

MOUNTAIN VIEW COUNTY
CONSOLIDATED FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024

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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 Margaretha Bloem
2025-04-24 15:35:35 MDT

Margaretha Bloem
Chief Administrative Officer

April 23, 2025

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, 2024, 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, 2024, and the results of its consolidated operations 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the County as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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, 2025

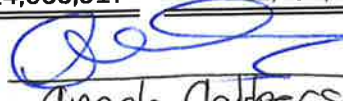
MNP LLP

Chartered Professional Accountants

MOUNTAIN VIEW COUNTY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	2024 Year End \$	2023 Year End \$
FINANCIAL ASSETS		
Cash and temporary investments (note 3)	39,449,698	25,744,454
Taxes receivable (note 4)	1,794,621	1,584,805
Accounts receivable (note 5)		
Federal government	269,650	375,334
Provincial government	116,267	109,726
Local governments	152,601	103,066
Other	455,591	523,627
Investments (note 6)	33,896,352	43,279,118
Other restricted cash and temporary investments (note 7)	489,842	426,968
Notes receivable (note 10)	4,597,604	5,647,046
Total Financial Assets	<u>81,222,226</u>	<u>77,794,144</u>
LIABILITIES		
Accounts payable & accrued liabilities		
Federal government	107,757	101,447
Provincial government	851,963	912,085
Local governments	55,237	229,161
Trade payables	2,038,781	1,583,967
Deferred revenue (note 8)	809,653	940,417
Employee benefit obligations (note 9)	740,010	702,632
Pit reclamation obligation (note 21)	5,559,199	5,462,466
Liability for contaminated sites (note 1)	4,600,000	4,600,000
Liability for asset retirement obligations (note 22)	980,618	883,954
Other liabilities	1,767,944	2,056,693
Long-term debt (note 11)	8,723,004	9,985,945
Total Liabilities	<u>26,234,166</u>	<u>27,458,767</u>
Contingencies and Commitments (note 19)		
NET FINANCIAL ASSETS	<u>54,988,060</u>	<u>50,335,377</u>
NON-FINANCIAL ASSETS		
Inventory for consumption	5,967,933	5,915,024
Prepaid expenses	1,057,561	953,011
Land held for resale	468,921	469,709
Tangible capital assets (note 14)	158,276,020	160,518,324
Resource assets	3,308,421	3,308,421
Total Non-Financial Assets	<u>169,078,856</u>	<u>171,164,489</u>
ACCUMULATED SURPLUS (note 20)	<u>224,066,917</u>	<u>221,499,866</u>

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


Angela Dalters Date April 23/25

**MOUNTAIN VIEW COUNTY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDING DECEMBER 31, 2024**

	2024 Budget \$	2024 Year End \$	2023 Year End \$
REVENUE			
Net taxes available for municipal purposes (Schedule 2)	32,638,575	32,669,182	31,615,525
Sale of goods	283,600	477,219	490,623
Sale of services	263,250	356,730	350,627
Fees & levies	664,500	790,018	887,684
Fines & penalties	229,350	336,867	293,498
Return on investments	2,298,025	3,692,425	3,285,395
Rentals	163,900	225,722	242,223
Recovery	217,665	804,945	246,066
Government transfers for operating (Schedule 4)	1,487,721	1,333,908	1,330,664
Other	-	962	-
	<hr/>	<hr/>	<hr/>
Total Revenue	38,246,586	40,687,978	38,742,305
	<hr/>	<hr/>	<hr/>
EXPENSES			
Council	681,139	671,582	637,885
CAO Services	935,443	842,107	1,243,055
Corporate Services			
Finance & general office	2,215,463	1,760,525	2,223,576
Assessment	501,412	695,498	421,783
Business services	1,247,604	1,238,992	1,100,919
Waste management	149,000	148,762	286,987
Planning & Development Services			
Planning	898,246	808,813	789,780
Development	799,232	767,831	708,685
Permitting	447,679	436,080	441,947
Legislative & Community Services			
Legislative services	2,721,094	2,531,702	2,123,121
Agriculture & land management	1,701,351	1,740,512	1,332,241
Community grants & transfers	5,734,922	5,634,362	5,651,435
Operational Services			
Roads, facilities & shops	23,307,914	24,075,902	22,214,971
Airports	713,229	815,345	805,435
	<hr/>	<hr/>	<hr/>
Total Expenses (Schedule 3)	42,053,728	42,168,013	39,981,820
	<hr/>	<hr/>	<hr/>
DEFICIENCY OF REVENUE OVER EXPENSES - BEFORE OTHER	(3,807,142)	(1,480,035)	(1,239,515)
OTHER			
Assets transferred to another municipality	(535,000)	(81,656)	-
Gain/(loss) on sale of assets	268,303	366,456	96,447
Government transfers for capital (Schedule 4)	4,339,058	3,762,286	3,469,853
	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUE OVER EXPENSES	265,219	2,567,051	2,326,785
	<hr/>	<hr/>	<hr/>

