

**MOUNTAIN VIEW COUNTY**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2023**

**CONTENTS**

	<u>Page</u>
Management Report	2
Auditor's Report	3-4
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Changes in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Schedules	9-13
Notes to the Consolidated Financial Statements	14-31

## MANAGEMENT REPORT

### To the Reeve and Members of Council of Mountain View County:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles. This responsibility includes selecting appropriate accounting principles and methods and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The elected Council and the Audit Committee are composed entirely of neither management nor employees of the County. The Council has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Council is responsible for recommending the appointment of the County's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

e-Signed by Jeff Holmes

2024-04-25 07:57:10:10 MDT

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Jeff Holmes  
Chief Administrative Officer

April 24, 2024

To the Reeve and Members of Council of Mountain View County:

## Opinion

We have audited the consolidated financial statements of Mountain View County (the "County"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2023, and the results of its consolidated operations, changes in its net financial assets and its consolidated 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 Consolidated 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 consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 13.

### *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 16.

Lacombe, Alberta

April 24, 2024

*MNP LLP*

Chartered Professional Accountants

**MNP**

**MOUNTAIN VIEW COUNTY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (note 3)	25,744,454	27,797,363
Taxes receivable (note 4)	1,584,805	1,716,932
Accounts receivable (note 5)		
Federal government	375,334	238,281
Provincial government	109,726	59,039
Local governments	103,066	44,954
Other	523,627	301,767
Investments (note 6)	43,279,118	42,919,437
Notes receivable (note 10)	5,647,046	6,656,236
Trust accounts (note 7)	561,996	530,814
<b>Total Financial Assets</b>	<b>77,929,172</b>	<b>80,264,823</b>
<b>LIABILITIES</b>		
Accounts payable & accrued liabilities		
Federal government	101,447	96,009
Provincial government	912,085	556,156
Local governments	229,161	48,397
Trade payables	1,583,967	2,227,617
Deferred revenue (note 8)	513,449	990,060
Employee benefit obligations (note 9)	702,632	655,398
Trust accounts (note 7)	561,996	530,814
Pit reclamation obligation (note 21)	5,462,466	5,956,929
Liability for contaminated sites (note 1)	4,600,000	4,600,000
Liability for asset retirement obligations (note 22)	883,954	-
Other liabilities	2,056,693	1,600,643
Long-term debt (note 11)	9,985,945	11,204,827
<b>Total Liabilities</b>	<b>27,593,795</b>	<b>28,466,850</b>
<b>Contingencies and Commitments (note 19)</b>		
<b>NET FINANCIAL ASSETS</b>	<b>50,335,377</b>	<b>51,797,973</b>
<b>NON-FINANCIAL ASSETS</b>		
Inventory for consumption	5,915,024	6,228,792
Prepaid expenses	953,011	749,491
Land held for resale	469,709	712,182
Tangible capital assets (note 14)	160,518,324	156,376,222
Resource assets	3,308,421	3,308,421
<b>Total Non-Financial Assets</b>	<b>171,164,489</b>	<b>167,375,108</b>
<b>ACCUMULATED SURPLUS (note 20)</b>	<b>221,499,866</b>	<b>219,173,081</b>

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

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**MOUNTAIN VIEW COUNTY  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

	<b>2023 Budget \$</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>	<b>% of Budget</b>
<b>REVENUE</b>				
Net taxes available for municipal purposes (Schedule 2)	31,680,219	<b>31,615,525</b>	31,243,969	99.80%
Sale of goods	215,050	<b>490,623</b>	112,897	228.14%
Sale of services	258,000	<b>350,627</b>	331,187	135.90%
Fees & levies	671,533	<b>887,684</b>	806,036	132.19%
Fines & penalties	302,825	<b>293,498</b>	290,030	96.92%
Return on investments	2,017,288	<b>3,285,395</b>	1,955,250	162.86%
Rentals	149,500	<b>242,223</b>	175,422	162.02%
Recovery	150,250	<b>246,066</b>	409,297	163.77%
Government transfers for operating (Schedule 4)	1,546,095	<b>1,330,664</b>	873,791	86.07%
Other	-	-	1,989	0.00%
<b>Total Revenue</b>	<b>36,990,760</b>	<b>38,742,305</b>	36,199,868	104.74%
<b>EXPENSES</b>				
Council	647,176	<b>637,885</b>	692,516	98.56%
CAO Services	1,263,111	<b>1,243,055</b>	745,948	98.41%
Corporate Services				
Finance & general office	2,191,425	<b>2,223,576</b>	1,904,606	101.47%
Assessment	466,049	<b>421,783</b>	375,567	90.50%
Business services	1,152,211	<b>1,100,919</b>	1,084,879	95.55%
Waste management	353,000	<b>286,987</b>	345,803	81.30%
Planning & Development Services				
Planning	893,395	<b>789,780</b>	815,413	88.40%
Development	709,926	<b>708,685</b>	574,308	99.83%
Permitting	398,307	<b>441,947</b>	376,521	110.96%
Legislative & Community Services				
Legislative services	2,504,068	<b>2,123,121</b>	1,796,570	84.79%
Agriculture & land management	1,556,715	<b>1,332,241</b>	1,258,553	85.58%
Community grants & transfers	5,837,817	<b>5,651,435</b>	4,680,832	96.81%
Operational Services				
Roads, facilities & shops	22,009,728	<b>22,214,971</b>	22,861,329	100.93%
Airports	569,941	<b>805,435</b>	413,540	141.32%
<b>Total Expenses (Schedule 3)</b>	<b>40,552,869</b>	<b>39,981,820</b>	37,926,385	98.59%
<b>DEFICIENCY OF REVENUE OVER EXPENSES - BEFORE OTHER</b>	(3,562,109)	<b>(1,239,515)</b>	(1,726,517)	
<b>OTHER</b>				
Assets transferred to another municipality	-	-	-	
Gain/(loss) on sale of assets	(200,000)	<b>96,447</b>	(708,967)	
Government transfers for capital (Schedule 4)	3,499,335	<b>3,469,853</b>	4,436,108	
<b>EXCESS(DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>(262,774)</b>	<b>2,326,785</b>	2,000,624	

**MOUNTAIN VIEW COUNTY  
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

	2023 Budget \$	2023 Year End \$	2022 Year End \$
	(262,774)	<b>2,326,785</b>	2,000,624
Amortization of tangible capital assets	13,909,665	<b>13,801,402</b>	13,374,262
Acquisition of tangible capital assets	(24,408,609)	<b>(18,126,908)</b>	(11,293,481)
Proceeds from disposition of tangible capital assets	655,464	<b>279,850</b>	641,236
Loss (gain) on disposal of tangible capital assets	200,000	<b>(96,447)</b>	708,967
Change in inventories and prepaid expenses	-	<b>352,721</b>	(113,925)
	<hr/>	<hr/>	<hr/>
<b>INCREASE(DECREASE) IN NET FINANCIAL ASSETS</b>	(9,906,254)	<b>(1,462,596)</b>	5,317,683
	<hr/>	<hr/>	<hr/>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	51,797,973	<b>51,797,973</b>	46,480,290
	<hr/>	<hr/>	<hr/>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	41,891,719	<b>50,335,377</b>	51,797,973
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**MOUNTAIN VIEW COUNTY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:**

