



# 2023 ANNUAL REPORT



ROCKY VIEW COUNTY

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# THE COUNTY

# MESSAGE FROM THE REEVE

Reeve Crystal Kissel



## DEAR RESIDENTS AND BUSINESS LEADERS OF ROCKY VIEW COUNTY,

I am pleased to share with you the Rocky View County 2023 Annual Report on behalf of Council and myself. The document before you celebrates our shared journey toward a future that promises growth, innovation, and community spirit.

Council has embarked on a significant endeavor to rejuvenate our [Strategic Plan](#) that will lead us through to 2027. This effort was made possible through your invaluable feedback and the dedicated collaboration between Council, Administration, and the broader community. The updated plan outlines our vision, goals, and objectives, guiding our collective efforts toward a vibrant and prosperous future.

One of the highlights of this year was the introduction of the Service Capacity Project, a cornerstone initiative aimed at enhancing our approach to service delivery. By assessing our services, we are now better equipped to understand and improve upon service levels, risks, and associated costs. Our goal is to be more effective, efficient, and resident-focused, which we believe is essential for managing the growth of our municipality.

Throughout the year, our commitment to Effective Service Delivery, Thoughtful Growth, Financial Prosperity, and enriching the Rocky View Lifestyle has been unwavering. We have seen remarkable advancements in many areas — from Planning Services streamlining processes to expanding our economic base, resulting in our county's growing attractiveness for living and investment. Our long-

term financial forecasting and public engagement strategies have seen significant enhancements, ensuring that we remain on a progressive path as we move forward.

The approval of a new five-year Economic Development Strategy marks another milestone, which will allow us to establish a strategic pathway for business growth and regional development. We will continue to build strategic partnerships, which allow us to capitalize on emerging opportunities and navigate future challenges.

As we turn the page to 2024, I want to extend my heartfelt thanks to each and every one of you for your contributions and support. It is your engagement and dedication that drive our collective successes. Together, guided by our shared vision, we will continue to create a thriving municipality for all who call Rocky View County home.

I am honored to be the Reeve and would like to thank our residents, staff, and business community for your continued support and trust in Council. It is our pleasure to serve Rocky View County and to be a part of such a diverse, successful municipality.

I hope you find value in the report and can reflect on our shared achievements as we continue to build on this foundation for our future.

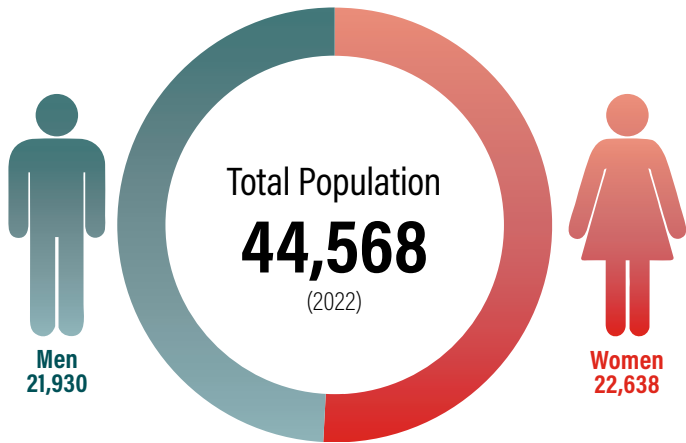
Sincerely,

A handwritten signature in blue ink, appearing to read 'Crystal Kissel'. The signature is fluid and cursive, written over a light blue horizontal line.

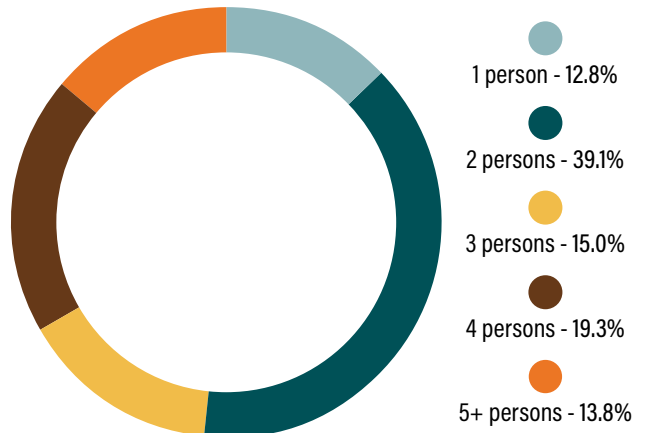
Reeve Crystal Kissel

# COMMUNITY AT A GLANCE

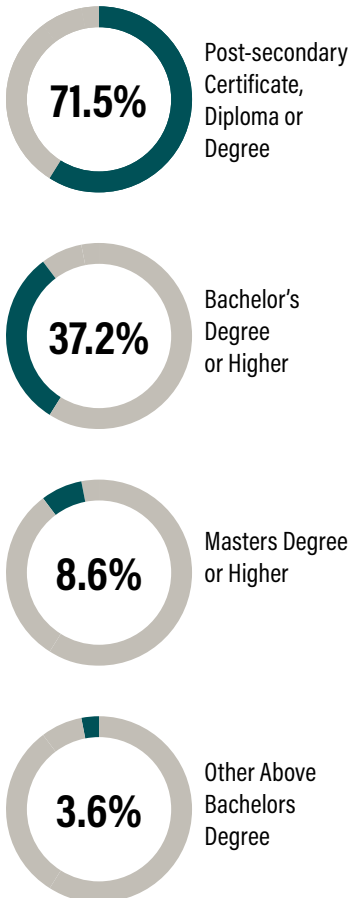
## Population



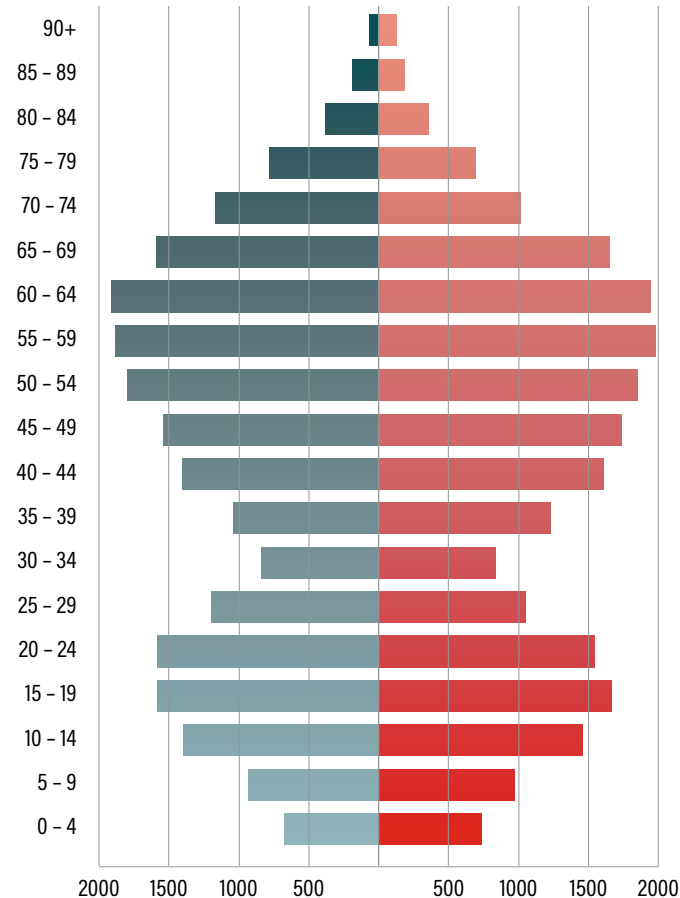
## Household Size Distribution



## Education Levels



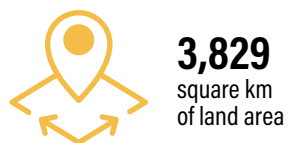
## Age Demographic



## Business Activity



## Land Area

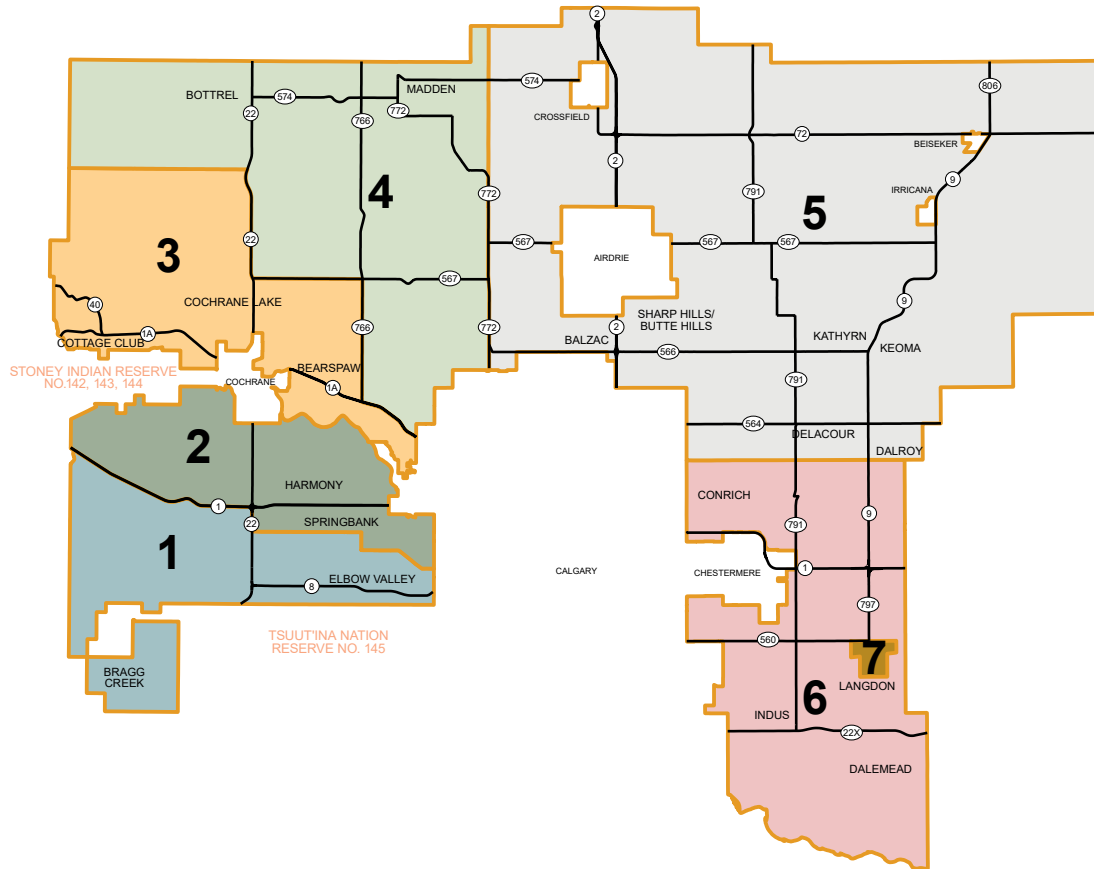


Source: rockyview.ca/community-profile and Government of Alberta Regional Dashboard



# GOVERNMENT & ADMINISTRATION

# GOVERNANCE AND ACCOUNTABILITY



**A SEVEN-MEMBER** elected Council governs Rocky View County, with each Councillor representing an electoral division. Every year, Council elects a reeve to chair Council meetings and be the public spokesperson for Council and the municipality.

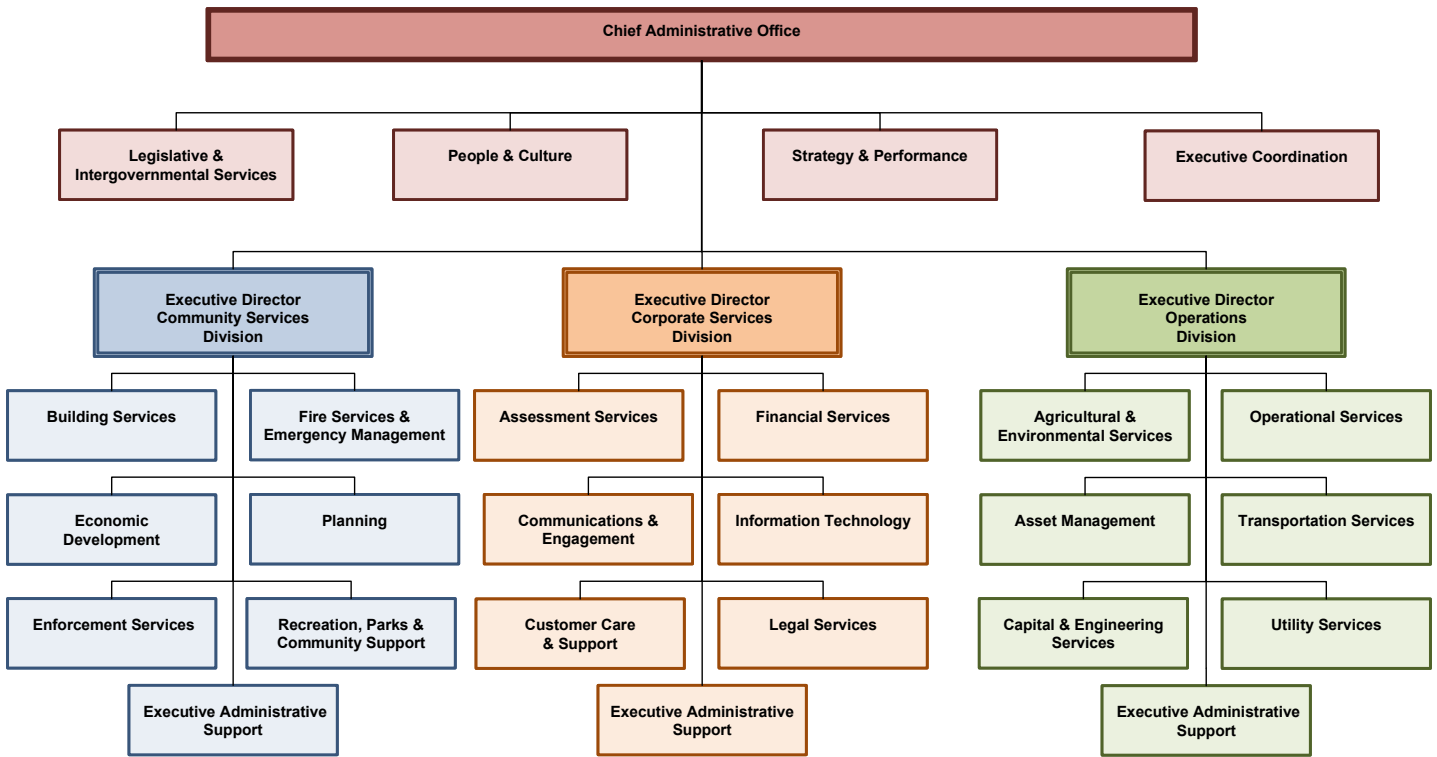
The *Municipal Government Act*, the *Procedure Bylaw*, and the *Council Code of Conduct Bylaw* define the role and responsibility of Council and each individual member.

