

**Rocky View County**  
**Audited Financial Statements**  
*December 31, 2022*

To the Mayor and Members of Council of Rocky View County:

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Rocky View County (the "County"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, change 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, 2022, and the results of its operations, changes in its 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.

In preparing the financial statements, management is responsible for assessing the County's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the County or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the County to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

### Debt Limit Regulation

In accordance with Alberta regulation 255/2000, we confirm that the County is in compliance with the Debt Limit Regulation. A detailed account of the County's debt limit can be found in Note 12.

### Supplementary Accounting Principles and Standards Regulation

In accordance with Alberta regulation 313/2000, we confirm that the County is in compliance with the Supplementary Accounting Principles and Standards Regulation and note the information required can be found in Note 15.

Red Deer, Alberta

April 25, 2023

*MNP LLP*

Chartered Professional Accountants

**ROCKY VIEW COUNTY**  
**Statement of Financial Position**  
**As at December 31, 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>FINANCIAL ASSETS</b>		(Restated Note 23)
Cash (Note 3)	11,221,971	145,559,273
Temporary investments (Note 2)	145,352,902	4,998
Receivables		
Taxes and grants in place of taxes (Note 4)	4,804,209	4,992,005
Trade and other receivables (Note 4)	15,014,266	7,993,598
Debt charges recoverable (Note 5)	401,274	467,275
	<b>176,794,622</b>	<b>159,017,149</b>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	24,541,954	19,036,751
Deposit liabilities	6,061,650	7,379,484
Deferred revenue (Note 6)	14,821,350	22,848,195
Employee benefit obligations (Note 7)	1,199,726	1,296,898
Landfill closure and post-closure costs (Note 16)	362,957	382,180
Long-term debt (Note 8)	58,455,896	53,984,552
	<b>105,443,533</b>	<b>104,928,060</b>
 <b>NET FINANCIAL ASSETS</b>	<b>71,351,089</b>	<b>54,089,089</b>
 <b>NON- FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	700,417,584	688,672,577
Resource asset	20,788,000	18,375,000
Inventory for consumption	2,380,644	2,356,916
Prepaid expenses	1,476,377	1,385,700
	<b>725,062,605</b>	<b>710,790,193</b>
 <b>ACCUMULATED SURPLUS</b> (Schedule 1, Note 13)	<b>796,413,694</b>	<b>764,879,282</b>

*Commitments and contingencies - See Note 10 and 11*

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

**ROCKY VIEW COUNTY**  
**Statement of Operations**  
**For the Year Ended December 31, 2022**

	Budget \$ (Note 21)	2022 \$	2021 \$ (Note 20, 23)
<b>REVENUE</b>			
Net municipal taxes (Schedule 3)	80,003,100	<b>79,550,522</b>	74,222,981
User fees and sales of goods	11,547,700	<b>14,993,413</b>	10,989,852
Cash-In-Lieu of Public Reserve	595,000	<b>4,591,919</b>	4,028,382
Government transfers for operating (Schedule 4)	9,191,200	<b>1,926,231</b>	18,151,841
Investment income	1,054,000	<b>4,328,626</b>	882,610
Penalties and cost of taxes	999,800	<b>1,847,708</b>	1,706,412
Development agreements and levies	7,723,600	<b>14,893,815</b>	12,619,134
Licenses and permits	3,567,900	<b>8,248,539</b>	6,343,548
Fines	1,011,000	<b>996,184</b>	1,013,283
Other	8,867,400	<b>3,875,045</b>	6,140,948
<b>Total Revenue</b>	<u>124,560,700</u>	<u><b>135,252,002</b></u>	<u>136,098,991</u>
<b>EXPENSES</b>			
Legislative	959,000	<b>917,613</b>	945,103
Administration	23,363,100	<b>19,256,476</b>	18,928,840
Fire	15,148,300	<b>15,906,172</b>	15,196,323
Disaster services	624,400	<b>341,610</b>	424,504
Bylaw enforcement	10,531,200	<b>10,179,690</b>	6,806,720
Transportation and field services	73,911,400	<b>47,322,859</b>	45,512,355
Water supply and distribution	5,302,300	<b>6,194,059</b>	5,064,789
Wastewater treatment and disposal	9,103,900	<b>9,935,094</b>	7,832,033
Waste management	2,652,600	<b>2,321,193</b>	2,267,731
Family and community support	1,053,400	<b>1,091,569</b>	1,004,233
Cemetery	1,148,400	<b>1,724,470</b>	1,407,369
Planning and development	4,656,600	<b>3,938,695</b>	3,655,643
Recreation, parks and community services	7,836,700	<b>6,100,162</b>	7,307,938
<b>Total Expenses</b>	<u>156,291,300</u>	<u><b>125,229,662</b></u>	<u>116,353,581</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER</b>	<u>(31,730,600)</u>	<u><b>10,022,341</b></u>	<u>19,745,410</u>
<b>OTHER</b>			
Contributed assets	-	<b>2,175,435</b>	21,431,752
Government transfers for capital (Schedule 4)	28,339,000	<b>19,336,637</b>	19,991,910
<b>Total Other</b>	<u>28,339,000</u>	<u><b>21,512,072</b></u>	<u>41,423,662</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>(3,391,600)</u>	<u><b>31,534,412</b></u>	<u>61,169,072</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR (Note 23)</b>	764,879,282	<b>764,879,282</b>	703,710,210
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>761,487,682</u>	<u><b>796,413,694</b></u>	<u>764,879,282</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, 2022**

