

COUNCIL REPORT

To: Mayor and Council

From: Finance

Date: May 3, 2023

Subject: 2022 Draft Financial Statements Revised

RECOMMENDATION:

THAT Council approves the District of Mackenzie's revised draft 2022 Audited Financial Statements.

BACKGROUND:

At the April 24, 2023 Council meeting, KPMG presented Mayor and Council with the draft 2022 Audited Financial Statements which were approved in principle during the regular council meeting. The District's financial assets in the financial statements include our investment in government business entities which contain the McLeod Lake Mackenzie Community Forest (MLMCF) Limited Partnership and the MLMCF Corporation. The MLMCF Limited Partnership approved final financial statements include an entry under current assets that was missed in the draft financial statements. This missed entry in the draft financial statements understated the value of current assets by ~\$167,000 for the MLMCF Limited Partnership.

This understatement affects the District's draft financial statements that were approved by council in principle on April 24, 2023. With the corrected asset value from the MLMCF Limited Partnership financial statements, it increases the District's annual surplus from \$1,049,879 to \$1,133,391 and the accumulated surplus to from \$74,197,778 to \$74,281,290.

COUNCIL PRIORITIES:

Strong Governance and Finances

- As the municipality's elected governing body, we serve all residents and businesses in the community. We engage residents and stakeholders on important issues and make our decisions through open and transparent processes. We are careful in our use of resources, mindful of the need to maintain programs and services, while also meeting the community's infrastructure needs.



Respectfully Submitted,

A handwritten signature in blue ink that reads "Kerri Borne". The signature is written in a cursive style and is positioned above a horizontal line.

Kerri Borne
Chief Financial Officer

A handwritten signature in black ink that reads "Diane Smith". The signature is written in a cursive style and is positioned above a horizontal line.

Approved for Submission to Council