Council has also established committees to facilitate County business. Each committee has a specific mandate defined in its bylaws or terms of reference.

The following is a list of Council Committees for 2023:

- Aggregate Resource Plan Stakeholder Advisory Committee
- Agricultural Service Board
- Alternative Land Use Services (ALUS) Partnership Advisory Committee
- Assessment Review Board
- Bragg Creek FireSmart Committee
- Enforcement Appeal Committee
- Emergency Management Committee
- Family and Community Support Services Board
- Governance Committee
- Public Presentation Committee
- Recreation Governance Committee
- Subdivision & Development Appeal Board

# COUNTY ADMINISTRATION



**ADMINISTRATION IS** accountable for the effective delivery of County services in accordance with the policies and bylaws approved by Council. As of December 31, 2023 the County had 327 permanent employees,

107 part-time firefighters, and 65 paid-per-call fire fighters. Some County services are delivered in partnership with community organizations and the private sector.



*Rick McDonald  
Interim Chief  
Administrative Officer*



*Matt Boscarol  
Executive Director  
Community Services*

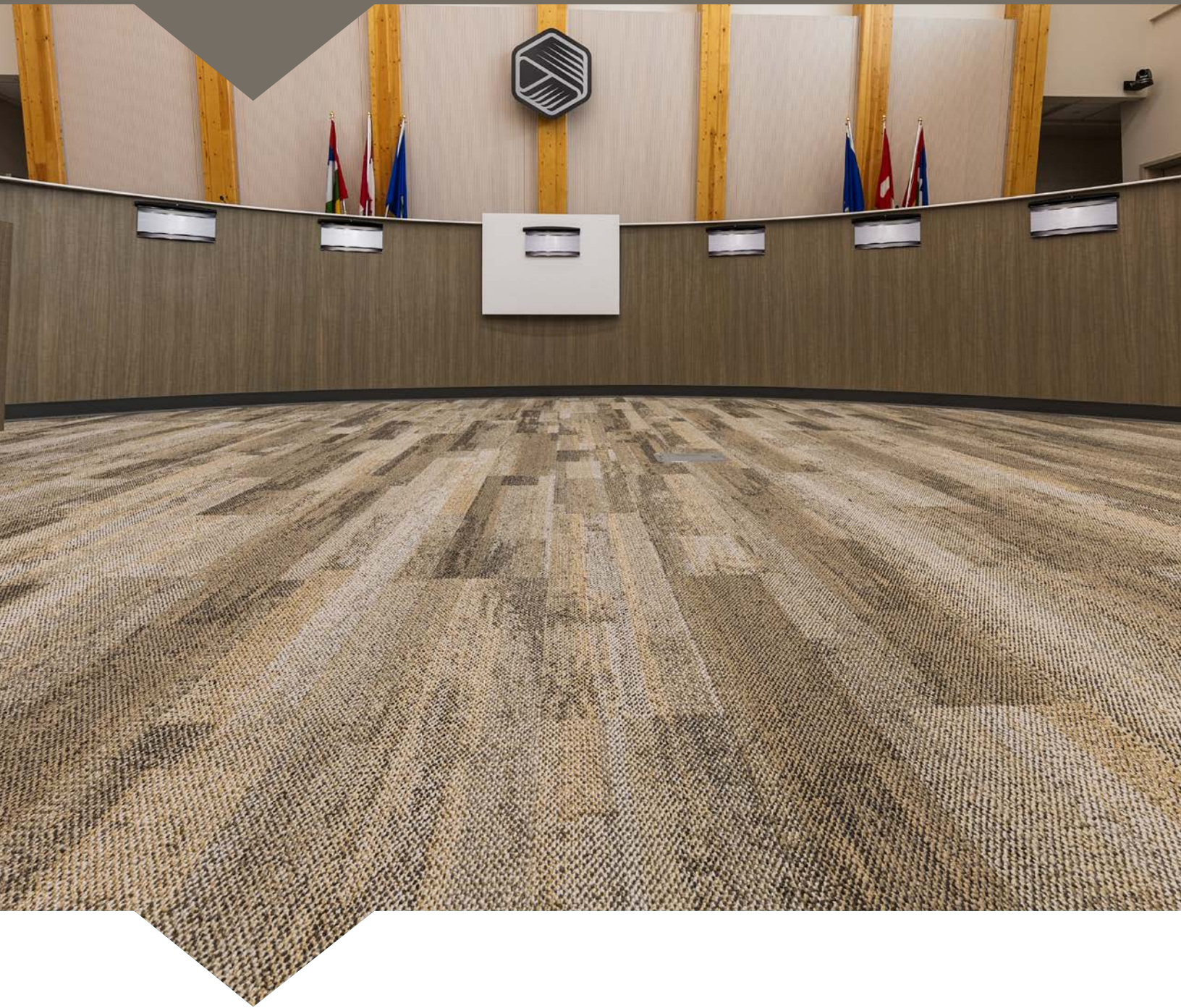


*Kent Robinson  
Executive Director  
Corporate Services*



*Byron Riemann  
Executive Director  
Operations*





# STRATEGY

# STRATEGIC FRAMEWORK

## VISION:

**ROCKY VIEW** County's rural and urban communities uniquely contribute to a diverse municipality that leads with integrity and intelligently manages growth.

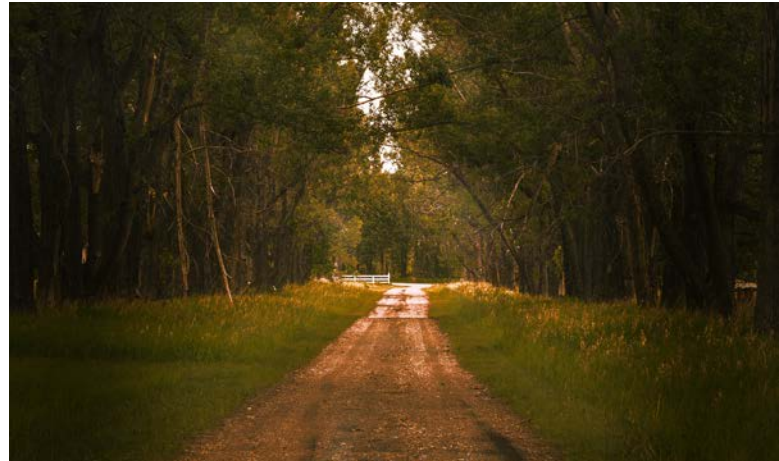
## MISSION:

**OUR MISSION** is to preserve Rocky View County's diverse landscape, lifestyle, and economic opportunities by serving our residents and businesses so they can flourish and thrive.

## VALUES:

**AT ROCKY** View County, our core values guide our behaviors and decision-making. Our values are:

- **Integrity:** We foster a culture of honesty, openness, trust, and respect in all our interactions.
- **Leadership:** We cultivate proactive leadership in an environment of constant change by anticipating and delivering intelligently on the needs of our diverse communities.
- **Accountability:** We have the courage to take personal responsibility to do the right thing both through our actions and decision-making and we hold each other accountable to do the same.



## Effective Service Delivery





**THE COUNTY'S** service delivery model is designed to support the residential and non-residential experience our communities desire.

We will establish service levels that support the standard of living and degree of economic activity we aspire to create in the County.

We commit to open and transparent service standards across our organization and to communicate our performance with our residents.

We provide our services with an emphasis on balancing delivery of the best quality possible, preserving our assets and infrastructure, and the need to be financially responsible.

We demonstrate continuous improvement across our service delivery efforts and actively pursue innovative opportunities to drive efficiency and effectiveness.

OUR OBJECTIVES	MEASURES OF SUCCESS
 <p>Service levels are clearly defined, communicated and transparent to citizens</p>	<p>Service Management Framework Delivered</p> <p>100% of County Service Levels Defined</p>
 <p>Services are resourced and delivered to specific groups as intended, and citizens are satisfied with the outcomes</p>	<p>58% satisfaction with the range of services delivered</p> <p>72% satisfaction with County's service levels</p>
 <p>Citizens are satisfied with public engagement opportunities and availability of information</p>	<p>62% satisfaction with information provided (up 10%)</p> <p>43% satisfaction with engagement opportunities (up 10%)</p>
 <p>Services are continually assessed for improvements in cost efficiency, effectiveness, and customer experience</p>	<p>Planning Department Enhancement Strategy Implemented</p> <p>64% satisfaction with interactions with the County (up 3%)</p> <p>People Strategy Delivered</p>

# COUNCIL'S STRATEGY

## Financial Prosperity



**THE COUNTY'S** strong financial position is an important strategic asset enhancing our ability to attract diverse opportunities.

We will make smart investments to grow our tax base and secure the sustainability of our operations and infrastructure assets.

We will evaluate the investment interest shown in the County with a clear strategy to grow our economy and maximize the generational opportunity in front of us.

By maintaining an appropriate strategic reserve, we will preserve our ability to respond to opportunities and meet unforeseen challenges.

Rocky View County's strategic approach to financial management provides an exemplary model for our peers.

OUR OBJECTIVES	MEASURES OF SUCCESS
 <p>Successfully planning and managing tax revenues between residential and non-residential landowners</p>	<p>Economic Development Strategy Delivered</p> <p>68%/32% Residential/Non-Residential Assessment Split</p>
 <p>Ensuring County remains financially sustainable for future generations</p>	<p>Long-term Financial Forecast Delivered</p> <p>Asset Management Project Initiated</p>

## Thoughtful Growth

**THE COUNTY'S** approach to growth aligns with our vision and reflects our desire to support investment and development.

Our planning processes and policies offer a clear and unambiguous framework for how the County will evaluate and approve development.

We will support the growth and development of communities across the County, emphasizing the need for diverse lifestyle options that support the quality of life our residents desire.

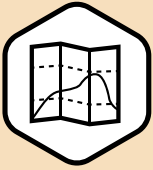


We recognize the County's geographic diversity and will ensure that planning areas reflect each specific region's unique investment and development opportunities.

We will be consistent in our consideration of growth opportunities.

When we exercise discretion to deviate from our framework, we will be transparent with our rationale and accountable to our citizens.

We embrace our important role as a leader in the development of the region and we will work to align our growth ambitions with the broader regional strategy.

We recognize the value of our agricultural lands and work to preserve this essential resource, ensuring they are utilized to their best-suited purpose.

OUR OBJECTIVES	MEASURES OF SUCCESS
 <p>Clearly defining land use policies and objectives for the County</p>	<p>Municipal Development Plan ("County Plan") Review</p> <p>Land Use Bylaw Updates</p>
 <p>Defined land use policies and objectives are being met and communicated</p>	<p>83% land use approvals aligned with Regional Growth Plan/ Municipal Development Plan</p>
 <p>Demonstrating leadership within the Calgary Metropolitan Region Board (CMRB) and leveraging County's strategy for growth within the Regional Growth Plan</p>	<p>No challenges to statutory plans by CMRB members</p> <p>100% active participation in CMRB board and technical advisory groups</p>

# COUNCIL'S STRATEGY



## The Rocky View Lifestyle

**LIFE IS** different in Rocky View County, and we have a responsibility to preserve the unique lifestyle our residents enjoy while attracting newcomers.

Our residents come from all walks of life yet are bound by a shared desire to engage in what we call a 'country lifestyle'. We are responsible for preserving that lifestyle and managing how it evolves.

We understand the strategic value of bordering our urban neighbours. We will be the community of choice for Albertans who want to work in larger centres and participate in and contribute to what they have to offer but seek the unique advantages of building their home life in Rocky View County.

