



# ROCKY VIEW COUNTY

2019 Annual Report

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## MESSAGE FROM THE REEVE

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Rocky View County is a great place to live, work and operate a business. As a Council, we are committed to creating an environment that allows residents and businesses to prosper.

It begins by making prudent decisions that affect affordability. Council has been working hard to lessen the financial burden on our ratepayers. Our residential property taxes continue to remain the third lowest of all our surrounding neighbors and our non-residential tax rates remain among the most competitive across the province.

We have been able to keep our taxes low while continuing to make important investments to improve the quality of life in Rocky View County. We have invested \$21 million in 2019 to fund the construction of our transportation network, including bridge repair, road maintenance, widening and much more.

Last year also saw us begin to look at development opportunities in a number of strategic growth areas across the County, including Bearspaw, Springbank, and Conrich. We initiated comprehensive reviews of our Municipal

Development Plan and Land Use Bylaw that will ensure we maintain an intelligent, competitive and predictable development environment in the County. We look forward to approving these plans this year.

Council adopted a new Strategic Plan in 2019 led by three pillars: Service Excellence, Financial Health, and Responsible Growth. These strategic themes drive Administration's work and Council's decisions. Some of those decisions can be difficult, but because of the choices of current and previous Councils, we have built a strong foundation for future growth and success as a community.

I speak for all of Council when I say thank you to the many dedicated employees at the County who work hard each day to make this a special place to live. I also want to recognize the hard work and effort of our residents that work, run a business and volunteer their time to make our communities vibrant.

It is truly a privilege to serve this community. We look back with pride on our accomplishments in 2019 and look forward with determination to continue to make Rocky View County one of the best places to live and work.



## **MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER**

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It is my pleasure to present Rocky View County's 2019 Annual Report.

Rocky View County is a dynamic community that continues to grow and transform. The County's rural and agricultural character forms the foundation of whom we are, yet we also recognize

and value the increasing growth and diversity of our people and urban communities.

That growth and diversity creates new opportunities for a more resilient economy, creates the conditions for businesses to flourish, and provides residents with greater choice when making Rocky View County their home.

Our focus is on ensuring that we deliver services in a fiscally responsible manner and make strategic infrastructure investments. This past year the County invested \$68 million in capital to sustain services and support growth, including widening and asphalt overlay on Range Roads 33 and 40, constructing a salt and sand storage building, and replacing a number of bridges across the County.

We also began preliminary work on a \$9.3 million emergency services facility in Langdon. Langdon is the third-largest hamlet in Alberta and this facility will enhance our ability to respond to local emergencies.

Important changes were made to how we conduct business at the County. We introduced a new recreation governance model to simplify decision-making and to better prioritize funding. We also began live-streaming Council meetings to provide residents with a more accessible window into the County's governance.

Extensive consultations took place with residents and the development community on a new Municipal Development Plan (MDP). The MDP will chart a new path for growth in Rocky View County by outlining how and where growth will occur. We are also updating the Land Use Bylaw to eliminate red tape and provide residents and businesses with clear and consistent expectations.

The accomplishments that are highlighted in this report are made possible because of the dedicated efforts of County employees. It is my pleasure to serve this County alongside this team of hard-working professionals.





Division 1 – Mark Kamachi

Division 2 – Kim McKylor

Division 3 – Kevin Hanson

Division 4 – Al Schule (Deputy Reeve)

Division 5 – Jerry Gautreau

Division 6 – Greg Boehlke (Reeve)

Division 7 – Daniel Henn

Division 8 – Samantha Wright

Division 9 – Crystal Kissel

## GOVERNANCE AND ACCOUNTABILITY

A nine-member elected Council governs Rocky View County, with each Councillor representing an electoral division. Each 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 2019:

- Agricultural Services Board
- Governance and Priorities Committee
- Recreation Governance Committee
- Subdivision and Development Appeal Board & Enforcement Appeal Committee
- Family and Community Support Services Board
- Assessment Review Board
- Municipal Emergency Advisory Committee
- ALUS Partnership Advisory Committee
- Bragg Creek FireSmart Committee

Note: Council established the Municipal Planning Commission in late 2019, with the first meeting held in 2020.



## COUNTY ADMINISTRATION

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Administration is accountable for the effective delivery of County services in accordance with the policies and bylaws approved by Council.

The County has approximately 360 permanent employees in addition to casual and part-time staff. Some County services are delivered in partnership with community organizations and the private sector.



Al Hoggan  
Chief Administrative  
Officer



Theresa Cochran  
Executive Director,  
Community Development  
Services



Grant Kaiser  
Executive Director, Community  
& Business Connections



Byron Reiman  
Executive Director,  
Operations



Kent Robinson  
Executive Director,  
Corporate Services



## COUNCIL'S STRATEGIC PLAN

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Council released its Strategic Plan in May 2019.

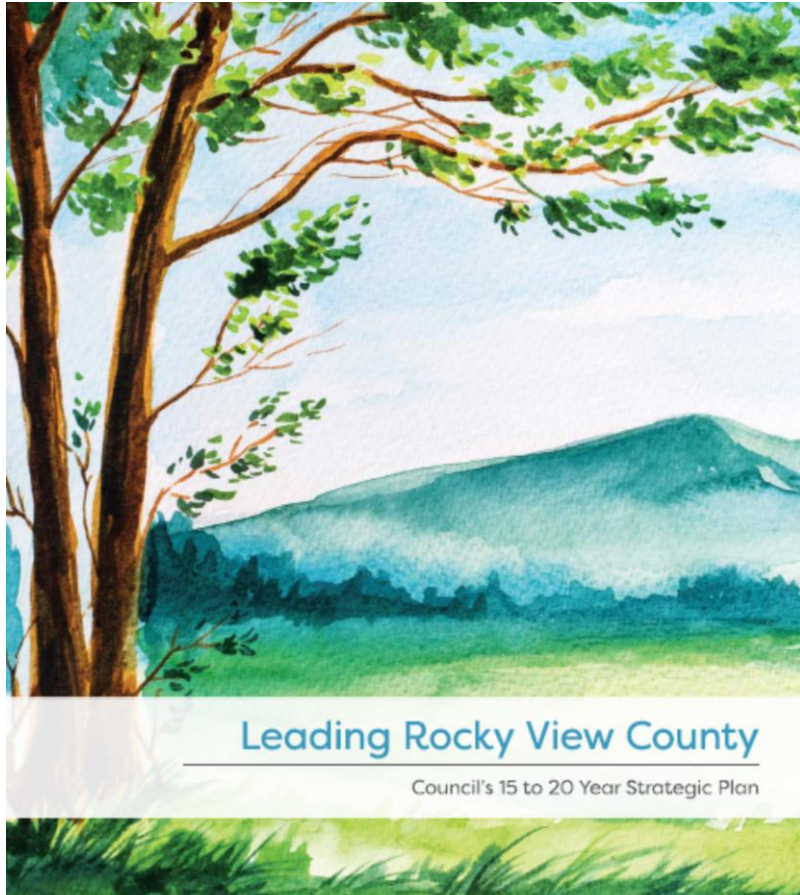
Three strategic themes underpin the plan that identifies Council's vision for community success:

**Service Excellence** – commitment to listening to customers and reviewing policies and procedures so that customers are able navigate our process easily and efficiently.

**Financial Health** - provide transparency in our financial decision-making and share how we will mitigate economic risk. The County will find ways to manage and recover costs while saving for the County's future needs.

**Responsible Growth** – having a vision for growth and a clear understanding of how decisions affect the County's finances, infrastructure and environment for current and future generations.

The Strategic Plan directs Administration to prepare a Corporate Business Plan that identifies how the County will achieve these strategic themes and to report results to Council and the community.

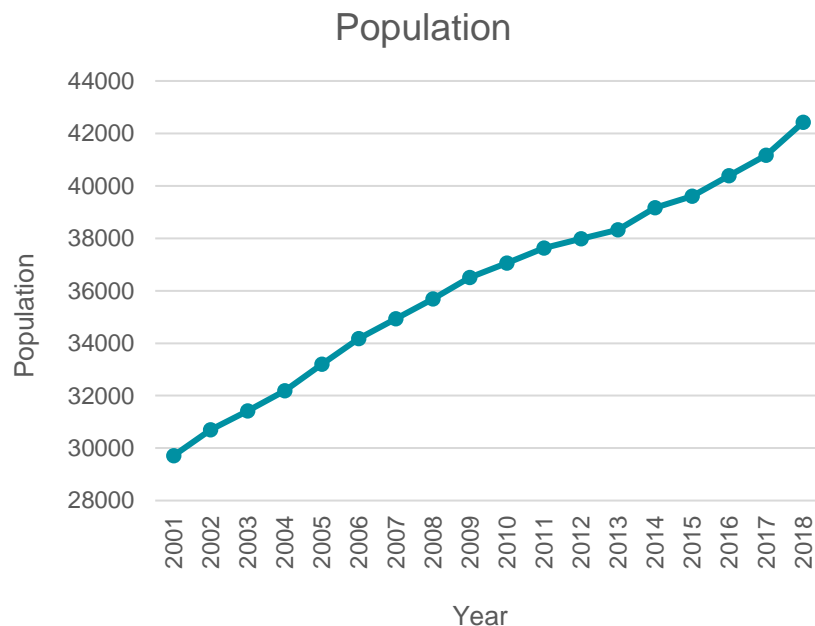




# COMMUNITY-AT-A-GLANCE

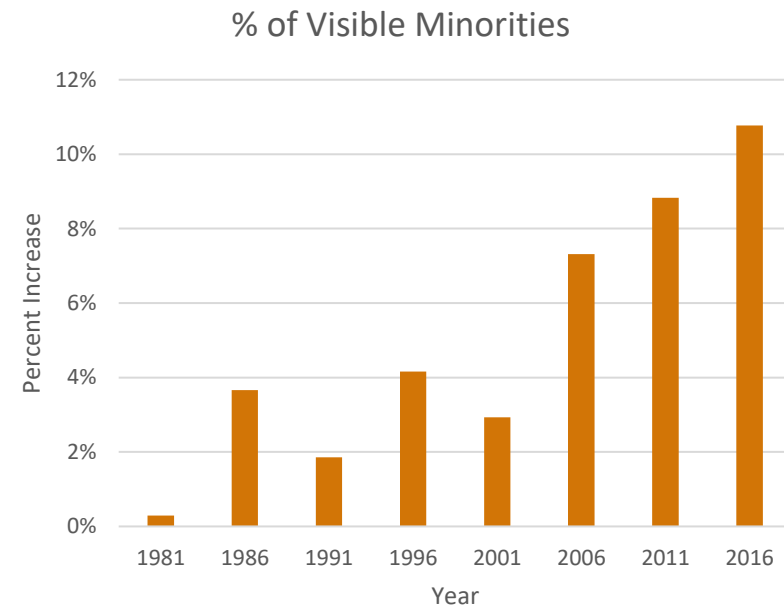
## Population/Demographics

Rocky View County's population steadily increased over the past ten years at an average rate of 2.1 per cent. Today, the County's population sits at just over 42,000 according to the Alberta Municipal Affairs Population List, which uses a combination of Statistics Canada and municipal census data. Despite some of the recent economic challenges in Alberta, the county continues to see positive population growth.