	Budget \$ (Note 21)	2022 \$	2021 \$ (Restated Note 23)
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>(3,391,600)</u>	<u><b>31,534,412</b></u>	<u>61,169,072</u>
Acquisition of tangible capital assets	(55,264,500)	<b>(37,960,301)</b>	(45,128,679)
Contributed tangible capital assets	-	<b>(2,175,435)</b>	(21,431,752)
Proceeds on disposal of tangible capital assets	-	<b>2,411,290</b>	1,152,163
Amortization of tangible capital assets	27,326,100	<b>26,635,505</b>	25,699,955
Loss (gain) on sale of tangible capital assets	-	<b>(656,066)</b>	(129,970)
	<u>(27,938,400)</u>	<u><b>(11,745,007)</b></u>	<u>(39,838,283)</u>
Use of (acquisition of) supplies inventories	-	<b>(23,728)</b>	379,392
Use of (acquisition of) prepaid assets	-	<b>(90,677)</b>	(77,044)
Use of (acquisition of) resource assets	-	<b>(2,413,000)</b>	(2,000,000)
	<u>-</u>	<u><b>(2,527,405)</b></u>	<u>(1,697,652)</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	(31,330,000)	<b>17,262,000</b>	19,633,137
<b>NET FINANCIAL ASSET, BEGINNING OF YEAR</b>	<u>54,089,089</u>	<u><b>54,089,089</b></u>	<u>34,455,952</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u><u>22,759,089</u></u>	<u><u><b>71,351,089</b></u></u>	<u><u>54,089,089</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, 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
	<u>                    </u>	<u>(Restated Note 23)</u>
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	<b>31,534,412</b>	61,169,072
Non-cash items included in excess of revenue over expenses:		
Amortization of tangible capital assets	<b>26,635,505</b>	25,699,955
Loss (Gain) on disposal of tangible capital assets	<b>(656,066)</b>	(129,970)
Tangible capital assets received as contributions	<b>(2,175,435)</b>	(21,431,752)
Non-cash charges to operations (net change):		
Decrease in taxes and grants in place of taxes	<b>187,796</b>	232,261
(Increase) Decrease in trade and other receivables	<b>(7,020,668)</b>	5,209,324
(Increase) Decrease in inventory for consumption	<b>(23,728)</b>	379,392
(Increase) in prepaid expenses	<b>(90,677)</b>	(77,044)
Increase (Decrease) in accounts payable and accrued liabilities	<b>5,505,203</b>	(246,048)
Increase in accounts payable amount applied to capital	<b>614,785</b>	1,805,450
(Decrease) Increase in deposit liabilities	<b>(1,317,834)</b>	338,514
(Decrease) Increase in deferred revenue	<b>(8,026,845)</b>	8,711,486
(Decrease) in employee benefit obligations	<b>(97,172)</b>	(398,654)
(Decrease) in provision for landfill closure and post-closure costs	<b>(19,223)</b>	(42,155)
	<u><b>45,050,053</b></u>	<u>81,219,831</u>
<b>CAPITAL</b>		
Accounts payable amount applied to capital	<b>(614,785)</b>	(1,805,450)
Acquisition of tangible capital & resource assets	<b>(40,373,301)</b>	(47,128,679)
Sale of tangible assets	<b>2,411,290</b>	1,152,163
	<u><b>(38,576,796)</b></u>	<u>(47,781,966)</u>
<b>INVESTING</b>		
(Increase) Decrease in investments	<u><b>(145,347,904)</b></u>	<u>97,520,503</u>
<b>FINANCING</b>		
Debt charges recovered	<b>66,001</b>	62,812
Long-term debt repaid	<b>(5,690,746)</b>	(13,402,282)
Long-term debt raised	<b>10,162,090</b>	20,125,219
	<u><b>4,537,345</b></u>	<u>6,785,749</u>
<b>CHANGE IN CASH DURING YEAR</b>	<b>(134,337,302)</b>	137,744,117
<b>CASH AT BEGINNING OF YEAR</b>	<u><b>145,559,273</b></u>	<u>7,815,156</u>
<b>CASH AT END OF YEAR</b>	<u><u><b>11,221,971</b></u></u>	<u><u>145,559,273</u></u>