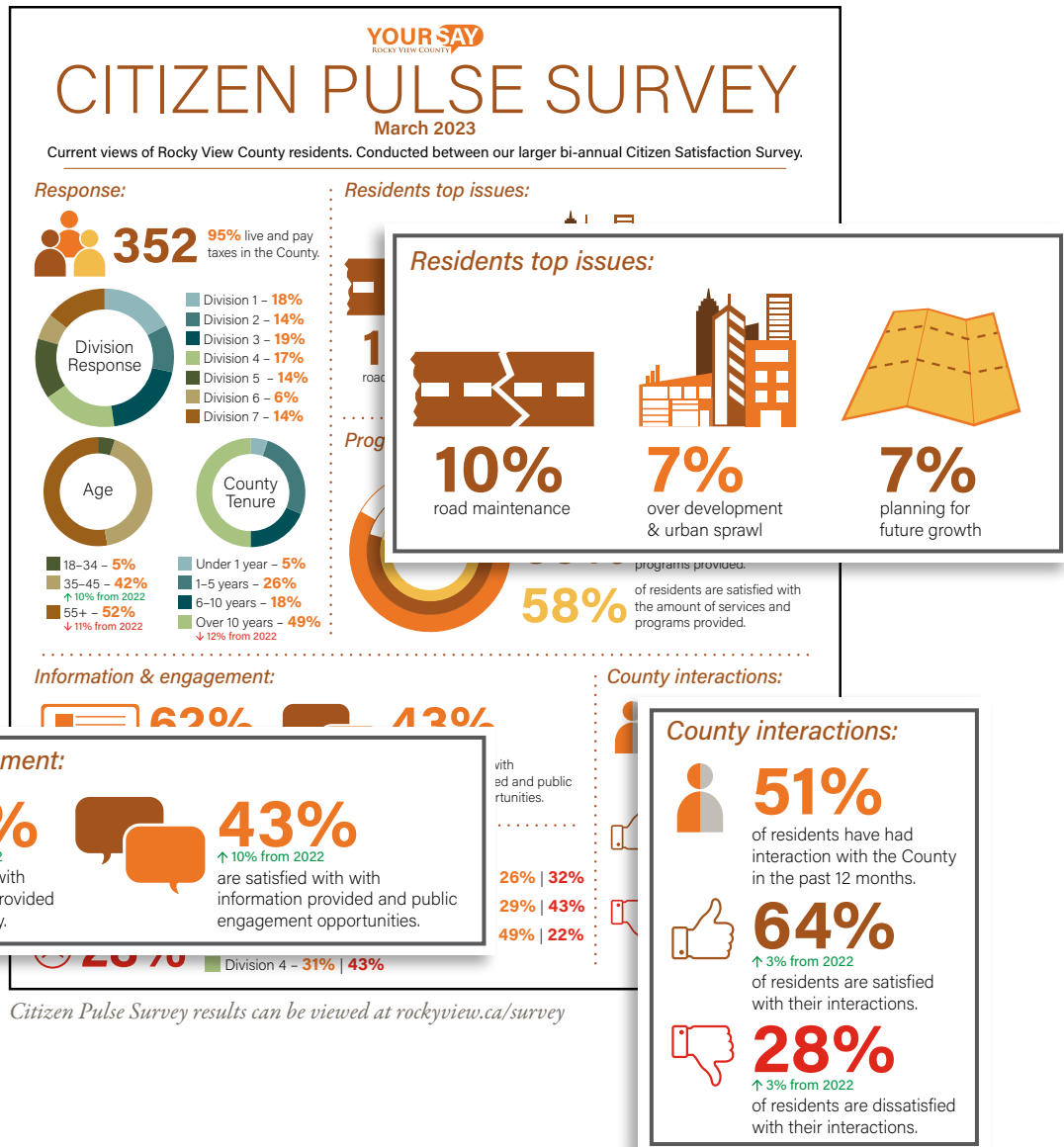
The County has a unique opportunity to provide a premium experience in our communities. We will embrace this opportunity in a manner that provides benefit to the County as a whole.

OUR OBJECTIVES	MEASURES OF SUCCESS
 <p>Providing programs and services that make Rocky View County a safe and attractive place to live for existing and potential residents</p>	<p>Coming in 2024</p>
 <p>Planning for and responding to the needs of the population's demographics to maximize quality of life for those who choose to live in Rocky View County</p>	<p>Coming in 2024</p>



# RESULTS

# WE ARE LISTENING



**EACH YEAR** Rocky View County seeks resident input on satisfaction with programs and services. The County does a large-scale survey with residents and business owners every two years. Between that, a smaller phone-only survey is conducted to keep a pulse on residents' opinions.

The results of the 2023 Citizen Pulse Survey showed similar themes as found in the previous larger Citizen Satisfaction Survey in 2022. The top issues for residents have not changed, being road maintenance, over development, and urban sprawl and planning for future growth. The results show improvements in satisfaction with information provided to residents and engagement. The County is striving to improve residential and business satisfaction every year. These surveys tell us a great deal about the County's people.



# 2023 ACCOMPLISHMENTS

## EFFECTIVE SERVICE DELIVERY

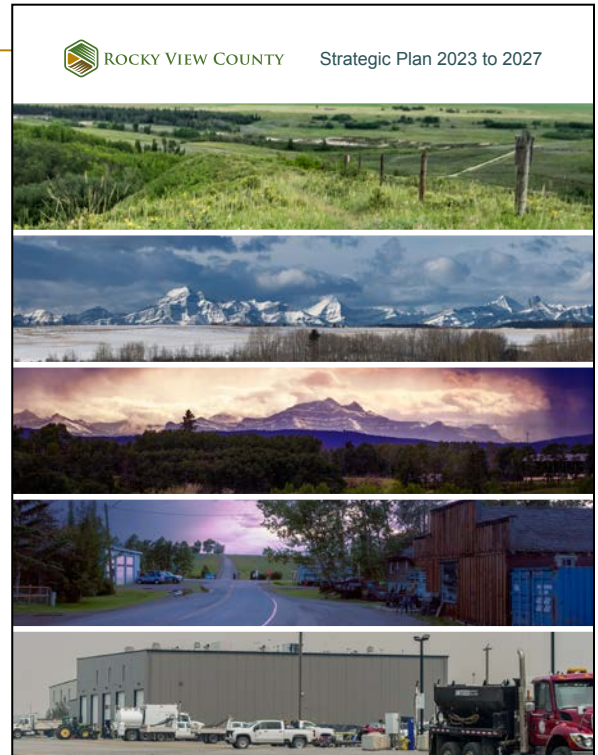
Customer service, changing the way we work

### Governing

**IN 2023**, Rocky View County Council created and approved a new five-year strategic plan. This plan guides decision making, sets priorities, and ensures alignment while being diligent in articulating key performance indicators to monitor progress and accountability for the organization.

A Service Capacity Project was undertaken to clearly define the County's services, including their service levels, risks and costs. This will help improve communication with residents and businesses about our services, and improve transparency and decision-making.

The County has continued with implementing processes for improved governance through the creation of a new committee, governance coaching, and new templates and processes for administration and Council.



2023 to 2027 Strategic Plan

### Connecting with residents

**CUSTOMER-FOCUSED SERVICE** delivery relies on two way communication with residents and businesses. This ensures information on important issues is available to them and provides opportunities to provide input into these issues. An Engagement Program was implemented to increase understanding on County projects and ensure resident's voices are heard and supported. Open houses on the budget and a future off-site soft levy bylaw occurred in 2023. 'What We Heard' reports were shared back with Council to support decision making.

A new online digital newsletter, called *County Connection*, was launched reaching over 5,000 residents, delivered to inboxes twice a month.

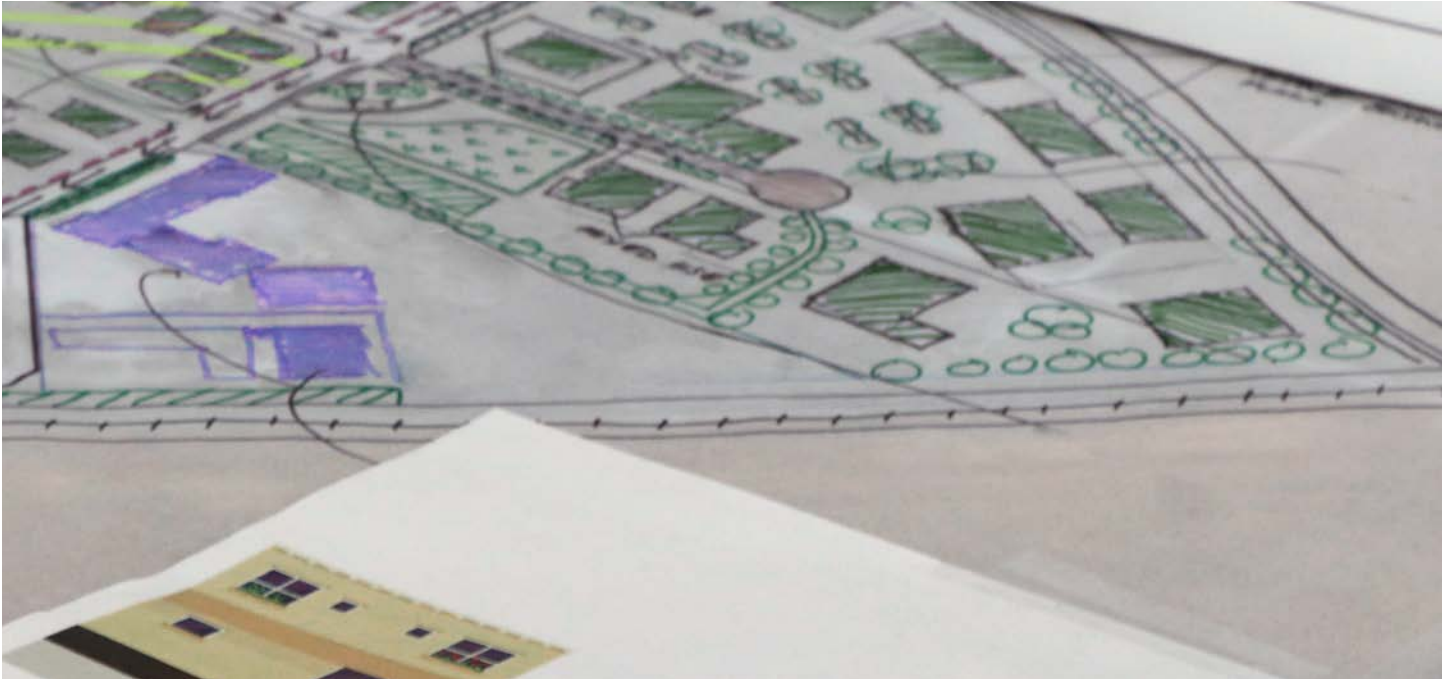
The use of social media has increased, allowing the County to reach more residents. Residents are reaching back through comments, likes, and shares.

Website traffic continues to show significant growth, particularly with high visitation rates observed on the myBuild and Fire Bans pages.

**“ An Engagement Program was implemented to increase understanding on County projects and ensure resident's voices are heard and supported.”**

# 2023 ACCOMPLISHMENTS

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## Supporting growth

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**THE PLANNING** department focused on enhancing and improving service delivery through customer feedback, process refinement, and IT solutions.

Improvements in the Planning Department resulted in reduced processing time for subdivision approvals by 43 days and other approvals like redesignation, amendment, conceptual scheme, and master site development plans by 28 days compared to 2022. This was the first year that pre-application meetings were formalized; 108 meetings were held to help improve the development process for the customer.

In 2023, the Planning Department received over 11,000 inquiries, an increase of 26 per cent over 2022; 406 development permits were approved;

612 real property reports were prepared, which guide landowners and applicants on how structures can be placed on their land. Over 270 intermunicipal planning circulations were received, showing growth trends in neighbouring municipalities.

Building inspections were up 40 per cent this year, directly related to the increase in development/building activity in the County. Similarly, subtrade inspections increased by 26 per cent over 2022. Building services met this demand by adapting service delivery time frames.

There was a 35 per cent increase in building permits issued and a 32 per cent increase in sub trade permits issued, an indicator of continued growth and development in the County.

# 2023 ACCOMPLISHMENTS

## Program & Service updates:

**WEED INSPECTION** cases increased 11 per cent in 2023, due to both an increase in complaints and proactive inspections. The Agricultural Services team completed 554 field inspections for clubroot, as well as offered 14 educational/outreach programs to 483 attendees. The Agricultural services team partnered with 24 organizations to offer a variety of sessions to the community.

An overall increase in self-haul visits to the County transfer sites indicates that residents are taking a more active role in disposing of their waste. The decrease in garbage, recycling, and organics year over year suggests that residents are becoming more mindful of their consumption habits and are recycling more efficiently. The waste transfer site at Springhill relocated down the road to allow for more space as collection of materials continues to increase.

Water usage increase in 2023 can be attributed to several factors, notably customer growth, increased usage by commercial developers employing portable meters for construction and flushing needs, and hydrant meter flushing activities. A significant increase was seen in the summer months due to residential irrigation.

“The decrease in garbage, recycling, and organics year over year suggests that residents are becoming more mindful of their consumption habits and are recycling more efficiently.”

Utility service requests, such as consumption, billing concerns, inquiries regarding utility service providers, and complaints, have more than tripled over 2022.

In 2023, there was an eight per cent increase in service requests for roads issues. These are for things like signage, light repairs, potholes, washboards, dust, and snow removal. There was also a 14 per cent increase in permits and applications for requests such heavy haul, over-dimension, or over-weight loads.



# 2023 ACCOMPLISHMENTS

Rocky View County believes that special events are essential in our communities, contributing to a sense of identity, place, and community vibrancy. In 2023 the County completed a renewed review into the special event application process resulting in a streamlined approach for special event requests and improved, responsive customer service. The bylaw amendments and process improvements focused on removing barriers for residents to hold events and ensuring residents are educated on the safety and legislative requirements relevant to their events. In 2023, the number of permits issued for special events increased by seven per cent.

Overall, Enforcement Services saw significant increases in volume in 2023. After hours calls have increased by 86 per cent and regular hours calls by 35 per cent. Commercial vehicle checks increased by 17 per cent and traffic interactions/stops by 37 per cent. Bylaw Reports (e.g., animal care and control calls, land use concerns, noise complaints, unsightly premises, litter, and traffic reports) increased by 62 per cent.

Fire services experienced heightened demand, with increases in inspections, investigations, and public education events, as well as a significant increase in call volume in the past year.

- Fire calls increased to 31 per cent, with grassfires being the majority due to the dry conditions throughout the County.
- Motor Vehicle Collisions accounted for 23 per cent of the overall call responses.
- Alarm calls increased by 26 per cent.
- Medical responses are continuing to rise in our community.



## FINANCIAL PROSPERITY

Responsible and accountable

**LONG-TERM FINANCIAL** forecasting was developed to provide insight into future financial capacity and shift organizational thinking towards the consideration of longer-term implications.

Rocky View County's assessment base increased by \$3.35 billion in 2023, demonstrating that the County remains an attractive place to live, invest, and do business.

