

The Municipal Act, 2001, S.O.2001, c25 as amended, specifically states that each municipality will report annually on its financial affairs, accounts and transactions. This information is collated and filed through the Financial Information Return (FIR). The overarching purpose of the FIR is to gather specified information on the finances of municipalities across Ontario, which is then stored on the Ministry of Municipal Affairs and Housing server. The data is publicly available on the Ministry's website. It is used by the Ministries for policy development, evaluation and monitoring. Other users include the Ontario Land Tribunal (formerly the Local Planning Appeal Tribunal), municipalities, municipal associations, Statistics Canada, other provinces, the investment and banking communities, debenture holders, the academic community, consultants and others interested in the municipal sector.

The Management Discussion and Analysis (MD&A) (Appendix B) is a narrative prepared by the Treasurer and staff to supplement the 2023 financial results. An MD&A is an audited document which is intended to supply the reader of the financial statements with a balanced commentary of the Town's financial performance, systems, controls, legal compliance, financial position and financial condition. It also highlights forward-looking information and any future impacts on the Town.

The audit findings report (Appendix C) is presented to Committee following the completion of the Town's audit each year. It outlines the audit risks associated with any findings that might have arisen throughout the course of the audit. It also provides an overview of KPMG's approach to audit quality and risk management alongside information on any upcoming regulatory developments pertaining to the Town.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town's Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Finance staff and various Town departments were consulted throughout the preparation of the 2023 Financial Statements.

FINANCIAL IMPLICATIONS:

This report is administrative in nature and does not have any financial implications.

Reviewed and approved by,

Joseph Vandermeer, Deputy Treasurer & Senior Manager of Accounting and Taxation

Moya Jane Leighton, Director of Finance & Town Treasurer

Laura Lancaster, Commissioner of Corporate Services

Chris Mills, Chief Administrative Officer