	<b>2023 Budget</b>	<b>2023 Year End</b>	<b>2022 Year End</b>
<b>OPERATING</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Excess (deficiency) of revenue over expenses	(262,774)	<b>2,326,785</b>	2,000,624
Non-cash items included in excess of revenues over expenses			
Amortization	13,909,665	<b>13,801,402</b>	13,374,262
Loss (gain) on disposal of tangible capital assets	200,000	<b>(96,447)</b>	708,967
Asset retirement obligation expense	-	<b>31,596</b>	-
Accretion on asset retirement obligation	-	<b>44,436</b>	-
Net changes to working capital charged to operations			
Decrease (increase) in taxes and accounts receivable	(200,000)	<b>(335,584)</b>	(321,862)
Increase (decrease) in accounts payable	-	<b>(101,520)</b>	(346,879)
Increase (decrease) in deferred revenue	989,807	<b>(476,611)</b>	(1,126,483)
Increase (decrease) in pit reclamation obligation	450,000	<b>(494,463)</b>	(136,971)
Increase (decrease) in liability for contaminated sites	-	-	1,000,000
Decrease (increase) in inventory and prepaids	-	<b>352,721</b>	(113,925)
Net change in other working capital balances	-	<b>503,284</b>	(186,228)
Increase (decrease) in payables pertaining to capital	-	<b>59,928</b>	(384,981)
Cash provided by operating transactions	<u>15,086,698</u>	<u><b>15,615,527</b></u>	<u>14,466,523</u>
<b>CAPITAL</b>			
Acquisition of tangible capital assets (note 14)	(24,408,609)	<b>(17,318,985)</b>	(11,293,481)
Increase (decrease) in payables pertaining to capital	-	<b>(59,928)</b>	384,981
Proceeds on disposal of tangible capital assets	655,464	<b>279,850</b>	641,236
Cash used in capital transactions	<u>(23,753,145)</u>	<u><b>(17,099,063)</b></u>	<u>(10,267,264)</u>
<b>FINANCING AND INVESTING</b>			
Change in investments	(2,300,000)	<b>(359,681)</b>	(21,794,444)
Notes receivable collected	1,002,911	<b>1,009,190</b>	970,568
Long-term debt repaid	(1,218,882)	<b>(1,218,882)</b>	(1,176,516)
Cash used in financing and investing activities	<u>(2,515,971)</u>	<u><b>(569,373)</b></u>	<u>(22,000,392)</u>
Net increase (decrease) in cash and cash equivalents	<u>(11,182,418)</u>	<u><b>(2,052,909)</b></u>	<u>(17,801,133)</u>
Cash and cash equivalents, beginning of year	<u>27,797,363</u>	<u><b>27,797,363</b></u>	<u>45,598,496</u>
Cash and cash equivalents, end of year	<u><u>16,614,945</u></u>	<u><u><b>25,744,454</b></u></u>	<u><u>27,797,363</u></u>



SCHEDULE 1  
(See note 14)

MOUNTAIN VIEW COUNTY  
SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDING DECEMBER 31, 2023

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	Construction in Progress	2023 \$	2022 \$
<b>Cost:</b>									
Balance, beginning of year	14,518,829	4,263,688	19,590,694	413,058,523	21,901,386	7,332,165	1,851,030	482,516,315	529,235,961
Acquisition of tangible capital assets	1,833,615	684,415	844,370	11,241,304	3,531,027	1,398,096	141,768	19,674,595	12,365,157
Contributed tangible capital assets	-	-	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	(49,822)	-	(1,761,727)	(182,237)	-	(1,547,687)	(3,541,473)	(2,515,931)
Write-downs	-	-	-	-	-	-	-	-	(56,568,872)
Balance, end of year	16,352,444	4,898,281	20,435,064	422,538,100	25,250,176	8,730,261	445,111	498,649,437	482,516,315
<b>Accumulated Amortization:</b>									
Balance, beginning of year	-	2,150,545	5,886,911	304,393,993	9,057,843	4,650,801	-	326,140,093	369,428,755
Annual amortization	-	212,904	582,691	10,811,042	1,676,585	518,180	-	13,801,402	13,374,262
Accumulated amortization on disposals	-	(32,384)	-	(1,707,526)	(70,472)	-	-	(1,810,382)	(806,770)
Write-downs	-	-	-	-	-	-	-	-	(55,856,154)
Balance, end of year	-	2,331,065	6,469,602	313,497,509	10,663,956	5,168,981	-	338,131,113	326,140,093
<b>Net Book Value of Tangible Capital Assets</b>	<b>16,352,444</b>	<b>2,567,216</b>	<b>13,965,462</b>	<b>109,040,591</b>	<b>14,586,220</b>	<b>3,561,280</b>	<b>445,111</b>	<b>160,518,324</b>	<b>156,376,222</b>

**MOUNTAIN VIEW COUNTY  
SCHEDULE OF TAXES LEVIED  
FOR THE YEAR ENDING DECEMBER 31, 2023**

	2023 Budget \$	2023 Year End \$	2022 Year End \$
<b>Taxation</b>			
Real property taxes	28,800,751	<b>28,823,951</b>	27,794,456
Power and pipelines	18,010,186	<b>17,864,164</b>	18,036,985
Annexation and other tax revenue	-	-	99,742
Net over (under) levy	-	<b>53,904</b>	6,098
	<u>46,810,937</u>	<u><b>46,742,019</b></u>	<u>45,937,281</u>
<b>Requisitions</b>			
Alberta School Foundation Fund	12,977,853	<b>12,973,960</b>	12,847,955
Designated Industrial Property	146,845	<b>146,421</b>	143,586
Mountain View Seniors' Housing	2,006,020	<b>2,006,113</b>	1,701,771
	<u>15,130,718</u>	<u><b>15,126,494</b></u>	<u>14,693,312</u>
<b>Net taxes available for municipal purposes</b>	<u><u>31,680,219</u></u>	<u><u><b>31,615,525</b></u></u>	<u><u>31,243,969</u></u>