Rocky View County has the fifth largest assessment base in Alberta. The County's favourable assessment mix of 68 per cent residential and 32 per cent non-residential properties helps the County maintain competitive tax rates and provide valuable services. The industrial sector remains strong with several new developments.

## THOUGHTFUL GROWTH

Growing business diversity, community solutions and future thinking

**IN 2023** Council approved a Solar Farm Strategy, acting as a municipal land use suitability tool to assist Administration and Council in identifying the most suitable locations for renewable energy development. This strategy will inform future policy development.

In 2023, there was a notable increase in funding support for community-based organizations and associations. The County received 60 per cent more applications compared to the previous year, resulting in a significant rise in allocated funds, totaling over \$6.1 million, nearly double the amount awarded in 2022. Moreover, there was a 22 per cent increase in the number of organizations seeking funding, reflecting the

growing demand for support. The heightened complexity of funding applications necessitated additional dedicated time to work closely with nonprofit organizations, enhancing the strength of their applications.

A new Five-Year Economic Development Strategy approved by Council identified four major sectors of focus: Agriculture; Transportation, Warehousing and Logistics; Tourism, Retail and Entertainment; and Manufacturing. Sector development and diversification will create a more resilient and dynamic economy that is less susceptible to economic downturns and more adaptable to changing market conditions.

**“ The County received 60 per cent more applications [for community-based organizations and associations] compared to the previous year, resulting in a significant rise in allocated funds, totaling over \$6.1 million...”**

# 2023 ACCOMPLISHMENTS



*QEII & Highway 566 interchange announcement.*

## Planning for the future. Projects underway.

**COUNCIL APPROVED** new land use bylaw amendments for: Business, Live, Work District; Special, Future Urban Development Districts; Special Function Businesses; and Home-Based Businesses.

Two Joint Planning Areas were established, representing collaborations between Rocky View County, Calgary, and Airdrie, as well as Rocky View County, Calgary, and Chestermere.

Many projects were initiated in 2023 and will continue into 2024, shaping Rocky View County for years to come, including:

- Municipal Development Plan
- Langdon Area Structure Plan
- Janet Area Structure Plan
- Conrich Area Structure Plan
- Springbank Area Structure Plan
- Bearspaw Area Structure Plan
- Prairie Gateway Area Structure Plan – a joint planning project with The City of Calgary
- Aggregate Resource Plan

Numerous capital and engineering projects were completed in 2023, including road improvements, stormwater drainage, bridge or culvert improvements, and infrastructure enhancements including:

- The twinning of Highway 566, CrossIron Drive East twinning, Woodland Road expansion and paving, Aventerra pathway overlay, Rural Road 40 – Springbank Road to Township Road 250 paving (with SR1 support), and Township Road 245 – Road extension to Rural Road 41 (with SR1 support).
- Bragg Creek Transfer Site – Phase 3 Site improvements.
- Langdon Drainage – Glenmore Trail Diversion engineering.
- Conrich waterline to Prince of Peace.
- Upgrades to the Langdon wastewater treatment plant.
- Over 60,000 tonnes of gravel was ordered to build and maintain roads, up eight per cent this year.



FINANCE

# FINANCIAL HIGHLIGHTS

## County Revenue

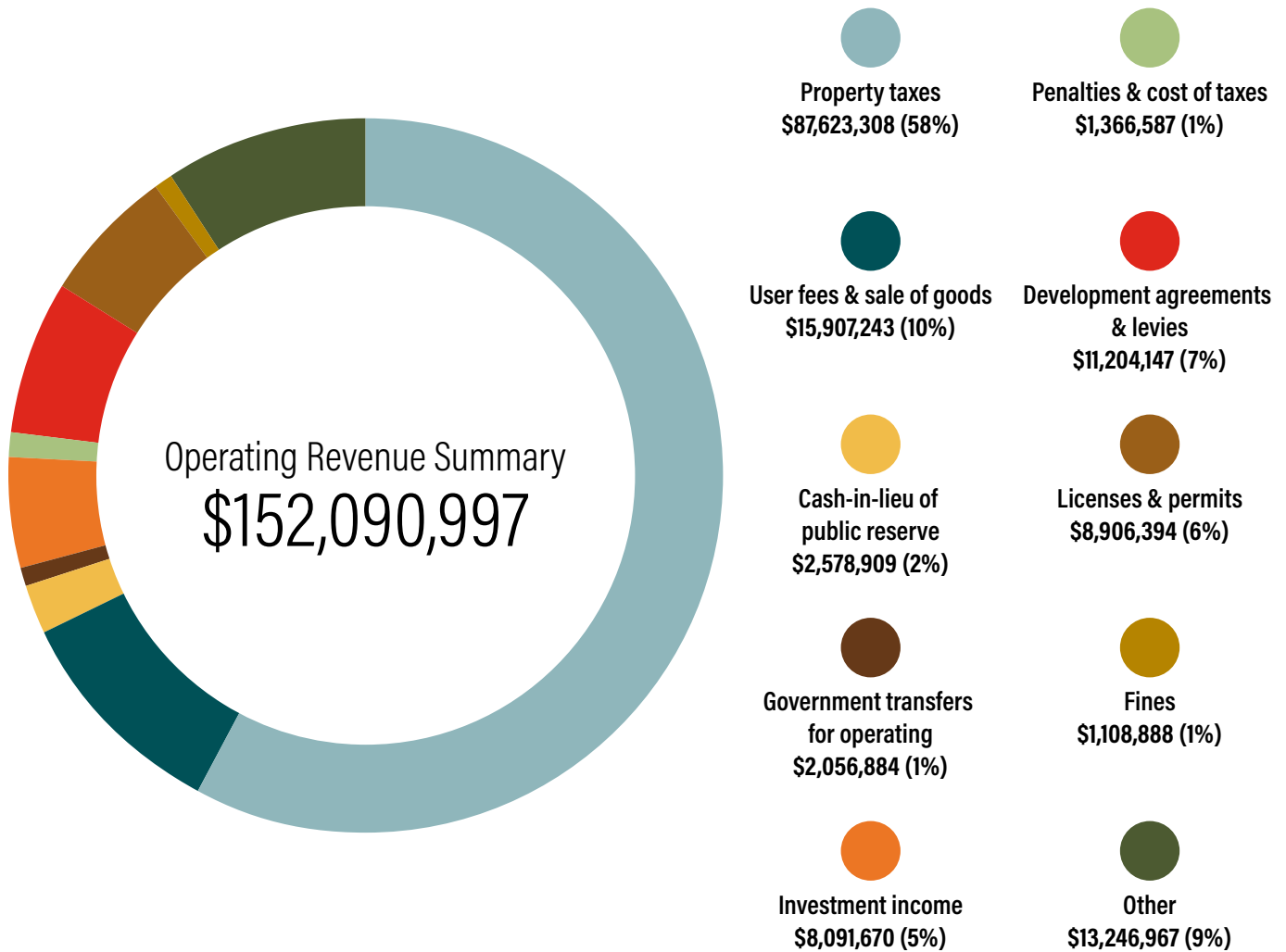
**APPROXIMATELY 58%** of the County's revenue comes from property taxes.

The County also collects user fees on a wide range of services. Waste collection, wastewater, subdivision applications, and other fees make up approximately 10% of the County's revenue.

A proportion of the County's operating revenue comes from the provincial government.

The County receives funding through levies and development agreements to offset the costs arising from new growth. While growth is a positive for the County, it is important to understand that it also comes with costs.

When the County grows, so does the demand for infrastructure and services. The fees collected from new development allow the County to fund the new infrastructure and services necessary to accommodate growth.



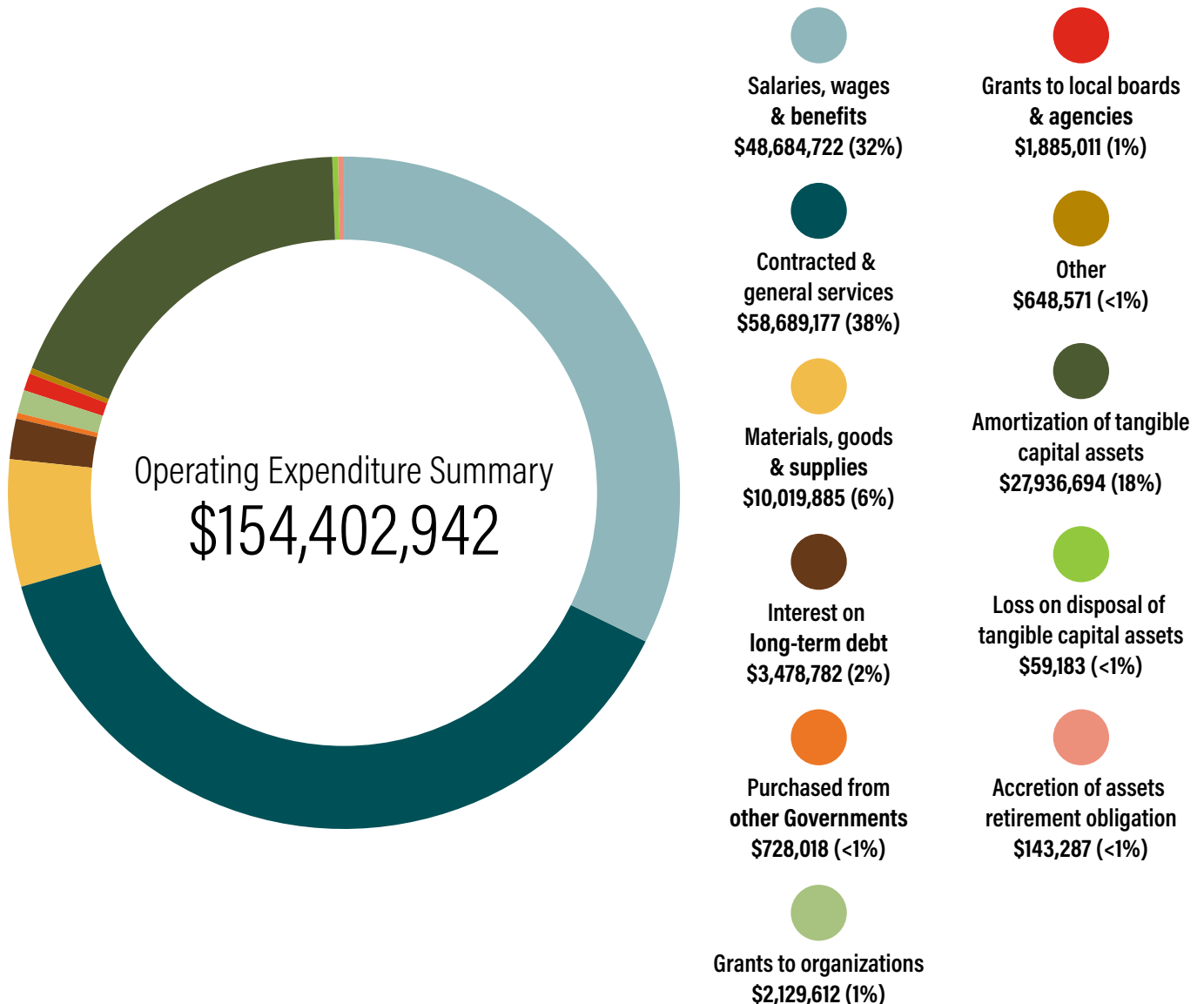


# FINANCIAL HIGHLIGHTS

## County Expenses

**APPROXIMATELY 38%** of the County's operating costs come from contracted services, which includes costs for contractors, engineering consultants, and other external resources. Employee salaries, wages, and benefits is the second largest operating cost to the County.

The County spent just under \$3.5 million dollars in 2023, on the interest for its long-term debt.



# FINANCIAL HIGHLIGHTS

## Debt Management

**THE MUNICIPAL Government Act** and related provincial regulations establish the amount of debt that the County can carry. The County's debt limit is set at 1.5 times total revenue and the debt service limit is calculated at 0.25 times revenue. As of December 31, 2023, the County has used 24% of its borrowing capacity and 20% of its debt service limit.

	December 31, 2023
Total Debt Limit	\$228,136,496
Total short-term debt	-
Total long-term debt	(53,798,830)
Total amount of debt limit available	\$174,337,666

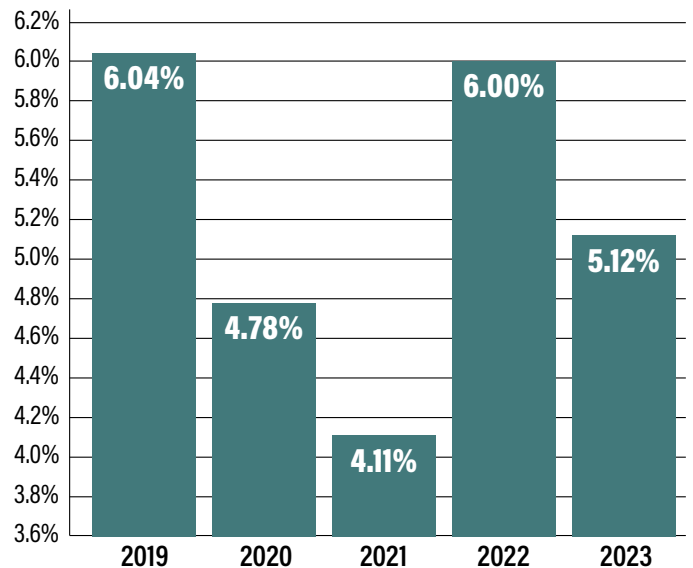
Most of the County's debt obligations are for water and wastewater infrastructure. The County built the East Balzac wastewater system in 2003, a wastewater pipeline to Cochrane Lake in 2006, and the East Balzac water system in 2009. These three projects cost approximately \$80 million and were funded through debt and external grants. In recent years, the County has incurred additional debt obligations to purchase the Horse Creek water & wastewater facility in 2021 and the Blazer water system in 2022 for approximately \$19.4 million combined. In 2023, debt obligations increased by \$1.1 million for the Prince of Peace water distribution rehabilitation project, funded through a local improvement tax. Debt funded through developer levies is collected throughout the year; however, in some years, insufficient levies are collected to service the debt fully. In those cases, Council has funded the debt through a combination of tax-supported payments and reserves.

