The Corporation of the
Town of Saugeen Shores

Financial Statements
For the year ended December 31, 2025

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Consolidated Financial Statements
For the year ended December 31, 2025

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To the Members of Council of the Town of Saugeen Shores:

Qualified Opinion

We have audited the consolidated financial statements of the Town of Saugeen Shores (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, accumulated surplus, changes in net financial assets (net debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2025, and the results of its consolidated operations, changes in its net financial assets (net debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The completeness and existence of tangible capital assets is not susceptible to satisfactory audit verification, as the Town is unable to determine if all the tangible assets have been recorded and whether the Town has title to all the tangible capital assets that have been recorded. Accordingly, our verification of these assets was limited to the amounts recorded in the records of the Town. We were unable to determine whether any adjustments might be necessary to amortization and annual surplus for the years ending December 31, 2025 and 2024, tangible capital assets as at December 31, 2025 and 2024 and accumulated surplus as at January 1 and December 31 for both the 2025 and 2024 years. Our audit opinion on the consolidated financial statements for the year ended December 31, 2024 was modified accordingly because of possible effects of this limitation in scope.

Effective January 1, 2023, the Town was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of January 1, 2023. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended December 31, 2025 and 2024, tangible capital assets and the asset retirement obligations at December 31, 2025 and 2024, and accumulated surplus as at January 1 and December 31 for both the 2025 and 2024 year.

As a result of PS 3280 not being adopted, the Town accounts for its landfill closure and post closure liability in accordance with withdrawn PS 3270 Solid Waste Landfill Closure and Post-Closure Liability. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended December 31, 2025 and 2024, landfill closure and post closure liability as at December 31, 2025 and 2024, and accumulated surplus as at January 1 and December 31 for both the 2025 and 2024 years.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Town as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MNP LLP

Owen Sound, Ontario

Chartered Professional Accountants

October 14, 2026

Licensed Public Accountants

MNP

The Corporation of the Town of Saugeen Shores
Consolidated Statement of Financial Position

December 31	2025	2024
Financial assets		
Cash (Note 1)	**$ 41,597,393**	$ 43,721,812
Temporary investments (Note 2)	**5,669,465**	7,373,937
Trade and other receivables	**9,859,906**	7,507,306
Taxes receivable	**4,124,077**	3,416,125
Inventory held for resale	**65,681**	75,197
Long-term receivables (Note 3)	**1,268,376**	1,818,842
Long-term investments (Note 4)	**4,563,579**	4,563,579
	67,148,477	68,476,798
Liabilities		
Accounts payable and accrued liabilities	**20,117,613**	14,235,212
Landfill site closure and post-closure care liability (Note 5)	**288,005**	288,005
Post-employment benefits liability (Note 16)	**1,492,900**	1,361,200
Deferred revenue (Page 33)	**20,283,516**	19,197,736
Long-term debt (Note 6)	**53,563,910**	26,938,448
	95,745,944	62,020,601
Net financial assets (debt)	**(28,597,467)**	6,456,197
Non-financial assets		
Tangible capital assets (Note 7)	**275,318,942**	225,892,712
Inventory of supplies	**59,885**	69,051
Prepaid expenses	**267,843**	270,969
	275,646,670	226,232,732
Accumulated surplus (Note 8)	**$ 247,049,203**	$232,688,929

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the Town of Saugeen Shores
Consolidated Statement of Operations and Accumulated Surplus

For the year ended December 31	2025 Budget (Note 10)	**2025 Actual**	2024 Actual
Revenue			
Taxation	$ 26,878,267	**$ 27,111,451**	$ 25,109,898
Fees and user charges	17,788,604	**17,129,929**	15,969,422
Government transfers (Note 14)	3,547,152	**10,825,168**	5,228,935
Other income (Note 11)	8,760,302	**7,634,984**	6,984,379
	56,974,325	**62,701,532**	53,292,634
Expenses			
General government	6,086,577	**6,103,922**	5,327,463
Protection services	10,121,436	**10,012,480**	8,902,441
Transportation services	9,218,897	**10,022,324**	9,174,984
Environmental services	10,776,839	**10,573,284**	9,318,692
Health services	829,670	**656,050**	739,248
Recreation and cultural services	9,666,553	**8,239,745**	6,729,234
Planning and development	2,393,363	**2,733,453**	2,009,593
	49,093,335	**48,341,258**	42,201,655
Annual surplus (Note 10)	7,880,990	**14,360,274**	11,090,979
Accumulated surplus, beginning of the year	232,688,929	**232,688,929**	221,597,950
Accumulated surplus, end of the year	$240,569,919	**$ 247,049,203**	$232,688,929

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the Town of Saugeen Shores
Consolidated Statement of Changes in Net Financial Assets (Debt)

For the year ended December 31	2025 Budget (Note 10)	2025 Actual	2024 Actual
Annual surplus (Page 6)	$ 7,880,990	**$ 14,360,274**	$ 11,090,979
Acquisition of tangible capital assets	(55,116,111)	**(58,421,978)**	(39,436,164)
Amortization of tangible capital assets	8,756,033	**8,754,892**	8,313,653
Proceeds on disposal of assets	-	**149,992**	287,573
Loss (gain) on disposal of assets	-	**90,864**	(273,546)
	(46,360,078)	**(49,426,230)**	(31,108,484)
Change in inventory of supplies	-	**9,166**	18,235
Change in prepaid expenses	-	**3,126**	(83,410)
	-	**12,292**	(65,175)
Change in net financial assets (debt)	(38,479,088)	(35,053,664)	(20,082,680)
Net financial assets, beginning of the year	6,456,197	**6,456,197**	26,538,877
Net financial assets (debt), end of the year	$ (32,022,891)	**$ (28,597,467)**	$ 6,456,197