Alberta Regional Dashboard. <https://regionaldashboard.alberta.ca/region/rocky-view-county/population/#/?from=2014&to=2018>

In addition to the County's population growth, we have also seen an increased level of diversity in the population. Since 2006, the number of visible minorities calling the County home has increased from approximately 7% in 2006 to approximately 11 per cent in 2016 according to the most recent Statistics Canada census data.

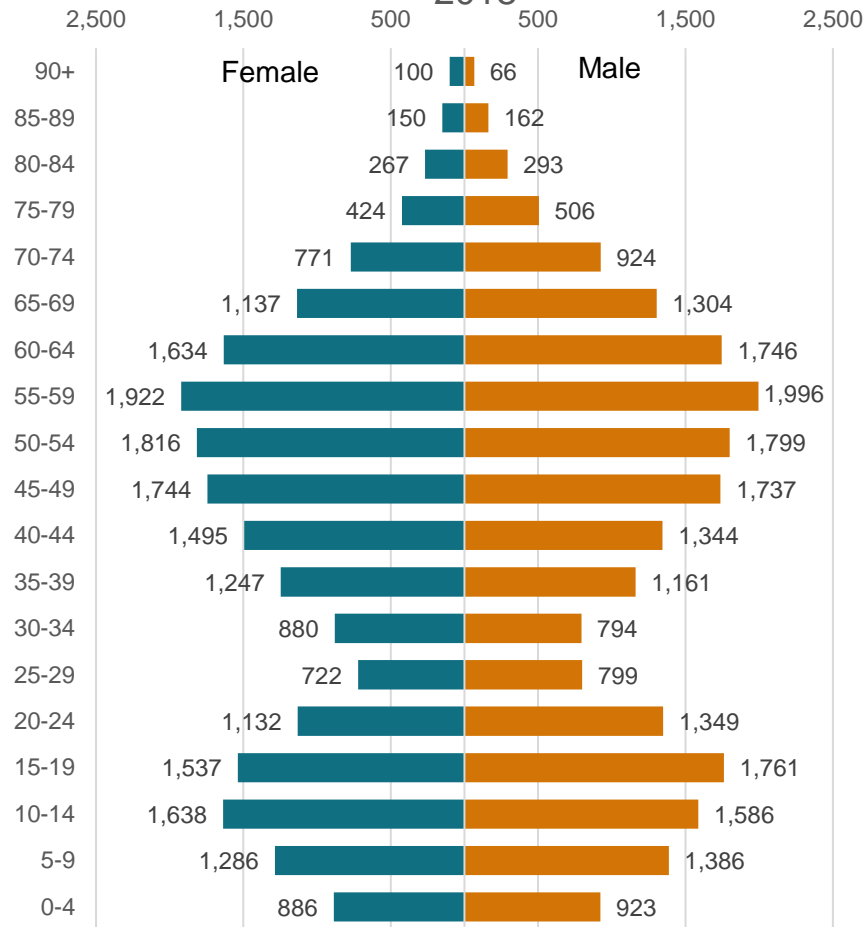


Adapted from Statistics Canada, National Long form Census (1981-2006) and National Household Survey (2011)





## Rocky View County Population Pyramid 2018



The largest cohorts of the County's population are those between the ages of 40-65. Population growth and the demographic changes of that population are important considerations for how the County delivers and plans future services for its residents.



## 2019 ACCOMPLISHMENTS

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### Our Community

#### ***Shaping Our Future with an Updated Municipal Development Plan***

The County is updating its growth plan. Throughout 2019, the County engaged with residents and businesses to get their perspectives on where and how this future growth should be directed. Open houses were held in Balzac, Bearspaw, Bragg Creek, Conrich, Langdon, and Springbank. Residents and businesses also had the opportunity to participate through an online survey. In total, 364 participants attended the open houses and 585 people took the online survey. Administration will present an updated Municipal Development Plan to Council in 2020.

#### ***Efficient and Responsive Regulatory Environment***

The Land Use Bylaw prescribes the rules that govern the use of land and buildings in the County. While the Land Use Bylaw has received amendments since its approval in 1998, a comprehensive review was launched in 2019 to make sure that the bylaw is consistent with Council policy and provincial requirements. The updates will also streamline the regulatory requirements to create simplicity and greater predictability for those doing business in the County. Throughout 2019, the County worked with an external consultant to review the bylaw and consult residents, businesses, and stakeholders

on proposed changes. The County held three open houses that were attended by 350 people, while 155 participants provided feedback through the online survey. The Land Use Bylaw will receive final approval by Council in 2020.

#### ***Modernizing Recreation Governance***

The County's recreation governance model was in need of transformative change. The system of district recreation boards, which existed since the 1970s to guide recreational funding priorities, was no longer meeting the County's needs. Population growth and urbanization has changed the nature and need for programming across the County. Instead of nine recreational boards, one governance committee of Council is now responsible for allocating funding to groups. Organizations are required to submit applications for funding that are reviewed and approved by the Recreation Governance Committee. This year was the first year that the new committee met and made decisions on recreation funding. The new process will provide greater transparency of funding decisions.

#### ***Enhancing Quality of Life***

Residents who invest their time and energy in our community are the ones who help to make this a special place to call home. The County is proud to support the many efforts of those in our community, and 2019 was no different. We approved \$6.5 million to support community groups that

## Rocky View County

### Annual Report 2019

deliver cultural, social, and recreational opportunities to residents across the County. Whether it is support to the Bow Valley Agricultural Society Association to purchase and install a new ice plant, or the Alberta Institute for Wildlife Conservation to support essential dietary and medical supplies for orphaned and injured wildlife, the County is there.

Rocky View County has a strong and lasting relationship with the Cochrane and District Agricultural Society. In 2019, Council sold a 140-acre parcel of land to the Society for one dollar. The Society will be able to continue to use that land for many years to come to provide a space for special events and programs that support our agricultural heritage.

### ***Moving Our People and Our Economy Forward***

The County's extensive road network includes approximately 2,600 km of gravel/hard-surface roads. That network forms the backbone of the County's economy by enabling people and products to move within the County and beyond. In 2019, the County undertook some important roadway projects, including asphalt paving overlay on Emerald Bay Drive, Big Hill Springs Road and re-chipping of Township Road 262, Hawkeye Road, Range Road 52, Range Road 40 and many others. These investments help extend the lifespan of the County's roads and are more cost effective than replacement.

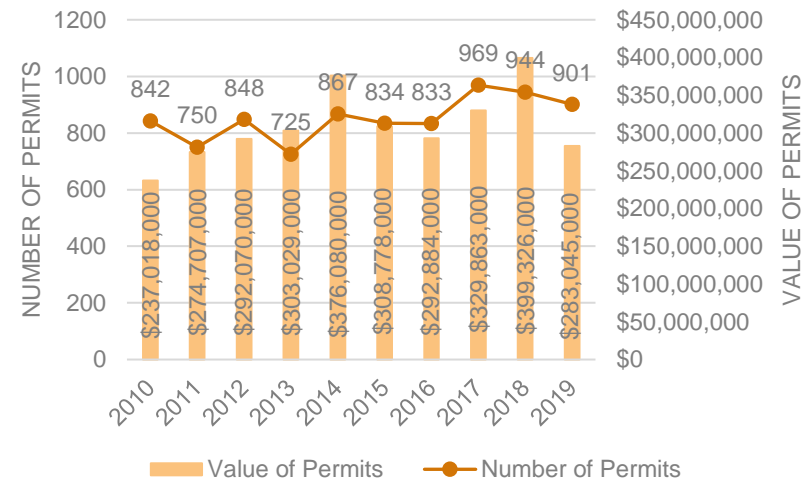
### ***Supporting Our Construction Sector***

The total number of building permits issued by the County in 2019 was 901, which is in line with the 10-year average of



ROCKY VIEW COUNTY

### All Building Permits



851 permits per year. The total value of building permits was below the previous 10-year average of \$309.6 million.

## Our Organization

### ***Strengthening Partnerships with Our Neighbours***

Changes to the *Municipal Government Act* required the County to prepare Inter-Municipal Collaboration Framework Agreements (ICFA) with municipal jurisdictions that share a boundary with the County and who are not members of a Growth Management Board. The purpose of an ICFA is to identify shared services, such as fire, road maintenance, and recreation, and to determine how those services will be delivered across municipal boundaries. Working with our neighbours, the County developed and negotiated seven ICFAs to create a shared framework for cooperation in areas

of mutual interest. The County will be finalizing those agreements in 2020.

In addition to ICFAs, the County established Inter-Municipal Development Plans (IDPs) with bordering municipalities. Changes to the *Municipal Government Act* necessitated the completion of IDPs with the Village of Beiseker, MD of Bighorn, Town of Irricana, Kneehill County, Mountain View County, and Wheatland County. The IDPs address growth issues in a way that respects the interests of the County and its neighbouring municipalities.

As a member of the Calgary Metropolitan Region Board (CMRB), Rocky View County has been working to address issues of mutual interest with the goal of strengthening our region. Despite our best efforts, the County has been disappointed with the CMRB's progress and continued roadblocks placed in front of the County in fulfilling its obligations to its residents. The County has heard similar concerns from municipal districts across the province. The County took a leadership role in 2019 to work with the Rural Municipalities of Alberta to call on the provincial government to make transformative changes to the CMRB in order to make it an effective agency, or to disband the CMRB all together.

### ***Striking the Right Balance***

Council directs Administration through bylaws and policies. Throughout 2019, Council approved updates to 54 policies to ensure that the policies reflected Council's expectations and those of residents. Council also rescinded 27 policies that



were no longer applicable, duplicated existing policy or bylaw(s), or were more suitably delegated to Administration.

The review of policies will continue into 2020 and include a more thorough review of process, with an eye better serving residents' needs and eliminating red tape.