## Financial Flexibility

**MEASURES THE** degree to which an organization can change its debt and still meet its existing financial and service obligations.

It measures the proportion of total revenue that is required to pay interest and principal on the debt.

Debt Service to Total Revenue



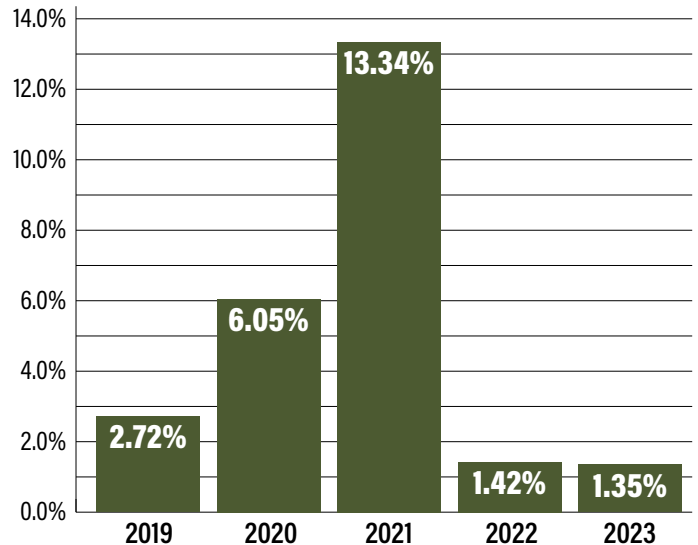
## Financial Vulnerability

**MEASURES THE** degree to which government is dependent on, and therefore vulnerable to, sources of funding outside of its control.

The risk of relying on outside funding is that the County does not directly control or influence either the amount or timing of the revenues.

The County has required less operating funding from other governments, which lessens its vulnerability to changes in funding. This does not include capital funding programs that the County uses to fund infrastructure.

## Government Transfers to Total Revenue



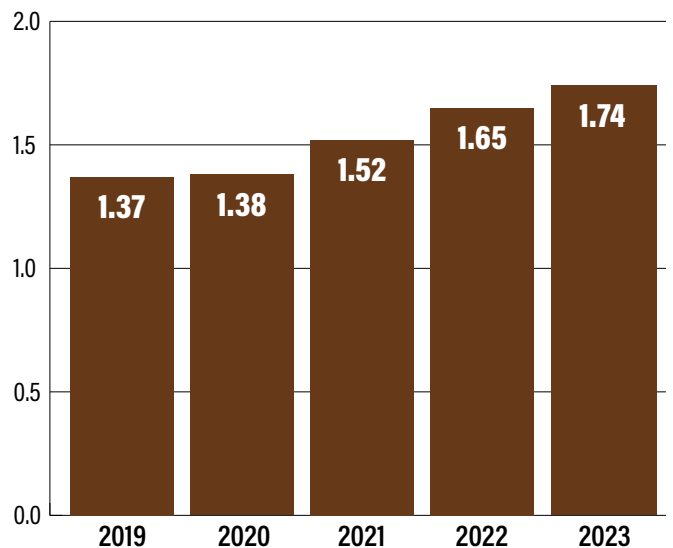
## Financial Sustainability

**MEASURES THE** degree to which the County can maintain its existing financial obligations without increasing its debt or tax burden.

A number lower than 1.0 indicates liabilities exceed financial assets and future revenues will be required to pay for past transactions and events.

In recent years the County's ratio has improved.

## Financial Assets to Liabilities Ratio



# AUDITED FINANCIAL STATEMENTS

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**Rocky View County**  
**Financial Statements**  
*December 31, 2023*



Tel: 403 266 5608  
Fax: 403 233 7833  
www.bdo.ca

BDO Canada LLP  
903 - 8<sup>th</sup> Avenue SW, Suite 620  
Calgary AB T2P 0P7  
Canada

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## Independent Auditor's Report

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To the Council of Rocky View County

### Opinion

We have audited the financial statements of Rocky View County (the County), which comprise the statement of financial position as at December 31, 2023, statement of operations, statement of change in net financial assets, statement of cash flows, and notes to the financial statements, including a summary of significant accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2023, and its results of operations, its changes in net assets, and its cash flows for the year ended in accordance with Public Sector Accounting Standards.

### Basis for Opinion

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 Financial Statements* section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the 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 opinion.

### Other Matters

The financial statements of the County for the year ended December 31, 2022 were audited by another auditor who expressed an unmodified opinion on the financial statements on April 25, 2023.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the County'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 County or to cease operations, or has no realistic alternative but to do so.

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



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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 County'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 County'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 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 County to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*BDO Canada LLP*

Chartered Professional Accountants

Calgary, Alberta  
April 23, 2024

## **Management's Responsibility for Financial Reporting**

Management has prepared the financial statements in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include specific amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen the most appropriate to ensure that the financial statements are presented fairly in all material respects.

The County maintains internal accounting and administrative controls consistent with reasonable cost. Such measures are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and that the County's assets are appropriately accounted for and adequately safeguarded.

The County's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

Annually, the Financial Services manager presents to the County's Council a report detailing management's response to annual audit findings, variance explanations on financials, significant highlights of the financial statements, and administration recommendations that the financial statements be approved. The external auditors also discuss their findings based on previously presented audit plans with the County's Council. Throughout the year, Finance, through the Governance Committee, will also present financial statements for information purposes. This process ensures that each party properly discharges their responsibilities transparently and that a review of the financial statements and the external auditor's report is completed.

The Reeve and Council consider this information when approving the financial statements for issuance to the ratepayers. The Reeve and Council also appoint the engagement of the external auditors.

BDO Canada LLP has audited the financial statements in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers. BDO Canada LLP has full access to the County's Council and management.

  
Kent Robinson


Executive Director, Corporate Services



**ROCKY VIEW COUNTY**  
**Statement of Financial Position**  
**As at December 31, 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>FINANCIAL ASSETS</b>		<i>(Restated Note 21,22)</i>
Cash (Note 3)	37,744,737	11,221,971
Temporary investments (Note 2)	130,005,331	145,352,902
Receivables		
Taxes and grants in place of taxes (Note 4)	4,259,878	4,804,209
Trade and other receivables (Note 4)	14,624,054	15,014,266
Debt charges recoverable (Note 5)	331,921	401,274
	<u>186,965,921</u>	<u>176,794,622</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	20,701,344	22,556,241
Deposit liabilities	6,721,652	6,061,650
Deferred revenue (Note 6)	21,202,697	14,821,350
Employee benefit obligations (Note 7)	1,333,972	1,199,726
Asset retirement obligation (Note 16)	3,748,757	3,797,619
Long-term debt (Note 8)	53,798,830	58,455,896
	<u>107,507,252</u>	<u>106,892,482</u>
 <b>NET FINANCIAL ASSETS</b>	<u>79,458,669</u>	<u>69,902,140</u>
 <b>NON- FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	714,317,160	701,428,035
Resource asset	21,161,000	21,161,000
Inventory for consumption	3,165,138	2,380,644
Prepaid expenses	1,623,402	1,476,377
	<u>740,266,700</u>	<u>726,446,056</u>
 <b>ACCUMULATED SURPLUS (Schedule 1, Note 13)</b>	<u>819,725,369</u>	<u>796,348,196</u>

*Commitments and contingencies - See Note 10 and 11*  
*The accompanying notes are an integral part of these financial statements*

  
 Crystal Kissel  
 Reeve

  
 Kent Robinson  
 Executive Director, Corporate Services

**ROCKY VIEW COUNTY**  
**Statement of Operations**  
**For the Year Ended December 31, 2023**

	Budget \$ (Note 20)	2023 \$	2022 \$ (Note 21,22)
<b>REVENUE</b>			
Net municipal taxes (Schedule 3)	89,072,700	<b>87,623,308</b>	79,550,522
User fees and sales of goods	31,145,600	<b>15,907,243</b>	14,993,413
Cash-In-Lieu of Public Reserve	670,000	<b>2,578,909</b>	4,591,919
Government transfers for operating (Schedule 4)	9,109,900	<b>2,056,884</b>	1,926,231
Investment income	1,800,000	<b>8,091,670</b>	4,328,626
Penalties and cost of taxes	998,500	<b>1,366,587</b>	1,847,708
Development agreements and levies	8,200,000	<b>11,204,147</b>	14,893,815
Licenses and permits	4,440,700	<b>8,906,394</b>	8,248,539
Fines	727,000	<b>1,108,888</b>	996,184
Other	14,259,400	<b>13,246,967</b>	3,875,045
<b>Total Revenue</b>	<u>160,423,800</u>	<u><b>152,090,997</b></u>	<u>135,252,002</u>
<b>EXPENSES</b>			
Legislative	917,000	<b>931,612</b>	917,613
Administration	25,569,800	<b>23,497,790</b>	19,256,476
Fire	16,122,700	<b>16,880,635</b>	15,906,172
Disaster services	136,400	<b>130,515</b>	341,610
Bylaw enforcement	11,204,200	<b>10,720,690</b>	10,179,690
Transportation and field services	97,665,600	<b>65,580,991</b>	47,568,660
Water supply and distribution	6,431,500	<b>7,494,642</b>	6,190,502
Wastewater treatment and disposal	10,964,300	<b>11,939,980</b>	9,977,757
Waste management	3,029,800	<b>2,674,223</b>	2,337,693
Family and community support	1,060,500	<b>1,107,943</b>	1,091,569
Cemetery	1,402,400	<b>1,841,474</b>	1,724,470
Planning and development	6,116,800	<b>5,599,148</b>	3,938,695
Recreation, parks and community services	7,942,400	<b>6,003,299</b>	6,099,518
<b>Total Expenses</b>	<u>188,563,400</u>	<u><b>154,402,942</b></u>	<u>125,530,425</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER</b>	<u>(28,139,600)</u>	<u><b>(2,311,945)</b></u>	<u>9,721,577</u>
<b>OTHER</b>			
Contributed assets	-	<b>15,521,843</b>	2,175,435
Government transfers for capital (Schedule 4)	19,652,000	<b>10,167,275</b>	19,336,637
<b>Total Other</b>	<u>19,652,000</u>	<u><b>25,689,118</b></u>	<u>21,512,072</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>(8,487,600)</u>	<u><b>23,377,173</b></u>	<u>31,233,649</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR (Note 13)</b>	796,348,196	<b>796,348,196</b>	765,114,547
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><u>787,860,596</u></u>	<u><u><b>819,725,369</b></u></u>	<u><u>796,348,196</u></u>

The accompanying notes are an integral part of these financial statements

**ROCKY VIEW COUNTY**  
**Statement of Change in Net Financial Assets**  
**For the Year Ended December 31, 2023**

	Budget \$ (Note 20)	2023 \$	2022 \$ (Note 21,22)
<b>EXCESS OF REVENUE OVER EXPENSES</b>	(8,487,600)	<b>23,377,173</b>	<b>31,233,649</b>
Acquisition of tangible capital assets	(44,145,300)	<b>(25,550,022)</b>	(37,960,300)
Contributed tangible capital assets	-	<b>(15,521,843)</b>	(2,175,435)
Proceeds on disposal of tangible capital assets	-	<b>186,863</b>	2,411,289
Amortization of tangible capital assets	28,689,600	<b>27,936,694</b>	26,798,193
Loss (gain) on sale of tangible capital assets	-	<b>59,183</b>	(656,065)
	<u>(15,455,700)</u>	<u><b>(12,889,125)</b></u>	<u>(11,582,318)</u>
Use of (acquisition of) supplies inventories	-	<b>(784,494)</b>	(23,730)
Use of (acquisition of) prepaid assets	-	<b>(147,025)</b>	(90,677)
Use of (acquisition of) resource assets	-	-	(2,413,000)
	<u>-</u>	<u><b>(931,519)</b></u>	<u>(2,527,407)</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	(23,943,300)	<b>9,556,529</b>	17,123,924
<b>NET FINANCIAL ASSET, BEGINNING OF YEAR</b>	<u>69,902,140</u>	<u><b>69,902,140</b></u>	<u>52,778,216</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u><u>45,958,840</u></u>	<u><u><b>79,458,669</b></u></u>	<u><u>69,902,140</u></u>