Cash - See Note 3

The accompanying notes are an integral part of these financial statements



**ROCKY VIEW COUNTY**  
**Schedule of Changes in Accumulated Surplus**  
**For the Year Ended December 31, 2022**  
**Schedule 1**

	Unrestricted Surplus (Deficit)	Restricted Surplus	Equity in Other Assets	Equity in Tangible Capital Assets	2022 \$	2021 (Note 23) \$
<b>BALANCE, BEGINNING OF YEAR,(Note 23)</b>	<b>2,729,997</b>	<b>108,618,985</b>	<b>18,375,000</b>	<b>635,155,300</b>	<b>764,879,282</b>	<b>703,710,210</b>
Excess (deficiency) of revenue over expenses	31,534,412	-	-	-	31,534,412	61,169,072
Unrestricted funds designated for future use	(38,145,453)	38,145,453	-	-	-	-
Restricted funds used for operations	8,444,737	(8,444,737)	-	-	-	-
Restricted funds use for tangible capital assets	-	(8,690,392)	-	8,690,392	-	-
Current year funds used for assets	(21,520,819)	-	2,413,000	19,107,819	-	-
Long term debt for purchase of tangible capital assets	(10,162,090)	-	-	10,162,090	-	-
Contributed tangible capital assets	(2,175,435)	-	-	2,175,435	-	-
Disposal of tangible capital assets	1,755,224	-	-	(1,755,224)	-	-
Annual amortization expenses	26,635,505	-	-	(26,635,505)	-	-
Long term debt issued	10,162,090	-	-	(10,162,090)	-	-
Long term debt repaid net of debt charges recovered	(5,624,745)	-	-	5,624,745	-	-
Change in accumulated surplus	903,426	21,010,324	2,413,000	7,207,662	31,534,412	61,169,072
<b>BALANCE, END OF YEAR</b>	<b>3,633,423</b>	<b>129,629,309</b>	<b>20,788,000</b>	<b>642,362,962</b>	<b>796,413,694</b>	<b>764,879,282</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, 2022**  
**Schedule 2**

	Land		Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2022 \$	2021 \$
	Land	Improvements		Restated (Note 23)				Restated (Note 23)
<b>COST:</b>								
BALANCE, BEGINNING OF YEAR	140,876,121	10,049,747	84,282,109	1,036,004,938	21,406,836	17,112,670	1,309,732,421	1,245,213,205
Acquisition of tangible capital assets	3,575,723	2,869,265	12,974	20,307,965	2,615,647	1,896,055	31,277,629	53,840,549
Construction-in-progress, net	106,196	(2,525,460)	-	11,061,707	116,174	99,490	8,858,107	12,719,882
Disposal of tangible capital assets	(34,427)	-	-	(171,709)	(3,181,500)	(837,216)	(4,224,852)	(2,041,215)
BALANCE, END OF YEAR	144,523,613	10,393,552	84,295,083	1,067,202,901	20,957,157	18,270,999	1,345,643,305	1,309,732,421
<b>ACCUMULATED AMORTIZATION:</b>								
BALANCE, BEGINNING OF YEAR	-	867,196	14,834,735	580,792,189	14,202,665	10,363,059	621,059,844	596,378,911
Annual Amortization	-	378,122	2,310,887	21,119,493	1,580,346	1,246,657	26,635,505	25,699,955
Accumulated amortization on disposals	-	-	-	(170,615)	(1,461,798)	(837,216)	(2,469,628)	(1,019,022)
BALANCE, END OF YEAR	-	1,245,318	17,145,622	601,741,067	14,321,213	10,772,500	645,225,721	621,059,844
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>144,523,613</b>	<b>9,148,234</b>	<b>67,149,461</b>	<b>465,461,834</b>	<b>6,635,944</b>	<b>7,498,499</b>	<b>700,417,584</b>	<b>688,672,577</b>
2021 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	140,876,121	9,182,551	69,447,374	455,212,749	7,204,171	6,749,611	688,672,577	
	<u>Opening Balance</u>	<u>Additions</u>	<u>Transfer to TCA</u>	<u>Ending Bal</u>	<u>2022 Net Change</u>			
Construction-in-progress	58,257,251	16,317,919	(7,459,812)	67,115,358	8,858,107			