MOUNTAIN VIEW COUNTY
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDING DECEMBER 31, 2024

	2024 Budget \$	2024 Year End \$	2023 Year End \$
Excess of revenue over expenses	265,219	2,567,051	2,326,785
Amortization of tangible capital assets	14,418,733	14,209,389	13,801,402
Acquisition of tangible capital assets	(26,096,774)	(14,717,897)	(18,126,908)
Proceeds from disposition of tangible capital assets	2,260,697	3,117,267	279,850
Loss (gain) on disposal of tangible capital assets	(268,303)	(366,456)	(96,447)
Change in inventories, prepaid expenses and land held for resale	-	(156,671)	352,721
INCREASE(DECREASE) IN NET FINANCIAL ASSETS	(9,420,428)	4,652,683	(1,462,596)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	50,335,377	50,335,377	51,797,973
NET FINANCIAL ASSETS, END OF YEAR	40,914,949	54,988,060	50,335,377

MOUNTAIN VIEW COUNTY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2024

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

	2024 Budget	2024 Year End	2023 Year End
OPERATING	\$	\$	\$
Excess of revenue over expenses	265,219	2,567,051	2,326,785
Non-cash items included in excess of revenues over expenses			
Amortization	14,418,733	14,209,389	13,801,402
Loss (gain) on disposal of tangible capital assets	(268,303)	(366,456)	(96,447)
Asset retirement obligation expense	-	88,283	31,596
Accretion on asset retirement obligation	-	39,977	44,436
Net changes to working capital charged to operations			
Decrease (increase) in taxes and accounts receivable	(200,000)	(92,172)	(335,584)
Increase (decrease) in accounts payable	-	227,078	(101,520)
Increase (decrease) in deferred revenue	940,417	(130,764)	(476,611)
Increase (decrease) in pit reclamation obligation	-	96,733	(494,463)
Increase (decrease) in liability for contaminated sites	-	-	-
Decrease (increase) in inventory, prepaids and land held for resale	-	(156,671)	352,721
Net change in other working capital balances	-	(478,559)	503,284
Increase (decrease) in payables pertaining to capital	-	(84,746)	59,928
Cash provided by operating transactions	<u>15,156,066</u>	<u>15,919,143</u>	<u>15,615,527</u>
CAPITAL			
Acquisition of tangible capital assets (note 14)	(26,096,774)	(14,585,179)	(17,318,985)
Increase (decrease) in payables pertaining to capital	-	84,746	(59,928)
Proceeds on disposal of tangible capital assets	2,260,697	3,117,267	279,850
Cash used in capital transactions	<u>(23,836,077)</u>	<u>(11,383,166)</u>	<u>(17,099,063)</u>
FINANCING AND INVESTING			
Change in investments	(2,300,000)	9,382,766	(359,681)
Notes receivable collected	1,042,886	1,049,442	1,009,190
Long-term debt repaid	(1,262,941)	(1,262,941)	(1,218,882)
Cash provided by (used in) financing and investing activities	<u>(2,520,055)</u>	<u>9,169,267</u>	<u>(569,373)</u>
Net increase (decrease) in cash and cash equivalents	<u>(11,200,066)</u>	<u>13,705,244</u>	<u>(2,052,909)</u>
Cash and cash equivalents, beginning of year	<u>25,744,454</u>	<u>25,744,454</u>	<u>27,797,363</u>
Cash and cash equivalents, end of year	<u><u>14,544,388</u></u>	<u><u>39,449,698</u></u>	<u><u>25,744,454</u></u>

SCHEDULE 1
(See note 14)

MOUNTAIN VIEW COUNTY
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDING DECEMBER 31, 2024