*The accompanying notes are an integral part of these financial statements*

**ROCKY VIEW COUNTY**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
	<u>                    </u>	<u>(Restated Note 21)</u>
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	<b>23,377,173</b>	31,233,649
Non-cash items included in excess of revenue over expenses:		
Amortization of tangible capital assets	<b>27,936,694</b>	26,798,193
ARO Accretion Expense	<b>143,287</b>	138,078
Loss (Gain) on disposal of tangible capital assets	<b>59,183</b>	(656,065)
Tangible capital assets received as contributions	<b>(15,521,843)</b>	(2,175,435)
Non-cash charges to operations (net change):		
Decrease in taxes and grants in place of taxes	<b>544,331</b>	187,796
Decrease (Increase) in trade and other receivables	<b>390,212</b>	(7,020,670)
(Increase) in inventory for consumption	<b>(784,494)</b>	(23,730)
(Increase) in prepaid expenses	<b>(147,025)</b>	(90,677)
(Decrease) Increase in accounts payable and accrued liabilities	<b>(1,854,897)</b>	5,505,203
Increase in accounts payable amount applied to capital	<b>2,043,802</b>	614,785
Increase (Decrease) in deposit liabilities	<b>660,002</b>	(1,317,834)
Increase (Decrease) in deferred revenue	<b>6,381,347</b>	(8,026,845)
Increase (Decrease) in employee benefit obligations	<b>134,246</b>	(97,172)
Decrease in ARO	<b>(192,149)</b>	-
Increase (Decrease) in provision for landfill closure and post-closure costs	<b>-</b>	(19,223)
Cash provided by (applied to) operating transactions	<b><u>43,169,869</u></b>	<u>45,050,053</u>
<b>CAPITAL</b>		
Accounts payable amount applied to capital	<b>(2,043,802)</b>	(614,785)
Acquisition of tangible capital & resource assets	<b>(25,550,022)</b>	(40,373,300)
Sale of tangible assets	<b>186,863</b>	2,411,289
Cash provided by (applied to) capital transactions	<b><u>(27,406,961)</u></b>	<u>(38,576,796)</u>
<b>INVESTING</b>		
Decrease (Increase) in investments	<b><u>15,347,571</u></b>	<u>(145,347,904)</u>
<b>FINANCING</b>		
Debt charges recovered	<b>69,353</b>	66,001
Long-term debt repaid	<b>(5,741,872)</b>	(5,690,746)
Long-term debt raised	<b>1,084,806</b>	10,162,090
Cash provided by (applied to) financing transactions	<b><u>(4,587,713)</u></b>	<u>4,537,345</u>
<b>CHANGE IN CASH DURING YEAR</b>	<b>26,522,766</b>	(134,337,302)
<b>CASH AT BEGINNING OF YEAR</b>	<b><u>11,221,971</u></b>	<u>145,559,273</u>
<b>CASH AT END OF YEAR</b>	<b><u><u>37,744,737</u></u></b>	<u><u>11,221,971</u></u>

Cash - See Note 3

The accompanying notes are an integral part of these financial statements

**ROCKY VIEW COUNTY**  
**Schedule of Changes in Accumulated Operating Surplus**  
**For the Year Ended December 31, 2023**  
**Schedule 1**

	Unrestricted	Restricted	Equity in	Equity in Tangible	2023	2022
	Surplus	Reserves Note 16,21,22	Other Assets Note 21,22	Capital Assets Note 16,21,22	\$	\$ Note 21,22
<b>Balance, Beginning of the Year</b>	<b>3,633,423</b>	<b>131,977,977</b>	<b>21,161,000</b>	<b>639,575,793</b>	<b>796,348,196</b>	<b>765,114,547</b>
Annual Surplus	23,377,173	-	-	-	23,377,173	31,233,649
Unrestricted funds designated for future use	(34,859,417)	34,859,417	-	-	-	-
Restricted funds used for operations	22,346,315	(22,346,315)	-	-	-	-
Restricted funds use for tangible capital assets	-	(4,920,351)	-	4,920,351	-	-
Current year funds used for tangible capital assets	(19,544,866)	-	-	19,544,866	-	-
Contributed tangible capital assets	(15,521,843)	-	-	15,521,843	-	-
Disposal of tangible capital assets	246,046	-	-	(246,046)	-	-
Annual amortization expenses	27,936,694	-	-	(27,936,694)	-	-
Asset retirement obligation accretion expense	143,287	-	-	(143,287)	-	-
Long term debt related to tangible capital assets issued	(1,084,806)	-	-	1,084,806	-	-
Long term debt issued	1,084,806	-	-	(1,084,806)	-	-
Reclamation costs for Asset Retirement Obligation repaid	(192,149)	-	-	192,149	-	-
Long term debt related to tangible capital assets repaid	(5,672,519)	-	-	5,672,519	-	-
Change in accumulated operating surplus	(1,741,280)	7,592,751	-	17,525,701	23,377,173	31,233,649
<b>Balance, End of Year</b>	<b>1,892,143</b>	<b>139,570,728</b>	<b>21,161,000</b>	<b>657,101,494</b>	<b>819,725,369</b>	<b>796,348,196</b>

*The accompanying notes are an integral part of these financial statements*

ROCKY VIEW COUNTY  
**Schedule of Tangible Capital Assets**  
**For the Year Ended December 31, 2023**  
**Schedule 2**

	Land	Land Improvements Note 16,21,22	Buildings	Engineered Structures Note 16,21,22	Machinery and Equipment	Vehicles	2023 \$	2022 \$ Note 16,21,22
<b>COST:</b>								
BALANCE, BEGINNING OF YEAR	144,523,613	12,688,618	84,295,083	1,067,127,719	20,957,157	18,270,999	1,347,863,189	1,311,952,305
Acquisition of tangible capital assets	15,414,119	1,796,656	14,950	84,756,901	582,160	1,660,625	104,225,411	31,277,629
Construction-in-progress, net	(9,619,856)	(986,912)	-	(52,383,927)	(113,726)	(49,124)	(63,153,545)	8,858,107
Disposal of tangible capital assets	-	-	(120,176)	(496,410)	(424,271)	(580,659)	(1,621,516)	(4,224,852)
BALANCE, END OF YEAR	150,317,876	13,498,362	84,189,857	1,099,004,283	21,001,320	19,301,841	1,387,313,539	1,347,863,189
<b>ACCUMULATED AMORTIZATION:</b>								
BALANCE, BEGINNING OF YEAR	-	2,234,432	17,145,622	601,961,387	14,321,213	10,772,500	646,435,154	622,106,589
Annual Amortization		665,485	2,309,815	21,961,031	1,612,072	1,388,292	27,936,694	26,798,193
Accumulated amortization on disposals		-	(75,247)	(328,948)	(421,623)	(549,653)	(1,375,471)	(2,469,628)
BALANCE, END OF YEAR	-	2,899,917	19,380,190	623,593,470	15,511,662	11,611,139	672,996,377	646,435,154
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	150,317,876	10,598,445	64,809,667	475,410,813	5,489,658	7,690,701	714,317,160	701,428,035
2022 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS (Note 16,21,22)	144,523,613	10,454,186	67,149,461	465,166,332	6,635,944	7,498,499	701,428,035	
	<b>Opening Balance</b>	<b>Additions</b>	<b>Transfer to TCA</b>	<b>Ending Bal</b>	<b>2023 Net Change</b>			
Construction-in-progress	67,115,358	17,319,872	80,473,417	3,961,813	(63,153,545)			

**ROCKY VIEW COUNTY**  
**Schedule of Property and Other Taxes**  
**For the Year Ended December 31, 2023**  
**Schedule 3**

	Budget \$ (Note 20)	2023 \$	2022 \$
<b>TAXATION</b>			
Real property taxes	132,325,410	<b>130,978,379</b>	119,823,353
Linear property taxes	12,171,343	<b>12,047,441</b>	13,037,350
Government grants in place of property taxes	87,647	<b>86,756</b>	87,288
Special assessments and local improvement taxes	454,200	<b>476,362</b>	511,734
	<u>145,038,600</u>	<u><b>143,588,938</b></u>	<u>133,459,725</u>
<b>REQUISITIONS FROM OTHER AUTHORITIES</b>			
Alberta School Foundation Fund	50,255,900	<b>52,195,833</b>	48,769,493
Calgary Roman Catholic Separate School District	4,502,900	<b>2,562,932</b>	3,990,129
Rocky View Seniors Foundation	1,059,600	<b>1,059,564</b>	1,006,123
Designated Industrial Property Tax	147,500	<b>147,301</b>	143,458
	<u>55,965,900</u>	<u><b>55,965,630</b></u>	<u>53,909,203</u>
<b>NET MUNICIPAL TAXES</b>	<u>89,072,700</u>	<u><b>87,623,308</b></u>	<u>79,550,522</u>

*The accompanying notes are an integral part of these financial statements*

**ROCKY VIEW COUNTY**  
**Schedule of Government Transfers**  
**For the Year Ended December 31, 2023**  
**Schedule 4**

	Budget \$ (Note 20)	2023 \$	2022 \$
<b>TRANSFERS FOR OPERATING:</b>			
Provincial Government	9,109,900	<b>2,056,884</b>	1,884,510
Federal Government	-	-	41,721
	<u>9,109,900</u>	<u><b>2,056,884</b></u>	<u>1,926,231</u>
<b>TRANSFERS FOR CAPITAL:</b>			
Provincial Government	16,882,800	<b>7,398,104</b>	13,559,105
Federal Government	2,769,200	<b>2,769,171</b>	5,777,532
	<u>19,652,000</u>	<u><b>10,167,275</b></u>	<u>19,336,637</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>28,761,900</u>	<u><b>12,224,159</b></u>	<u>21,262,868</u>

*The accompanying notes are an integral part of these financial statements*



**ROCKY VIEW COUNTY**  
**Schedule of Expenses by Object**  
**For the Year Ended December 31, 2023**  
**Schedule 5**

<b>EXPENSES BY OBJECT</b>	Budget \$ (Note 20)	<b>2023</b> \$	2022 \$ (Note 21, 22)
Salaries, wages and benefits	48,767,350	<b>48,684,722</b>	42,460,554
Contracted and general services	90,515,250	<b>58,689,177</b>	37,969,868
Materials, goods and supplies	11,213,000	<b>10,019,885</b>	9,883,227
Interest on long-term debt	2,239,100	<b>3,478,782</b>	2,397,967
Purchased from other Governments	765,300	<b>728,018</b>	798,615
Grants to organizations	3,447,100	<b>2,129,612</b>	2,960,097
Grants to local boards and agencies	2,307,600	<b>1,885,011</b>	1,646,471
Other	619,100	<b>648,571</b>	477,355
Amortization of tangible capital assets	28,689,600	<b>27,936,694</b>	26,798,193
Loss on disposal of tangible capital assets	-	<b>59,183</b>	-
Accretion of asset retirement obligation	-	<b>143,287</b>	138,078
<b>TOTAL EXPENSES</b>	<u>188,563,400</u>	<u><b>154,402,942</b></u>	<u>125,530,425</u>

*The accompanying notes are an integral part of these financial statements*

**ROCKY VIEW COUNTY**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2023**  
**Schedule 6**

	<b>General Government</b>	<b>Emergency Services</b>	<b>I &amp; O Services</b>	<b>Planning &amp; Development</b>	<b>Community Services</b>	<b>Total \$</b>
<b>REVENUE</b>						
Net municipal taxes	87,623,308	-	-	-	-	<b>87,623,308</b>
Government transfers		245,315	10,408,523	-	1,570,321	<b>12,224,159</b>
User fees and sales of goods	330,486	717,745	13,682,785	1,176,227	-	<b>15,907,243</b>
Investment income	8,091,670	-	-	-	-	<b>8,091,670</b>
Contributed assets	-	-	10,102,743	-	5,419,100	<b>15,521,843</b>
Other revenues	4,508,942	1,316,069	23,663,776	8,915,755	7,350	<b>38,411,892</b>
	<b>100,554,406</b>	<b>2,279,129</b>	<b>57,857,827</b>	<b>10,091,982</b>	<b>6,996,771</b>	<b>177,780,115</b>
<b>EXPENSES</b>						
Salaries, wages and benefits	12,649,628	14,954,826	14,080,055	6,411,010	589,203	<b>48,684,722</b>
Contracted and general services	7,107,250	4,423,968	44,893,429	1,514,937	749,593	<b>58,689,177</b>
Materials, goods and supplies	522,682	517,720	8,961,731	13,590	4,162	<b>10,019,885</b>
Transfers to local boards and organizations	639,837	100,000	12,750	-	3,262,036	<b>4,014,623</b>
Long-term debt interest	-	19,400	3,459,382	-	-	<b>3,478,782</b>
Other expenses	250,407	728,018	600,634	-	-	<b>1,579,059</b>
	<b>21,169,804</b>	<b>20,743,932</b>	<b>72,007,981</b>	<b>7,939,537</b>	<b>4,604,994</b>	<b>126,466,248</b>
<b>NET REVENUE, BEFORE AMORTIZATION</b>	<b>79,384,602</b>	<b>(18,464,803)</b>	<b>(14,150,154)</b>	<b>2,152,445</b>	<b>2,391,777</b>	<b>51,313,867</b>
Amortization expenses	660,913	1,223,877	25,816,327	-	235,577	<b>27,936,694</b>
<b>EXCESS (DEFFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>78,723,689</b>	<b>(19,688,680)</b>	<b>(39,966,481)</b>	<b>2,152,445</b>	<b>2,156,200</b>	<b>23,377,173</b>

*The accompanying notes are an integral part of these financial statements*

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

These financial statements of Rocky View County (the “County”) are the representations of management prepared in conformity with Canadian Public Sector Accounting Standards (PSAS). Significant aspects of the accounting policies adopted by the County are outlined as follows:

**Reporting Entity**

The financial statements reflect the assets, liabilities, revenues, expenditures, changes in fund balances, and changes in the financial position of Rocky View County.

The tax schedule includes requisitions for education, health, social, and external organizations that are not part of Rocky View County.

The financial statements exclude trust assets administered on external parties’ behalf. Interdepartmental and organizational transactions and balances are eliminated.

**Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as incurred and measurable based upon receipt of goods or services and the legal obligation to pay.

**Revenue Recognition**

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues and the amounts to be received can be reasonably estimated and collection is reasonably assured.

Revenue from transactions with performance obligations is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor. User fees are recognized over the period of use, sales of goods are recognized when goods are delivered.

User charges for which the related services have yet to be performed are recognized when related expenses are incurred, benefits are achieved, or tangible capital assets are acquired. Revenue on investments, fines, and penalties are recognized when earned.

**Tax Revenue**

The County recognizes taxes as assets and revenue when they meet the definition of an asset, are authorized by bylaw, and the taxable event has occurred. Tax Revenue is initially measured at the administration’s best estimate of the amount resulting from the actual taxable event per legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition.

Requisitions operate as a flow-through and are excluded from municipal revenue.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Government Transfers**

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized and any eligibility criteria have been met, and reasonable estimates of the amounts can be determined. 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.

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or as a result of direct financial return.