**ROCKY VIEW COUNTY**  
**Schedule of Property and Other Taxes**  
**For the Year Ended December 31, 2022**  
**Schedule 3**

	Budget \$ (Note 21)	2022 \$	2021 \$
<b>TAXATION</b>			
Real property taxes	120,354,756	<b>119,823,353</b>	112,784,372
Linear property taxes	13,095,170	<b>13,037,350</b>	13,738,128
Government grants in place of property taxes	87,674	<b>87,288</b>	118,896
Special assessments and local improvement taxes	512,500	<b>511,734</b>	433,216
	<u>134,050,100</u>	<u><b>133,459,725</b></u>	<u>127,074,611</u>
<b>REQUISITIONS FROM OTHER AUTHORITIES</b>			
Alberta School Foundation Fund	48,896,300	<b>48,769,493</b>	49,143,956
Calgary Roman Catholic Separate School District	4,000,800	<b>3,990,129</b>	2,549,436
Rocky View Seniors Foundation	1,006,200	<b>1,006,123</b>	1,020,185
Designated Industrial Property Tax	143,700	<b>143,458</b>	138,054
	<u>54,047,000</u>	<u><b>53,909,203</b></u>	<u>52,851,631</u>
<b>NET MUNICIPAL TAXES</b>	<u>80,003,100</u>	<u><b>79,550,522</b></u>	<u>74,222,981</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, 2022**  
**Schedule 4**

	Budget \$ (Note 21)	2022 \$	2021 \$
<b>TRANSFERS FOR OPERATING:</b>			
Provincial Government	9,168,800	<b>1,884,510</b>	17,996,546
Federal Government	<u>22,400</u>	<u><b>41,721</b></u>	<u>155,295</u>
	<u>9,191,200</u>	<u><b>1,926,231</b></u>	<u>18,151,841</u>
<b>TRANSFERS FOR CAPITAL:</b>			
Provincial Government	21,992,200	<b>13,559,105</b>	16,772,443
Federal Government	<u>6,346,800</u>	<u><b>5,777,532</b></u>	<u>3,219,467</u>
	<u>28,339,000</u>	<u><b>19,336,637</b></u>	<u>19,991,910</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u><u>37,530,200</u></u>	<u><u><b>21,262,868</b></u></u>	<u><u>38,143,751</u></u>

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**ROCKY VIEW COUNTY**  
**Schedule of Expenses by Object**  
**For the Year Ended December 31, 2022**  
**Schedule 5**

	Budget \$ (Note 21)	2022 \$	2021 \$ (Note 20, 23)
<b>EXPENSES BY OBJECT</b>			
Salaries, wages and benefits	44,776,300	<b>42,460,554</b>	41,439,344
Contracted and general services	64,701,100	<b>37,969,867</b>	32,775,797
Materials, goods and supplies	10,395,200	<b>9,883,227</b>	8,593,373
Interest on long-term debt	1,519,100	<b>2,397,967</b>	1,249,350
Purchased from other Governments	746,500	<b>798,615</b>	715,697
Grants to organizations	3,555,300	<b>2,960,097</b>	3,787,491
Grants to local boards and agencies	2,143,000	<b>1,646,471</b>	1,808,034
Other	1,128,700	<b>477,359</b>	284,540
Amortization of tangible capital assets	27,326,100	<b>26,635,505</b>	25,699,955
<b>TOTAL EXPENSES</b>	<u>156,291,300</u>	<u><b>125,229,662</b></u>	<u>116,353,581</u>

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**ROCKY VIEW COUNTY**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2022**  
**Schedule 6**