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the Town of Saugeen Shores
Consolidated Statement of Cash Flows

For the year ended December 31	2025	2024
Cash provided by (used in)		
Operating activities		
Annual surplus	**$ 14,360,274**	$ 11,090,979
Items not involving cash		
Amortization	**8,754,892**	8,313,653
Loss (gain) on disposal of assets	**90,864**	(273,546)
Change in inventory of supplies	**9,166**	18,235
Change in prepaid expenses	**3,126**	(83,410)
Deferred revenue recognized	**(4,700,097)**	(3,354,607)
Pledge revenue recognized	**-**	(440,000)
Post-employment benefits	**131,700**	118,200
	18,649,925	15,389,504
Changes in non-cash working capital balances		
Trade and other receivables	**(2,352,600)**	(3,894,378)
Taxes receivable	**(707,952)**	(1,156,079)
Inventory held for resale	**9,516**	1,137
Accounts payable and accrued liabilities	**5,882,401**	6,373,994
Deferred revenue received	**5,785,877**	6,333,665
Pledge revenue received	**350,163**	293,036
	8,967,405	7,951,375
	27,617,330	23,340,879
Capital transactions		
Cash used to acquire capital assets	**(58,421,978)**	(39,436,164)
Proceeds on sale of capital assets	**149,992**	287,573
	(58,271,986)	(39,148,591)
Investing activities		
Change in temporary investments	**1,704,472**	54,630
Note received from Westario Power Inc.	**-**	3,062,912
Repayment of loans receivable	**200,303**	109,592
	1,904,775	3,227,134
Financing activities		
Additions to long-term liabilities	**28,281,834**	14,166,666
Repayment of long-term debt	**(1,656,372)**	(1,734,968)
Net change in cash and cash equivalents	**(2,124,419)**	(148,880)
Cash and cash equivalents, beginning of the year	**43,721,812**	43,870,692
Cash and cash equivalents, end of the year	**$ 41,597,393**	$ 43,721,812

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

December 31, 2025

Management Responsibility

The management of the Corporation of the Town of Saugeen Shores has prepared and is responsible for the integrity, objectivity and accuracy of the financial information presented in the financial statements. Council reviews and approves the consolidated financial statements.

Basis of Accounting

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada as prescribed by the Ministry of Municipal Affairs and Housing.

Basis of Consolidation

The consolidated statements reflect the assets, liabilities, revenues and expenses of all municipal organizations, committees, and boards which are controlled by Council. All interfund assets and liabilities and revenues and expenses have been eliminated on consolidation.

The following boards and municipal enterprises controlled by Council have been consolidated:

Port Elgin Business Improvement Area
Southampton Business Improvement Area
Port Elgin Airport Management Board
Municipal Innovation Council

A government partnership exists where the Town has shared control over the board or entity. The Town's pro-rata share of the assets, liabilities, revenues and expenses are reflected in the financial statements using the proportionate consolidation method. The Town's proportionate interest of the following government partnerships are reflected in the consolidated financial statements:

Bruce Area Solid Waste Recycling Association	25.0%
Saugeen Mobility and Regional Transit	17.9%

Inventory

Inventory of goods held for resale is recorded at the lower of cost and net realizable value. Cost is determined on the average cost basis.

Inventory of goods held for consumption is recorded at the lower of cost and replacement cost. Cost is determined on a first in first out basis.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Tangible capital assets under construction or development are not amortized until they are available to be put into service. Amortization is provided over the estimated useful life of the assets using the straight-line method. The useful lives of the following assets are based on estimates made by management. The following useful lives are used:

Buildings	15 - 50 years
Vehicles	3 - 20 years
Equipment	5 - 50 years
Furniture and Fixtures	10 years
Bridges and Culverts	60 - 80 years
Roads - Paved	10 - 15 years
Roads - Gravel	10 - 20 years
Roads - Sidewalks	40 years
Water and Wastewater Systems	20 - 70 years
IT Infrastructure	5 years
Land Improvements	20 - 50 years

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

Intangible Assets

Intangible assets, art and historic treasures and items inherited by right of the Crown, such as Crown lands, forests, water and mineral resources, are not recognized in these financial statements.

Solid Waste Landfill Closure and Post-Closure Care

Site closure and post-closure care costs are recognized over the operating life of the landfill based on capacity used. The liability is recorded at its discounted value, based on the average long-term borrowing rate of the Town.

Post-Employment Benefits

The Town provides post-employment health, dental, and life insurance benefits to eligible retired employees. The benefits earned by employees are recognized over the service life of the employees using the projected benefit method and management's best estimate of salary escalation, benefit costs and retirement ages of employees. Adjustments arising from changes in assumptions and experience gains and losses are amortized on a straight line basis over the expected average remaining service lives of the employees.

Liability for Contaminated Sites

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. Management is not aware of any contaminated sites for which a liability needs to be recognized.

Asset Retirement Obligation

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. Management intends to complete an assessment of the asset retirement obligation and update the capital asset listing.

Revenue Recognition

Property taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of allowance for anticipated uncollectable amounts. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized.

The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

Investment income earned on surplus funds (other than obligatory reserve funds) is reported as revenue on the daily accrual basis. Investment income earned on obligatory reserve funds is recorded directly to each fund balance and forms part of the respective deferred revenue balances.

Revenue Recognition (continued) User fees and other revenues are recognized when related goods or services are provided and collectability is reasonably assured. Revenue related to fees or services received in advance of the fee being earned or when the service is performed is deferred and recognized when the fee is earned or the service is performed.

Donation revenue is recorded when a pledge form is signed and collectibility is reasonably assured.