**SCHEDULE OF EXPENSES BY OBJECT  
FOR THE YEAR ENDING DECEMBER 31, 2023**

	2023 Budget \$	2023 Year End \$	2022 Year End \$
<b>Expenses</b>			
Salaries, wages, and benefits	11,669,276	<b>11,644,485</b>	10,634,483
Contracted and purchased services	4,643,504	<b>4,452,836</b>	4,380,120
Materials, goods, supplies, and utilities	3,190,019	<b>3,479,390</b>	4,417,451
Provision for allowances	475,000	<b>394,157</b>	181,801
Bank charges and short term interest	16,500	<b>13,879</b>	17,724
Interest on long term debt	316,788	<b>310,508</b>	353,138
Grants to other organizations	6,782,117	<b>6,285,883</b>	4,954,419
Amortization of tangible capital assets	13,909,665	<b>13,801,402</b>	13,374,262
Allowance for pit reclamation	(450,000)	<b>(400,720)</b>	(387,013)
	<u>40,552,869</u>	<u><b>39,981,820</b></u>	<u>37,926,385</u>
<b>Total expenses</b>	<u><u>40,552,869</u></u>	<u><u><b>39,981,820</b></u></u>	<u><u>37,926,385</u></u>

**MOUNTAIN VIEW COUNTY  
SCHEDULE OF GOVERNMENT TRANSFERS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

	<b>2023 Budget \$</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
<b>TRANSFERS FOR OPERATING:</b>			
<b>Federal</b>			
Federal Environmental Stewardship Grants (ALUS)	70,000	<b>58,538</b>	74,838
<b>Provincial</b>			
Agricultural Services Board Grant	183,000	<b>226,247</b>	183,907
Alberta Forestry, Parks & Tourism	429,000	<b>353,755</b>	
Alberta Health Services Grant	-	-	2,000
Alberta Municipal Affairs - Municipal Internship Program	60,000	-	(1,446)
CAP Risk Mitigation Grant	3,250	<b>(6,368)</b>	-
Cremona Fire Disbursement	68,709	<b>125,606</b>	78,182
Environmental Stewardship Grants (ACA)	25,000	<b>25,000</b>	25,000
Family & Community Services Grant (FCSS)	342,984	<b>354,560</b>	342,984
Forest Resource Improvement Association (FRIA)	27,500	<b>25,000</b>	-
Municipal Sustainability Initiative - Operating (MSI)	336,652	<b>168,326</b>	168,326
Total Operating Grants	<u>1,546,095</u>	<u><b>1,330,664</b></u>	<u>873,791</u>
<b>TRANSFERS FOR CAPITAL:</b>			
<b>Federal</b>			
Canada Community Building Fund (formerly the Federal Gas Tax Fund) - Capital	783,000	<b>818,454</b>	1,452,366
<b>Provincial</b>			
Flood Recovery Erosion Control (FREC)	413,140	<b>344,988</b>	845,997
Municipal Sustainability Initiative - Capital (MSI)	2,100,000	<b>2,106,304</b>	2,115,751
Strategic Transportation Infrastructure Program (STIP)	187,163	<b>189,747</b>	338
<b>Other</b>			
Cash in Lieu	16,032	<b>10,360</b>	21,656
Total Capital Grants	<u>3,499,335</u>	<u><b>3,469,853</b></u>	<u>4,436,108</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>5,045,430</u>	<u><b>4,800,517</b></u>	<u>5,309,899</u>

**MOUNTAIN VIEW COUNTY  
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

ACTUAL RESULTS	Unrestricted Surplus	Restricted Surplus (Note 12)	Unfunded	Equity in Resource Assets	Equity in Tangible Capital Assets	2023 \$	2022 \$
<b>BALANCE, BEGINNING OF YEAR</b>	-	77,869,323	(11,155,555)	3,308,421	149,150,893	219,173,081	217,172,457
Excess (deficiency) of revenues over expenses	2,326,785	-	-	-	-	2,326,785	2,000,624
Unrestricted funds designated for future use (1)	(20,459,432)	20,459,432	-	-	-	-	-
Change in unfunded amounts	(528,181)	-	528,181	-	-	-	-
Restricted funds used for operations (1)	22,259,615	(22,259,615)	-	-	-	-	-
Current year funds used for tangible capital assets	(18,126,908)	-	-	-	18,126,908	-	-
Disposal of tangible capital assets	183,404	-	-	-	(183,404)	-	-
Annual amortization expense	13,801,402	-	-	-	(13,801,402)	-	-
Asset retirement obligation	883,954	-	-	-	(883,954)	-	-
Loan obligation for tangible capital assets	-	-	-	-	-	-	-
Loan payment principal	(340,639)	-	-	-	340,639	-	-
Change in accumulated surplus	-	(1,800,183)	528,181	-	3,598,787	2,326,785	2,000,624
<b>BALANCE, END OF YEAR</b>	-	76,069,140	(10,627,374)	3,308,421	152,749,680	221,499,866	219,173,081
<b>BUDGET (PLAN) (Unaudited)</b>	<b>Unrestricted Surplus</b>	<b>Restricted Surplus</b>	<b>Unfunded</b>	<b>Equity in Resource Assets</b>	<b>Equity in Tangible Capital Assets</b>	<b>2023 \$</b>	<b>2022 \$</b>
<b>BALANCE, BEGINNING OF YEAR</b>	-	77,869,323	(11,155,555)	3,308,421	149,150,893	219,173,082	217,172,458
Excess/(Deficiency) of revenues over expenses	(262,774)	-	-	-	-	(262,774)	2,258,003
Contingency funds for operations	(317,000)	-	-	-	-	(317,000)	(311,000)
Unrestricted funds designated for future use (1)	(12,351,552)	12,351,552	-	-	-	-	-
Designation of additional unfunded amounts	130,000	-	(130,000)	-	-	-	-
Restricted funds used for operations (1)	22,860,777	(22,860,777)	-	-	-	-	-
Current year funds used for tangible capital assets	(24,408,609)	-	-	-	24,408,609	-	-
Disposal of tangible capital assets	655,464	-	-	-	(655,464)	-	-
Annual amortization expense	13,909,665	-	-	-	(13,909,665)	-	-
Loan obligation for tangible capital assets	-	-	-	-	-	-	-
Loan payment principal	(215,971)	-	-	-	215,971	-	-
Change in accumulated surplus	-	(10,509,225)	(130,000)	-	10,059,451	(579,774)	1,947,003
<b>BALANCE, END OF YEAR</b>	-	67,360,098	(11,285,555)	3,308,421	159,210,344	218,593,308	219,119,461

**Notes:**

(1) Transfers into and out of restricted funds are related to specific projects and programs as presented in the budget or approved by Council during the year.