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	Construction in Progress	2024 \$	2023 \$
Cost:									
Balance, beginning 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
Acquisition of tangible capital assets	366,185	143,831	9,146	7,902,302	5,335,984	258,427	702,022	14,717,897	19,674,595
Contributed tangible capital assets	-	-	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	(5,036,240)	(811,666)	-	(5,847,906)	(3,541,473)
Write-downs	-	-	-	-	-	-	-	-	-
Balance, end of year	16,718,629	5,042,112	20,444,210	430,440,402	25,549,920	8,177,022	1,147,133	507,519,428	498,649,437
Accumulated Amortization:									
Balance, beginning of year	-	2,331,065	6,469,602	313,497,509	10,663,956	5,168,981	-	338,131,113	326,140,093
Annual amortization	-	222,809	356,847	11,169,118	1,917,581	543,034	-	14,209,389	13,801,402
Accumulated amortization on disposals	-	-	-	-	(2,382,532)	(714,562)	-	(3,097,094)	(1,810,382)
Write-downs	-	-	-	-	-	-	-	-	-
Balance, end of year	-	2,553,874	6,826,449	324,666,627	10,199,005	4,997,453	-	349,243,408	338,131,113
Net Book Value of Tangible Capital Assets	16,718,629	2,488,238	13,617,761	105,773,775	15,350,915	3,179,569	1,147,133	158,276,020	160,518,324

SCHEDULE 2

**MOUNTAIN VIEW COUNTY
SCHEDULE OF TAXES LEVIED
FOR THE YEAR ENDING DECEMBER 31, 2024**

	2024 Budget \$	2024 Year End \$	2023 Year End \$
Taxation			
Real property taxes	30,010,699	30,008,484	28,823,951
Power and pipelines	18,941,995	18,958,323	17,864,164
Annexation and other tax revenue	-	1,362	-
Net over (under) levy	-	(50,430)	53,904
	<u>48,952,694</u>	<u>48,917,739</u>	<u>46,742,019</u>
Requisitions			
Alberta School Foundation Fund	14,075,550	14,020,087	12,973,960
Designated Industrial Property	155,898	152,060	146,421
Mountain View Seniors' Housing	2,082,671	2,076,410	2,006,113
	<u>16,314,119</u>	<u>16,248,557</u>	<u>15,126,494</u>
Net taxes available for municipal purposes	<u><u>32,638,575</u></u>	<u><u>32,669,182</u></u>	<u><u>31,615,525</u></u>

SCHEDULE 3

**SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDING DECEMBER 31, 2024**

	2024 Budget \$	2024 Year End \$	2023 Year End \$
Expenses			
Salaries, wages, and benefits	12,387,198	12,462,034	11,644,485
Contracted and purchased services	5,502,690	5,197,923	4,452,836
Materials, goods, supplies, and utilities	3,009,410	3,558,101	3,479,390
Provision for allowances	450,530	402,701	394,157
Bank charges and short term interest	12,500	16,928	13,879
Interest on long term debt	272,729	266,172	310,508
Grants to other organizations	6,449,938	6,421,943	6,285,883
Amortization of tangible capital assets	14,418,733	14,209,389	13,801,402
Allowance for pit reclamation	(450,000)	(367,178)	(400,720)
	<u>42,053,728</u>	<u>42,168,013</u>	<u>39,981,820</u>
Total expenses	<u><u>42,053,728</u></u>	<u><u>42,168,013</u></u>	<u><u>39,981,820</u></u>

MOUNTAIN VIEW COUNTY
SCHEDULE OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDING DECEMBER 31, 2024

	2024 Budget \$	2024 Year End \$	2023 Year End \$
TRANSFERS FOR OPERATING:			
Federal			
Federal Environmental Stewardship Grants (ALUS)	95,000	47,855	58,538
Federation of Canadian Municipalities (FCM)	-	21,500	-
Provincial			
Agricultural Services Board Grant	186,250	226,247	226,247
Alberta Forestry, Parks & Tourism	-	87,123	353,755
Alberta Health Services Grant	-	5,265	-
Alberta Municipal Affairs - Municipal Internship Program	60,000	48,619	-
CAP Risk Mitigation Grant	-	-	(6,368)
Cremona Fire Disbursement	74,899	106,810	125,606
Environmental Stewardship Grants (ACA)	-	25,000	25,000
Family & Community Services Grant (FCSS)	358,419	358,418	354,560
Forest Resource Improvement Association (FRIA)	-	-	25,000
Intermunicipal Collaboration Initiative (ICI)	-	26,250	-
Municipal Climate Change Action Centre (MCCAC)	-	15,065	-
Municipal Sustainability Initiative - Operating (MSI)	336,652	355,756	168,326
RMA Economic Development Microgrant	-	10,000	-
Other Grants	376,501	-	-
Total Operating Grants	<u>1,487,721</u>	<u>1,333,908</u>	<u>1,330,664</u>
TRANSFERS FOR CAPITAL:			
Federal			
Canada Community Building Fund (formerly the Federal Gas Tax Fund) - Capital	818,454	806,235	818,454
Provincial			
Flood Recovery Erosion Control (FREC)	67,152	42,427	344,988
Local Government Fiscal Framework (formerly Municipal Sustainability Initiative) - Capital	2,609,034	2,916,124	2,106,304
Strategic Transportation Infrastructure Program (STIP)	-	(2,500)	189,747
Other Provincial Grants	844,418	-	-
Other			
Cash in Lieu	-	-	10,360
Total Capital Grants	<u>4,339,058</u>	<u>3,762,286</u>	<u>3,469,853</u>
TOTAL GOVERNMENT TRANSFERS	<u>5,826,779</u>	<u>5,096,194</u>	<u>4,800,517</u>