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

Use of Estimates The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future. Estimates are used when accounting for items such as water and sewer charges receivable, taxes receivable and taxation revenue, government transfers and subsidies receivable, accounts payable and accrued liabilities, post-employment benefits liability, landfill site closure and post-closure care liabilities, liabilities for contaminated sites, and the estimated amortization periods for tangible capital assets.

County and School Board The Town collects taxation revenue on behalf of the school boards and the County of Bruce. The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Bruce are not reflected in these financial statements.

December 31, 2025

Financial Instruments

The Town elected to apply transitional relief provisions related to embedded derivatives and did not retroactively identify derivatives in contracts that existed prior to the effective date of the standard. Instead, embedded derivatives are assessed only in contracts entered into or substantively modified on or after January 1, 2023. The Town records principal protected notes entered into prior to January 1, 2023 at cost and has elected to measure principal protected notes entered into on or after January 1, 2023 at fair value. Cash is measured at fair value. All other financial assets; investment in GIC's, taxes receivable, trade and other receivables, long-term receivables, accounts payable and accrued liabilities and long-term liabilities are measured at amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. Since there are no principal protected notes entered into after January 1, 2023, no statement of remeasurement gains and losses has been included in these financial statements.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost.

Trust Funds

Funds held in trust by the Town, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the trust funds statement of continuity and balance sheet.

December 31, 2025

1. Cash

Interest is earned on bank balances at the bank's monthly average prime rate less 1.6%.

According to the terms of the Town's credit agreement with the bank, the maximum available operating credit limit is $2,500,000 at an interest rate of prime less 0.75%. This facility is secured by a current borrowing by-law. There were no amounts drawn under this facility at year end.

2. Temporary Investments

	2025	2024
One Investment - Bond funds	**$ 1,901,465**	$ 1,844,483
Principal Protected Notes, due 2026 to 2028	**3,768,000**	5,529,454
	$ 5,669,465	$ 7,373,937

One Investment consists of $470,680 in the Canadian Government Bond Portfolio and $1,430,785 in the Canadian Corporate Bond Portfolio with a total fair market value of $1,784,281

The principal protected notes entitles the investor to repayment at maturity of the principal amount in addition to variable interest based on various percentages of performance of various BMO and Solactive Canada indexes. The variable interest has maximum payable percentages. The notes are designed to replicate investing strategies of lower risk long term capital gains. These notes have full principal protection at maturity. The maturity dates for the notes range from 2026 to 2028. Market value at Dec 31, 2025 was $4,674,198.

3. Long-term Receivables

	2025	2024
Notes receivable, benefiting landowners, 0% to 8%, due 2030 to 2031	**$ 167,497**	$ 192,975
Doctor recruitment loans receivable, non-interest bearing, due 2026 to 2027	**525,980**	700,805
Pledges for Lamont Sports Park, due 2026 to 2028	**288,399**	485,062
Pledges for Aquatic and Wellness Centre, due 2026 to 2029	**286,500**	440,000
	$ 1,268,376	$ 1,818,842

Interest earned on loans receivable during the year was $6,832 (2024 - $8,167).

4. Long-Term Investments

	2025	2024
Common shares, Westario Power Inc.	**$ 4,563,579**	$ 4,563,579

The note from Westario Power Inc. was received during 2024.

Interest earned on the note receivable during 2024 was $75,715.

The Town owns 25% of the outstanding common shares of Westario Power Inc., a private company incorporated under the laws of the Province of Ontario. The shares have no fixed maturity dates and are generally not exposed to interest rate risk. The fair value of these shares is not practicable to determine in the absence of published market quotations. Dividends of $199,838 (2024 - $99,919) were received on these shares during the year.

In December 2025, the shareholders of Westario Power Inc., including the Town of Saugeen Shores, approved the sale of Westario Power Inc. to ERTH Corporation.

In May 2026, ERTH Corporation made a formal application to the Ontario Energy Board seeking approval for the purchase. As of the date of these financial statements, this approval had not yet been granted.

The total proceeds from the disposition of the common shares of Westario Power Inc. cannot be reliably estimated at this time, and no amounts related to this transaction have been accrued in these financial statements.

5. Landfill Site Closure and Post-closure Care Liability

Landfill site closure and post-closure care requirements are defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates and ongoing environmental monitoring, site inspection and maintenance. These costs will be incurred as each landfill site stops accepting waste, with the post-closure care expected to continue for an additional 20 years.

At December 31, 2025 the landfill site closure and post-closure liability is unfunded. The liability is expected to be funded through budget allocations to a landfill reserve over the remaining life of the landfill sites.

Port Elgin Landfill Site

At December 31, 2025 a liability of $32,235 has been recognized in the financial statements.

Southampton Landfill Site

At December 31, 2025 a liability of $255,770 has been recognized in the financial statements.

6. Long-Term Debt

The balance of long-term debt reported on the consolidated statement of financial position is made up of the following:

	2025	2024
Loan payable, Canadian Imperial Bank of Commerce, 4.35%, payable $2,248 monthly, principal and interest, due November 2029	**$ 96,991**	$ 118,856
Loan payable, Canadian Imperial Bank of Commerce, 4.35%, payable $8,734 monthly, principal and interest, due November 2029	**376,808**	476,413
Loan payable, Canadian Mortgage and Housing Corporation, 4.15%, payable $85,252 annually, principal and interest, repaid in the year	**-**	81,855
Loan payable, Ontario Infrastructure Project Corporation, 4.72% payable, $132,718 semi-annually, principal and interest, due February 2026	**129,658**	380,075
Loan payable, Ontario Infrastructure Project Corporation, 4.74% payable, $175,723 semi-annually, principal and interest, due April 2027	**503,134**	819,443
Loan payable, Ontario Infrastructure Project Corporation, 4.82% payable, $93,565 semi-annually, principal and interest, due December 2029	**673,457**	822,710
Loan payable, Ontario Infrastructure Project Corporation, 2.59% payable, $210,404 semi-annually, principal and interest, due December 2039	**4,915,052**	5,202,955
Loan payable, Ontario Infrastructure Project Corporation, 2.76% payable, $180,405 semi-annually, principal and interest, due December 2041	**4,641,500**	4,869,475
Loan payable, Ontario Infrastructure Project Corporation, 4.61% payable, $874,786 semi-annually, principal and interest, due December 2055	**28,281,834**	-
Loan payable, Ontario Infrastructure and Land Corporation, 4.73% payable, $444,344 semi-annually, principal and interest, due July 2054	**13,945,476**	14,166,666
	$53,563,910	$ 26,938,448

6. Long-Term Debt - (continued)

Principal payments for the next five fiscal years and thereafter are as follows:

2026	$ 1,943,504
2027	1,713,021
2028	1,602,855
2029	1,655,960
2030	1,409,426
Thereafter	45,239,144
	$ 53,563,910

Interest paid during the year on long-term debt was $383,971 (2024 - $439,526).

The Canadian Imperial Bank of Commerce loans are unsecured. These loans also include certain reporting requirements.

December 31, 2025

7. Tangible Capital Assets

2025

	Land	Land Improvement	Buildings	Miscellaneous Equipment	Communication Equipment	IT Infrastructure	Playground Equipment	Furniture and Fixtures	Vehicles	Roads	Bridges and Culverts	Water and Wastewater Systems	Total
Cost, beginning of the year	$ 10,424,644	$ 19,924,377	$ 60,056,621	$ 8,569,437	$ 612,467	$ 2,262,610	$ 2,181,440	$ 966,896	$19,975,966	$ 70,431,634	$ 7,993,736	$ 134,570,529	$ 337,970,357
Additions		246,060	-	3,475	-	-	-	-	267,477	-	-	-	517,012
Disposals		-	(5,885)	(38,372)	-	-	-	-	(254,603)	-	-	-	(298,860)
Transfer in complete WIP	-	6,305,434	724,598	606,399	-	104,574	195,025	25,070	2,355,316	813,621	3,291	635,260	11,768,588
Completed assets	10,424,644	26,475,871	60,775,334	9,140,939	612,467	2,367,184	2,376,465	991,966	22,344,156	71,245,255	7,997,027	135,205,789	349,957,097
Opening WIP	-	11,536,499	21,243,656	(919,896)	-	20,292	(405,463)	193,365	317,168	9,585,287	36,723	534,222	42,141,853
WIP Additions	-	3,238,975	25,793,006	1,095,370	-	249,296	259,047	290,601	2,645,819	10,384,592	69,026	13,879,234	57,904,966
WIP Disposal	-	-	-	-	-	-	-	-	-	(5,088)	-	(208,457)	(213,545)
Transfer out complete WIP	-	(6,305,434)	(724,598)	(606,399)	-	(104,574)	(195,025)	(25,070)	(2,355,316)	(813,621)	(3,291)	(635,260)	(11,768,588)
Cost of WIP, end of year	-	8,470,040	46,312,064	(430,925)	-	165,014	(341,441)	458,896	607,671	19,151,170	102,458	13,569,739	88,064,686
All assets, end of year	10,424,644	34,945,911	107,087,398	8,710,014	612,467	2,532,198	2,035,024	1,450,862	22,951,827	90,396,425	8,099,485	148,775,528	438,021,783
Accumulated amortization, beginning of the year	-	5,380,899	29,983,784	4,829,476	566,924	1,419,699	942,993	730,841	8,923,478	50,282,323	3,272,437	47,886,644	154,219,498
Amortization	-	740,337	1,569,567	494,667	7,239	255,695	108,799	44,432	1,416,752	1,951,007	128,389	2,038,008	8,754,892
Disposals	-	-	(5,885)	(29,679)	-	-	-	-	(235,985)	-	-	-	(271,549)
Accumulated amortization, end of the year	-	6,121,236	31,547,466	5,294,464	574,163	1,675,394	1,051,792	775,273	10,104,245	52,233,330	3,400,826	49,924,652	162,702,841
Net carrying amount, end of the year	$ 10,424,644	$ 28,824,675	$ 75,539,932	$ 3,415,550	$ 38,304	$ 856,804	$ 983,232	$ 675,589	$12,847,582	$ 38,163,095	$ 4,698,659	$ 98,850,876	$ 275,318,942

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7. Tangible Capital Assets - (continued)