**MOUNTAIN VIEW COUNTY  
SCHEDULE OF SEGMENTED DISCLOSURE  
FOR THE YEAR ENDING DECEMBER 31, 2023**

	<b>Council</b>	<b>CAO's Services</b>	<b>Corporate Services</b>	<b>Planning &amp; Development Services</b>	<b>Legislative, Community Services &amp; Agriculture</b>	<b>Operational Services</b>	<b>Unallocated</b>	<b>Total</b>
<b>REVENUE</b>								
Net taxes available for municipal purposes (Schedule 2)	-	-	-	-	-	-	31,615,525	31,615,525
Sale of goods	-	-	8,416	25	-	482,182	-	490,623
Sale of services	-	-	29,250	71,107	28,097	222,173	-	350,627
Fees & levies	-	-	-	408,507	-	479,177	-	887,684
Fines & penalties	-	-	227,553	800	65,145	-	-	293,498
Return on investments	-	-	3,285,395	-	-	-	-	3,285,395
Rentals	-	-	-	-	215,333	26,890	-	242,223
Recovery	-	-	186,493	(4,309)	37,250	26,632	-	246,066
Government transfers for operating (Schedule 4)	-	25,000	-	-	951,909	353,755	-	1,330,664
Other	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>-</b>	<b>25,000</b>	<b>3,737,107</b>	<b>476,130</b>	<b>1,297,734</b>	<b>1,590,809</b>	<b>31,615,525</b>	<b>38,742,305</b>
<b>EXPENSES</b>								
Salaries, wages, and benefits	484,395	629,481	1,935,929	1,722,533	1,895,531	4,976,616	-	11,644,485
Contracted and purchased services	128,414	202,450	930,985	187,798	403,686	2,599,503	-	4,452,836
Materials, goods, supplies, and utilities	15,641	411,124	227,001	17,408	572,202	2,236,014	-	3,479,390
Provision for allowances	-	-	394,157	-	-	-	-	394,157
Bank charges and short term interest	-	-	13,879	-	-	-	-	13,879
Interest on long term debt	-	-	310,508	-	-	-	-	310,508
Grants to other organizations	9,435	-	9,678	-	5,990,522	276,248	-	6,285,883
Amortization of tangible capital assets	-	-	211,128	12,673	244,856	13,332,745	-	13,801,402
Allowance for pit reclamation	-	-	-	-	-	(400,720)	-	(400,720)
<b>Total Expenses</b>	<b>637,885</b>	<b>1,243,055</b>	<b>4,033,265</b>	<b>1,940,412</b>	<b>9,106,797</b>	<b>23,020,406</b>	<b>-</b>	<b>39,981,820</b>
<b>NET REVENUE</b>	<b>(637,885)</b>	<b>(1,218,055)</b>	<b>(296,158)</b>	<b>(1,464,282)</b>	<b>(7,809,063)</b>	<b>(21,429,597)</b>	<b>31,615,525</b>	<b>(1,239,515)</b>

**MOUNTAIN VIEW COUNTY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of Mountain View County are the representations of management prepared in accordance with the Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by Mountain View County are as follows:

a) **Reporting Entity**

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, and changes in fund balances and in financial position of the reporting entity which comprises all the organizations that are accountable for the administration of their financial affairs and resources to the Council and are owned or controlled by the municipality. Included with the municipality is the Agricultural Service Board.

The schedule of taxes levied also includes requisitions for education and seniors' lodges that are not part of the municipal reporting entity. Interdepartmental and organizational transactions and balances are eliminated.

b) **Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent.

i) Revenue

Revenues are recognized as they are earned and measurable. Funds from external parties, and earnings thereon, restricted by agreement or legislation are accounted for as deferred revenue until the related expenses are incurred, services performed, or tangible capital assets are acquired.

ii) Tax Revenue

Taxes are recognized as assets and revenue when they meet the definition of an asset, are authorized by Council, and the taxable event has occurred. Tax revenue is initially measured at administration's best estimate of the amount resulting from the original taxable event in accordance with the legislation. Requisitions operate as a flow through and are excluded from municipal revenue.

iii) Revenue on investments and rentals are recognized when earned, on a time-proportioned basis.

iv) 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, and are not 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.

**MOUNTAIN VIEW COUNTY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

v) **Expenses**

Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or legal obligation to pay with the exception of pension expenditures as disclosed in Note 1(e).

c) **Use of Estimates**

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 based on reasonable estimates made by management. Significant areas requiring the use of estimates include valuation of accounts receivable, allowance for doubtful accounts, valuation of inventory for consumption, gravel pit reclamation obligation, valuation of tangible capital assets and their useful lives, residual/salvage values, liability for contaminated sites, and valuation of post-employment benefits. For each reported segment, the revenues and expenses represent both amounts that are directly attributable to the segment and amounts considered allocated on a reasonable basis. Asset retirement obligations reflect management's best estimate of the amount required to retire/remediate the related tangible capital asset. The best estimate is based upon assumptions and estimates related to the timing and costs for future asset retirement/remediation. Actual results could differ from those estimates as additional information becomes available in the future.

d) **Fund Accounting**

Accumulated surplus consists of operating, capital, and reserve funds. Transfers between funds are recorded as adjustments within accumulated surplus.

e) **Pension Expenditure**

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

f) **Cash and Cash Equivalents**

Cash and cash equivalents include bank balances, term deposits with short maturities, and highly liquid investments that are readily convertible to cash.

g) **Investments**

Investments are recorded at market value. Investment premiums and discounts are amortized proportionately 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.

h) **Land Held for Resale**

Land held for resale is recorded at the lower of cost or net realizable value. Costs include costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling charges.

**MOUNTAIN VIEW COUNTY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

i) **Gravel Pit Reclamation**

The County owns and leases gravel pits and is responsible for reclamation costs related to those pits under Alberta Environmental law. Engineering studies are used to determine disturbed area and an obligation is accreted as land is disturbed based on assumptions on future costs.

j) **Contaminated Sites**

The County is legally obligated to remediate ground contaminants and contamination of ground water when it exceeds environmental standards. As of December 31, 2023, the County has estimated its total valuation of remediation at \$4,600,000 (2022 - \$4,600,000). This valuation is based on site assessments done by engineering firms. The Didsbury shop site remediation is based on removal source volume of 20,000 m<sup>3</sup> at a maximum estimated cost of \$140.00/m<sup>3</sup> for a total of \$2,800,000. The Sundre shop site has a maximum expected cost of \$500,000 for excavation and follow-up remedial activities. The Carstairs shop site has a maximum expected cost of \$300,000 for removal of impacted soil. The County also has a contaminated site at the Olds shop, which was formerly occupied by Alberta Transportation (AT) until the County purchased the site in 2000. The primary concern at this location is salt contamination of the groundwater for which AT has claimed management through ongoing monitoring. The \$1,000,000 estimated liability is to cover the subsequent and continuing activities to address the groundwater at the site following AT's departure. The County has started to perform environmental monitoring on all its known contaminated sites and will be hiring an environmental consultant on a three-year term to assist in calculating remediation costs and to suggest possible organizational changes to reduce the impact of contaminated sites.

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the County is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2023.