### ***Improving Our Democracy***

It became easier in 2019 for residents to follow the activities of Council. Residents can now watch Council meetings live online, eliminating the need to be present in Council Chambers. Having this option available increases the transparency and accessibility of our democratic process to all residents, regardless of when or where they choose to participate.

## **Our Finances**

### ***An Affordable Place to Live and Work***

Keeping property taxes low is a priority for Council. The County has worked hard to deliver efficient services so that property tax rates can continue to be competitive with other jurisdictions. The County strives to make sure that property taxes do not increase out of step with inflationary pressures in the economy. Inflation in Alberta increased by 3% in 2019, while property tax rates increased by two per cent.

The County continues to maintain some of the lowest property tax rates in the region.





| Non Residential      | Rate   | Residential          | Rate   |
|----------------------|--------|----------------------|--------|
| Calgary              | 17.775 | Beiseker             | 10.089 |
| Kneehill County      | 14.018 | Chestermere          | 5.437  |
| Beiseker             | 10.712 | Airdrie              | 4.555  |
| Mountain View County | 10.300 | Calgary              | 4.211  |
| Airdrie              | 9.566  | Wheatland County     | 4.052  |
| Wheatland County     | 9.034  | Foothills No. 31     | 3.540  |
| Foothills No. 31     | 8.523  | Mountain View County | 2.900  |
| Canmore              | 7.911  | Kneehill County      | 2.888  |
| Chestermere          | 7.697  | Rocky View County    | 2.541  |
| Rocky View County    | 7.622  | Canmore              | 2.353  |
| Bighorn No. 8        | 7.243  | Bighorn No. 8        | 1.949  |

When compared to surrounding municipalities, the County has the second-lowest tax rate for non-residential properties and the third-lowest tax rates on residential and farming properties. The County's low tax rates provides a clear signal to businesses that they can expect a competitive taxing regime that aligns with their service level needs.

### ***Planning our Financial Future***

Changes to the *Municipal Government Act* require the County to prepare a three-year operating and five-year capital budget forecasts. Last year was the first iteration of these long-range financial plans. These budget plans allow Administration to articulate to both Council and residents the scope and scale of investments that are required to address current and future capital and operating demands. From a capital budget perspective, the County anticipates that it will invest approximately \$107 million in infrastructure over the next five years. Those investments include new roadways,

bridge replacements, information technology, water, wastewater and drainage improvements, fire and emergency services, and parks and recreation infrastructure. The County will update its five-year capital plan and three-year operating plans annually to align with Administration's corporate business plan moving forward.

## **Our People**

### ***There's No Place Like Home***

The past year marked the first full year that employees worked in the new County Hall at 262075 Rocky View Point. In July 2019, the City of Calgary purchased the old municipal building and its associated lands for \$13 million. For the first time in our 65-year history, Council, employees, and the public are conducting County business within the County.

### ***Keeping Employees Safe and Secure***

The County received a Certificate of Recognition for Health and Safety from the Government of Alberta. In order to achieve certification, the County underwent an extensive audit to ensure that it met the required standards. Certification qualifies the County for a 10% industry rate refund in the first year and five per cent every year thereafter that the County maintains its certification status.



# ROCKY VIEW COUNTY BY THE NUMBERS

## TRANSPORTATION

|  |         |
|--|---------|
| PAVED ROADWAYS MAINTAINED (KM)           | 2,400   |
| GRAVEL ROADWAYS MAINTAINED (KM)          | 1,600   |
| ROADS SURFACED AND STABILIZED (KM)       | 102.5   |
| CALCIUM CHLORIDE FOR ANTI-ICING (LITRES) | 518,097 |

## UTILITY

|   |           |
|---|-----------|
| SEWAGE RECEIVED AT TREATMENT FACILITIES (CU. M) | 1,352,843 |
| WATER TREATED AT TREATMENT FACILITIES (CU. M)   | 475,422   |
| SEWER MAINS IN THE COUNTY (KM)                  | 176       |
| WATER MAINS IN THE COUNTY (KM)                  | 99        |
| RECYCLABLES DIVERTED FROM LANDFILLS (KG)        | 1,181,420 |
| WASTE LANDFILLED (KG)                           | 2,017,550 |
| WATER TREATMENT AND DISTRIBUTION (\$)           | 1,902,800 |
| WASTEWATER COLLECTION AND TREATMENT (\$)        | 4,410,200 |

## PLANNING AND DEVELOPMENT

|  |     |
|--|-----|
| SUBDIVISION AND REZONING APPLICATIONS RECEIVED (#) | 206 |
| DEVELOPMENT PERMITS RECEIVED (#)                   | 311 |

## BUILDING SERVICES

|  |             |
|--|-------------|
| BUILDING PERMITS ISSUED (#)            | 901         |
| VALUE OF BUILDING PERMITS (\$)         | 279,055,208 |
| BUILDING AND SUB TRADE INSPECTIONS (#) | 12,137      |

## AGRICULTURE

|                                   |       |
|-----------------------------------|-------|
| COUNTY OWNED LAND INSPECTIONS (#) | 216   |
| ROADSIDE MOWED (KM)               | 7,259 |
| FIELDS INSPECTED FOR CLUBROOT (#) | 450   |
| WEED NOTICES ISSUED (#)           | 32    |

## FIRE SERVICES

|                                  |       |
|----------------------------------|-------|
| FIRE STATIONS (#)                | 4     |
| EMERGENCY CALLS RESPONDED TO (#) | 2,182 |
| FIRE INSPECTIONS CONDUCTED (#)   | 80    |

## COMMUNITY AND RECREATION

|  |           |
|--|-----------|
| SPORTS FIELDS (#)                                | 61        |
| TRAILS AND PATHWAYS (KM)                         | 173       |
| COMMUNITY CENTRE'S AND RECREATION FACILITIES (#) | 22        |
| NUMBER OF GRANTS ISSUED (#)                      | 96        |
| VALUE OF GRANTS ISSUED (\$)                      | 2,784,779 |

## OPERATIONS

|                         |           |
|-------------------------|-----------|
| LIGHT VEHICLES (#)      | 75        |
| HEAVY VEHICLES (#)      | 92        |
| FUEL USED (LITRES)      | 1,074,954 |
| CEMETERY INTERMENTS (#) | 229       |

## ENFORCEMENT

|                                      |        |
|--------------------------------------|--------|
| TRAFFIC VIOLATION TICKETS ISSUED (#) | 11,195 |
| ANIMAL CONTROL INCIDENTS (#)         | 639    |

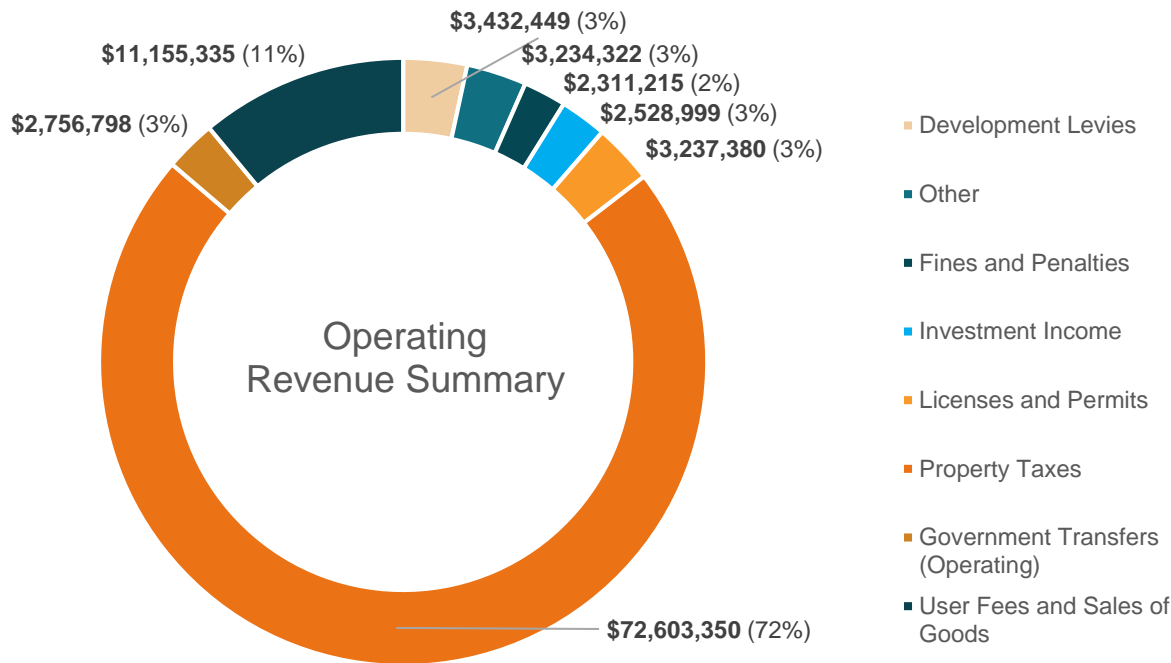


# FINANCIAL HIGHLIGHTS

## County Revenue

Approximately 72% of the County's revenue comes from property taxes.

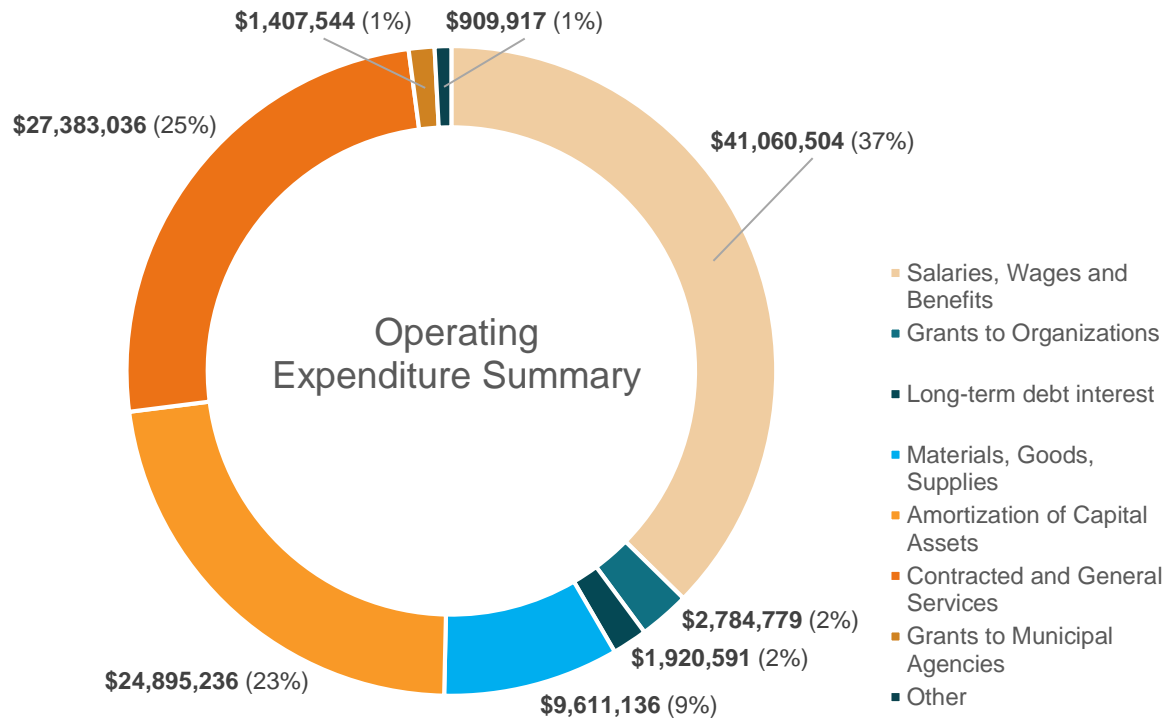
The County also collects user fees on a wide-range of services. Waste collection, wastewater, subdivision applications and other fees make up approximately 12% of the County's revenue.