2024

	Land	Land Improvement	Buildings	Miscellaneous Equipment	Communication Equipment	IT Infrastructure	Playground Equipment	Furniture and Fixtures	Vehicles	Roads	Bridges and Culverts	Water and Wastewater Systems	Total
Cost, beginning of the year	$10,424,644	$ 17,379,034	$ 57,160,088	$ 7,921,586	$ 612,467	$ 2,105,158	$ 1,906,722	$ 908,829	$16,327,888	$68,464,864	$ 7,631,834	$133,171,132	$ 324,014,246
Additions	-	-	1,666	-	-	-	-	-	122,961	-	-	-	124,627
Disposals		-	-	-	-	-	-	-	(77,898)	-	-	-	(77,898)
Transfer in complete WIP	-	2,545,343	2,894,867	647,851	-	157,452	274,718	58,067	3,603,015	1,966,770	361,902	1,399,397	13,909,382
Completed Assets	10,424,644	19,924,377	60,056,621	8,569,437	612,467	2,262,610	2,181,440	966,896	19,975,966	70,431,634	7,993,736	134,570,529	337,970,357
Opening WIP	-	9,569,867	2,036,773	(763,494)	-	8,189	(380,745)	26,572	201,671	5,958,676	35,793	46,396	16,739,698
WIP Additions	-	4,511,975	22,101,750	491,449	-	169,555	250,000	224,860	3,718,512	5,593,381	362,832	1,887,223	39,311,537
WIP Reallocation	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out complete WIP	-	(2,545,343)	(2,894,867)	(647,851)	-	(157,452)	(274,718)	(58,067)	(3,603,015)	(1,966,770)	(361,902)	(1,399,397)	(13,909,382)
Cost of WIP, end of year	-	11,536,499	21,243,656	(919,896)	-	20,292	(405,463)	193,365	317,168	9,585,287	36,723	534,222	42,141,853
All assets, end of year	10,424,644	31,460,876	81,300,277	7,649,541	612,467	2,282,902	1,775,977	1,160,261	20,293,134	80,016,921	8,030,459	135,104,751	380,112,210
Accumulated amortization, beginning of the year	-	4,752,494	28,473,203	4,354,304	559,685	1,164,997	852,292	688,343	7,840,576	48,274,162	3,149,341	45,860,319	145,969,716
Amortization	-	628,405	1,510,581	475,172	7,239	254,702	90,701	42,498	1,146,773	2,008,161	123,096	2,026,325	8,313,653
Disposals	-	-	-	-	-	-	-	-	(63,871)	-	-	-	(63,871)
Accumulated amortization, end of the year	-	5,380,899	29,983,784	4,829,476	566,924	1,419,699	942,993	730,841	8,923,478	50,282,323	3,272,437	47,886,644	154,219,498
Net carrying amount, end of the year	$10,424,644	$ 26,079,977	$ 51,316,493	$ 2,820,065	$ 45,543	$ 863,203	$ 832,984	$ 429,420	$11,369,656	$29,734,598	$ 4,758,022	$ 87,218,107	$ 225,892,712

7. Tangible Capital Assets - (continued)

The net book value of tangible capital assets not being amortized because they are under construction is $88,064,686 (2024 - $42,141,853).

Contributed capital assets valued at $Nil were recognized in the financial statements during the year (2024 - $Nil).

8. Accumulated Surplus

Accumulated surplus consists of individual fund surplus (deficit) and reserves as follows:

	2025	2024
Invested in tangible capital assets		
Tangible capital assets at cost less amortization	**$ 275,318,942**	$225,892,712
Capital assets financed by long-term liabilities and to be funded in future years (Note 6)	**(53,563,910)**	(26,938,448)
Total invested in capital assets	**221,755,032**	198,954,264
BASWRA surplus (deficit)	**4,136**	165,945
Port Elgin Airport Management Board Surplus	**42,824**	34,133
Port Elgin Business Improvement Area Surplus	**99,055**	63,529
Southampton Business Improvement Area Surplus	**49,314**	25,035
Unfunded post-employment benefits	**(1,492,900)**	(1,361,200)
Unfunded solid waste closure and post-closure costs	**(288,005)**	(288,005)
	220,169,456	197,593,701
Reserves and reserve funds (Note 9)	**26,879,747**	35,095,228
Accumulated surplus	**$ 247,049,203**	$232,688,929

9. Reserves and Reserve Funds Set Aside for Specific Purpose by Council

	2025	2024
Reserves		
Capital purposes	**$ 10,687,243**	$ 23,898,023
Current purposes	**1,714,660**	2,205,233
Tax rate stabilization	**3,833,615**	4,512,635
	16,235,518	30,615,891
Reserve funds		
Capital purposes	**781,033**	496,652
Legacy reserve	**9,671,690**	3,790,522
Parking revenues	**54,436**	52,676
Police building	**137,070**	139,487
	10,644,229	4,479,337
Total reserves and reserve funds	**$ 26,879,747**	$ 35,095,228

10. Budget Amounts

Under Canadian Public sector accounting standards, budget amounts are to be reported on the consolidated statement of operations and accumulated surplus and changes in net financial assets for comparative purposes. The 2025 budget amounts for The Corporation of the Town of Saugeen Shores approved by Council have been reclassified to conform to the presentation of the consolidated statements of operations and accumulated surplus and changes in net financial assets. The following is a reconciliation of the budget approved by Council.

	2025 Budget	**2025 Actual**	2024 Actual
Annual surplus (Page 6)	7,880,990	**14,360,274**	11,090,979
Unfunded amortization	8,702,140	**8,754,892**	8,313,653
Capital acquisitions, disposals and write-down	(55,116,111)	**(58,181,122)**	(39,422,137)
Change in consolidated boards	-	**93,313**	(147,176)
Change in unfunded liabilities	-	**131,700**	118,200
Debt principal repayments	(2,262,908)	**(1,656,372)**	(1,734,968)
Net transfers from (to) reserves	22,633,695	**8,215,481**	7,614,783
Proceeds from issuance of long-term debt	18,047,727	**28,281,834**	14,166,666
General surplus (deficit)	$ (114,467)	**$ -**	$ -

The budgeted deficit is result of the proportionate consolidation of the S.M.A.R.T. budget.