**Use of Estimates**

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards (PSAS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Accounts receivable are stated after evaluation as to their collectability. Amortization is based on the estimated useful lives of tangible assets. Reclamation, closure, and post-closure liabilities are calculated based on management's best estimates of costs and timing. The valuation of inventory for consumption is subject to estimation uncertainty.

**Investments**

Investments are comprised of investments in qualifying instruments as defined in the County's Investment Policy #C-201. Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective assets. When there has been a value loss other than a temporary decline, the individual investment is written down to recognize the loss. Investments are externally managed and consist of investments in guaranteed investment certificates with banks, treasury branches and credit unions.

**Debt Charges Recoverable**

Debt charges consist of amounts that are recoverable from municipal agencies or other local governments concerning outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the un-matured long-term debt.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Local Improvement Charges**

Local improvements are recognized as revenue, and established as a receivable, for the property owners's share of the improvements in the period that the project expenses are incurred. Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of related borrowings. These levies are collectible from property owners for work performed by Rocky View County.

**Inventories for Resale**

Gravel inventories held for resale are recorded at a lower cost or net realizable value. The cost is determined by the average cost method.

**Asset Retirement Obligation:**

Asset Retirement Obligations ("ARO") represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible capital assets ("TCA") include but are not limited to assets in productive use, assets no longer in productive use, and leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the County to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

**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 contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the County 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.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year and the excess of revenues over expenses provide the Change in Net Financial Assets (Debt) for the year.

**i) Tangible Capital Assets**

Tangible capital assets are recorded at cost, including all amounts directly attributable to the asset's acquisition, construction, development, or betterment. The cost of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

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	<b>YEARS</b>
Land Improvements	15-25
Buildings	10-50
Engineered structures	
Water system	30-75
Wastewater system	30-75
Other engineered structures	5-30
Machinery and equipment (owned and leased)	3-10
Vehicles	8-20

One-half of the annual amortization is charged in the year of acquisition and the year of disposal. Assets under construction are amortized once they are available for productive use.

**ii) Contributions of Tangible Capital Assets**

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

**iii) Resource Asset**

The water licenses are recorded at cost and have been assessed with an indefinite life. The assets will not be amortized, and impairment will be reviewed when there are indicators of a decline in value.

**iv) Leases**

Leases are classified as capital or operating leases. Leases that substantially transfer all of the benefits and risks incidental to property ownership are accounted for as capital leases. At the

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**NOTES TO THE FINANCIAL STATEMENTS**  
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inception of a capital lease, an asset and payment obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value.

All other leases are accounted for as operating leases, and the related lease payments are charged to expenses as incurred.

**v) Inventories**

Inventories held for consumption are recorded at a lower cost or net realizable value. The cost is determined by the average cost method for gravel inventory and FIFO for other inventory.

**Requisition Over-levy and Under-levy**

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the levy exceeds the requisition, the over-levy is accrued as a liability, and property tax revenue is reduced. The under-levy is accrued as a receivable, and property tax revenue is increased where the actual levy is less than the requisition amount. Requisition tax rates in the subsequent year are adjusted for any over- or under-levies of the prior year.

**Pensions**

The County participates in two pension plans. The plans are accounted for as defined benefit plans. Contributions for current services are recorded as expenditures in the year they become due.

**Funds Held in Trust**

The County held \$1,776,004 in a Cemetery Perpetual Care Trust Account as of December 31, 2023 (2022 - \$1,448,336).

The County held \$162,871 in a Tax Recovery Trust account as of December 31, 2023 (2022 - \$154,416).

**New Accounting Policies Adopted During the Year:**

**PS 3280 Asset Retirement Obligations**, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Information presented for comparative purposes is restated unless the necessary financial data is not reasonably determinable.

Modified Retroactive application: During the year, the County adopted a new accounting policy with respect to future obligations to retire an asset or to restore a site including dismantling, and remediation. The county now accounts for such transactions by initially recognizing and recording as an obligation based on estimated future cash flows discounted at a credit-adjusted risk-free rate. These assets retirement obligations are adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

The assets retirement obligations are also accreted to full value over time through periodic charges to statement of operations. This unwinding of the discount is charged to accretion expense in the statement of operations.

The amount of assets retirement obligation initially recognized is capitalized as part of the related asset's carrying value. The straight line method of depreciation is followed to amortize these.

Prior to this, the county did not account for these transactions. The county believes the new policy provides a fair presentation of the results and the financial position of the County.

This adoption of policy has been applied on a modified retroactive basis with restatement of prior period comparative amounts. The December 31, 2022, balance sheets are adjusted in providing comparative figures in the December 31, 2023, financial statements. Previously reported December 31, 2022, operating surplus is impacted by a net decrease of \$304,967 due to the new standard for the increase in ARO Accretion expense of \$138,078 and amortization of ARO Assets of \$166,889. The opening balance of accumulated surplus as at January 1, 2022 is increased by \$235,265 due to adoption of the new standard consisting of the removal of gravel pit and landfill liabilities previously recorded of \$2,348,668, the addition of ARO Liabilities for gravel pits, landfills and lagoons of \$3,659,541 and net book value of ARO Assets of \$1,546,138.

**PS 3450 Financial Instruments**, provides guidance on the recognition, measurement, presentation, and disclosure of financial instruments including derivative instruments. The standard requires fair value measurements of derivative instruments and equity instruments; all other financial instruments can be measured at either cost or fair value depending upon elections made by the County. Management has reviewed the standard and all the financial statements and determined the County does not have derivative or equity instruments. As a result, there are no additional financial statements required. Refer to Note 14 on the County's financial instrument risk.



**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 2: INVESTMENTS**

	<u>2023</u>	<u>2022</u>
Grants	\$13,185,537	\$10,562,972
Developer refundable deposits	3,918,285	4,372,970
Developer contributions	152,171	182,278
Other deferred revenue	2,263,331	2,490,933
County reserves and other	<u>110,486,007</u>	<u>127,743,749</u>
Total Investments	<u>\$130,005,331</u>	<u>\$145,352,902</u>

Investments and deposits are held in guaranteed investment certificates with banks, treasury branches, and credit unions. These investments have an effective interest rate of 5.70% to 6.35% (2022 4.46% to 5.74%) and mature in less than one year.

Grants include \$2,658,486 received from Alberta Environment and Sustainable Resource Development, \$3,879,896 from Municipal Sustainability Initiative, and \$6,525,580 from Alberta Community Resilience Program (Note 6).

**NOTE 3: CASH**

	<u>2023</u>	<u>2022</u>
Cash	\$41,195,368	\$15,366,601
Outstanding Cash Transactions	<u>(3,450,631)</u>	<u>(4,144,630)</u>
Cash	<u>\$37,744,737</u>	<u>\$11,221,971</u>
Grants	\$3,828,186	\$815,514
Developer refundable deposits	1,137,604	337,615
Developer contributions	44,180	14,073
Other deferred revenue	657,118	192,313
County reserves and other	<u>32,077,649</u>	<u>9,862,456</u>
Total Cash	<u>\$37,744,737</u>	<u>\$11,221,971</u>

Grants include \$771,844 Alberta Environment and Sustainable Resource Development, \$1,126,459 from Municipal Sustainability Initiatives and \$1,894,585 Alberta Community Resilience Program and held exclusively for approved projects (Note 6).

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 4: RECEIVABLES**

	<u>2023</u>	<u>2022</u>
Property Taxes		
Current taxes and grants in place of taxes	\$2,853,397	\$3,403,924
Arrears taxes	<u>1,406,481</u>	<u>1,400,285</u>
	<u>\$4,259,878</u>	<u>\$4,804,209</u>
Other		
Trade accounts	\$12,168,990	\$8,074,336
Government Transfers	<u>2,455,064</u>	<u>6,939,930</u>
	<u>\$14,624,054</u>	<u>\$15,014,266</u>
Total	<u>\$18,883,932</u>	<u>\$19,818,475</u>

**NOTE 5: DEBT CHARGES RECOVERABLE**

	<u>2023</u>	<u>2022</u>
Current debt charges recoverable	\$ 31,900	\$ 69,353
Non-current debt charges recoverable	<u>300,021</u>	<u>331,921</u>
	<u>\$ 331,921</u>	<u>\$ 401,274</u>

The County has secured long-term financing on behalf of several community organizations for joint projects within the County. This debt is recoverable from the organizations at interest rates ranging from 4.758% to 5.250%. The debts mature and will be fully recovered starting in the year 2023 and ending in 2032.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$31,900	\$15,510	\$47,410
2025	33,450	13,960	47,410
2026	35,075	12,335	47,410
2027	36,780	10,630	47,410
2028	38,568	8,842	47,410
Thereafter	<u>156,148</u>	<u>16,791</u>	<u>172,939</u>
	<u>\$ 331,921</u>	<u>\$ 78,068</u>	<u>\$ 409,989</u>

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<b><u>NOTE 6: DEFERRED REVENUE</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
Prepaid property tax	\$1,072,174	\$563,267
Municipal Sustainability Initiative – capital	4,657,459	-
AB Environment & Sustainable Resource Grant	3,430,330	3,343,388
AB Community Resilience Program	8,420,165	7,993,136
Municipal Sustainability Initiative – operating	348,896	-
Other operating grants	156,873	41,962
Developer contributions	196,351	196,351
Other deferred revenue	<u>2,920,449</u>	<u>2,683,246</u>
	<u>\$21,202,697</u>	<u>\$14,821,350</u>

Below is a brief description of the nature and restrictions of the above deferred revenue balances:

Prepaid Property Taxes – Contains tax credit amounts arising from Tax Instalment Payment Plan and overpaid taxes.

Municipal Sustainability Initiative – Capital – Government of Alberta grant to fund municipal capital projects.

AB Environment & Sustainable Resource Grant – Government of Alberta grant to fund Bragg Creek Flood Mitigation project.

AB Community Resilience Program – Government of Alberta grant to fund Cooperative Stormwater Management Initiative.

Municipal Sustainability Initiative – Operating – Government of Alberta grant to fund municipal operating projects.

Other operating grants – Various Grants to fund operating projects or initiatives.

Developer contributions – Developer contributions for shared municipal operating and capital projects.

Other deferred revenue – Cemetery Deposits, donations, insurance, and other project related payments.

**NOTE 7: EMPLOYEE BENEFIT OBLIGATIONS**

	<b><u>2023</u></b>	<b><u>2022</u></b>
Vacation	<u>\$1,333,972</u>	<u>\$1,199,726</u>

The vacation liability comprises the vacation that employees have earned and are deferred to future years.

**ROCKY VIEW COUNTY**  
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**NOTE 8: LONG-TERM DEBT**

	<b>2023</b>	<b>2022</b>
Operating debt, maturing between 2023 and 2032, bearing interest at rates between 4.758% and 5.250%	\$ 331,921	\$ 401,274
Capital debt, maturing between 2024 and 2050, bearing interest at rates between 1.288% and 6.70%	<u>\$ 53,466,909</u>	<u>\$ 58,054,622</u>
	<u>\$ 53,798,830</u>	<u>\$ 58,455,896</u>
Funding for future payments from:		
General Tax	\$ 2,025,602	\$ 2,210,736
Emergency Services Tax	601,078	752,584
Local Improvement Tax	6,672,968	5,810,231
Special Levies	40,499,182	45,665,675
User Fees	<u>4,000,000</u>	<u>4,016,670</u>
	<u>\$ 53,798,830</u>	<u>\$ 58,455,896</u>

Principal and interest repayments are as follows:

	<b>Capital</b>	<b>Interest</b>	<b>Operating</b>	<b>Interest</b>	<b>Total</b>
2024	\$4,593,523	\$3,150,082	\$31,900	\$15,510	\$7,791,015
2025	4,491,791	2,864,916	33,450	13,960	7,404,117
2026	3,153,345	2,583,030	35,075	12,335	5,783,785
2027	3,166,770	2,390,556	36,780	10,630	5,604,736
2028	3,180,624	2,197,723	38,568	8,842	5,425,757
Remainder	<u>34,880,856</u>	<u>14,097,102</u>	<u>156,148</u>	<u>16,791</u>	<u>49,150,897</u>
Total	<u>\$ 53,466,909</u>	<u>\$ 27,283,409</u>	<u>\$ 331,921</u>	<u>\$ 78,068</u>	<u>\$ 81,160,307</u>

Of the \$331,921 in principal payments to be made in future years on operating debt, all will be paid from tax levies and local improvement tax.

Of the \$53,466,909 in principal payments to be made in future years on capital debt, all will be paid from user fees, special levies, local improvement tax, and tax levies.

Interest expense on long-term debt amounted to \$3,478,782 (2022 - \$2,397,967). The County's total cash payments for interest were \$3,744,563 (2022 - \$2,393,358).

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The County has a \$5,000,000 (2022 - \$5,000,000) unsecured operating line of credit with ATB Financial. When utilized, this line of credit bears interest at  $\frac{1}{4}$  % below the prime lending rate established by ATB Financial. \$1,000,000 of this \$5,000,000 can be utilized for Letters of Credit. One letter of credit in the amount of \$27,500 is set to expire in 2025, and puts the overall line of credit at an available balance of \$4,972,500.

This letter was issued to the Receiver General of Canada on behalf of Fisheries and Oceans Canada to monitor flood mitigation structures built in segments along Bragg Creek and the Elbow River.

**NOTE 9: PENSION PLANS**

**Local Authorities Pension Plan (LAPP)**

Employees of the County participate in the Local Authorities Pension Plan (“LAPP” or the “Plan”), which the Public Sector Pension Plans Act covers. This plan is financed by employer and employee contributions and by investment earnings of the LAPP Fund. Contributions for current service are recorded as expenditures in the year in which they become due.

Rocky View County must make current service contributions to the Plan of 8.45% of pensionable earnings up to the year’s maximum under the Canada Pension Plan (“CPP”) and 12.23% of pensionable earnings above this amount. Employees of the County are required to make current service contributions of 7.45% of pensionable earnings up to the year’s maximum pensionable earnings and 11.23% on pensionable earnings above this amount.