A small 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.



## County Expenses

Approximately 37% of the County's operating costs come from employee salaries, wages, and benefits. Contracted services, which includes costs for contractors, engineering consultants, and other external resources, is the second largest operating cost to the County.

The County spent just under \$2 million in 2019 on the interest for its long-term debt.



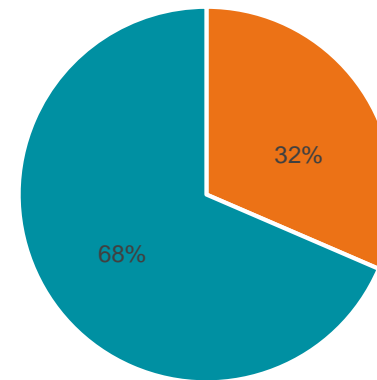


## Debt Management

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, 2019, the County has used 31% of its borrowing capacity and 25% of its debt service limit.

|                                      | <u>December 31, 2019</u>    |
|--------------------------------------|-----------------------------|
| Total Debt Limit                     | \$151,889,772               |
| Total short term debt                | -                           |
| Total long term debt                 | <u>(49,151,103)</u>         |
| Total amount of debt limit available | <u><u>\$102,738,669</u></u> |

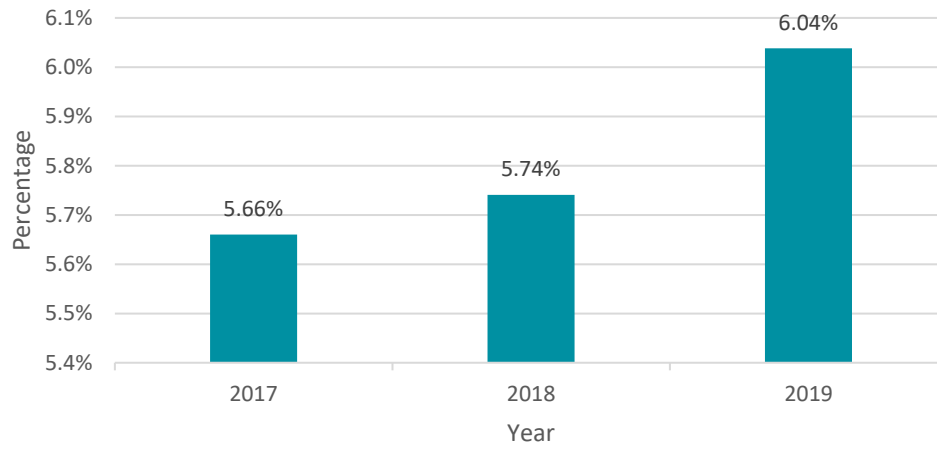
31-Dec-19



■ Total long term debt ■ Total amount of debt limit available

The majority 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 a combination of debt and external grants. Developer levies collected throughout the year fund the debt; however, in some years there are insufficient levies collected to fully service the debt. In those cases, Council has funded that debt through a combination of tax supported payments and reserves.

Debt Charges to Total Revenue Ratio

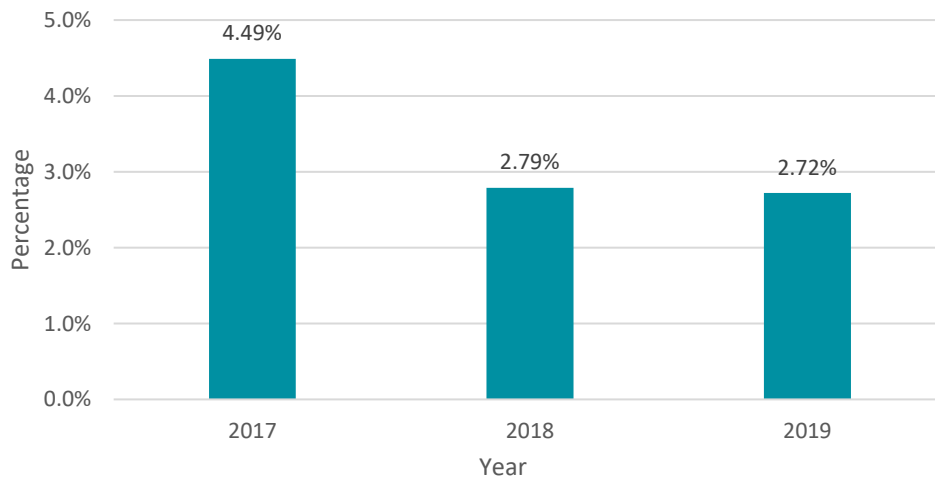


### Financial Flexibility

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.

Government Transfers to Total Revenue

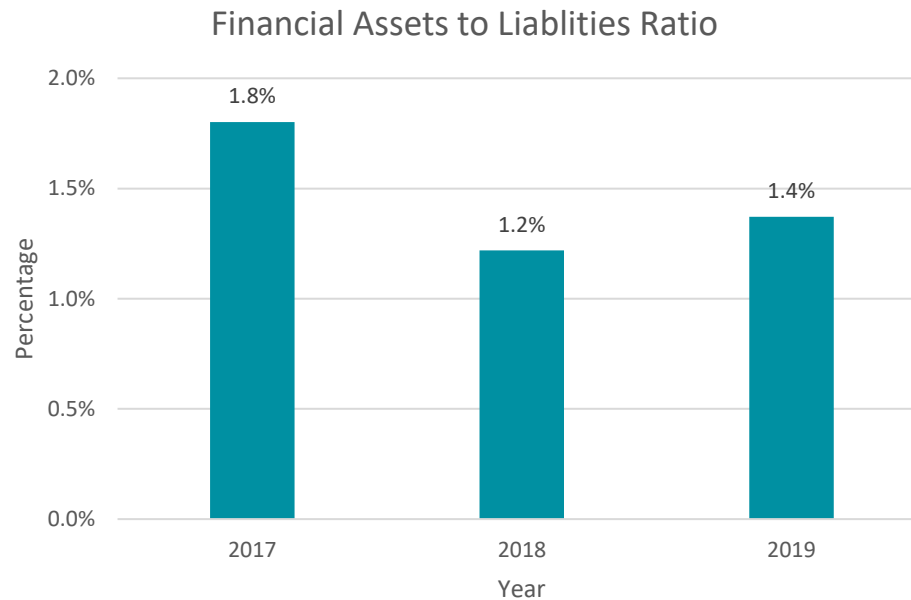


### Financial Vulnerability

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.



### Financial Sustainability

Measures the degree to which the County can maintain its existing financial obligations without increase debt or its 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.

The County's Assets to Ratio's has increase slightly from 2018.



AUDITED FINANCIAL STATEMENTS

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# Independent Auditor's Report

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To the Reeve and Members of 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, 2019, and the statements of operations, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2019, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian 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.

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

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

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.
- 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.

Red Deer, Alberta

May 26, 2020

*MNP LLP*

Chartered Professional Accountants

**ROCKY VIEW COUNTY**  
**Statement of Financial Position**  
**As at December 31, 2019**

|   | 2019<br>\$         | 2018<br>\$         |
|---|--------------------|--------------------|
| <b>FINANCIAL ASSETS</b>                           |                    |                    |
| Cash (Note 3)                                     | 8,321,047          | 3,663,603          |
| Temporary investments (Note 2)                    | 114,676,853        | 103,588,124        |
| Receivables                                       |                    |                    |
| Taxes and grants in place of taxes (Note 4)       | 4,066,184          | 3,485,220          |
| Trade and other receivables (Note 4)              | 8,812,268          | 13,050,685         |
| Debt charges recoverable (Note 5)                 | 589,864            | 646,752            |
|   | <u>136,466,216</u> | <u>124,434,384</u> |
| <b>LIABILITIES</b>                                |                    |                    |
| Accounts payable and accrued liabilities          | 8,275,577          | 11,479,897         |
| Deposit liabilities                               | 7,457,008          | 6,460,545          |
| Deferred revenue (Note 6)                         | 32,694,208         | 29,087,162         |
| Employee benefit obligations (Note 7)             | 1,461,624          | 1,157,476          |
| Landfill closure and post-closure costs (Note 17) | 438,156            | 483,876            |
| Long-term debt (Note 8)                           | 49,151,103         | 53,340,042         |
| Capital lease obligations (Note 9)                | -                  | 36,308             |
|   | <u>99,477,676</u>  | <u>102,045,306</u> |
| <b>NET FINANCIAL ASSETS</b>                       | <u>36,988,540</u>  | <u>22,389,078</u>  |
| <b>NON- FINANCIAL ASSETS</b>                      |                    |                    |
| Tangible capital assets (Schedule 2)              | 632,631,458        | 620,385,457        |
| Resource asset                                    | 16,375,000         | 16,375,000         |
| Inventory for consumption                         | 1,589,958          | 1,455,505          |
| Prepaid expenses                                  | 1,001,683          | 652,020            |
|   | <u>651,598,099</u> | <u>638,867,982</u> |
| <b>ACCUMULATED SURPLUS</b> (Schedule 1, Note 14)  | <u>688,586,639</u> | <u>661,257,060</u> |