11. Other Income

	2025 Budget	**2025 Actual**	2024 Actual
Trailer revenue and permits	$ 1,551,297	**$ 1,572,700**	$ 1,466,761
Penalties and interest on taxation	254,298	**440,727**	331,581
Rents, concessions and franchises	527,524	**509,639**	482,839
Investment income	813,779	**1,150,231**	1,791,765
Licenses and permits	916,076	**455,771**	432,351
Donations	417,228	**1,547,414**	1,801,328
Development charges	4,045,000	**1,592,788**	395,013
Other	108,225	**456,578**	9,195
Gain (loss) on disposal of capital assets	126,875	**(90,864)**	273,546
	$ 8,760,302	**$ 7,634,984**	$ 6,984,379

12. Government Partnerships

The following summarizes the financial position and results of operations of the government partnerships. The Town's pro-rata share of these amounts has been reported in these financial statements using the proportionate consolidation method:

	S.M.A.R.T.	BASWRA
Financial assets	$ 174,246	$ 1,519,368
Liabilities	286,575	426,089
Net financial assets (debt)	(112,329)	1,093,279
Non-financial assets	1,649,055	1,735,962
Accumulated surplus	$ 1,536,726	$ 2,829,241
Revenues	$ 3,086,147	$ 4,393,572
Expenses	2,306,876	4,706,552
Annual deficit	$ 779,271	$ (312,980)

Bruce Area Solid Waste Recycling Association (BASWRA) is a partnership between the Town of South Bruce Peninsula, the Municipality of Arran-Elderslie, the Corporation of the Town of Saugeen Shores, the Municipality of Kincardine, and others to provide garbage, recycling and cardboard collection services. During the year, the Town made payments to BASWRA of $786,241 (2024 - $701,297) for garbage, recycling, and cardboard collection services.

Saugeen Mobility and Regional Transit (S.M.A.R.T.) operates a specialty transit service; the Town became a partner in this service in 2013. During the year, the Town made payments to S.M.A.R.T. of $143,449 (2024 - $131,003) for transit services.

13. Municipal Innovation Council

The Municipal Innovation Council (MIC) is a board between the Town of Saugeen Shores and seven other municipalities. The board is under the control of the Town of Saugeen Shores. In 2025, the MIC was dissolved and unspent municipal contributions were returned to the contributing members. The consolidated financial statements include the following revenues and expenses relating to the MIC:

	2025	2024
Revenues	**$ (195,510)**	$ 198,702
Expenditures	**66,818**	103,587
Net revenue for the year	**$ (262,328)**	$ 95,115
Transfer to (from) reserve	**$ (262,328)**	$ 95,115

14. Government Transfers

	2025 Budget	**2025 Actual**	2024 Actual
Operating			
Province of Ontario			
Ontario Municipal Partnership Fund (OMPF)	$ 1,497,100	**$ 1,497,100**	$ 1,415,900
Protection	120,078	**260,261**	232,160
Roads and transportation	21,120	**134,277**	197,086
Environmental	-	**315,308**	320,954
Other	-	**112,618**	72,312
	1,638,298	**2,319,564**	2,238,412
Government of Canada			
Roads	-	**24,829**	-
Other	150,000	**417,993**	-
Other municipalities			
Fire	23,177	**121,046**	23,000
Other	-	**(195,510)**	191,913
	23,177	**(74,464)**	214,913
Total operating transfers	1,811,475	**2,687,922**	2,453,325
Tangible Capital Asset			
Province of Ontario			
Roads	1,263,455	**5,445,829**	2,257,936
Sewer and water	-	**2,170,428**	-
	1,263,455	**7,616,257**	2,257,936
Government of Canada			
Roads	472,222	**520,989**	517,674
Total capital contributions	1,735,677	**8,137,246**	2,775,610
Total contributions	$ 3,547,152	**$ 10,825,168**	$ 5,228,935

15. Pension Plan

The Town makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of 201 members of its staff of the Town. This plan is a defined benefit plan which specifies the amount of the retirement entitlement to be received by the employees based on length of service and rates of pay. Employees and employers contribute jointly to the plan.

The employer amount contributed to OMERS for 2025 was $1,554,843 (2024 - $1,374,147) for current service. The contribution rate for 2025 was 9.0% to 15.8% depending on age and income level (2024 - 9.0% to 15.8%).

OMERS is a multi-employer plan, therefore, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Town does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was on December 31, 2025. At that time the plan reported a $1.3 billion actuarial deficit (2024 - $2.9 billion), based on actuarial liabilities of $149.6 billion (2024 - $140.8 billion) and actuarial assets of $148.3 billion (2024 - $137.9 billion). Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements.

16. Post-Employment Benefits

The Town provides post-employment health, dental and life insurance benefits to eligible retired employees. Payment for these benefits totaled $45,082 (2024 - $42,636) during the year. The post-employment benefit at December 31 includes the following components:

	2025	2024
Accrued benefit obligation	**$ 1,446,200**	$ 1,319,300
Unamortized actuarial gain	**46,700**	41,900
Accrued benefit liability	**$ 1,492,900**	$ 1,361,200

Actuarial valuations for accounting purposes are performed using the projected benefit method. The most recent actuarial report was prepared August 1, 2024.

The actuarial valuation was based on a number of assumptions about future events, such as inflation rates, interest rates, medical inflation rates, wage increases, employee turnover, and mortality rates. The assumptions used reflect management's best estimates. A discount rate of 4.3% (2024 - 4.3%) was assumed to determine the accrued benefit obligation. Health, dental, and travel premium rates are predicted to escalate by 4% annually.