MOUNTAIN VIEW COUNTY
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDING DECEMBER 31, 2024

ACTUAL RESULTS	Unrestricted Surplus	Restricted Surplus (Note 12)	Unfunded	Equity in Resource Assets	Equity in Tangible Capital Assets	2024 \$	2023 \$
BALANCE, BEGINNING OF YEAR	-	76,069,140	(10,627,374)	3,308,421	152,749,680	221,499,866	219,173,081
Excess (deficiency) of revenues over expenses	2,567,051	-	-	-	-	2,567,051	2,326,785
Unrestricted funds designated for future use (1)	(26,490,914)	26,490,914	-	-	-	-	-
Change in unfunded amounts	154,298	-	(154,298)	-	-	-	-
Restricted funds used for operations (1)	21,778,688	(21,778,688)	-	-	-	-	-
Current year funds used for tangible capital assets	(14,717,897)	-	-	-	14,717,897	-	-
Disposal of tangible capital assets	2,750,812	-	-	-	(2,750,812)	-	-
Annual amortization expense	14,209,389	-	-	-	(14,209,389)	-	-
Asset retirement obligation	96,664	-	-	-	(96,664)	-	-
Loan payment principal	(348,091)	-	-	-	348,091	-	-
Change in accumulated surplus	-	4,712,226	(154,298)	-	(1,990,877)	2,567,051	2,326,785
BALANCE, END OF YEAR	-	80,781,366	(10,781,672)	3,308,421	150,758,802	224,066,917	221,499,866
BUDGET (PLAN) (Unaudited)	Unrestricted Surplus	Restricted Surplus	Unfunded	Equity in Resource Assets	Equity in Tangible Capital Assets	2024 \$	2023 \$
BALANCE, BEGINNING OF YEAR	-	76,069,140	(10,627,374)	3,308,421	152,749,680	221,499,867	219,173,082
Excess/(Deficiency) of revenues over expenses	265,219	-	-	-	-	265,219	(262,774)
Contingency funds for operations	(326,000)	-	-	-	-	(326,000)	(317,000)
Unrestricted funds designated for future use (1)	(14,205,543)	14,205,543	-	-	-	-	-
Designation of additional unfunded amounts	130,000	-	(130,000)	-	-	-	-
Restricted funds used for operations (1)	23,773,723	(23,773,723)	-	-	-	-	-
Current year funds used for tangible capital assets	(26,096,774)	-	-	-	26,096,774	-	-
Disposal of tangible capital assets	2,260,697	-	-	-	(2,260,697)	-	-
Annual amortization expense	14,418,733	-	-	-	(14,418,733)	-	-
Loan payment principal	(220,055)	-	-	-	220,055	-	-
Change in accumulated surplus	-	(9,568,180)	(130,000)	-	9,637,399	(60,781)	(579,774)
BALANCE, END OF YEAR	-	66,500,960	(10,757,374)	3,308,421	162,387,079	221,439,086	218,593,308