*Commitments and contingencies - See Note 11 and 12*

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

**ROCKY VIEW COUNTY**  
**Statement of Operations**  
**For the Year Ended December 31, 2019**

|   | Budget<br>\$<br>(Note 21) | 2019<br>\$                       | 2018<br>\$                |
|---|---------------------------|----------------------------------|---------------------------|
| <b>REVENUE</b>  |                           |                                  |                           |
| Net municipal taxes (Schedule 3)                                    | 73,575,000                | <b>72,603,350</b>                | 69,630,695                |
| User fees and sales of goods  | 9,736,400                 | <b>11,155,335</b>                | 13,339,958                |
| Cash-In-Lieu of Public Reserve                                      | 662,000                   | <b>1,160,635</b>                 | 3,649,979                 |
| Government transfers for operating (Schedule 4)                     | 9,083,400                 | <b>2,756,798</b>                 | 2,988,886                 |
| Investment income   | 1,050,000                 | <b>2,528,999</b>                 | 2,035,340                 |
| Penalties and cost of taxes   | 991,700                   | <b>1,146,592</b>                 | 1,004,219                 |
| Development agreements and levies                                   | 7,566,300                 | <b>3,432,449</b>                 | 8,123,695                 |
| Licenses and permits  | 2,936,500                 | <b>3,237,380</b>                 | 3,461,623                 |
| Fines   | 825,300                   | <b>1,164,623</b>                 | 1,097,512                 |
| Other   | 2,488,200                 | <b>2,073,687</b>                 | 1,919,963                 |
| <b>Total Revenue</b>  | <u>108,914,800</u>        | <u><b>101,259,848</b></u>        | <u>107,251,870</u>        |
| <b>EXPENSES</b>   |                           |                                  |                           |
| Legislative   | 1,074,300                 | <b>996,838</b>                   | 858,505                   |
| Administration  | 21,111,400                | <b>20,244,784</b>                | 17,424,360                |
| Fire  | 13,518,400                | <b>13,222,648</b>                | 12,365,002                |
| Disaster services   | 123,100                   | <b>342,355</b>                   | 379,643                   |
| Bylaw enforcement   | 6,522,600                 | <b>6,023,515</b>                 | 6,030,395                 |
| Transportation and field services                                   | 52,208,500                | <b>42,064,269</b>                | 38,178,490                |
| Water supply and distribution                                       | 4,636,100                 | <b>4,927,000</b>                 | 4,654,526                 |
| Wastewater treatment and disposal                                   | 7,368,800                 | <b>7,683,963</b>                 | 6,810,677                 |
| Waste management  | 2,455,000                 | <b>2,262,808</b>                 | 1,913,363                 |
| Family and community support  | 1,143,300                 | <b>1,137,189</b>                 | 1,066,231                 |
| Cemetery  | 1,347,900                 | <b>1,395,219</b>                 | 1,266,056                 |
| Planning and development  | 4,847,600                 | <b>3,860,821</b>                 | 3,882,699                 |
| Community services  | 2,459,300                 | <b>2,249,522</b>                 | 2,153,938                 |
| Recreation and parks  | 5,094,400                 | <b>3,561,812</b>                 | 3,735,625                 |
| <b>Total Expenses</b>   | <u>123,910,700</u>        | <u><b>109,972,743</b></u>        | <u>100,719,510</u>        |
| <b>EXCESS (SHORTFALL) OF REVENUE OVER<br/>EXPENSES BEFORE OTHER</b> | <u>(14,995,900)</u>       | <u><b>(8,712,895)</b></u>        | <u>6,532,360</u>          |
| <b>OTHER</b>  |                           |                                  |                           |
| Gain on sale  | -                         | <b>12,837,196</b>                | -                         |
| Contributed assets  | -                         | <b>8,633,072</b>                 | 20,836,630                |
| Government transfers for capital (Schedule 4)                       | 40,499,600                | <b>14,572,206</b>                | 23,178,475                |
| <b>Total Other</b>  | <u>40,499,600</u>         | <u><b>36,042,474</b></u>         | <u>44,015,105</u>         |
| <b>EXCESS OF REVENUE OVER EXPENSES</b>                              | <u>25,503,700</u>         | <u><b>27,329,579</b></u>         | <u>50,547,465</u>         |
| <b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>                       | <u>661,257,060</u>        | <u><b>661,257,060</b></u>        | <u>610,709,595</u>        |
| <b>ACCUMULATED SURPLUS, END OF YEAR</b>                             | <u><u>686,760,760</u></u> | <u><u><b>688,586,639</b></u></u> | <u><u>661,257,060</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, 2019**

|  | Budget<br>\$<br>(Note 21) | 2019<br>\$                      | 2018<br>\$               |
|--|---------------------------|---------------------------------|--------------------------|
| <b>EXCESS OF REVENUE OVER EXPENSES</b>             | 25,503,700                | <b>27,329,579</b>               | 50,547,465               |
| Acquisition of tangible capital assets             | (68,191,200)              | <b>(28,908,304)</b>             | (38,361,974)             |
| Contributed tangible capital assets                | -                         | <b>(8,633,072)</b>              | (20,836,630)             |
| Proceeds on disposal of tangible capital assets    | 147,800                   | <b>13,237,335</b>               | 46,185                   |
| Amortization of tangible capital assets            | 24,242,700                | <b>24,895,236</b>               | 23,255,449               |
| Loss (Gain) on sale of tangible capital assets     | -                         | <b>(12,837,196)</b>             | (29,875)                 |
|  | <u>(43,800,700)</u>       | <u><b>(12,246,001)</b></u>      | <u>(35,926,845)</u>      |
| Use of (acquisition of) supplies inventories       | -                         | <b>(134,453)</b>                | 492,832                  |
| Use of (acquisition of) prepaid assets             | -                         | <b>(349,663)</b>                | (122,826)                |
| Use of (acquisition of) resource assets            | -                         | -                               | -                        |
|  | <u>-</u>                  | <u><b>(484,116)</b></u>         | <u>370,006</u>           |
| <b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b> | (18,297,000)              | <b>14,599,462</b>               | 14,990,626               |
| <b>NET FINANCIAL ASSET, BEGINNING OF YEAR</b>      | <u>22,389,078</u>         | <u><b>22,389,078</b></u>        | <u>7,398,452</u>         |
| <b>NET FINANCIAL ASSETS, END OF YEAR</b>           | <u><u>4,092,078</u></u>   | <u><u><b>36,988,540</b></u></u> | <u><u>22,389,078</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, 2019**

|  | 2019<br>\$   | 2018<br>\$   |
|--|--------------|--------------|
| <b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>     |              |              |
| <b>OPERATING ACTIVITIES</b>  |              |              |
| Excess of revenue over expenses  | 27,329,579   | 50,547,465   |
| Non-cash items included in excess of revenue over expenses:                  |              |              |
| Amortization of tangible capital assets                                      | 24,895,236   | 23,255,449   |
| Loss (Gain) on disposal of tangible capital assets                           | (12,837,196) | (29,875)     |
| Tangible capital assets received as contributions                            | (8,633,072)  | (20,836,630) |
| Non-cash charges to operations (net change):                                 |              |              |
| (Increase) in taxes and grants in place of taxes                             | (580,964)    | (240,221)    |
| (Increase) decrease in trade and other receivables                           | 4,238,417    | (3,887,477)  |
| (Increase) decrease in inventory for consumption                             | (134,453)    | 492,832      |
| Decrease (Increase) in prepaid expenses                                      | (349,663)    | (122,826)    |
| Increase (decrease) in accounts payable and accrued liabilities              | (3,204,320)  | 3,373,724    |
| Increase in accounts payable amount applied to capital                       | 718,468      | 1,419,492    |
| Increase in deposit liabilities  | 996,463      | 1,409,922    |
| Increase in deferred revenue   | 3,607,046    | 13,418,109   |
| Increase in employee benefit obligations                                     | 304,148      | 80,567       |
| Increase (Decrease) in provision for landfill closure and post-closure costs | (45,720)     | (35,045)     |
| Cash provided by (applied to) operating transactions                         | 36,303,969   | 68,845,486   |
| <b>CAPITAL</b>   |              |              |
| Accounts payable amount applied to capital                                   | (718,468)    | (1,419,492)  |
| Acquisition of assets  | (28,908,304) | (38,361,974) |
| Sale of tangible assets  | 13,237,335   | 46,185       |
| Cash provided by (applied to) capital transactions                           | (16,389,437) | (39,735,281) |
| <b>INVESTING</b>   |              |              |
| Decrease (Increase) in investments   | (11,088,729) | (18,583,057) |
| <b>FINANCING</b>   |              |              |
| Debt charges recovered   | 56,888       | 54,140       |
| Capital lease paid   | (36,308)     | (83,825)     |
| Long-term debt repaid  | (4,188,939)  | (1,341,005)  |
| Cash provided by (applied to) financing transactions                         | (4,168,359)  | (1,370,690)  |
| <b>CHANGE IN CASH DURING YEAR</b>  | 4,657,444    | 9,156,458    |
| <b>CASH (BANK INDEBTEDNESS) AT BEGINNING OF YEAR</b>                         | 3,663,603    | (5,492,855)  |
| <b>CASH AT END OF YEAR</b>   | 8,321,047    | 3,663,603    |

*Cash/Bank Indebtedness - See Note 3*

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

**ROCKY VIEW COUNTY**  
**Schedule of Changes in Accumulated Surplus**  
**For the Year Ended December 31, 2019**  
**Schedule 1**

|   | Unrestricted<br>Surplus (Deficit) | Restricted<br>Surplus | Equity in<br>Other Assets | Equity in Tangible<br>Capital Assets | 2019<br>\$         | 2018<br>\$         |
|---|-----------------------------------|-----------------------|---------------------------|--------------------------------------|--------------------|--------------------|
| <b>BALANCE, BEGINNING OF YEAR,</b>                  | <b>934,995</b>                    | <b>76,291,206</b>     | <b>16,375,000</b>         | <b>567,655,859</b>                   | <b>661,257,060</b> | <b>610,709,595</b> |
| Excess (deficiency) of revenue over expenses        | 27,329,579                        | -                     | -                         | -                                    | 27,329,579         | 50,547,465         |
| Unrestricted funds designated for future use        | (30,287,740)                      | 30,287,740            | -                         | -                                    | -                  | -                  |
| Restricted funds used for operations                | 7,674,284                         | (7,674,284)           | -                         | -                                    | -                  | -                  |
| Restricted funds use for tangible capital assets    | -                                 | (9,734,121)           | -                         | 9,734,121                            | -                  | -                  |
| Current year funds used for assets                  | (19,174,183)                      | -                     | -                         | 19,174,183                           | -                  | -                  |
| Contributed tangible capital assets                 | (8,633,072)                       | -                     | -                         | 8,633,072                            | -                  | -                  |
| Disposal of tangible capital assets                 | 400,139                           | -                     | -                         | (400,139)                            | -                  | -                  |
| Annual amortization expenses                        | 24,895,236                        | -                     | -                         | (24,895,236)                         | -                  | -                  |
| Capital lease paid                                  | (36,308)                          | -                     | -                         | 36,308                               | -                  | -                  |
| Long term debt repaid net of debt charges recovered | (4,132,051)                       | -                     | -                         | 4,132,051                            | -                  | -                  |
| Change in accumulated surplus                       | (1,964,116)                       | 12,879,335            | -                         | 16,414,360                           | 27,329,579         | 50,547,465         |
| <b>BALANCE, END OF YEAR</b>                         | <b>(1,029,121)</b>                | <b>89,170,541</b>     | <b>16,375,000</b>         | <b>584,070,219</b>                   | <b>688,586,639</b> | <b>661,257,060</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, 2019**  
**Schedule 2**