At each financial reporting date, the County reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The County continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

k) **Asset Retirement Obligations**

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital asset (TCA). Asset retirement activities include all activities relating to an asset retirement obligation. These may include but are not limited to: decommissioning or dismantling a tangible capital asset that was acquired, constructed, or developed, remediation of contamination of a tangible capital asset created by its normal use, post-retirement activities such as monitoring, and consulting other tangible assets to perform post-retirement activities. The County continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the County to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2023. The best estimate of an asset retirement



**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the County reviews the carrying amount of the liability. The County recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

**i) Non-Financial Assets**

Non-financial assets are assets that are not available to discharge existing liabilities but held for use in County operations. Such assets have useful lives extending beyond the current year and are not intended for sale in the normal course of County operations.

**m) Tangible Capital Assets**

Tangible capital assets are recorded at cost or deflated engineering values (as recommended in Guidelines on Valuations of Tangible Capital Assets for PSAB 3150, published by Alberta Municipal Affairs - Local Government Services). These costs/deflated engineering values include all amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost/deflated value less residual value of tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<b>Years</b>
Land	(not amortized)
Land improvements	10-25
Buildings	25-50
Engineered structures	3-40
Machinery & equipment	3-25
Vehicles	3-25

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 such asset is available for productive use. Government contributions for the acquisition of capital assets are recorded as capital revenue and do not reduce the related capital asset costs.

**ii) Contributions of Tangible Capital Assets**

Contributed tangible capital assets are recorded at fair value at the date of receipt and are recorded as revenue in the year of acquisition.

**iii) Inventories**

Inventories of materials and supplies are valued at the lower of cost or net realizable value with cost determined using the average cost method.

**iv) Resource Assets**

In 2015, the County paid for a portion of the regional waterline. In exchange, the County obtained the right to draw water from that line. The County has the right to access water from the Red Deer River by way of permit issued from the Government of Alberta. The resource asset value will not be amortized as long as the waterline access and Red Deer River water access have not changed.

**MOUNTAIN VIEW COUNTY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

n) **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 joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long-term debt.

o) **Reserves for Future Expenditures**

Reserves are established at the discretion of council to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund.

p) **Over-levies and Under-levies**

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.

q) **Segments**

The County conducts its business through a number of reportable segments. Six operating segments are established by management and facilitate the achievement of long-term objectives and aid in resource allocation decisions.

r) **Foreign Currency Translation**

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities reflect the exchange rates at the date of the statement of financial position. Gains and losses on translation or settlement are included in the determination of net income/loss for the current period.

s) **Financial Instruments**

The County recognizes its financial instruments when the County becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the County may irrevocably elect to subsequently measure any financial instrument at fair value. The County has not made such an election during the year.

The County subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The County has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are

**MOUNTAIN VIEW COUNTY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

subsequently measured at cost. Except for those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance, or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus. Conversely, for financial instruments subsequently measured at cost or amortized cost, transaction costs are included in the carrying amount.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years and recent collection experience for the loan, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

**2. CHANGE IN ACCOUNTING POLICY**

Effective January 1, 2023, the Municipality adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement, and disclosure of a liability for asset retirement obligations under PS 3280 Asset Retirement Obligations. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively using the net present value method of accounting.

Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in note 22 of the financial statements.

The impact on adoption was to increase asset retirement liability by \$839,518, increase the cost of related tangible capital assets by \$807,922 and increase expenses by \$31,596.

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**3. CASH AND TEMPORARY INVESTMENTS**

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
Cash on deposit	<b>25,889,050</b>	27,933,961
Less: outstanding cheques	<b>(144,596)</b>	(136,598)
Net cash	<u><b>25,744,454</b></u>	<u>27,797,363</u>

The County has a \$5,000,000 authorized overdraft with The Bank of Nova Scotia (2022 - \$5,000,000). This overdraft bears interest when utilized at Scotiabank's prime rate minus 0.5%, or 6.7% (2022 - 5.95%) At December 31, 2023 there is \$0 drawn on this overdraft (2022 - \$0).

Currently there is a Standby Letter of Credit of \$621,000 for Fisheries and Oceans Canada related to the post construction, monitoring and maintenance costs of the Coal Camp Hamlet Flood Protection Project. The final expiry is December 31, 2024.

The majority of the cash on deposit is held in a savings with interest rates from 2.5% to Scotiabank's prime rate plus 0.25%, or 5.5% (2022 - 2.5% to 4.75%)

Cash and temporary investments include restricted funds of \$513,449 (2022 - \$990,060), these funds are designated for a specific purpose dictated by conditional grants (see Note 8).

**4. TAXES RECEIVABLE**

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
Current taxes and grants in lieu	<b>1,228,371</b>	1,397,905
Tax arrears	<b>443,081</b>	431,150
	<u><b>1,671,452</b></u>	<u>1,829,055</u>
Less: Allowance for uncollected taxes	<b>86,647</b>	112,122
	<u><b>1,584,805</b></u>	<u>1,716,932</u>

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**5. ACCOUNTS RECEIVABLE**

<b>Federal</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
GST	<b>375,334</b>	238,281
	<b>375,334</b>	238,281
<b>Provincial</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
Alberta Transportation	59,949	18,902
Alberta Justice Agency funds	6,976	5,153
Alberta Agriculture & Forest	-	-
Alberta Environment & Parks	4,051	3,979
Alberta Municipal Affairs	<b>38,750</b>	31,005
	<b>109,726</b>	59,039
<b>Local Governments</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
Other Local Governments	<b>103,066</b>	44,954
	<b>103,066</b>	44,954
<b>Other</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
Other accounts receivable	466,432	298,385
Under levy	<b>57,195</b>	3,382
	<b>523,627</b>	301,767
<b>6. INVESTMENTS</b>	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
RMA (trade division)	4,136	4,136
GICs	14,411,583	9,296,777
Bonds	28,689,598	33,562,504
Other	<b>173,801</b>	56,020
	<b>43,279,118</b>	42,919,437

RMA (Rural Municipalities of Alberta) is a purchasing group designed to provide municipal local authorities with lower cost goods and services through bulk purchasing. Annual dividends less a 20% reserve are paid based on the municipality's annual dollar volume of goods or services purchased during the year. The annual reserve is held for five years and then paid out to the municipality. The investment amount represents the last five years' reserves.

GICs are unredeemable with over 90 day maturities and are earning interest from 4.40% - 5.81% (2022 - 2.63% to 5.51% ).

The bonds are intended to be held long term with interest rates from 1.67% to 5.35% and maturity dates between 2024 and 2033. Any declines in market value below cost are considered to be temporary and therefore no write-downs have been recorded. Market value at December 31, 2023 is \$28,484,627 (2022 - \$32,252,572).