	<b>General Government</b>	<b>Emergency Services</b>	<b>I &amp; O Services</b>	<b>Planning &amp; Development</b>	<b>Community Services</b>	<b>Total \$</b>
<b>REVENUE</b>						
Net municipal taxes	79,550,522	-	-	-	-	<b>79,550,522</b>
Government transfers	6	271,329	19,563,092	-	1,428,441	<b>21,262,868</b>
User fees and sales of goods	284,684	584,619	12,488,159	1,635,951	-	<b>14,993,413</b>
Investment income	4,328,626	-	-	-	-	<b>4,328,626</b>
Contributed assets	-	-	1,494,335	-	681,100	<b>2,175,435</b>
Other revenues	7,292,526	1,370,678	17,517,696	8,265,660	6,650	<b>34,453,210</b>
	<b>91,456,364</b>	<b>2,226,626</b>	<b>51,063,282</b>	<b>9,901,611</b>	<b>2,116,191</b>	<b>156,764,074</b>
<b>EXPENSES</b>						
Salaries, wages and benefits	10,607,162	14,294,179	12,087,201	5,014,302	457,710	<b>42,460,554</b>
Contracted and general services	5,276,000	3,904,757	26,872,566	1,115,691	800,853	<b>37,969,867</b>
Materials, goods and supplies	417,089	669,848	8,780,212	11,622	4,456	<b>9,883,227</b>
Transfers to local boards and organizations	1,443,127	100,000	11,402	-	3,052,039	<b>4,606,568</b>
Long-term debt interest	-	24,847	2,373,120	-	-	<b>2,397,967</b>
Other expenses	44,292	798,615	433,067	-	-	<b>1,275,974</b>
	<b>17,787,670</b>	<b>19,792,246</b>	<b>50,557,568</b>	<b>6,141,615</b>	<b>4,315,058</b>	<b>98,594,157</b>
<b>NET REVENUE, BEFORE AMORTIZATION</b>	<b>73,668,694</b>	<b>(17,565,620)</b>	<b>505,714</b>	<b>3,759,996</b>	<b>(2,198,867)</b>	<b>58,169,917</b>
Amortization expenses	620,339	1,177,961	24,601,628	-	235,577	<b>26,635,505</b>
<b>EXCESS (DEFFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>73,048,355</b>	<b>(18,743,581)</b>	<b>(24,095,914)</b>	<b>3,759,996</b>	<b>(2,434,444)</b>	<b>31,534,412</b>

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

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

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

**Reporting Entity**

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

The tax schedule includes requisitions for education, health, social, and external organizations to Rocky View County.

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

**Basis of Accounting**

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

**Revenue Recognition**

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

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

**Tax Revenue**

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

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

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

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

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized and any eligibility criteria have been met. Also, 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. The valuation of inventory for consumption is subject to estimation uncertainty.

**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 assets. When there has been a value loss other than a temporary decline, the individual investment is written down to recognize the loss.

**Debt Charges Recoverable**

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

**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 collectible from property owners for work performed by Rocky View County.



**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Inventories for Resale**

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

**Landfill Closure and Post-Closure Liability**

Pursuant to the Alberta Environment Protection and Enhancement Act, the County must 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, surface and groundwater monitoring, leachate control, and visual inspection. Based on usage, the requirement is being provided for over the estimated remaining life of the landfill sites.

**Liability for Contaminated Sites**

Contaminated sites result from contamination being introduced into the 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 and the excess of revenues over expenses provide the Change in Net Financial Assets (Debt) for the year.

**i) Tangible Capital Assets**

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

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

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

**ii) Contributions of Tangible Capital Assets**

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

**iii) Resource Asset**

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

**iv) Leases**

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

**v) Inventories**

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

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Requisition Over-levy and Under-levy**

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

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

**Pensions**

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

**Funds Held in Trust**

The County held \$1,448,336 in a Cemetery Perpetual Care Trust Account as of December 31, 2022 (2021 - \$1,062,994).

The County held \$154,416 in a Tax Recovery Trust account as of December 31, 2022 (2021 - \$824,541).

**NOTE 2: INVESTMENTS**

	<u>2022</u>	<u>2021</u>
Investments	<u>\$ 145,352,902</u>	<u>\$ 4,998</u>

Investments and deposits have an effective interest rate of 4.46% to 5.74% (2021 – 0.85%) and mature in less than one year.

Investments include funds that are designated for developer's refundable deposits, public reserve funds and grant funds of \$10,562,972 for capital and operating expenditures, which includes \$3,103,762 received from Alberta Environment and Sustainable Resource Development and \$7,420,255 Alberta Community Resilience Program (Note 6).

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 3: CASH**

	<u>2022</u>	<u>2021</u>
Cash in bank	\$ 15,365,201	\$ 147,409,116
Outstanding amounts	(4,143,230)	(1,849,843)
Cash	<u>\$ 11,221,971</u>	<u>\$ 145,559,273</u>

Cash consists of petty cash and cash in bank accounts. Included in cash is a restricted amount for grants of \$815,514 (2021- \$18,466,468), which includes \$239,626 received from Alberta Environment and Sustainable Resource Development and \$572,881 Alberta Community Resilience Program held exclusively for approved projects (Note 6).