|   | Land               |                  | Engineered        |                    | Machinery and    |                  | 2019               | 2018               |
|---|--------------------|------------------|-------------------|--------------------|------------------|------------------|--------------------|--------------------|
|   | Land               | Improvements     | Buildings         | Structures         | Equipment        | Vehicles         | \$                 | \$                 |
| <b>COST:</b>  |                    |                  |                   |                    |                  |                  |                    |                    |
| BALANCE, BEGINNING OF YEAR                            | 127,328,653        | 3,383,722        | 78,141,805        | 928,932,060        | 19,281,776       | 15,931,246       | 1,172,999,262      | 1,114,386,634      |
| Acquisition of tangible capital assets                | 1,281,250          | 2,109,413        | 2,131,126         | 23,844,208         | 2,630,522        | 1,725,593        | 33,722,112         | 75,905,754         |
| Acquisition of tangible capital assets, capital lease | -                  | -                | -                 | -                  | -                | -                | -                  | -                  |
| Construction-in-progress, net                         | 5,225,764          | (511,894)        | 444,343           | (1,338,357)        | (59,785)         | 59,193           | 3,819,264          | (16,707,150)       |
| Disposal of tangible capital assets                   | -                  | -                | (2,530,285)       | -                  | (1,309,076)      | (1,498,238)      | (5,337,599)        | (585,976)          |
| BALANCE, END OF YEAR                                  | 133,835,667        | 4,981,241        | 78,186,989        | 951,437,911        | 20,543,437       | 16,217,794       | 1,205,203,039      | 1,172,999,262      |
| <b>ACCUMULATED AMORTIZATION:</b>                      |                    |                  |                   |                    |                  |                  |                    |                    |
| BALANCE, BEGINNING OF YEAR                            | -                  | 148,210          | 10,463,594        | 521,717,206        | 11,297,649       | 8,987,146        | 552,613,805        | 529,928,022        |
| Annual Amortization                                   | -                  | 191,046          | 2,130,318         | 19,948,988         | 1,481,000        | 1,112,084        | 24,863,436         | 23,223,649         |
| Annual Amortization, capital lease                    | -                  | -                | -                 | -                  | 31,800           | -                | 31,800             | 31,800             |
| Accumulated amortization on disposals                 | -                  | -                | (2,130,146)       | -                  | (1,309,076)      | (1,498,238)      | (4,937,460)        | (569,666)          |
| BALANCE, END OF YEAR                                  | -                  | 339,256          | 10,463,766        | 541,666,194        | 11,501,373       | 8,600,992        | 572,571,581        | 552,613,805        |
| <b>NET BOOK VALUE OF<br/>TANGIBLE CAPITAL ASSETS</b>  | <u>133,835,667</u> | <u>4,641,985</u> | <u>67,723,223</u> | <u>409,771,717</u> | <u>9,042,064</u> | <u>7,616,802</u> | <u>632,631,458</u> | <u>620,385,457</u> |
| 2018 NET BOOK VALUE OF<br>TANGIBLE CAPITAL ASSETS     | <u>127,328,653</u> | <u>3,235,512</u> | <u>67,678,211</u> | <u>407,214,854</u> | <u>7,984,127</u> | <u>6,944,100</u> | <u>620,385,457</u> |                    |

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

**ROCKY VIEW COUNTY**  
**Schedule of Property and Other Taxes**  
**For the Year Ended December 31, 2019**  
**Schedule 3**

|   | Budget<br>\$<br>(Note 21) | 2019<br>\$                | 2018<br>\$         |
|---|---------------------------|---------------------------|--------------------|
| <b>TAXATION</b>                                 |                           |                           |                    |
| Real property taxes                             | 109,394,038               | <b>107,252,063</b>        | 103,515,702        |
| Linear property taxes                           | 14,790,013                | <b>14,500,419</b>         | 13,913,709         |
| Government grants in place of property taxes    | 72,849                    | <b>71,423</b>             | 214,058            |
| Special assessments and local improvement taxes | 434,000                   | <b>433,219</b>            | 433,239            |
|   | <u>124,690,900</u>        | <u><b>122,257,124</b></u> | <u>118,076,708</u> |
| <br><b>REQUISITIONS FROM OTHER AUTHORITIES</b>  |                           |                           |                    |
| Alberta School Foundation Fund                  | 46,419,700                | <b>45,083,080</b>         | 43,982,839         |
| Calgary Roman Catholic Separate School District | 3,875,300                 | <b>3,813,175</b>          | 3,737,034          |
| Rocky View Seniors Foundation                   | 673,300                   | <b>673,285</b>            | 663,342            |
| Designated Industrial Property Tax              | 147,600                   | <b>84,234</b>             | 62,798             |
|   | <u>51,115,900</u>         | <u><b>49,653,774</b></u>  | <u>48,446,013</u>  |
| <br><b>NET MUNICIPAL TAXES</b>                  | <u>73,575,000</u>         | <u><b>72,603,350</b></u>  | <u>69,630,695</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, 2019**  
**Schedule 4**

|                                   | Budget<br>\$<br>(Note 21) | 2019<br>\$               | 2018<br>\$        |
|-----------------------------------|---------------------------|--------------------------|-------------------|
| <b>TRANSFERS FOR OPERATING:</b>   |                           |                          |                   |
| Provincial Government             | 9,083,400                 | <b>2,751,086</b>         | 2,988,886         |
| Federal Government                | -                         | <b>5,712</b>             | -                 |
|                                   | <u>9,083,400</u>          | <u><b>2,756,798</b></u>  | <u>2,988,886</u>  |
| <b>TRANSFERS FOR CAPITAL:</b>     |                           |                          |                   |
| Provincial Government             | 34,910,100                | <b>14,572,206</b>        | 23,178,475        |
| Federal Government                | 5,589,500                 | -                        | -                 |
|                                   | <u>40,499,600</u>         | <u><b>14,572,206</b></u> | <u>23,178,475</u> |
| <b>TOTAL GOVERNMENT TRANSFERS</b> | <u>49,583,000</u>         | <u><b>17,329,004</b></u> | <u>26,167,361</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, 2019**  
**Schedule 5**

|   | Budget<br>\$<br>(Note 21) | 2019<br>\$         | 2018<br>\$<br>(Note 20) |
|---|---------------------------|--------------------|-------------------------|
| <b>EXPENSES BY OBJECT</b>                   |                           |                    |                         |
| Salaries, wages and benefits                | 42,519,400                | <b>41,060,504</b>  | 38,643,190              |
| Contracted and general services             | 38,493,500                | <b>27,383,036</b>  | 23,937,639              |
| Materials, goods and supplies               | 10,335,400                | <b>9,611,136</b>   | 8,137,542               |
| Interest on long-term debt                  | 1,663,900                 | <b>1,920,591</b>   | 1,802,838               |
| Interest on capital lease                   | 500                       | <b>501</b>         | 4,514                   |
| Purchased from other Governments            | 607,900                   | <b>672,050</b>     | 660,350                 |
| Grants to organizations                     | 3,486,200                 | <b>2,784,779</b>   | 2,593,833               |
| Grants to Municipal agencies                | 2,141,800                 | <b>1,407,544</b>   | 1,337,257               |
| Other                                       | 419,400                   | <b>237,366</b>     | 346,898                 |
| Amortization of tangible capital assets     | 24,242,700                | <b>24,895,236</b>  | 23,255,449              |
| Loss on disposal of tangible capital assets | -                         | -                  | -                       |
| <b>TOTAL EXPENSES</b>                       | <b>123,910,700</b>        | <b>109,972,743</b> | <b>100,719,510</b>      |

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

**ROCKY VIEW COUNTY**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2019**  
**Schedule 6**

|  | <b>General<br/>Government</b> | <b>Emergency<br/>Services</b> | <b>I &amp; O<br/>Services</b> | <b>Planning &amp;<br/>Development</b> | <b>Community<br/>Services</b> | <b>Total<br/>\$</b> |
|--|-------------------------------|-------------------------------|-------------------------------|---------------------------------------|-------------------------------|---------------------|
| <b>REVENUE</b>                                       |                               |                               |                               |                                       |                               |                     |
| Net municipal taxes                                  | 72,603,350                    | -                             | -                             | -                                     | -                             | <b>72,603,350</b>   |
| Government transfers                                 | 779,049                       | 1,890,066                     | 13,343,843                    | -                                     | 1,316,046                     | <b>17,329,004</b>   |
| User fees and sales of goods                         | 242,457                       | 639,515                       | 6,899,956                     | 1,419,266                             | 1,954,141                     | <b>11,155,335</b>   |
| Investment income                                    | 2,528,999                     | -                             | -                             | -                                     | -                             | <b>2,528,999</b>    |
| Contributed assets                                   | -                             | -                             | 8,194,272                     | -                                     | 438,800                       | <b>8,633,072</b>    |
| Other revenues                                       | 6,421,000                     | 1,335,087                     | 2,144,941                     | 5,401,534                             | 9,750,000                     | <b>25,052,562</b>   |
|  | <b>82,574,855</b>             | <b>3,864,668</b>              | <b>30,583,012</b>             | <b>6,820,800</b>                      | <b>13,458,987</b>             | <b>137,302,322</b>  |
| <b>EXPENSES</b>                                      |                               |                               |                               |                                       |                               |                     |
| Salaries, wages and benefits                         | 12,063,914                    | 11,360,759                    | 11,629,714                    | 5,363,877                             | 642,240                       | <b>41,060,504</b>   |
| Contracted and general services                      | 4,978,762                     | 668,934                       | 18,727,925                    | 2,385,565                             | 621,850                       | <b>27,383,036</b>   |
| Materials, goods and supplies                        | 433,495                       | 612,990                       | 8,446,361                     | 74,628                                | 43,662                        | <b>9,611,136</b>    |
| Transfers to local boards                            | 1,346,792                     | 79,000                        | -                             | -                                     | 2,766,531                     | <b>4,192,323</b>    |
| Long-term debt interest                              | -                             | 34,192                        | 1,886,399                     | -                                     | -                             | <b>1,920,591</b>    |
| Capital lease interest                               | -                             | -                             | 501                           | -                                     | -                             | <b>501</b>          |
| Other expenses                                       | 117,477                       | 672,050                       | 119,889                       | -                                     | -                             | <b>909,416</b>      |
|  | <b>18,940,440</b>             | <b>13,427,925</b>             | <b>40,810,789</b>             | <b>7,824,070</b>                      | <b>4,074,283</b>              | <b>85,077,507</b>   |
| <b>NET REVENUE, BEFORE AMORTIZATION</b>              | <b>63,634,415</b>             | <b>(9,563,257)</b>            | <b>(10,227,777)</b>           | <b>(1,003,270)</b>                    | <b>9,384,704</b>              | <b>52,224,815</b>   |
| Amortization expenses                                | 2,037,015                     | 944,756                       | 21,679,384                    | 3,158                                 | 230,923                       | <b>24,895,236</b>   |
| <b>EXCESS (DEFFICIENCY) OF REVENUE OVER EXPENSES</b> | <b>61,597,400</b>             | <b>(10,508,013)</b>           | <b>(31,907,161)</b>           | <b>(1,006,428)</b>                    | <b>9,153,782</b>              | <b>27,329,579</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 accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants. Significant aspects of the accounting policies adopted by the County are outlined as follows:

**Reporting Entity**

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

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

The financial statements exclude trust assets that are administered for the benefit for external parties. 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 they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

**Revenue Recognition**

Funds from external parties and earnings thereon that are restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired. Revenue on investments, fines and penalties are recognized when earned.

**Tax Revenue**

The County recognized 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 administrations best estimate of the amount resulting from the original taxable event in accordance with 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 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 the result of a direct financial return.

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, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

**Use of Estimates**

The preparation of financial statements in conformity with Canadian Generally Accepted Accounting Principles (GAAP) and in conjunction with the Public Services Accounting Board (PSAB) 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.

**Investments**

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

**Debt Charges Recoverable**

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to 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.

**Local Improvement Charges**

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of related borrowings. These levies are collectable from property owners for work performed by Rocky View County.

**Inventories**

Inventories held for consumption are recorded at the lower of cost or net realizable value with the cost determined by the average cost method.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Landfill Closure and Post-Closure Liability**

Pursuant to the Alberta Environment Protection and Enhancement Act, the County is required to fund the closure of its landfill sites and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The requirement is being provided for over the estimated remaining life of the landfill sites based on usage.

**Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post remediation including operation, maintenance and monitoring.

**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, together with the excess of revenues over expenses, provides the Change in Net Financial Assets (Debt) for the year.

**i) Tangible Capital Assets**

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

|  | <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 in the year of disposal. Assets under construction are not amortized until the asset is 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.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**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. Lease that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. At the 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.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfilment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- There is a change in contractual terms;
- A renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- There is a change in the determination of whether the fulfilment of the arrangement is dependent on the use of the specific tangible asset; or
- There is a substantial physical change to the specified tangible asset.

**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 actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

**Pensions**

The County participates in two multi-employer pension plans. The plan is accounted for as a defined contribution plan. Contributions for current services are recorded as expenditures in the year in which they become due.

**Funds Held in Trust**

The County held \$ 697,489 in a Cemetery Perpetual Care Trust Account as at December 31, 2019 (2018 - \$ 602,762).



**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**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 decision. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

**NOTE 2: INVESTMENTS**

|             | <u>2019</u>           | <u>2018</u>           |
|-------------|-----------------------|-----------------------|
| Investments | \$ <u>114,676,853</u> | \$ <u>103,588,124</u> |

Investments have effective interest rates of 2.16% to 2.57% (2018 – 2.51% to 3.06%) and mature in less than one year.

Investments include funds that are designated for developer's refundable deposits, public reserve funds and grant funds for capital and operating expenditures.

**NOTE 3: CASH**

|                     | <u>2019</u>         | <u>2018</u>         |
|---------------------|---------------------|---------------------|
| Cash in bank        | \$ 11,074,856       | \$ 6,040,040        |
| Outstanding cheques | <u>(2,753,809)</u>  | <u>(2,376,437)</u>  |
| Cash                | \$ <u>8,321,047</u> | \$ <u>3,663,603</u> |

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

|  | <u>2019</u>          | <u>2018</u>          |
|--|----------------------|----------------------|
| Property Taxes                             |                      |                      |
| Current taxes and grants in place of taxes | \$ 2,802,864         | \$ 2,565,797         |
| Arrears taxes                              | <u>1,263,320</u>     | <u>919,423</u>       |
|  | <u>\$ 4,066,184</u>  | <u>\$ 3,485,220</u>  |
| Other                                      |                      |                      |
| Trade Accounts                             | \$ 8,103,669         | \$ 12,631,393        |
| Fuel Tax Rebate                            | 3,636                | 13,179               |
| GST  | <u>704,963</u>       | <u>406,113</u>       |
|  | <u>\$ 8,812,268</u>  | <u>\$ 13,050,685</u> |
| Total                                      | <u>\$ 12,878,452</u> | <u>\$ 16,535,905</u> |

**NOTE 5: DEBT CHARGES RECOVERABLE**

|                                      | <u>2019</u>       | <u>2018</u>       |
|--------------------------------------|-------------------|-------------------|
| Current debt charges recoverable     | \$ 59,777         | \$ 56,888         |
| Non-current debt charges recoverable | <u>530,087</u>    | <u>589,864</u>    |
|                                      | <u>\$ 589,864</u> | <u>\$ 646,752</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 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>      |
|------------|-------------------|-------------------|-------------------|
| 2020       | \$ 59,777         | \$ 28,610         | \$ 88,387         |
| 2021       | 62,812            | 25,574            | 88,386            |
| 2022       | 66,001            | 22,385            | 88,386            |
| 2023       | 69,353            | 19,033            | 88,386            |
| 2024       | 31,900            | 15,510            | 47,410            |
| Thereafter | <u>300,021</u>    | <u>62,558</u>     | <u>362,580</u>    |
|            | <u>\$ 589,864</u> | <u>\$ 173,670</u> | <u>\$ 763,535</u> |

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 6: DEFERRED REVENUE**

|   | <u>2019</u>          | <u>2018</u>          |
|---|----------------------|----------------------|
| Prepaid property tax                            | \$ 278,100           | \$ 230,063           |
| AB Environment & Sustainable Resource Grant     | 13,233,715           | 18,300,006           |
| Municipal Sustainability Initiative – capital   | 7,877,410            | 543,694              |
| Strategic Transportation Infrastructure Program | 180,979              | -                    |
| AB Community Resilience Program                 | 7,062,099            | 7,155,943            |
| Flood Recovery and Erosion Control Program      | 355,992              | 419,228              |
| Other operating grants                          | 93,290               | 113,458              |
| Developer contributions                         | 230,711              | 80,825               |
| Other deferred revenue                          | <u>3,381,912</u>     | <u>2,243,945</u>     |
|   | <u>\$ 32,694,208</u> | <u>\$ 29,087,162</u> |

**NOTE 7: EMPLOYEE BENEFIT OBLIGATIONS**

|          | <u>2019</u>         | <u>2018</u>         |
|----------|---------------------|---------------------|
| Vacation | <u>\$ 1,461,624</u> | <u>\$ 1,157,476</u> |

The vacation liability is comprised of the vacation that employees are deferring to future years. Employees have either earned the benefit (and are vested) or are entitled to these benefits within the next budgetary year.

**NOTE 8: LONG-TERM DEBT**

|   | <u>2019</u>                               | <u>2018</u>                               |
|---|---|---|
| Operating debt, maturing<br>between 2023 and 2032,<br>bearing interest at rates<br>between 4.758% and 5.250%                  | \$ 589,864                                | \$ 646,752                                |
| Capital debt, maturing<br>between 2023 and 2046, bearing<br>variable and fixed interest rates at<br>between 1.637% and 4.057% | <u>48,561,239</u><br><u>\$ 49,151,103</u> | <u>52,693,290</u><br><u>\$ 53,340,042</u> |
| Funding for future payments from:   |   |   |
| General Tax   | \$ 144,460                                | \$ 176,186                                |
| Emergency Services Tax  | 646,287                                   | 1,232,442                                 |
| Local Improvement Tax   | 5,596,610                                 | 5,768,617                                 |
| Special Levy  | 42,697,068                                | 46,079,448                                |
| User Fees   | <u>66,678</u>                             | <u>83,349</u>                             |
|   | <u>\$ 49,151,103</u>                      | <u>\$ 53,340,042</u>                      |

Debenture debt is issued on the credit and security of the County at large.

**ROCKY VIEW COUNTY**  
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Principal and interest repayments are as follows, assuming debt will be renewed at similar terms as it comes due:

|           | <u>Capital</u>       | <u>Interest</u>      | <u>Operating</u>  | <u>Interest</u>   | <u>Total</u>         |
|-----------|----------------------|----------------------|-------------------|-------------------|----------------------|
| 2020      | \$ 3,667,377         | \$ 1,759,687         | \$ 59,777         | \$ 28,610         | \$ 5,515,451         |
| 2021      | 3,678,194            | 1,624,713            | 62,812            | 25,574            | 5,391,293            |
| 2022      | 3,689,393            | 1,489,358            | 66,001            | 22,385            | 5,267,137            |
| 2023      | 3,700,988            | 1,353,606            | 69,353            | 19,033            | 5,142,980            |
| 2024      | 3,601,860            | 1,217,448            | 31,900            | 15,510            | 4,866,718            |
| Remainder | <u>30,223,427</u>    | <u>7,789,968</u>     | <u>300,021</u>    | <u>62,558</u>     | <u>8,375,974</u>     |
| Total     | <u>\$ 48,561,239</u> | <u>\$ 15,234,780</u> | <u>\$ 589,864</u> | <u>\$ 173,670</u> | <u>\$ 64,559,553</u> |

Of the \$ 589,864 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 \$ 48,561,239 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 \$ 1,920,591 (2018 - \$ 1,802,838). The County's total cash payments for interest were \$ 1,932,024 (2018 - \$ 1,818,216).