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**7. TRUST ACCOUNTS**

A summary of trust fund activities by Mountain View County is as follows:

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
<b>Cash in lieu of Municipal Reserve</b>		
Balance, beginning of Year	415,130	418,199
Additions to reserve	3,844	11,786
Use of Funds (net)	(10,360)	(21,656)
Interest revenue	18,354	6,801
	<u>426,968</u>	<u>415,130</u>
<b>Cremona Recreation Board</b>		
Balance, beginning of Year	115,684	122,064
Additions to reserve	241,999	-
Use of funds (net)	(227,737)	(8,189)
Interest revenue	5,082	1,809
	<u>135,028</u>	<u>115,684</u>
<b>Total Trust Funds</b>	<u><u>561,996</u></u>	<u><u>530,814</u></u>

**Cash in lieu of Municipal Reserve**

When property is developed within the County, the County has the option of receiving cash instead of land set aside for municipal purposes within a developed area. When cash is received instead of property the cash must be used according to Section 671(2) of the Municipal Government Act.

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**8. DEFERRED REVENUE**

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
Municipal Sustainability Initiative grant	169,877	-
Canada Community Building Fund	-	-
Other grants and taxes	<u>343,572</u>	<u>990,060</u>
	<u><u>513,449</u></u>	<u><u>990,060</u></u>

**Municipal Sustainability Initiative**

The use of these funds is restricted to eligible projects approved under the funding agreement. The interest earned has been added to the funds.

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
Unexpended funds from last year	-	-
Interest earned in the year	1,551	9,447
Funds received during the year	2,442,956	2,274,630
Amount spent on eligible capital projects	(2,106,304)	(2,115,751)
Amount spent on eligible operating expenses	<u>(168,326)</u>	<u>(168,326)</u>
Unexpended funds at year end	<u><u>169,877</u></u>	<u><u>-</u></u>

**Canada Community Building Fund (formerly the Federal Gas Tax Fund) 2014-2024**

The use of these funds is restricted to eligible projects. Interest earned has been added to the funds.

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
Unexpended funds from last year	-	665,152
Funds received during the year	818,454	783,472
Interest earned in the year	-	3,742
Amount spent on eligible projects	<u>(818,454)</u>	<u>(1,452,366)</u>
Unexpended funds at year end	<u><u>-</u></u>	<u><u>-</u></u>

**Other Grants/Deferred Revenue**

	<b>2023</b>	<b>2022</b>
	<b>Year End</b>	<b>Year End</b>
	<b>\$</b>	<b>\$</b>
Alberta Municipal Affairs 2014 Mgmt of Red Deer Upstream	98,481	432,776
Alberta Forestry, Parks & Tourism	85,962	430,730
ALUS	151,629	119,054
Future Seidel Pit Reclamation	<u>7,500</u>	<u>7,500</u>
	<u><u>343,572</u></u>	<u><u>990,060</u></u>

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

9. EMPLOYEE BENEFIT OBLIGATIONS	2023 Year End	2022 Year End
	\$	\$
Vacation	294,107	271,295
Accrued payroll	176,441	167,625
Post-employment benefits	232,084	216,478
	702,632	655,398

The employee benefit obligation is comprised of: vacation, accrued wages including overtime and post employment benefits.

Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year.

The County also offers partially subsidized post employment extended health and dental benefits to retiring employees. Employees must meet eligibility requirements to participate in the program. Actual costs incurred for post retirement benefits in 2023 were \$14,232 (2022 - \$14,055).

\$54,292 (2022 - \$44,452) of the Post-employment benefits are unfunded (note 20).

**10. NOTES RECEIVABLE**

The following table summarizes the loans receivable balance from Mountain View Seniors Housing:

Loan Number	Year Matures	Interest Rate	Original	2023 Year End \$	2022 Year End \$
Debenture 1-03 (1185649)	2028	6.000%	1,000,000	329,519	384,666
Debenture 2-03 (1185684)	2028	5.875%	1,000,000	326,726	381,607
Debenture 3-03 (1185751)	2028	5.750%	1,000,000	323,933	378,544
Debenture 1-04 (3100007)	2029	4.960%	100,000	33,449	38,620
Debenture 4001590	2028	3.295%	1,400,000	544,649	643,301
Debenture 4000910	2025	4.047%	3,000,000	387,368	632,977
Debenture 4001077	2025	3.885%	3,500,000	591,182	870,144
Debenture 4001723	2029	2.814%	1,252,000	564,429	649,639
MVC - 676	2039	2.683%	3,000,000	2,520,654	2,645,321
				5,621,909	6,624,819
			Less Current Portion	1,042,886	1,002,911
			Total Long-term loans receivable	4,579,023	5,621,908

Mountain View County has loaned a total principal amount of \$15,252,000 to MVSH with a principal balance remaining at December 31, 2023 of \$5,621,909 (2022 - \$6,624,820) plus accrued interest of \$25,138 (2022 - \$31,417). MVSH used the funds received prior to 2019 to finance capital assets and construction of lodges, the funds received in 2019 were for general purposes. The loans are to be repaid to Mountain View County according to the repayment schedule for the debentures that Mountain View County borrowed from Alberta Capital Financing Authority, additionally the 2019 loans included a one time administration fee. The amounts are repayable in terms from 15 - 25 years from the loan date with \$1,234,514 payable each year with interest ranging from 2.683% to 6.000%. The notes will be paid in full in 2039. The security of all loans is the right of MVSH to requisition for any deficiencies.

Estimated principal and interest payments for the next five years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2024	1,042,886	191,628	1,234,514
2025	950,167	149,963	1,100,130
2026	537,906	117,758	655,664
2027	559,575	96,089	655,664
2028	582,227	73,437	655,664
Thereafter	1,949,148	300,041	2,249,189
	5,621,909	928,916	6,550,825
Plus Accrued Interest at Year End	25,137		
	5,647,046		



**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

11. LONG TERM DEBT	2023 Year End \$	2022 Year End \$
Debentures	9,985,945	11,204,827
	9,985,945	11,204,827

	<u>Original Principal</u>	<u>Rate</u>	<u>Anniversary Date</u>	<u>Final Payment</u>
Debenture 1-03 (1185649)	1,000,000	6.000%	September 2	2028
Debenture 2-03 (1185684)	1,000,000	5.875%	November 3	2028
Debenture 3-03 (1185751)	1,000,000	5.750%	December 15	2028
Debenture 1-04 (3100007)	100,000	4.960%	March 23	2029
Debenture (4001590)	1,400,000	3.295%	December 16	2028
Debenture (4000910)	3,000,000	4.047%	March 15	2025
Debenture (4001077)	3,500,000	3.885%	December 15	2025
Debenture (4001723)	1,252,000	2.814%	September 15	2029
Debenture (4002676)	600,000	2.683%	December 16	2039
Debenture (4002677)	1,100,000	2.683%	December 16	2039
Debenture (4002678)	1,300,000	2.683%	December 16	2039
Debenture (4002783)	5,000,000	1.882%	September 15	2040

The purpose of \$3,101,255 (2022 - \$3,979,498) of the debentures is to allow the County to provide financing to Mountain View Seniors' Housing and the remaining \$6,884,690 (2022 - \$7,225,329) is for capital of the County. The debentures are offset by a note receivable from Mountain View Seniors' Housing (see Note 10). The details of the debentures are above. They are all payable to Alberta Capital Finance Authority. Each \$1,000,000 debenture has annual payments with the payments due on their anniversary dates. The others have payments due twice a year.

