



2025 DRAFT AUDITED FINANCIAL STATEMENTS

Issue

The 2025 Draft Audited Financial Statements for the year ending December 31, 2025 are provided for approval.

Motion Proposed by Administration

That the Town of Okotoks' 2025 Draft Audited Financial Statements be approved as presented.

Report, Analysis and Financial Implications

Council monitors the Town's fiscal management through periodic reviews of budget variances, detailed operational reviews during budget development, and specific periodic reports. The Audited Financial Statements present the same financial activity in the format prescribed by Municipal Affairs and the Public Sector Accounting Board.

The Statements remain in "Draft" status until the Auditor's Unqualified Opinion is received. That report is pending Council's adoption of the Statements. Once adopted by Council, the Statements, along with the auditor's report, will be filed with Alberta Municipal Affairs pursuant to Section 278 of the *Municipal Government Act*.

As part of the review process, the Town's auditor also provides a Management Letter outlining any concerns. Administration has received this letter, and no items of concern have been identified. The Management Letter is attached for review.

Strategic Plan Goals

<input type="checkbox"/>	Responsibly Managed Growth	<input type="checkbox"/>	Demonstrated Environmental Leadership
<input type="checkbox"/>	Strong Local Economy	<input type="checkbox"/>	Enhanced Culture & Community Health
<input checked="" type="checkbox"/>	Organizational Excellence		

Equity/Diversity/Inclusivity Impacts and Strategy

n/a

Environmental Impacts

n/a

Governing Policies/Bylaws/Legislation or Agreements

Municipal Government Act s. 278

Community Engagement Strategy

Upon approval, the Financial Statements will be reproduced in their entirety and available to the public at no charge through the Municipal Centre, Recreation Centre, Okotoks Public Library, and the Town's website. The availability of the Financial Statements will be advertised in the Western Wheel.

Alternatives for Consideration

n/a

CAO Comments

Council appoints the auditor, who reports audit findings directly to Council. This reporting relationship helps maintain appropriate separation between governance and administration. The Town received no observations in the Management Letter and an unqualified audit opinion, reflecting the accuracy and integrity of the Town's financial position and results. Year over year, the Town's financial position changed significantly due to construction of the new water line, which increased tangible capital assets and related debt. Indicators of financial condition provide a comparison of the Town's financial position to similar towns and cities. Overall, the Town's results are in alignment with the financial plans approved by Council.

Attachment(s)

1. 2025 Draft Audited Financial Statements
2. 2025 Indicators of Financial Condition
3. 2025 Management Letter

Prepared by:
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Chief Financial Officer
April 12, 2026