16. Post-Employment Benefits - (continued)

	2025	2024
Current period benefit cost	**$ 138,100**	$ 132,400
Contributions paid	**(72,300)**	(74,900)
Amortization of actuarial loss	**4,800**	4,800
Retirement benefit expense	**70,900**	62,300
Interest costs	**61,100**	55,900
Total expense for the year	**$ 131,700**	$ 118,200

17. Operations of School Boards and the County of Bruce

During the year, the following taxation revenue was raised and remitted to the school boards and the County of Bruce:

	2025	2024
County of Bruce	**$ 17,137,118**	$ 16,079,744
School Boards	**6,344,919**	6,235,619
	$ 23,482,037	$ 22,315,363

18. Trust Funds

The trust fund administered by the Town has not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of financial activities. At December 31, 2025, the trust fund balance is as follows:

	2025	2024
Cemetery Care and Maintenance Funds	**$ 700,559**	$ 668,586

19. Contractual Commitments

a) The Town has committed to constructing an aquatics and wellness centre with an estimated budget of $48,950,449 to be funded from reserves and debt. Construction contracts began in 2023 and expenses have been incurred to December 31, 2025 of $41,933,943 with $7,016,506 remaining to be spent.

b) The Town has also awarded other contracts for capital projects that were not completed at year-end. The balance of the projects to be completed in 2026 is approximately $17,731,920.

20. Contingencies

The Town has been served with various claims that are in proceedings through their insurance company. The Town's liability with respect to these claims is not determinable at this time. Management is of the opinion that the Town maintains adequate and appropriate liability and errors and omissions insurance to protect the municipality against such claims.

21. Financial Instruments Risk Management

The Town is exposed to credit risk, liquidity risk, interest rate risk and other price risk from its financial instruments. This note describes the Town's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

There have not been any changes from the prior year in the Town's exposure to credit, liquidity, interest rate or other price risk or the policies, procedures and methods it uses to manage and measure these risks.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town is exposed to interest rate risk arising from the changes in interest rates affecting the value of fixed rate investments and long-term debt.

Credit Risk

The Town is exposed to credit risk through its cash, temporary investments, trade and other receivables, taxes receivable, loans and long-term receivables, and long-term investments. On December 31, 2025, the Town had a cash balance of $40,431,979 held at one financial institution. The Canadian Deposit Insurance Corporation insures deposits up to a maximum of $100,000 per depositor per financial institution. There is the possibility of non-collection of taxes receivable , trade and other receivables, loans and long-term receivables. The majority of the Town's receivables are from ratepayers and government entities. The Town measures impairment based on how long the amounts have been outstanding. The amounts outstanding at year end, which is the Town's maximum exposure to credit risk was as follows:

21. Financial Instruments Risk Management - (continued)

	0 - 30 days	31 - 90 days	91 - 365 days	1 to 2 years	3 to 10 years
Cash	$ 41,597,393	$ -	$ -	$ -	$ -
Temporary investments	1,909,465	1,880,000	-	-	1,880,000
Trade and other receivables	3,340,763	3,621,746	2,535,222	362,175	-
Taxes receivable	707,952	-	2,209,479	878,170	328,476
Loans and long-term receivables	-	-	-	742,396	525,980
Long-term investments	-	-	-	-	4,563,579
Net amount receivable	$ 47,555,573	$ 5,501,746	$ 4,744,701	$ 1,104,571	$ 7,298,035

Liquidity Risk

Liquidity risk is the risk that the Town encounters difficulty in meeting its obligations as they fall due. The Town has a planning and budgeting process in place to help determine the funds required to support the Town's normal operating requirements on an ongoing basis. The Town ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. To achieve this aim, it seeks to maintain an available line of credit balance as approved by the appropriate borrowing by-law to meet, at a minimum, expected requirements for a period of at least 90 days. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	0 - 30 days	31 - 90 days	91 - 365 days	1 to 2 years	3 to 10 years
Accounts payable and accrued liabilities	$ 2,134,054	$ 9,990,866	$ 6,993,606	$ 999,087	$ -
Long-term debt	-	-	1,943,504	3,315,876	48,304,530
Total financial liabilities	$ 2,134,054	$ 9,990,866	$ 8,937,110	$ 4,314,963	$ 48,304,530

21. Financial Instruments Risk Management - (continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Town is exposed to other price risk through its investments in bonds and principal protected notes that are indexed to equity instruments, which causes fluctuation in the reported fair value of the town's investments from one period to the next.

The Town manages its other price risk by diversifying its portfolio holdings to a variety of products and primarily invests in assets that offer a principal protection guarantee in order to reduce the potential for financial losses. The Town measures its exposure to other price risk based on investments valued less than the guaranteed amount. The Town monitors the market values regularly to ensure that notes with a value below the principal are not cashed out before maturity.

22. Segmented Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as policing, fire protection, animal control, sewer, water, waste collection, disposal and recycling, recreation services, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segment and activities they encompass are as follows:

General Government

This item refers to the revenues and expenses that relate to the governance and operations of the Town itself and cannot be directly attributed to a specific segment.

Protective Services

Protection is comprised of police services, fire protection, conservation authority, emergency planning, by-law enforcement, animal control and building and structural inspection. The police services work to ensure the safety and protection of the citizens and their property. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education. The members of the fire department consists of one part-time and two full-time employees as well as volunteers. The building department provides a number of services including enforcement of building and construction codes and review of all property development plans through its application process.

22. Segmented Information - (continued)

Transportation services

Transportation is responsible for construction and maintenance of all the Town's roadways, bridges, parking areas and street lighting. Transportation also includes the provision of air transportation through the Port Elgin Airport Management Board.

Water and Sewer

This service provides the Town's drinking water. They process and clean sewage and ensure the Town's water system meets all provincial standards.

Environmental

Included in waste management services is the provision of waste collection, disposal and recycling to its citizens.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the Town's citizens. The Town provides recreational programs and operates and maintains parks, arenas, a swimming pool, community centres, campgrounds and marinas. The Town also provides maintenance for the libraries.

Other Services

Included in the other services category is health as well as planning and development services. Health services provide the maintenance of the two medical clinics and the operations of local cemeteries. Planning and development provides services in conjunction with the County of Bruce regarding planning and development issues. Also included are the Business Improvement Area, promotion of the Town and tile drainage.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

Taxation, OMPF government transfers and interest are allocated to those segments that are funded by these amounts based on a percentage of the net surplus for the year.

