



REQUEST FOR DECISION

To: Mayor & Members of Council

Title: Chief Financial Officer – 2024 Audited Financial Statements

Date: May 5, 2025

Motion for Consideration:

THAT: Council approve the Audited Financial Statements for the year ended December 31, 2024.

Background:

The firm of BDO Canada LLP (BDO) was appointed by Council to undertake the independent audit for the 2024 year. Under the terms of their engagement, the interim audit work was performed in November 2024 and final audit work was undertaken in March through May 2025.

We are pleased to report that BDO Canada LLP has provided an unqualified opinion on the 2024 financial statements.

Legislative authority / plans / reports:

	Official Community Plan		Master Plan (list actual plan)
X	Community Charter/LGA		Other
	Bylaw/Policy		Corporate Strategic Plan
	Zoning Bylaw		2024-2028 Financial Plan
			Long Term Financial Plan

Section 167(1) of the *Community Charter* requires that the financial statements for the fiscal year be prepared by the Chief Financial Officer and presented to Council for its acceptance.

Section 171 of the *Community Charter* requires that the municipal auditor report to Council on the annual financial statements.

The auditor's responsibility is to report on whether the annual financial statements present fairly, in all material respects, the financial position, results of operations, change in net financial assets and cash flows of the City in accordance with Canadian Public Sector Accounting Standards. In addition, their role is to provide reasonable, but not absolute, assurance of detecting misstatements, fraud or non-compliance with laws and regulations having a material effect on the financial statements as a whole.

Council is responsible for the review and approval of the annual financial statements.

Financial Considerations:

New / Amended Public Sector Accounting Standards:

Three new/changed standards are impacting or considered for the City's December 31, 2024 year end:

1. PSAS 3160 Public Private Partnerships (P3)

Public private partnerships are an alternative finance and procurement model available to public sector entities where the public sector entity procures infrastructure using a private sector partner. The standard provides an overview on how to account for and report an infrastructure asset and corresponding liability for public private partnerships. The City of Salmon Arm does not have any Public Private Partnerships.

2. PSAS 3400 Revenue

Section PS 3400 applies to all public sector entities following Public Sector Accounting Standards (PSAS). Section PS 3400 was needed as previously the Public Sector Accounting Handbook (PSA Handbook) only provided guidance on accounting for certain types of revenue transactions such as taxation and government transfers. This Section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.

3. PSG 8 – Purchased Intangibles

This is Guidelines to address the recognition of purchased intangibles. Purchased Intangibles are defined as identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act. The City of Salmon Arm does not have any purchased intangibles.

Alternatives & Implications:

1. THAT: Council does not approve the Audited Financial Statements for the year ended December 31, 2024.

Communication:

Following Council's acceptance of the financial statements, the City will provide a copy to the Inspector of Municipalities as required by May 15, 2025 and will proceed with executing all other regulatory reporting requirements.

A copy of the City's financial statements will be made available through the Statement of Financial Information and the City's annual report, due June 30, 2025, both of which will be publicly available via the City's website.

Prepared by: Chief Financial Officer
Approved by: Chief Administrative Officer

Attachments:

- City of Salmon Arm, Audited Financial Statements for the year ended December 31, 2024