

**Subject: 2021 Audited Consolidated Financial Statement****APPROVALS:****Jamie Doyle**\_\_\_\_\_  
Director\_\_\_\_\_  
Chief Administrative Officer**Recommended Motion:**

THAT the 2021 Audited Consolidated Financial Statements for the Regional Municipality of Wood Buffalo for the year ending December 31, 2021, be accepted as information.

**Summary:**

The *Municipal Government Act* requires that every Alberta municipality prepare and submit a Financial Information Return and Audited Financial Statements by May 1 of each year for the preceding year.

**Background:**

All information from subsidiary Corporations which includes the Regional Recreation Corporation of Wood Buffalo, Regional Municipality of Wood Buffalo Library Board, the Wood Buffalo Housing and Development Corporation, the Wood Buffalo Economic Development Corporation and the Wood Buffalo Arctic Winter Games Host Society have been fully consolidated within the Regional Municipality of Wood Buffalo Financial Statements.

The Municipality's 2021 Audited Consolidated Financial Statements have been audited by Deloitte LLP, the Municipality's Auditors, and will also be made available to the public on the Regional Municipality of Wood Buffalo's website.

**Budget/Financial Implications:**

The Consolidated Statement of Financial Position, or Balance Sheet, shows Cash and Cash Equivalents were moved to Investments and used to repay long-term debt. The increase in Trade and other receivables were the result of \$9.9 million received for the Ptarmigan Court Buyouts, \$7.5 million for submitted Disaster Recovery Program (DRP) claims and \$4 million for the Alberta Municipal Water Wastewater Partnership (AMWWP) Grant.

Operating revenues to December 31, 2021, are \$619 million, a 10.8% or \$75 million decrease from the prior year. Net Property tax revenue decreased by \$22 million, and Government Transfers for Operating were lower in 2021 by \$32 million. This decrease was the result of fewer DRP, and Municipal Operating Support Transfer (MOST) claims received in 2021. Return on Investments also decreased by \$18 million due to fewer gains on the sales of bond investments.

The expenses to December 31, 2021, are \$640 million, a 0.1% or \$6 million decrease from the prior year. The majority of this decrease were the result of the 2020 Flood at \$27 million and the 2016 Wildfire at \$3 million. Offsetting this decrease were costs related to the temporary flood mitigation of \$6 million, the grant for the Métis Cultural Association of \$13 million, and a \$4 million increase in RCMP costs. Continued ongoing internal reviews for savings opportunities were found in many of the expense categories including Contracted and General Services and Materials, Goods, Supplies and Utilities.

The 2021 year ended with a transfer of \$900,000 to the Emerging Issues Reserve as per Fiscal Responsibility Policy FIN-160 and committed to the Property Tax Appeals.

**Rationale for Recommendation:**

Section 276 of the *Municipal Government Act* requires that all municipalities prepare annual financial statements and the auditor's report by May 1 of each year for the immediately preceding year.

**Strategic Priorities:**

Responsible Government

**Attachments:**

- 1. Regional Municipality of Wood Buffalo 2021 Consolidated Financial Statement**
  - 2. Wood Buffalo Arctic Winter Games Host Society 2021 Financial Statement**
  - 3. Regional Recreation Corporation of Wood Buffalo 2021 Financial Statement**
  - 4. Regional Municipality of Wood Buffalo Library Board 2021 Financial Statement**
  - 5. Wood Buffalo Economic Development Corporation 2021 Financial Statement**
  - 6. Wood Buffalo Housing & Development Corporation 2021 Financial Statement**
  - 7. 2021 Year End Auditor's Communication Package**
- 2021 RMWB Consolidated Financial Statements Presentation**