Estimated principal and interest payments for the next five years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2024	1,262,941	272,728	1,535,669
2025	1,174,383	226,903	1,401,286
2026	766,360	190,458	956,818
2027	792,350	164,469	956,819
2028	819,403	137,416	956,819
Thereafter	5,170,508	692,546	5,863,054
	9,985,945	1,684,520	11,670,466

In 2023, the County paid \$316,787 (2022 - \$359,153) in interest on long term debt. The County also received interest on notes receivable to offset this interest (Note 10).

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**12. RESERVES**

Reserves for the County are as follows:

	<b>Beginning of Year \$</b>	<b>Additions \$</b>	<b>Deletions \$</b>	<b>End of Year \$</b>
Airport Reserve	-	12,272	-	12,272
Bridge & Road Reserve	47,829,426	7,486,008	8,747,453	46,567,981
Carry Over Project Reserve	7,764,978	5,790,462	7,447,947	6,107,493
Environmental	286,567	-	8,000	278,567
Equipment Fleet	2,703,549	2,773,765	3,152,092	2,325,222
Facility & Emergency Facility	6,948,046	1,000,000	328,448	7,619,598
General Fire	908,714	550,000	218,440	1,240,274
Intermunicipal Collaboration - Cremona	176,649	148,030	149,167	175,512
Intermunicipal Collaboration	1,842,130	456,704	106,322	2,192,512
Office Equipment	751,349	250,000	101,334	900,015
Local Road Safety Improvement Reserve	2,000,000	500,000	400,000	2,100,000
Park Facilities	57,907	-	-	57,907
Pit Stripping and Reclamation	3,490,287	293,662	455,000	3,328,949
Strings & Keys Music	9,135	-	7,850	1,285
Tax Rate Stabilization	3,100,586	1,198,529	1,137,562	3,161,553
<b>TOTAL RESERVES:</b>	<u><u>77,869,323</u></u>	<u><u>20,459,432</u></u>	<u><u>22,259,615</u></u>	<u><u>76,069,140</u></u>

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**13. DEBT LIMIT**

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for Mountain View County be disclosed as follows:

	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
Total debt limit (maximum allowed)	58,258,128	54,299,802
Total debt (current)	9,985,945	11,204,827
Amount below total debt limit	48,272,183	43,094,975
Service on debt limit (maximum allowed)	9,709,688	9,049,967
Service on debt (current)	1,535,669	1,234,514
Amount below limit on debt service	8,174,019	7,815,453

The debt limit is calculated at 1.5 times 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 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.

**14. TANGIBLE CAPITAL ASSETS**

	<b>2023 Year End Cost</b>	<b>2023 Year End Accumulated Amortization</b>	<b>2023 Year End Net Book Value</b>	<b>2022 Net Book Value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	16,352,444	-	<b>16,352,444</b>	14,518,829
Land improvements	4,898,281	2,331,065	<b>2,567,216</b>	2,113,143
Buildings	20,435,064	6,469,602	<b>13,965,462</b>	13,703,783
Engineered structures	422,538,100	313,497,509	<b>109,040,591</b>	108,664,530
Machinery & equipment	25,250,176	10,663,956	<b>14,586,220</b>	12,843,543
Vehicles	8,730,261	5,168,981	<b>3,561,280</b>	2,681,364
Construction in progress	445,111	-	<b>445,111</b>	1,851,030
Total	498,649,437	338,131,114	<b>160,518,324</b>	156,376,222

Total land holdings of the County are comprised of 28,420 acres. This includes an estimated 21,811 acres of road rights-of-way. The remaining land consists of 407 acres designated as municipal reserves, environmental reserves and public utility lots; 2,603 acres of gravel pits and gravel reserves; 636 acres for municipal operations including airports, as well as 2,963 acres of general land.

Land Improvements include parking lots, landscaping, signage, fencing and parks structures.

There are 263 bridges maintained by Mountain View County.

Roads in the County are composed of 104 km of asphalt roads, 818 km of chip sealed roads, 1,975 km of gravel roads and 16 km of unimproved/dirt roads. Roads are further broken down into surface and base.

Machinery & equipment is separated into three sub-categories - heavy equipment, agricultural/shop/patrol equipment, and office equipment and furniture. Heavy equipment includes graders, loaders, trailers, excavators, plows and sanders. Office equipment and furniture includes computer, telephone, audio/visual equipment, printers, copiers, faxes and office furniture and workstations, along with airport navigation equipment. Agricultural/shop/patrol equipment includes tractors, mowers, sprayers, shop tools, radios, radar units, and scales.

Vehicles include trucks and sport utility vehicles.

Construction in Progress includes projects which have commenced but which were not completed by the end of the current period. These projects correspond to roads, bridges and/or heavy equipment that were under construction at year end.

Aquisition of tangible capital assets of \$19,674,595 (2022 - \$12,365,157) includes non-cash amounts of transfers from Construction in Progress of \$1,547,687 (2022 - \$1,071,676) and additions from implementation of the asset retirement standards of \$807,922 (2022 - \$0). As a result cash paid for acquisitions of tangible capital assets is \$17,318,986 (\$2022 - \$11,293,481)

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**15. LOCAL AUTHORITIES PENSION PLAN**

Employees of Mountain View County participate in the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pensions Plan Act. The Plan serves over 291,259 people and 437 employers. It is financed by employer and employee contributions and investment earnings of the LAPP Fund.

Mountain View County is required to make current service contributions to the plan of 8.45% of the pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 12.23% for the excess. Employees of the County are required to make current service contributions of 7.45% of pensionable salary up to the year's maximum pensionable salary and 11.23% on pensionable salary above this amount.

The current service contributions by Mountain View County to the Local Authorities Pension Plan in 2023 were \$758,883 (2022 - \$713,200). Total current service contributions by the employees of Mountain View County to the Local Authorities Pension Plan in 2023 were \$679,531 (2022 - \$639,362).

At December 31, 2022, the Plan disclosed an actuarial surplus of \$12.7 billion (2021 - \$11.9 billion).

**16. SALARY AND BENEFITS DISCLOSURE**

Disclosure of salaries and benefits for elected municipal officials, the Chief Administrative Officer and designated officers as required by provincial regulation 313/2000 is as follows:

	# of Persons	2023			2022	
		Salary (1) \$	Benefits & Allowances (2) \$	Total \$	# of Persons	Total \$
Reeve						
Division 5	1	89,816	21,070	110,886	1	109,055
Councillors						
Division 1	1	56,005	15,246	71,251	1	69,839
Division 2	1	62,044	14,072	76,116	1	77,287
Division 3	1	53,853	12,007	65,860	1	67,577
Division 4	1	49,073	15,353	64,426	1	74,779
Division 5						
Division 6	1	57,781	15,064	72,845	1	71,108
Division 7	1	50,268	9,749	60,017	1	59,974
Chief Administrative Officer	1	227,153	36,750	263,903	1	241,403

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments and per diem payments.

