






Subject: **2023 Audited Financial Statements**
 Meeting Date: Tuesday, April 23, 2024
 Prepared By: Ashley Olson, Financial Controller
 Presented By: Ashley Olson, Financial Controller

RECOMMENDED MOTION:

That Council accepts the 2023 Audited Financial Statements as presented.

STRATEGIC PLAN ALIGNMENT: (Check all that apply)

	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
High Quality Infrastructure		Economic Resilience		Quality of Life		Effective Leadership		Level of Service	

RELEVANT LEGISLATION:

Provincial (cite)- As per 276(1) of the Municipal Government Act (MGA), the County is required to prepare annual financial statements that follow the Canadian Generally Accepted Accounting Principles for municipal governments, which are the standards approved by the Public Sector Accounting Board also referred to as Public Sector Accounting Standards (PSAS).

Council Bylaw/Policy (cite)- N/A

BACKGROUND/PROPOSAL:

The financial statements for the year ended December 31, 2023 are prepared by County Administration. These statements have been independently audited by BDO Canada LLP – Red Deer, who presented their audit report to Council earlier today.

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES/OTHER CONSIDERATIONS:

The County's financial position for the year ended December 31, 2023, is positive, reflecting the continued commitment of both Council and Administration to prudent financial management.

The external auditor's report confirms that the financial statements present fairly, in all material aspects, the financial position of the County as of December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Public Sector Accounting Standards (PSAS).

The financial statements present an overview of the County's financial health, detailing its assets, liabilities, and overall financial standing, including the accumulated surplus. Additionally, they summarize how the County's revenue was generated, how funds were allocated, and how operational costs and financial obligations were managed during the period.

Throughout the year, Administration has provided Council with a range of financial reports. While these reports may differ in format from the audited financial statements being presented, they all convey the same essential financial information.



The financial statements contain non-cash adjustments for items like the amortization of tangible capital assets and asset retirement obligations, which are not typically detailed in quarterly variance reports or the annual budget. However, items such as amortization are incorporated into the long-term financial planning of the County, and financial resources are earmarked or funded, mainly via contributions for reserves. Additionally, asset retirement obligations are being considered in the ongoing development of reserve strategy development. The financial statements include a full reconciliation of the County's budget to the financial statements.

FINANCIAL & STAFFING IMPLICATIONS:

There are no direct financial implications resulting from the presentation of the annual financial statements. However, the trends noted in these statements assist Council in annual budget deliberations by providing additional context for long-term financial planning, including establishing service levels, and identifying funding mechanisms.

The information in the financial statements is required for various external reporting related to provincial and federal government requirements.

RECOMMENDED ENGAGEMENT:

Directive Decision (Information Sharing, One-Way Communication)

Tools:	Public Notification	Other:	
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ATTACHMENTS:

2023 Audited Financial Statements

COUNCIL OPTIONS:

1. That Council accepts the 2023 Audited Financial Statements as presented.
2. That Council provides further direction.

FOLLOW-UP ACTIONS:

The financial statements will be posted on the Kneehill County website. Council approval of the statements will be noted in the County Page in The Capital. Audited financial statements and the Financial Information Return (FIR) will be submitted to the Minister by May 1st as per section 278 of the MGA.

APPROVAL(S):

Mike Haugen, Chief Administrative Officer

Approved-