The County has a \$5,000,000 (2018 - \$5,000,000) unsecured operating line of credit with ATB Financial. This line of credit bears interest, when utilized, at 0.25% below the prime lending rate as established by ATB Financial. Three Letters of Credit were issued against the line of credit in 2019 totalling \$853,340. Two letters of credit are for the purpose of constructing and monitoring flood mitigation structures built in segments along Bragg Creek and Elbow River. The third letter of credit is for the construction of structures to divert the flow near Mountain River Estates along the Elbow River.

**NOTE 9: CAPITAL LEASE OBLIGATIONS**

|   | <u>2019</u> | <u>2018</u> |
|---|-------------|-------------|
| Obligation under capital lease payable in monthly<br>Instalments of \$ 7,362 including interest at<br>5.499%, due at every month end. | \$ -        | \$ 36,308   |

Currently there are no future minimum lease payments related to obligations under capital leases.

Capital lease obligations were secured by property, plant and equipment having a net book value of \$ 174,900 in 2019 (\$ 206,700 in 2018).

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 10: PENSION PLANS**

**Local Authorities Pension Plan (LAPP)**

Employees of the County participate in the Local Authorities Pension Plan ("LAPP" or the "Plan"), which is covered by the Public Sector Pension Plans Act. 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 is required to make current service contributions to the Plan of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan (CPP), and 13.84% of pensionable earnings above this amount. Employees of the County are required to make current service contributions of 8.39% of pensionable earnings up to the year's maximum pensionable earnings and 12.84% on pensionable earnings above this amount.

Total employer contributions by Rocky View County to the LAPP in 2019 were \$ 2,444,765 (2018 - \$ 2,495,058). Total contributions by the employees of Rocky View County to the LAPP in 2019 were \$ 2,213,939 (2018 - \$ 2,245,440).

At December 31, 2018, the date of the most recent actuarial valuation, the Plan disclosed an actuarial surplus of \$ 3,469 million (2017 - \$ 4,836 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. APEX is financed by Employer and Employee contributions and investment earnings of the APEX fund. 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 3.78% of pensionable earnings up to the APEX maximum earnings of \$151,278. Eligible employees of the County can make current service contributions of 2.84% of earnings up to the APEX maximum earnings of \$151,278. Total employer contributions by Rocky View County to APEX in 2019 amounted to \$ 24,545 (2018 - \$20,717). Total contributions by employees of the County to APEX amounted to \$ 18,550 for the 2019 year (2018 - \$ 15,565).

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 and benefit escalation and retirement ages of employees. The costs of post-retirement benefits are fully funded.

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11: 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, 2019. The amount of any future settlement would be accounted for in the year the losses are determined.

The County has entered into equipment leases. The commitments for the next 4 years are as follows:

|      | <b>Operating</b> |
|------|------------------|
| 2020 | \$ 631,641       |
| 2021 | \$ 629,881       |
| 2022 | \$ 316,094       |
| 2023 | \$ 30,359        |

The County has also entered into agreements for the following projects, (1) Bragg Creek Flood Mitigation, \$949,284 (2) Langdon Wastewater Treatment Plant, \$343,880 (3) Langdon Fire Hall, \$220,586 and (4) Langdon Baseball Diamonds, \$9,376.

**NOTE 12: RECIPROCAL INSURANCE EXCHANGE MEMBERSHIPS**

The County was a member of the Genesis Reciprocal Insurance Exchange and the Jubilee Reciprocal Insurance Exchange as at December 31, 2019. Under the terms of the membership, the County could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

**NOTE 13: 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 255/00, for the County, be disclosed as follows:

|                                       | <b><u>2019</u></b>    | <b><u>2018</u></b>    |
|---------------------------------------|-----------------------|-----------------------|
| Total debt limit                      | \$ 151,889,772        | \$ 160,877,804        |
| Total long term debt                  | <u>(49,151,103)</u>   | <u>(53,376,350)</u>   |
| Total amount of debt limit unused     | <u>\$ 102,738,669</u> | <u>\$ 107,501,454</u> |
| Debt Servicing Limit                  | \$ 25,314,962         | \$ 26,812,967         |
| Debt Servicing                        | <u>(5,515,450)</u>    | <u>(6,157,376)</u>    |
| Amount of Debt Servicing Limit unused | <u>\$ 19,799,512</u>  | <u>\$ 20,655,591</u>  |

The debt limit is calculated at 1.5 times revenue of the County (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these

**ROCKY VIEW COUNTY**  
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limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if 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. Rocky View County has taken a conservative approach by removing certain one time amounts from the revenue for the debt limit calculation.

**NOTE 14: ACCUMULATED SURPLUS**

|   | <u>2019</u>           | <u>2018</u>           |
|---|-----------------------|-----------------------|
| Unrestricted surplus                        | \$ 6,018,087          | \$ 6,950,341          |
| Capital deficit                             | <u>(7,047,208)</u>    | <u>(6,015,346)</u>    |
|   | <u>\$ (1,029,121)</u> | <u>\$ 934,995</u>     |
| Restricted surplus                          |                       |                       |
| Reserve funds                               |                       |                       |
| General Operating                           | \$ 2,572,195          | \$ 2,749,766          |
| Roads                                       | 2,908,885             | 2,718,027             |
| Offsite Levies                              | 25,677,073            | 26,156,669            |
| Tax Stabilization                           | 36,514,742            | 22,378,648            |
| Utility                                     | 1,002,072             | 864,002               |
| Public                                      | 16,639,582            | 16,136,680            |
| Equipment                                   | 3,014,455             | 4,450,677             |
| Voluntary Recreation                        | 841,537               | 836,737               |
| Equity in water license                     | 16,375,000            | 16,375,000            |
| Equity in tangible capital assets (Note 19) | <u>584,070,219</u>    | <u>567,655,859</u>    |
|   | <u>\$ 688,586,639</u> | <u>\$ 661,257,060</u> |

**NOTE 15: FINANCIAL INSTRUMENTS**

The County's financial instruments consist of cash and temporary investments, accounts receivable, investments, debt charges recoverable, bank indebtedness, accounts payable and accrued liabilities, employee benefit obligations, deposit liabilities, long-term debt, and capital lease obligations. It is managements' opinion that the County is not exposed to significant interest or currency risks arising from these financial instruments.

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 fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.



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**NOTE 16: SALARY AND BENEFIT DISCLOSURE**

Salaries and benefits for elected Municipal Officials, the County Manager and the Designated Officers as required by Alberta Regulation 313/2000, is disclosed as follows:

|                     | <b>No. of<br/>Persons</b> | <b>Salary<br/>\$</b> | <b>Benefits &amp;<br/>Allowances<br/>\$</b> | <b>Total<br/>2019<br/>\$</b> | <b>No. of<br/>Persons</b> | <b>Total<br/>2018<br/>\$</b> |
|---------------------|---------------------------|----------------------|---|------------------------------|---------------------------|------------------------------|
| Councillors:        |                           |                      |   |                              |                           |                              |
| Division 1          | 1                         | 81,960               | 12,469                                      | 94,429                       | 1                         | 78,590                       |
| Division 2          | 1                         | 82,260               | 12,494                                      | 94,754                       | 1                         | 78,590                       |
| Division 3          | 1                         | 68,586               | 12,201                                      | 80,787                       | 1                         | 82,446                       |
| Division 4          | 1                         | 85,527               | 12,555                                      | 98,082                       | 1                         | 79,286                       |
| Division 5          | 1                         | 82,110               | 12,491                                      | 94,601                       | 1                         | 83,073                       |
| Division 6          | 1                         | 112,498              | 13,160                                      | 125,658                      | 1                         | 103,269                      |
| Division 7          | 1                         | 86,960               | 13,239                                      | 100,199                      | 1                         | 78,640                       |
| Division 8          | 1                         | 68,336               | 12,129                                      | 80,465                       | 1                         | 78,742                       |
| Division 9          | 1                         | 68,336               | 12,129                                      | 80,465                       | 1                         | 78,590                       |
| County Manager      | 2                         | 258,280              | 113,940                                     | 372,220                      | 3                         | 397,969                      |
| Designated Officers | 2                         | 254,617              | 34,825                                      | 289,442                      | 2                         | 269,037                      |

- (1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any 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) County Manager/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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 17: LANDFILL CLOSURE AND POST-CLOSURE LIABILITY**

Pursuant to the Alberta Environment Protection and Enhancement Act, the County is required to fund the closure of its landfill sites and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance.

The County is responsible for landfill sites which 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 of the terms (between 15 years and 18 years) using a discount rate of 3.76 %.

The total estimated liability is \$ 438,156, of which \$ 438,156 has been accrued as a liability.

|                              | <u>2019</u>       | <u>2018</u>       |
|------------------------------|-------------------|-------------------|
| Estimated post-closure costs | <u>438,156</u>    | <u>483,876</u>    |
| Estimated total liability    | <u>\$ 438,156</u> | <u>\$ 483,876</u> |

**NOTE 18: CONTAMINATED SITES LIABILITY**

On January 1, 2015, the County adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a retroactive basis and did not result in any adjustments to the financial liabilities, tangible capital assets or accumulated surplus of the County. During 2019 the County did not identify any sites that qualify as contaminated under PS 3260 and therefore no Contaminated Sites Liability was required.

**NOTE 19: EQUITY IN TANGIBLE CAPITAL ASSETS**

|                                       | <u>2019</u>           | <u>2018</u>           |
|---------------------------------------|-----------------------|-----------------------|
| Tangible capital assets (Schedule 2)  | \$ 1,205,203,039      | \$ 1,172,999,262      |
| Accumulated amortization (Schedule 2) | (572,571,581)         | (552,613,805)         |
| Long-term debt (Note 8)               | (49,151,103)          | (53,340,042)          |
| Capital lease (Note 9)                | -                     | (36,308)              |
| Debt charges recoverable (Note 5)     | <u>589,864</u>        | <u>646,752</u>        |
|                                       | <u>\$ 584,070,219</u> | <u>\$ 567,655,859</u> |

**NOTE 20: COMPARATIVE FIGURES**

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

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**NOTE 21: BUDGET**

The budget figures presented in these financial statements are based on the budget approved by council on April 30, 2019 and subsequent budget adjustments are not included.

**NOTE 22: SUBSEQUENT EVENT**

Subsequent to year-end, the COVID-19 pandemic is causing significant financial market and social dislocation. The situation is dynamic with various levels of government around the world responding in different ways to address the outbreak. The County continues to monitor its operations and assess the impact COVID-19 will have on its business activities. The extent of the effect of the COVID-19 pandemic on the County is uncertain.

**NOTE 23: APPROVAL OF FINANCIAL STATEMENTS**

Council and Management have approved these financial statements.