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, 2024

	Council	CAO's Services	Corporate Services	Planning & Development Services	Legislative, Community Services & Agriculture	Operational Services	Unallocated	Total
REVENUE								
Net taxes available for municipal purposes (Schedule 2)	-	-	-	-	-	-	32,669,182	32,669,182
Sale of goods	-	-	7,664	-	17,985	451,570	-	477,219
Sale of services	-	-	29,905	102,447	25,140	199,238	-	356,730
Fees & levies	-	-	-	380,683	-	409,335	-	790,018
Fines & penalties	-	-	236,209	6,805	93,853	-	-	336,867
Return on investments	-	-	3,692,425	-	-	-	-	3,692,425
Rentals	-	-	-	-	194,613	31,109	-	225,722
Recovery	-	-	319,204	17,254	182,536	285,951	-	804,945
Government transfers for operating (Schedule 4)	-	26,250	-	-	1,018,041	289,617	-	1,333,908
Other	-	-	-	-	-	962	-	962
Total Revenue	<u>-</u>	<u>26,250</u>	<u>4,285,407</u>	<u>507,189</u>	<u>1,532,168</u>	<u>1,667,782</u>	<u>32,669,182</u>	<u>40,687,978</u>
EXPENSES								
Salaries, wages, and benefits	503,136	670,429	1,893,694	1,805,536	2,200,794	5,388,445	-	12,462,034
Contracted and purchased services	146,054	131,975	813,972	173,233	486,700	3,445,989	-	5,197,923
Materials, goods, supplies, and utilities	11,772	25,114	246,883	20,556	610,568	2,643,208	-	3,558,101
Provision for allowances	-	-	402,701	-	-	-	-	402,701
Bank charges and short term interest	-	-	16,928	-	-	-	-	16,928
Interest on long term debt	-	-	266,172	-	-	-	-	266,172
Grants to other organizations	10,620	14,589	-	-	6,321,489	75,245	-	6,421,943
Amortization of tangible capital assets	-	-	203,427	13,399	287,025	13,705,538	-	14,209,389
Allowance for pit reclamation	-	-	-	-	-	(367,178)	-	(367,178)
Total Expenses	<u>671,582</u>	<u>842,107</u>	<u>3,843,777</u>	<u>2,012,724</u>	<u>9,906,576</u>	<u>24,891,247</u>	<u>-</u>	<u>42,168,013</u>
NET REVENUE BEFORE OTHER	<u>(671,582)</u>	<u>(815,857)</u>	<u>441,630</u>	<u>(1,505,535)</u>	<u>(8,374,408)</u>	<u>(23,223,465)</u>	<u>32,669,182</u>	<u>(1,480,035)</u>

**MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024**

3. CASH AND TEMPORARY INVESTMENTS

	2024 Year End \$	2023 Year End \$
Cash on deposit	39,702,534	25,889,050
Less: outstanding cheques	(252,836)	(144,596)
Net cash	<u>39,449,698</u>	<u>25,744,454</u>

The County has a \$5,000,000 authorized overdraft with The Bank of Nova Scotia (2023 - \$5,000,000). This overdraft bears interest when utilized at prime minus 0.5%, or 4.95% (2023 - 6.7%) At December 31, 2024 there is \$0 drawn on this overdraft (2023 - \$0).

The 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 expired on December 31, 2024.

The majority of the cash on deposit is held in a savings with interest rates from 1.4% to Scotiabank's reference rate plus 0.25% or 3.75% (2023 - 2.5% to 5.5%)

Cash and temporary investments include restricted funds of \$319,811 (2023 - \$513,449), which \$234,205 are designated for specific purposes dictated by conditional grants and the remaining \$85,606 is related to other deposits (see Note 8).

4. TAXES RECEIVABLE

	2024 Year End \$	2023 Year End \$
Current taxes and grants in lieu	1,339,199	1,228,371
Tax arrears	577,149	443,081
	<u>1,916,348</u>	1,671,452
Less: Allowance for uncollected taxes	<u>121,727</u>	86,647
	<u>1,794,621</u>	<u>1,584,805</u>

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

5. ACCOUNTS RECEIVABLE

Federal	2024 Year End \$	2023 Year End \$
GST	<u>269,650</u>	<u>375,334</u>
	<u>269,650</u>	<u>375,334</u>
Provincial	2024 Year End \$	2023 Year End \$
Alberta Transportation	50,744	59,949
Alberta Justice Agency funds	9,770	6,976
Alberta Environment & Parks	-	4,051
Alberta Municipal Affairs	40,688	38,750
MCCAC Grant	<u>15,065</u>	<u>-</u>
	<u>116,267</u>	<u>109,726</u>
Local Governments	2024 Year End \$	2023 Year End \$
Other Local Governments	<u>152,601</u>	<u>103,066</u>
	<u>152,601</u>	<u>103,066</u>
Other	2024 Year End \$	2023 Year End \$
Other accounts receivable	448,826	466,432
Under levy	<u>6,765</u>	<u>57,195</u>
	<u>455,591</u>	<u>523,627</u>
6. INVESTMENTS	2024 Year End \$	2023 Year End \$
RMA (trade division)	4,136	4,136
GICs	2,486,405	14,411,583
Bonds	15,475,655	18,150,298
Bonds maturing within 12 months	2,919,730	-
Principal Protected Notes	12,625,600	10,539,300
Other	<u>384,826</u>	<u>173,801</u>
	<u>33,896,352</u>	<u>43,279,118</u>

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 4.4% (2023 - 4.40% - 5.81%) with a maturity date of October 2028.