**NOTE 4: RECEIVABLES**

	<u>2022</u>	<u>2021</u>
Property Taxes		
Current taxes and grants in place of taxes	\$3,403,924	\$3,611,163
Arrears taxes	<u>1,400,285</u>	<u>1,380,842</u>
	<u>\$4,804,209</u>	<u>\$4,992,005</u>
Other		
Trade accounts	\$8,074,335	\$5,492,994
Government Transfers	<u>6,939,930</u>	<u>2,500,604</u>
	<u>\$15,014,266</u>	<u>\$7,993,598</u>
Total	<u>\$19,818,475</u>	<u>\$12,985,603</u>

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 5: DEBT CHARGES RECOVERABLE**

	<u>2022</u>	<u>2021</u>
Current debt charges recoverable	\$ 69,353	\$ 66,001
Non-current debt charges recoverable	<u>331,921</u>	<u>401,274</u>
	<u>\$ 401,274</u>	<u>\$ 467,275</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	69,353	19,033	88,386
2024	31,900	15,510	47,410
2025	33,450	13,960	47,410
2026	35,075	12,335	47,410
2027	36,780	10,630	47,410
Thereafter	<u>194,716</u>	<u>25,633</u>	<u>220,349</u>
	<u>\$ 401,274</u>	<u>\$ 97,101</u>	<u>\$ 498,375</u>

**NOTE 6: DEFERRED REVENUE**

	<u>2022</u>	<u>2021</u>
Prepaid property tax	\$563,267	\$391,149
Municipal Sustainability Initiative – capital	-	6,607,918
AB Environment & Sustainable Resource Grant	3,343,388	5,317,674
Municipal Stimulus Program	-	109,643
Strategic Transportation Infrastructure Program	-	3,254
AB Community Resilience Program	7,993,136	7,766,658
Other operating grants	41,962	333,737
Developer contributions	196,351	207,956
Other deferred revenue	<u>2,683,246</u>	<u>2,110,206</u>
	<u>\$14,821,350</u>	<u>\$22,848,195</u>

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 7: EMPLOYEE BENEFIT OBLIGATIONS**

	<b>2022</b>	<b>2021</b>
Vacation	<u>\$1,199,726</u>	<u>\$1,296,898</u>

The vacation liability comprises the vacation that employees defer 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**

	<b>2022</b>	<b>2021</b>
Operating debt, maturing between 2023 and 2032, bearing interest at rates between 4.758% and 5.250%	\$ 401,274	\$ 467,275
Capital debt, maturing between 2023 and 2050, bearing interest at rates between 1.288% and 6.45%	<u>58,054,622</u> <u>\$ 58,455,896</u>	<u>53,517,277</u> <u>\$ 53,984,552</u>
Funding for future payments from:		
General Tax	\$ 2,210,736	\$ 1,986,778
Emergency Services Tax	752,584	898,652
Local Improvement Tax	5,810,231	5,235,139
Special Levies	45,665,675	41,830,643
User Fees	<u>4,016,670</u>	<u>4,033,340</u>
	<u>\$ 58,455,896</u>	<u>\$ 53,984,552</u>

Principal and interest repayments are as follows:

	<b>Capital</b>	<b>Interest</b>	<b>Operating</b>	<b>Interest</b>	<b>Total</b>
2023	4,666,280	3,354,642	69,353	19,033	8,109,308
2024	4,571,449	3,076,965	31,900	15,510	7,695,824
2025	4,468,651	2,806,820	33,450	13,960	7,322,881
2026	3,128,966	2,539,953	35,075	12,335	5,716,329
2027	3,141,086	2,355,846	36,780	10,630	5,544,342
Remainder	<u>38,078,190</u>	<u>16,183,748</u>	<u>194,716</u>	<u>25,633</u>	<u>54,482,287</u>
Total	<u>\$ 58,054,622</u>	<u>\$ 30,317,974</u>	<u>\$ 401,274</u>	<u>\$ 97,101</u>	<u>\$ 88,870,971</u>

Of the \$401,274 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 \$58,054,622 in principal payments to be made in future years on capital debt, all will be

**ROCKY VIEW COUNTY**  
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paid from user fees, special levies, local improvement tax, and tax levies.

Interest expense on long-term debt amounted to \$2,397,967 (2021 - \$1,249,350). The County's total cash payments for interest were \$2,393,358 (2021 - \$1,289,205).

The County has a \$5,000,000 (2021 - \$5,000,000) unsecured operating line of credit with ATB Financial. When utilized, this line of credit bears interest at ¼ % below the prime lending rate established by ATB Financial. \$1,000,000 of this \$5,000,000 can be utilized for Letters of Credit. Three Letters of Credit were issued in 2019 totaling \$853,340, which currently puts the overall line of credit at an available balance of \$4,146,660.

These letters were issued to the Receiver General of Canada on behalf of Fisheries and Oceans Canada to construct and monitor flood mitigation structures built in segments along Bragg Creek and the Elbow River.