22. Segmented Information - (continued)

For the year ended December 31	General Government	Protection to Persons and Property	Transportation	Water and Sewer	Environmental	Recreation and Cultural Services	Other Services	2025 Total
Revenue								
Taxation	$ 6,777,863	$ 9,217,893	$ 6,506,748	$ 271,115	$ 542,229	$ 2,168,916	$ 1,626,687	$ 27,111,451
Fees and user charges	724	279,267	185,793	11,988,264	1,871,295	2,356,705	447,881	17,129,929
Specific government transfers	244,586	381,307	6,295,542	2,170,428	315,308	91,578	(170,681)	9,328,068
OMPF government transfers	374,275	509,014	359,304	14,971	29,942	119,768	89,826	1,497,100
Other income	3,568,890	464,794	279,668	(66,113)	(11,061)	3,011,705	387,101	7,634,984
	10,966,338	10,852,275	13,627,055	14,378,665	2,747,713	7,748,672	2,380,814	62,701,532
Expenses								
Salaries and benefits	3,481,347	7,066,966	4,018,479	339,842	882,624	3,705,596	1,468,700	20,963,554
Interest on debt	-	132,904	-	91,431	-	138,064	20,140	382,539
Materials and supplies	2,301,768	1,117,357	2,237,499	844,404	946,833	2,805,115	1,698,402	11,951,378
Contracted services	-	396,899	807,026	3,327,067	368,616	125,187	12,196	5,036,991
Rents and financial expenses	17,246	15,662	46	91,958	35,121	359,233	59,907	579,173
Other transfers	-	639,983	-	-	-	20,000	12,748	672,731
Amortization	303,561	642,709	2,959,274	3,195,650	449,738	1,086,550	117,410	8,754,892
	6,103,922	10,012,480	10,022,324	7,890,352	2,682,932	8,239,745	3,389,503	48,341,258
Net surplus (deficit)	***$ 4,862,416***	***$ 839,795***	***$ 3,604,731***	***$ 6,488,313***	***$ 64,781***	***$ (491,073)***	***(1,008,689)***	***$ 14,360,274***

22. Segmented Information - (continued)

For the year ended December 31	General Government	Protection to Persons and Property	Transportation	Water and Sewer	Environmental	Recreation and Cultural Services	Other Services	2024 Total
Revenue								
Taxation	$ 6,277,474	$ 8,537,365	$ 6,026,376	$ 251,099	$ 502,198	$ 2,008,792	$ 1,506,594	$ 25,109,898
Fees and user charges	725	150,161	184,291	11,194,816	1,865,658	2,136,508	437,263	15,969,422
Specific government transfers	65,523	255,160	2,972,696	-	320,954	-	198,702	3,813,035
OMPF government transfers	353,975	481,406	339,816	14,159	28,318	113,272	84,954	1,415,900
Other income	2,100,824	467,379	746,622	-	8,158	3,254,982	406,414	6,984,379
Total Revenues	8,798,521	9,891,471	10,269,801	11,460,074	2,725,286	7,513,554	2,633,927	53,292,634
Expenses								
Salaries and benefits	3,171,540	6,395,888	3,769,416	338,409	857,221	3,097,122	1,394,442	19,024,038
Interest on debt	-	140,219	-	142,444	-	142,656	14,207	439,526
Materials and supplies	1,895,848	846,676	1,852,087	469,242	676,887	1,955,560	1,085,128	8,781,428
Contracted services	-	349,767	697,705	2,926,111	406,227	124,568	49,934	4,554,312
Rents and financial expenses	(21,492)	27,337	11	88,841	33,639	344,798	57,844	530,978
Other transfers	-	504,244	215	-	-	21,579	31,682	557,720
Amortization	281,567	638,310	2,855,550	3,149,327	230,344	1,042,951	115,604	8,313,653
Total Expenses	5,327,463	8,902,441	9,174,984	7,114,374	2,204,318	6,729,234	2,748,841	42,201,655
Net surplus (deficit)	***$ 3,471,058***	***$ 989,030***	***$ 1,094,817***	***$ 4,345,700***	***$ 520,968***	***$ 784,320***	***$ (114,914)***	***$ 11,090,979***

The Corporation of the Town of Saugeen Shores
Schedule of Deferred Revenue

For the year ended December 31, 2025

	Opening	Contributions Received	Investment Income	Revenue Recognized	Ending
Obligatory Reserve Funds					
Development charges	16,368,776	3,411,280	604,370	(1,592,788)	**18,791,638**
Recreational land	219,305	54,726	8,240	-	**282,271**
Sanctuary park endowment	108,008	4,188	-	-	**112,196**
Police proceeds for public interest	24,972	326	834	-	**26,132**
	$16,721,061	$ 3,470,520	$ 613,444	$ (1,592,788)	**$ 19,212,237**
Other					
Fire Services grant	$ -	$ 45,000	$ -	$ -	**$ 45,000**
Connecting link grant	60,633	-	-	(60,633)	**-**
Miscellaneous	285,720	157,548	-	(238,014)	**205,254**
Donations	46,620	20,770	-	(46,620)	**20,770**
Building Revenue	163,008	192,121	-	(163,008)	**192,121**
CMHC Housing Accelerator fund	808,752	-	-	(223,638)	**585,114**
OCIF funding	1,111,941	1,263,455	23,020	(2,375,396)	**23,020**
	$ 2,476,674	$ 1,678,894	$ 23,020	$ (3,107,309)	**$1,071,279**
	$19,197,735	$ 5,149,414	$ 636,464	$ (4,700,097)	**$ 20,283,516**