The bonds are intended to be held long term with interest rates from 1.1% to 5.35% and maturity dates between 2025 and 2034. 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, 2024 is \$28,599,518 (2023 - \$28,484,627).

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

7. OTHER RESTRICTED CASH AND TEMPORARY INVESTMENTS

A summary of restricted funds held by Mountain View County is as follows:

	2024	2023
	Year End	Year End
	\$	\$
Cash in lieu of Municipal Reserve		
Balance, beginning of Year	426,968	415,130
Additions to reserve	41,275	3,844
Use of Funds (net)	-	(10,360)
Interest revenue	21,599	18,354
	<hr/>	<hr/>
Balance, end of Year	489,842	426,968
	<hr/>	<hr/>

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.

GICs are unredeemable with over 90 day maturities and are earning interest from 3.75% - 4.75% (2023 - 4.80% - 5.0%) with maturity dates between April and December 2025.

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

8. DEFERRED REVENUE

	2024	2023
	Year End	Year End
	\$	\$
Municipal Sustainability Initiative grant	-	169,877
Canada Community Building Fund	-	-
Other grants and taxes	<u>809,653</u>	<u>770,540</u>
	<u>809,653</u>	<u>940,417</u>

Local Government Fiscal Framework (formerly 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.

	2024	2023
	Year End	Year End
	\$	\$
Unexpended funds from last year	169,877	-
Interest earned in the year	6,668	1,551
Funds received during the year	3,095,336	2,442,956
Amount spent on eligible capital projects	(2,760,416)	(2,106,304)
Amount spent on eligible operating expenses	<u>(511,465)</u>	<u>(168,326)</u>
Unexpended funds at year end	<u>-</u>	<u>169,877</u>

Canada Community Building Fund (formerly the Federal Gas Tax Fund)

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

	2024	2023
	Year End	Year End
	\$	\$
Unexpended funds from last year	-	-
Funds received during the year	806,235	818,454
Interest earned in the year	-	-
Amount spent on eligible projects	<u>(806,235)</u>	<u>(818,454)</u>
Unexpended funds at year end	<u>-</u>	<u>-</u>

Other Grants/Deferred Revenue

	2024	2023
	Year End	Year End
	\$	\$
Alberta Municipal Affairs 2014 Mgmt of Red Deer Upstream	60,719	98,481
Alberta Forestry, Parks & Tourism	-	85,962
Alberta Municipal Affairs - Municipal Internship Grant	11,382	-
ALUS	162,104	151,629
Cash in Lieu - Municipal Reserve (see note 7)	489,842	426,968
Dyck Pit - Deposit on Option to Purchase	78,106	-
Future Seidel Pit Reclamation	<u>7,500</u>	<u>7,500</u>
	<u>809,653</u>	<u>770,540</u>

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

9. EMPLOYEE BENEFIT OBLIGATIONS	2024 Year End	2023 Year End
	\$	\$
Vacation	299,034	294,107
Accrued payroll	226,848	176,441
Post-employment benefits	214,128	232,084
	<u>740,010</u>	<u>702,632</u>

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 2024 were \$12,761 (2023 - \$14,232).

\$167,347 (2023 - \$54,292) 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	2024 Year End \$	2023 Year End \$
Debenture 1-03 (1185649)	2028	6.000%	1,000,000	271,064	329,519
Debenture 2-03 (1185684)	2028	5.875%	1,000,000	268,621	326,726
Debenture 3-03 (1185751)	2028	5.750%	1,000,000	266,180	323,933
Debenture 1-04 (3100007)	2029	4.960%	100,000	28,018	33,449
Debenture 4001590	2028	3.295%	1,400,000	442,721	544,649
Debenture 4000910	2025	4.047%	3,000,000	131,718	387,368
Debenture 4001077	2025	3.885%	3,500,000	301,277	591,182
Debenture 4001723	2029	2.814%	1,252,000	476,805	564,429
MVC - 676	2039	2.683%	3,000,000	2,392,619	2,520,654
				<u>4,579,023</u>	<u>5,621,909</u>
			Less Current Portion	950,167	1,042,886
			Total Long-term loans receivable	<u>3,628,856</u>	<u>4,579,023</u>

Mountain View County has loaned a total principal amount of \$15,252,000 to MVSH with a principal balance remaining at December 31, 2024 of \$4,579,023 (2023 - \$5,621,909) plus accrued interest of \$18,581 (2023 - \$25,138). 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 \$1,100,131 payable in 2025 (2024 - 1,234,514), 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:

	Principal	Interest	Payments
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
2029	250,472	50,733	301,205
Thereafter	1,698,676	249,308	1,947,984
	<u>4,579,023</u>	<u>737,288</u>	<u>5,316,311</u>
Plus Accrued Interest at Year End	18,581		
	<u>4,597,604</u>		

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

11. LONG TERM DEBT			2024 Year End \$	2023 Year End \$
Debentures			<u>8,723,004</u>	<u>9,985,945</u>
			<u>8,723,004</u>	<u>9,985,945</u>
	Original Principal	Rate	Anniversary Date	Final Payment
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 \$2,186,404 (2023 - \$3,101,255) of the debentures is to allow the County to provide financing to Mountain View Seniors' Housing and the remaining \$6,536,601 (2023 - \$6,884,690) 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:

	Principal	Interest	Payments
2025	1,174,383	226,903	1,401,286
2026	766,361	190,459	956,820
2027	792,350	164,469	956,819
2028	819,403	137,416	956,819
2029	492,133	110,227	602,360
Thereafter	<u>4,678,374</u>	<u>582,319</u>	<u>5,260,693</u>
	<u>8,723,004</u>	<u>1,411,793</u>	<u>10,134,797</u>

In 2024, the County paid \$272,728 (2023 - \$316,787) 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, 2024

12. RESERVES

Reserves for the County are as follows:

	Beginning of Year \$	Additions \$	Deletions \$	End of Year \$
Airport Reserve	12,272	16,762	-	29,034
Bridge & Road Reserve	46,567,981	8,564,060	2,879,937	52,252,104
Carry Over Project Reserve	6,107,493	9,129,710	4,665,422	10,571,781
Environmental	278,567	-	88,282	190,285
Equipment Fleet	2,325,222	5,480,602	6,960,200	845,624
Facility & Emergency Facility	7,619,598	-	3,981,609	3,637,989
General Fire	1,240,274	820,379	1,440,498	620,155
Intermunicipal Collaboration - Cremona	175,512	572,082	-	747,594
Intermunicipal Collaboration	2,192,512	111,836	32,267	2,272,081
Office Equipment	900,015	200,000	667,535	432,480
Local Road Safety Improvement Reserve	2,100,000	350,000	236,757	2,213,243
Park Facilities	57,907	-	-	57,907
Pit Stripping and Reclamation	3,328,949	367,178	51,957	3,644,170
Strings & Keys Music	1,285	-	1,285	-
Tax Rate Stabilization	3,161,553	878,305	772,939	3,266,919
TOTAL RESERVES:	<u><u>76,069,140</u></u>	<u><u>26,490,914</u></u>	<u><u>21,778,688</u></u>	<u><u>80,781,366</u></u>

**MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024**

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:

	2024 Year End \$	2023 Year End \$
Total debt limit (maximum allowed)	61,581,651	58,258,128
Total debt (current)	<u>8,723,004</u>	<u>9,985,945</u>
Amount below total debt limit	<u>52,858,647</u>	<u>48,272,183</u>
Service on debt limit (maximum allowed)	10,263,609	9,709,688
Service on debt (current)	<u>1,401,286</u>	<u>1,535,669</u>
Amount below limit on debt service	<u>8,862,323</u>	<u>8,174,019</u>

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

	2024 Year End Cost	2024 Year End Accumulated Amortization	2024 Year End Net Book Value	2023 Net Book Value
	\$	\$	\$	\$
Land	16,718,629	-	16,718,629	16,352,444
Land improvements	5,042,112	2,553,874	2,488,238	2,567,216
Buildings	20,444,210	6,826,449	13,617,761	13,965,462
Engineered structures	430,440,402	324,666,627	105,773,775	109,040,591
Machinery & equipment	25,549,920	10,199,005	15,350,915	14,586,220
Vehicles	8,177,022	4,997,453	3,179,569	3,561,280
Construction in progress	<u>1,147,133</u>	<u>-</u>	<u>1,147,133</u>	<u>445,111</u>
Total	<u>507,519,428</u>	<u>349,243,408</u>	<u>158,276,020</u>	<u>160,518,324</u>

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 254 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 \$14,717,897 (2023 - \$19,674,595) includes non-cash amounts of transfers from Construction in Progress of \$0 (2023 - \$1,547,687) and additions to the asset retirement standards of \$132,718 (2023 - \$807,922). As a result cash paid for aquisitions of trangible capital assets is \$14,585,179 (\$2023 - \$17,318,986)

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

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 304,451 people and 444 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 11.65% 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 10.65% on pensionable salary above this amount.