**NOTE 9: PENSION PLANS**

**Local Authorities Pension Plan (LAPP)**

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

Rocky View County must make current service contributions to the Plan of 8.45% of pensionable earnings up to the year's maximum under the Canada Pension Plan ("CPP") and 12.80% of pensionable earnings above this amount. Employees of the County are required to make current service contributions of 7.45% of pensionable earnings up to the year's maximum pensionable earnings and 11.80% on pensionable earnings above this amount.

Total employer contributions by Rocky View County to the LAPP in 2022 were \$2,219,665 (2021 - \$2,390,685). Total contributions by the employees of Rocky View County to the LAPP in 2022 were \$1,938,159 (2021 - \$2,153,732).

On December 31, 2021, the date of the most recent actuarial valuation, the Plan disclosed an actuarial surplus of \$11,922 million (2020 - \$4,961 million surplus).

**APEX Supplementary Pension Plan**

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

The Chief Administrative Officer and Executive Directors of the County can participate in the APEX Supplementary Pension Plan. Employer and Employee contributions and investment

**ROCKY VIEW COUNTY**  
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earnings of the APEX fund finance APEX. Contributions for current service are recorded as expenditures in the year in which they become due.

Rocky View County makes current service contributions to the plan of 3.85% of pensionable earnings up to the APEX maximum earnings of \$171,000. Eligible employees of the County can make current service contributions of 2.61% of earnings up to the APEX maximum earnings of \$171,000. Total employer contributions by Rocky View County to APEX in 2022 amounted to \$10,888 (2021 - \$18,358). Total contributions by employees of the County to APEX amounted to \$7,381 for the 2022 year (2021 - \$12,445).

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

**NOTE 10: COMMITMENTS & CONTINGENCIES**

No provision has been made on the statement of financial position for the various lawsuits and legal claims filed against the County, as the extent of the lawsuits and legal claims are not determinable at December 31, 2022. The amount of any future settlement would be accounted for in the year the losses are determined.

Commitments relating to policing and operating leases are listed below:

2023	\$2,355,372
2024	\$3,481,539

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

Project Name	Year of Commitment	Project Type	Amount
Twp. Rd 232	2023	Capital	\$1,306,682
Rge Rd 40	2023	Capital	269,305
Woodland Road Upgrade	2023	Capital	3,709,388
Crossiron Drive East	2023	Capital	942,085
Bragg Creek Flood Mitigation	2023	Capital	586,044
Prince of Peace Waterline	2023	Capital	347,431
Secondary Hyw 566 Twinning	2023	Operating	361,656
Secondary Hyw 566 Twinning	2024	Operating	241,104
Dwight McLellan Trail Stormwater	2024	Operating	1,285,840
Organizational Service Capacity	2023	Operating	510,200
Fleet Purchases	2023	Operating	632,126
Blazer Operation & Maintenance	2023	Operating	236,380
Blazer Operation & Maintenance	2024/2025	Operating	295,475



**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11: RECIPROCAL INSURANCE EXCHANGE MEMBERSHIPS**

The County was a member of the Genesis Reciprocal Insurance Exchange and the Jubilee Reciprocal Insurance Exchange as of December 31, 2022. Under the membership terms, the County could become liable for its proportionate share of any claim losses above the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

**NOTE 12: DEBT LIMITS**

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

	<u>2022</u>	<u>2021</u>
Total debt limit	\$ 202,878,003	\$ 204,148,487
Total long-term debt	<u>(58,455,896)</u>	<u>(53,984,552)</u>
Total amount of debt limit unused	<u>\$ 144,422,107</u>	<u>\$ 150,163,935</u>
Debt Servicing Limit	\$ 33,813,001	\$ 34,024,748
Debt Servicing	<u>(8,109,308)</u>	<u>(5,596,909)</u>
Amount of Debt Servicing Limit unused	<u>\$ 25,703,693</u>	<u>\$ 28,427,839</u>

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

**ROCKY VIEW COUNTY**  
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**NOTE 13: ACCUMULATED SURPLUS**

	<b>2022</b>	<b>2021</b> Restated (Note 23)
Unrestricted surplus	\$10,721,110	\$10,697,240
Capital deficit	(7,087,687)	(7,967,243)
	<b><u>\$3,633,423</u></b>	<b><u>\$2,729,997</u></b>
Restricted surplus		
Reserve funds		
General operating	\$3,680,090	\$4,815,565
Roads	5,257,517	4,151,990
Offsite levies	39,986,655	33,284,992
Tax stabilization	48,178,118	36,040,455
Utility	1,018,973	910,194
Public	17,303,956	14,241,646
Equipment	4,422,730	4,245,143
Recreation – Springbank	8,329,744	10,000,000
Voluntary recreation	1,451,526	929,000
Equity in water license	20,788,000	18,375,000
Equity in tangible capital assets (Note 18)	642,362,962	635,155,300
	<b><u>\$796,413,694</u></b>	<b><u>\$764,879,282</u></b>