(2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, accidental disability and dismemberment insurance, long term disability plans, WCB, professional memberships and tuition, and any other direct cash remuneration.

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**17. RELATED PARTY TRANSACTIONS**

Unless specifically indicated all transactions with related parties are at fair market value.

**Mountain View Regional Waste Management Commission (MVRWC)**

MVRWC provides solid waste disposal services to the residents of both Mountain View County and the five urban areas within the County. MVRWC is a commission operated jointly by the County and the five urban municipalities.

In 2023 the County provided \$277,310 (2022 - \$322,013) as its share to support the operations of MVRWC.

**Mountain View Seniors' Housing (MVSH) (See Note 9)**

MVSH provides senior's and subsidized housing to the residents of both Mountain View County and the five urban areas within the County. MVSH is established under Ministerial Order from the Province of Alberta and operated jointly by the County and five urban municipalities.

In 2023, the County provided \$2,006,113 (2022 - \$1,701,771) as its share to support the operations of MVSH.

**18. FINANCIAL INSTRUMENTS**

The County's financial instruments consist of cash and temporary investments, taxes receivable, accounts receivable, investments, notes receivable, accounts payable and accrued liabilities, other liabilities, employee benefit obligations, and long-term debt.

The fair value of these financial instruments approximates their carrying value.

It is management's opinion that the County is not exposed to significant price, credit, liquidity or cash flow risks arising from these financial instruments. The risk is detailed below.

The County is exposed to interest rate price risk as the cash and temporary investments, notes receivable, and long-term debt bear interest at fixed interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The County is exposed to market price risk as some financial instruments included in cash and deposit certificates are traded in the market. Market price risk is the risk that the value of an investment will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The market price risk of the financial instruments held is closely related to the interest rate price risk.

The County is exposed to credit risk as it grants credit to its customers in the normal course of business. This risk is largely mitigated since the majority of receivables are generated from other governments, government related parties, or from tax payers, whose land acts as security for payment. To further mitigate credit risk for receivables, the County regularly reviews its accounts receivable list.

The County is also exposed to credit risk, as included in cash and temporary investments are bonds and accrual notes. The County follows the investment criteria as established in section 250 of the Municipal Government Act which is designed to limit credit risk. Credit risk is the risk that the County will incur a financial loss because a customer, or issuer of a bond or accrual note, has failed to discharge an obligation.

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**19. CONTINGENCIES**

Mountain View County, in the conduct of its normal activities can be named as a defendant in legal proceedings. The ultimate outcome of these proceedings can often not be determined until the proceedings are completed. Should any loss result from the resolution of these proceedings or if the amount of the loss can be determined, such amounts would be expensed as they become known to the County. Currently, there are no determinable amounts.

The County is a member of the Genesis Reciprocal Insurance Exchange as at December 31, 2023. 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.

As part of its normal activities, the County participates in commission and managed boards. Activities and debts in these entities could result in additional funding requirements by the County.

**20. ACCUMULATED SURPLUS**

Accumulated Surplus consists of restricted and unrestricted amounts and equity in tangible capital assets

	<b>2023 Year End</b>	<b>2022 Year End</b>
	<b>\$</b>	<b>\$</b>
Unappropriated operating equity	-	-
Reserves (note 12)	<b>76,069,139</b>	77,869,323
Land deficit	<b>(1,394,375)</b>	(1,394,375)
Airport development costs	<b>(136,754)</b>	(180,312)
Unfunded gravel pit reclamation	<b>(4,441,953)</b>	(4,936,416)
Unfunded liability for contaminated sites	<b>(4,600,000)</b>	(4,600,000)
Unfunded post retirement obligation	<b>(54,292)</b>	(44,452)
Equity in resource asset	<b>3,308,421</b>	3,308,421
Equity in tangible capital assets	<b><u>152,749,680</u></b>	<u>149,150,893</u>
	<b><u>221,499,866</u></b>	<u>219,173,080</u>
Equity in tangible capital assets is comprised of		
Tangible capital assets (Schedule 1)	<b>160,518,324</b>	156,376,224
Asset retirement obligation	<b>(883,954)</b>	-
Debt for capital	<b>(6,884,690)</b>	(7,225,329)
	<b><u>152,749,680</u></b>	<u>149,150,895</u>

**MOUNTAIN VIEW COUNTY  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023**

**21. GRAVEL PIT RECLAMATION OBLIGATION**

The County owns and leases gravel pits and is responsible for reclamation costs related to those pits under Alberta environmental law. These costs are expected to be incurred over the life of the pit. To help cover pit stripping and future reclamation costs, the County has a Pit Stripping and Reclamation Reserve (note 12) with contributions of \$2.08 per tonne of gravel mined in the year.

The most recent estimate of this obligation was prepared to December 31, 2023 and the obligation is currently estimated at \$5,462,466 (2022 - \$5,956,929). Significant assumptions were used in determining this obligation. Engineering studies were used to determine the disturbed area. When necessary, the engineering studies were adjusted to include recent activity. The current reclamation cost/cubic metre has been used without adjustments for discounting or inflation.

**22. ASSET RETIREMENT OBLIGATION**

The County owns a diverse array of assets, each subject to eventual retirement. The costs of asset retirement are expected to be incurred at the end of an asset's useful life to satisfy the legal obligation associated with their retirement of tangible capital assets (TCA).

The County has asset retirement obligations to remove hazardous asbestos fibre containing materials from various buildings under its control. Abatement activities entail handling and disposing of asbestos in a prescribed manner to ensure compliance and mitigate environmental and health risks when the material is disturbed. The County estimated the nature and extent of hazardous materials in its buildings based on the potential square metres affected and the average costs per square metre to remove and dispose of the hazardous materials

A liability for an asset retirement obligation is recognized at the best estimate of the amount necessary to retire the TCA. The most recent estimate of this obligation was prepared to December 31, 2023 and the obligation is currently estimated at \$883,954 (2022 - \$0). Significant assumptions were used in determining this obligation.

	<b>2023 Year End \$</b>	<b>2022 Year End \$</b>
Balance, beginning of the Year	-	-
Liabilities incurred on adoption of standard	839,518	-
Liabilities settled	-	-
Change in estimate	-	-
Accretion expense	44,436	-
	883,954	-
Estimated Total Liability	883,954	-

**23. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to be consistent with current year presentation.

**24. BUDGET AMOUNTS**

The 2023 budget was approved by Council on March 29, 2023