The current service contributions by Mountain View County to the Local Authorities Pension Plan in 2024 were \$782,245 (2023 - \$758,883). Total current service contributions by the employees of Mountain View County to the Local Authorities Pension Plan in 2024 were \$701,107 (2023 - \$679,531).

At December 31, 2023, the Plan disclosed an actuarial surplus of \$15.1 billion (2022 - \$12.7 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:

		2024			2023	
	<u># of</u>	<u>Salary (1)</u>	<u>Benefits &</u>	<u>Total</u>	<u># of</u>	<u>Total</u>
	<u>Persons</u>	<u>\$</u>	<u>Allowances (2)</u>	<u>\$</u>	<u>Persons</u>	<u>\$</u>
Reeve						
Division 5	1	94,782	19,686	114,468	1	110,886
Councillors						
Division 1	1	63,472	15,947	79,419	1	71,251
Division 2	1	55,383	10,829	66,212	1	76,116
Division 3	1	55,910	11,486	67,396	1	65,860
Division 4	2	40,759	10,176	50,935	1	64,426
Division 6	1	64,528	12,916	77,444	1	72,845
Division 7	1	59,779	16,411	76,190	1	60,017
Chief Administrative Officer	1	247,012	38,208	285,220	1	263,903

(1) Salary includes regular base pay, bonuses, overtime, EDO, 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, accidental disability and dismemberment insurance, statutory deductions, WCB, and any other direct cash remuneration.

**MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024**

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 2024 the County provided \$148,762 (2023 - \$277,310) as its share to support the operations of MVRWC.

Mountain View Seniors' Housing (MVSH) (See Note 10)

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 2024, the County provided \$2,076,410 (2023 - \$2,006,113) 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, 2024

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, 2024. 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

	2024 Year End	2023 Year End
	\$	\$
Unappropriated operating equity	-	-
Reserves (note 12)	80,781,366	76,069,139
Land deficit	(1,394,375)	(1,394,375)
Airport development costs	(81,264)	(136,754)
Unfunded gravel pit reclamation	(4,538,686)	(4,441,953)
Unfunded liability for contaminated sites	(4,600,000)	(4,600,000)
Unfunded post retirement obligation	(167,347)	(54,292)
Equity in resource asset	3,308,421	3,308,421
Equity in tangible capital assets	<u>150,758,802</u>	<u>152,749,680</u>
	<u>224,066,917</u>	<u>221,499,866</u>
Equity in tangible capital assets is comprised of		
Tangible capital assets (Schedule 1)	158,276,020	160,518,324
Asset retirement obligation	(980,618)	(883,954)
Debt for capital	<u>(6,536,600)</u>	<u>(6,884,690)</u>
	<u>150,758,802</u>	<u>152,749,680</u>

MOUNTAIN VIEW COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2024

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, 2024 and the obligation is currently estimated at \$5,559,199 (2023 - \$5,462,466). 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, 2024 and the obligation is currently estimated at \$980,618 (2023 - \$883,954). Significant assumptions were used in determining this obligation.

	2024 Year End \$	2023 Year End \$
Balance, beginning of the Year	883,954	-
Liabilities incurred on adoption of standard	-	839,518
Liabilities settled	(31,596)	-
Change in estimate	88,283	-
Accretion expense	39,977	44,436
	<u>980,618</u>	<u>883,954</u>
Estimated Total Liability	<u>980,618</u>	<u>883,954</u>

23. TRUST ASSETS AND LIABILITIES

Cremona Recreation Board

	2024 Year End \$	2023 Year End \$
Balance, beginning of Year	135,028	115,684
Additions to reserve	249,259	241,999
Use of funds (net)	(232,484)	(227,737)
Interest revenue	5,542	5,082
	<u>157,345</u>	<u>135,028</u>
Balance, end of Year	<u>157,345</u>	<u>135,028</u>

Cremona Recreation Board Trust Asset and Liabilities

The Cremona Recreation Board trust assets and liabilities are not reflected on the balance sheet of the municipal financial statements. However, the municipality holds these funds on behalf of the Cremona Recreation Board to support recreational activities within the Village of Cremona.

Funds are allocated annually based on the approval of the Cremona Recreation Board. Any funds unspent during the fiscal year are added to the trust account, which accrues interest at a rate of 2.75% (2023 - 4.5%)

24. COMPARATIVE FIGURES

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

25. BUDGET AMOUNTS

The 2024 budget was approved by Council on April 10, 2024