Total employer contributions by Rocky View County to the LAPP in 2023 were \$2,392,481 (2022 - \$2,219,665). Total contributions by the employees of Rocky View County to the LAPP in 2023 were \$2,146,345 (2022 - \$1,938,159).

On December 31, 2022, the date of the most recent actuarial valuation, the Plan disclosed an actuarial surplus of \$12,671 million (2021 - \$11,922 million surplus).

**APEX Supplementary Pension Plan**

The APEX Supplementary Pension Plan, an Alberta Urban Municipality Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pensions Plans Act, commenced in 2008 and provides supplementary pension plan benefits. The plan supplements the Local Authorities Pension Plan.

The Chief Administrative Officer and Executive Directors of the County can participate in the APEX Supplementary Pension Plan. Employer and Employee contributions and investment earnings of the APEX fund finance APEX. Contributions for current service are recorded as expenditures in the year in which they become due.

Rocky View County makes current service contributions to the plan of 2.96% of pensionable earnings up to the APEX maximum earnings of \$175,333. Eligible employees of the County can

**ROCKY VIEW COUNTY**  
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make current service contributions of 2.42% of earnings up to the APEX maximum earnings of \$175,333. Total employer contributions by Rocky View County to APEX in 2023 amounted to \$10,348 (2022 - \$10,888). Total contributions by employees of the County to APEX amounted to \$8,460 for the 2023 year (2022 - \$7,381).

The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and administration's best estimate of salary, benefit escalation, and retirement ages. The costs of post-retirement benefits are fully funded.

**NOTE 10: COMMITMENTS & CONTINGENCIES**

No provision has been made on the statement of financial position for the various lawsuits and legal claims filed against the County, as the extent of the lawsuits and legal claims are not determinable at December 31, 2023. The amount of any future settlement would be accounted for in the year the losses are determined.

Commitments relating to policing and operating leases are listed below:

2024	\$4,176,777
2025	\$4,177,277

In addition to the above the County has entered into agreements for the following major projects:

<u>Project Name</u>	<u>Year of Commitment</u>	<u>Project Type</u>	<u>Amount</u>
Bragg Creek Flood Mitigation	2024	Capital	\$519,109
Fleet Purchases	2024	Capital	872,279
Range Rd 43 & Cochrane Lake	2024	Capital	1,124,071
Dwight McLellan Trail Traffic Lights	2024	Operating	500,000
Glenmore Tr & Garden Road	2024	Operating	582,638
Dwight McLellan Trail Stormwater	2024	Operating	1,285,840

**NOTE 11: RECIPROCAL INSURANCE EXCHANGE MEMBERSHIPS**

The County was a member of the Genesis Reciprocal Insurance Exchange and the Jubilee Reciprocal Insurance Exchange as of December 31, 2023. Under the membership terms, the County could become liable for its proportionate share of any claim losses above the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

**ROCKY VIEW COUNTY**  
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**NOTE 12: DEBT LIMITS**

Section 276 (2) of the Municipal Government Act and related provincial regulations require that the debt and debt limits, as defined by Alberta Regulation 255/2000, for the County, be disclosed as follows:

	<u>2023</u>	<u>2022</u>
Total debt limit	\$ 228,136,496	\$ 202,878,003
Total debt	<u>(53,798,830)</u>	<u>(58,455,896)</u>
Total amount of debt limit unused	<u>\$ 174,337,666</u>	<u>\$ 144,422,107</u>
Debt Servicing Limit	\$ 38,022,749	\$ 33,813,001
Debt Servicing	<u>(7,791,015)</u>	<u>(8,109,308)</u>
Amount of Debt Servicing Limit unused	<u>\$ 30,231,734</u>	<u>\$ 25,703,693</u>

The debt limit is calculated at 1.5 times the revenue of the County (as defined in Alberta Regulation 255/2000), and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines Alberta Municipal Affairs uses to identify municipalities that could be at financial risk if a further debt is acquired. The calculation taken alone does not represent the financial stability of the County; rather, the financial statements must be interpreted as a whole.

**NOTE 13: ACCUMULATED SURPLUS**

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$8,710,823	\$10,721,110
Capital deficit	<u>(6,818,675)</u>	<u>(7,087,687)</u>
	<u>\$1,892,148</u>	<u>\$3,633,423</u>
Restricted surplus		
Reserve funds		
General operating	\$4,075,015	\$3,680,090
Roads	5,795,590	5,257,517
Offsite levies	36,616,392	39,986,655
Tax stabilization	56,647,075	50,526,789
Utility	1,813,710	1,018,973
Public	19,547,078	17,303,956
Equipment	4,602,276	4,422,730
Recreation – Springbank	8,918,597	8,329,744
Voluntary recreation	1,554,995	1,451,526
Total Reserve funds	<u>\$139,570,728</u>	<u>\$131,977,980</u>
Equity in water license	21,161,000	21,161,000
Equity in tangible capital assets (Note 18)	<u>657,101,493</u>	<u>639,575,793</u>
	<u>\$819,725,369</u>	<u>\$796,348,196</u>

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**NOTE 14: FINANCIAL INSTRUMENTS**

The County's financial instruments consist of cash and temporary investments, accounts receivable, debt charges recoverable, bank indebtedness, accounts payable and accrued liabilities, employee benefit obligations, deposits liabilities, and long-term debt. The nature of these instruments and the County's operations expose the County to credit and liquidity risks. The County manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical. There have been no changes from the previous year's policies, procedures and methods to measure risks.

A. Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates might have an effect on the cashflows associated with some financial assets and liabilities. The County is exposed to interest rate risk on its bank indebtedness and temporary investments. As at December 31, 2023 the County had investments bearing interest at 5.70% to 6.35% (2022 - 4.46% to 5.74%) and long-term debt bearing interest at 1.288% to 6.70% (2022 – 1.288% to 6.45%). The County actively manages its interest rate risk through ongoing monitoring of market interest rates and the overall economic situation.

B. Credit risk

The County is subject to credit risk with respect to taxes and grants in place of taxes, accounts receivable, and debt charges recoverable. Credit risk arises from the possibility that taxpayers and entities to which the County provides services may experience financial difficulty and be unable to fulfill their obligations. Management believes that the risk of default and the risk of concentration of credit risk is minimized by the fact that there is a large number and diversity of taxpayers and receivables comprise amounts receivable from the Government of Alberta for grants, property taxes, and trade receivables, which are subject to normal trade credit risk which is not significant as the County manages and analyzes the outstanding accounts receivable balances.

C. Liquidity risk

Liquidity risk is the risk that the County will not be able to meet its financial obligations as they come due. The County has a planning and budgeting process in place to help determine the funds required to support the normal operating requirements of the County on an ongoing basis. The County ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows and its holdings of cash and cash equivalents. The following table sets out the contractual maturities (representing contractual cash flows) of financial liabilities:

	<u>0-90 days</u>	<u>Over 90 days</u>
Accounts payable and accruals	\$20,701,344	\$ -
Deposit liability	-	6,721,652
Long-term debt	206,463	53,592,367
	<u>\$20,907,807</u>	<u>\$60,314,019</u>



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**NOTE 15: SALARY AND BENEFIT DISCLOSURE**

Salaries and benefits for elected Municipal Officials, the Chief Administrative Officer, and the Designated Officers, as required by Alberta Regulation 313/2000, are disclosed as follows:

	<b>No. of Persons</b>	<b>Salary</b>	<b>Benefits &amp; Allowances</b>	<b>2023 Total</b>	<b>2022 No. of Persons</b>	<b>2022 Total</b>
<b>Councillors:</b>						
Division 1	1	\$92,611	\$15,017	\$107,628	1	\$127,210
Division 2	1	90,921	9,636	100,557	1	120,786
Division 3	1	122,966	14,339	137,305	1	137,893
Division 4	1	89,586	13,796	103,382	1	125,785
Division 5	1	89,586	9,914	99,500	1	94,714
Division 6	1	92,750	13,887	106,637	1	98,735
Division 7	1	89,586	9,966	99,552	1	94,714
CAO	3	412,933	35,957	448,890	2	306,729
Designated Officers	2	289,604	54,367	343,971	2	322,364

- (1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria, and other direct cash remuneration.
- (2) Elected Officials: Benefits & Allowances include the County's contribution and payments for Canada Pension Plan (CPP), Workers Compensation Board (WCB), dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, travel allowance and general expense allowance.
- (3) Chief Administrative Officer/Designated Officers: Benefits & Allowances include the County's contribution and payments for Canada Pension Plan (CPP), Workers Compensation Board (WCB), employment insurance, extended health care, dental coverage, vision coverage, group life insurance, accidental disability, and dismemberment insurance, local authorities pension plan (LAPP), and APEX Supplementary Pension Plan.

**NOTE 16: ASSET RETIREMENT OBLIGATION**

**Landfill**

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on

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estimates and assumptions with respect to events extending over a 11-14 years period using the best information available to management. Future events may result in significant changes to the estimated total expense and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The landfills are closed and now in the post closure phase. The County is responsible for landfill sites that have been capped and closed with no further useful life and capacity. No performance bonds have been paid on the sites, and no assets have been specifically allocated to these sites. The estimated total liability is based on the sum of discounted future cash flows of post-closure activities for the remainder period for post-closure care between 11 years and 14 years (2022 – between 12 years and 15 years) using the discount rate of 3.77% (2022 - 3.77%). The total estimated ARO is \$470,952 (2022- \$453,828)

**Lagoons**

The County has a license to operate lagoons. The county is legally required to decommission and reclaim these lagoons at the end of their useful life. In accordance with PS 3280, Asset Retirement Obligations, the County estimated the ARO using the undiscounted future expenditures expected to be incurred within 1- 24 years period. The County applied the discount rate of 3.77% to estimate the present value of the associated AROs. The total estimated ARO is \$1,124,386 (2022 - \$ 1,083,506).

**Gravel Pits**

The operates various pits which have an estimated useful life of 1 to 54 years. The County is legally required to reclaim these pits at the end of their useful life. The County estimated the ARO for these pits using the undiscounted future expenditures expected to be incurred within 1- 54 years period. The County applied the discount rate of 3.77% to estimate the present value of the associated AROs. The total estimated ARO is \$2,153,419 (2022 - \$ 2,260,285).

<b>Asset Retirement Obligation</b>	<u><b>2023</b></u>	<u><b>2022</b></u>
Balance, beginning of the year	\$3,797,619	\$3,659,541
Liabilities settled	(192,149)	-
Accretion expense	<u>143,287</u>	<u>138,078</u>
Estimated total liability	<u>3,748,757</u>	<u>3,797,619</u>

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**NOTE 17: CONTAMINATED SITES LIABILITY**

Due to recent salt leaks at the Cochrane Gravel Pit as a result of day-to-day operations a 3<sup>rd</sup> party consultant was called in the first quarter of 2024 to inspect the sites and has established that there is potential for a contaminated site liability. The County has not recorded a provision because the layer that was contaminated has the potential to become inventory, there will be further discussions between the County and Alberta Environment to determine if the salt soil can be turned into inventory or if there is an environmental requirement from the Province to clean up the salt leak.

**NOTE 18: EQUITY IN TANGIBLE CAPITAL ASSETS**

	<b>2023</b>	<b>2022</b>
Tangible capital assets (Schedule 2)	\$1,387,313,538	\$1,347,863,188
Accumulated amortization (Schedule 2)	(672,996,378)	(646,435,154)
Asset Retirement Obligation (Note 16)	(3,748,757)	(3,797,619)
Long term debt (Note 8)	(53,798,830)	(58,455,896)
Debt charges recoverable (Note 5)	331,921	401,274
	<b>657,101,494</b>	<b>639,575,793</b>

**NOTE 19: SEGMENTED DISCLOSURE**

The County conducts its business through a number of reportable segments. The operating segments are established by management and facilitate the achievement of long-term objectives and aid in resource allocation decisions. For each reported segment, revenues and expenses represent both amounts directly attributable to the segment and amounts that are allocated reasonably. The accounting policies in these segments are consistent with those followed in preparing the financial statements.

Refer to the Schedule of Segmented Disclosure (Schedule 6).

**General Government** includes Council, Other legislative, and General administration.

**Emergency Services** include Fire, Bylaw, Police, and traffic enforcement.

**Infrastructure & Operations Services** include Roads, Capital projects & Engineering services, Asset management, Fleet, Cemetery, Water, Stormwater, Wastewater, and Waste & recycling.

**Planning & Development** includes Planning services, Building services, Economic Development, and Development compliance.

**Community Services** include Recreation & Community support and Family and Community Support Services (FCSS).

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**NOTE 20: BUDGET**

The budget figures presented in these financial statements are based on the budget approved by council on April 25, 2023, and subsequent budget adjustments are not included.

The schedule below reconciles the approved budget to the budget figures reported in these financial statements:

	<b><u>2023</u></b>
Budgeted Deficit reported in financial statements	\$(28,139,600)
Capital Revenue Funding Operation	(10,268,100)
Principal payments on long-term debt	(5,663,900)
Amortization expense	28,689,600
Net transfer from reserve	15,382,000
Approved budget surplus for the year	<u>-</u>

**NOTE 21: COMPARATIVE FIGURES**

Certain prior year corresponding figures have been restated to conform to the current year's presentation.

**NOTE 22: PRIOR PERIOD ADJUSTMENT**

During the 2022 year end a correction between the distribution of the cost of acquisition of a water system between water licenses and water system assets was identified. As a result, the comparative figures have been restated. The effect of this prior period adjustment is a decrease in the net book value of tangible capital assets of \$373,000.00 and equity in tangible capital assets of \$368,798 and an offsetting increase in the Water License Asset and Equity in Water License of \$373,000.00. This change results in a reduction of the amortization expense in 2022 of \$4,202.

**NOTE 23: APPROVAL OF FINANCIAL STATEMENTS**

Council and Management have approved these financial statements.