**NOTE 14: FINANCIAL INSTRUMENTS**

The County's financial instruments consist of cash and temporary investments, accounts receivable, debt charges recoverable, bank indebtedness, accounts payable and accrued liabilities, employee benefit obligations, deposit liabilities, and long-term debt. Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates might have an effect on the cashflows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The County is subject to interest rate price risk because, at December 31, 2022, the County had investments bearing interest at 4.46% to 5.74% (2021- 0.85%) and long-term debt bearing interest at 1.288%-6.45% (2021 – 1.288%-5.250%).

The County is subject to credit risk with respect to taxes and grants in place of taxes, accounts receivable, and debt charges recoverable. Credit risk arises from the possibility that taxpayers and entities to which the County provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimize the credit risk.

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

**ROCKY VIEW COUNTY**  
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**NOTE 15: SALARY AND BENEFIT DISCLOSURE**

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

	<b>No. of Persons</b>	<b>Salary \$</b>	<b>Benefits &amp; Allowances \$</b>	<b>2022 Total \$</b>	<b>2021 No. of Persons</b>	<b>2021 Total \$</b>
<b>Councillors:</b>						
Division 1	1	114,023	13,187	127,210	2	98,907
Division 2	1	112,055	8,731	120,786	2	93,373
Division 3	1	124,069	13,824	137,893	1	99,469
Division 4	1	112,948	12,837	125,785	1	96,720
Division 5	1	85,632	9,082	94,714	1	94,164
Division 6	1	86,273	12,462	98,735	2	95,015
Division 7	1	85,632	9,082	94,714	1	93,306
Division 8	-	-	-	-	1	108,184
Division 9	-	-	-	-	1	81,365
CAO	2	255,507	51,222	306,729	2	449,300
Designated Officers	2	270,650	51,714	322,364	2	477,150

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 16: LANDFILL CLOSURE AND POST-CLOSURE LIABILITY**

Pursuant to the Alberta Environment Protection and Enhancement Act, the County must 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 groundwater and leachates from the site, ongoing environmental monitoring, site inspection, and maintenance.

The County is responsible for landfill sites that have been capped and closed with no further useful life and capacity. No performance bonds have been paid on the sites, and no assets have been specifically allocated to these sites.

The estimated total liability is based on the sum of discounted future cash flows of post-closure activities for the remainder of the terms (between 12 years and 15 years) using a discount rate of 3.77 % (2021- 2.87%).

The total estimated liability is \$ 362,957 (2021 - \$382,180), of which \$ 362,957 has been accrued as a liability.

	<b>2022</b>	<b>2021</b>
Estimated post-closure costs	362,957	382,180
Estimated total liability	\$ 362,957	\$ 382,180

**NOTE 17: CONTAMINATED SITES LIABILITY**

On January 1, 2015, the County adopted PS 3260 Liability for Contaminated Sites. The standard was applied retroactively and did not result in any adjustments to the financial liabilities, tangible capital assets, or accumulated surplus of the County. During 2022 the County did not identify any sites that qualify as contaminated under PS 3260, and therefore no Contaminated Sites Liability was required.

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

	2022	2021
Tangible Capital Assets	\$1,345,643,305	\$1,309,732,421
Accumulated Amortization	(645,225,721)	(621,059,844)
Long Term Debt	(58,455,896)	(53,984,552)
Debt Charges Recoverable	401,274	467,275
	\$642,362,962	\$635,155,300

**ROCKY VIEW COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 19: SEGMENTED DISCLOSURE**

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

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

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

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

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

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

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

**NOTE 20: COMPARATIVE FIGURES**

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

**NOTE 21: BUDGET**

The budget figures presented in these financial statements are based on the budget approved by council on April 26, 2022, and subsequent budget adjustments are not included.

**NOTE 22: COVID-19**

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.

**ROCKY VIEW COUNTY**  
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**NOTE 23: PRIOR PERIOD ADJUSTMENT**

During the year, it was determined that the curb and gutters that had been contributed to the County in 2016 had a calculation error. As a result, the comparative figures have been restated. The effect of this prior period adjustment is a decrease in the net book value of tangible capital assets of \$3,965,032 and equity in tangible capital assets of \$3,965,032. This change results in a reduction of the amortization expense in 2021 of \$175,449.

**NOTE 24: APPROVAL OF FINANCIAL STATEMENTS**

Council and Management have approved these financial statements.