



2021

Audited Financial Statements
For the year ended December 31, 2021

Sturgeon County

2021 Financial Statements

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Management's Responsibility for Financial Reporting

The accompanying 2021 financial statements are the responsibility of the management of Sturgeon County and have been approved by Council.

These financial statements have been prepared by management, in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountings of Canada. Financial statements are not precise in nature as they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

The County maintains systems of internal accounting, budget and other administrative controls that are designed to provide reasonable assurance that the financial information is authorized, reliable, accurate, and that assets are properly accounted for and safeguarded.

Council is composed entirely of individuals who are neither management nor employees of Sturgeon County. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, appointing the external auditor, and approving the financial statements. Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Metrix Group LLP, as the County's appointed external auditors, has audited the Financial Statements. Metrix Group LLP have full and free access to Council.

"Original Signed"

Reegan McCullough

Chief Administrative Officer

April 22, 2022

"Original Signed"

Andrew Hayes, CPA, CA, CGA, MPA

Chief Financial Officer

April 22, 2022

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Municipality of Sturgeon County

Opinion

We have audited the accompanying financial statements of Sturgeon County (the County), which comprise the statement of financial position as at December 31, 2021 and the statements of operations and accumulated surplus, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2021 and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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



Independent Auditors' Report (continued)

In preparing the financial statements, management is responsible for assessing the County's ability to continue as a going concern, disclosing, as applicable, matters relating 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 (Council) are responsible for overseeing the County's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
April 22, 2022

Sturgeon County

Statement of Financial Position

December 31 st	2021	2020
		<i>(restated)</i> (Note 23)
Financial Assets		
Cash and short-term investments (Note 2)	\$ 89,033,932	\$ 63,040,210
Accounts receivable (Note 3)	10,388,429	20,926,354
Loans receivable (Note 4)	3,027,569	3,172,116
Investments (Note 5)	35,697,769	29,995,987
Total financial assets	138,147,699	117,134,667
Liabilities		
Accounts payable and accrued liabilities (Note 7)	23,268,253	17,707,785
Long-term debt (Note 8)	30,958,483	34,229,692
Deferred revenue (Note 10)	35,878,864	34,415,192
Total liabilities	90,105,600	86,352,669
Net Financial Assets	48,042,099	30,781,998
Non-Financial Assets		
Prepaid expenses	859,964	697,604
Inventory for consumption	2,209,900	1,357,122
Tangible capital assets (Note 11)	315,645,359	290,829,571
Total non-financial assets	318,715,223	292,884,297
Accumulated Surplus (Note 13)	\$ 366,757,322	\$ 323,666,295

The accompanying notes are an integral part of these financial statements

Sturgeon County

Statement of Operations and Accumulated Surplus

For the year ended December 31 st	Budget	2021	2020
	<i>(unaudited)</i>		<i>(restated)</i>
	(Note 21)		(Note 23)
Revenue			
Net municipal taxes (Note 15)	\$ 80,784,918	\$ 82,963,943	\$ 63,880,153
Sales and user charges	11,001,368	12,623,304	10,641,475
Government transfers for operating (Note 16)	1,435,998	1,877,618	3,858,968
Special levies and tax prepayments	1,644,714	1,833,459	1,485,903
Investment income	742,200	1,460,710	1,350,570
Penalties on taxes and service charges	627,969	988,071	982,862
Other revenue	216,855	519,420	748,650
Inter-municipal agreements	548,317	437,911	540,456
	97,002,339	102,704,436	83,489,037
Expenses (Note 27)			
Infrastructure Services (Excluding Utility Services)	34,520,141	34,754,401	34,215,125
Community Services	9,717,998	10,757,323	8,412,969
Development & Strategic Services	5,636,246	5,225,383	4,828,655
Corporate Services	4,962,574	4,416,095	3,940,430
Financial, Assessment, & Procurement Services	3,393,912	3,358,350	3,277,487
Council	1,020,052	913,552	875,357
General Administration	4,683,797	4,517,036	3,994,890
Utilities Services	8,810,277	9,515,857	8,445,390
	72,744,997	73,457,997	67,990,303
Annual surplus before other income (expense)	24,257,342	29,246,439	15,498,734
Other income (expense)			
Government transfers for capital (Note 16)	13,486,899	9,041,968	6,265,904
Contributed tangible capital assets (Note 11)	-	3,409,388	2,298,539
Developer off site levies	1,464,618	1,414,968	721,632
Unrealized foreign exchange loss	-	(21,736)	(106,144)
	14,951,517	13,844,588	9,179,931
Annual surplus	39,208,859	43,091,027	24,678,665
Accumulated surplus at beginning of year	323,666,295	323,666,295	298,987,630
Accumulated surplus at end of year (Note 13)	\$ 362,875,154	\$ 366,757,322	\$ 323,666,295

The accompanying notes are an integral part of these financial statements

Sturgeon County

Statement of Change in Net Financial Assets

For the year ended December 31 st	Budget	2021	2020
	<i>(unaudited)</i> (Note 21)		<i>(restated)</i> (Note 23)
Annual surplus	\$ 39,208,859	\$ 43,091,027	\$ 24,678,665
Acquisition of tangible capital assets	(83,471,267)	(34,147,148)	(18,730,169)
Contributed tangible capital assets	-	(3,409,388)	(2,298,539)
Amortization of tangible capital assets	10,664,864	12,068,342	11,480,917
Loss on disposal of tangible capital assets	-	372,259	595,422
Proceeds on sale of tangible capital assets	180,000	300,147	518,085
	<u>(72,626,403)</u>	<u>(24,815,788)</u>	<u>(8,434,284)</u>
Acquisition of supplies inventory	-	(2,209,900)	(1,357,122)
Acquisition of prepaid expense	-	(859,964)	(697,604)
Consumption of inventory	-	1,357,122	1,889,586
Use of prepaid expense	-	697,604	668,330
	<u>-</u>	<u>(1,015,138)</u>	<u>503,190</u>
Decrease/increase in net financial assets	(33,417,544)	17,260,101	16,747,571
Net financial asset at beginning of year	30,781,998	30,781,998	14,034,427
Net financial assets (debt) at end of year	\$ (2,635,546)	\$ 48,042,099	\$ 30,781,998

The accompanying notes are an integral part of these financial statements

Sturgeon County

Statement of Cash Flows

For the year ended December 31 st	2021	2020
		<i>(restated)</i>
		(Note 23)
Cash provided by (used in)		
Operating activities		
Annual surplus	\$ 43,091,027	\$ 24,678,665
Non-cash items included in annual surplus:		
Contributed tangible capital assets	(3,409,388)	(2,298,539)
Amortization of tangible capital assets	12,068,342	11,480,917
Loss on disposal of tangible capital assets	372,259	595,422
Amortization of premium on investments	77,000	82,305
Gain on sale of investments	(6,585)	(11,000)
	52,192,655	34,527,770
Changes in non-cash financial assets and liabilities		
Accounts receivable	10,537,925	(10,011,612)
Loans receivable	144,547	140,201
Prepaid expenses	(162,360)	(29,274)
Accounts payable and accrued liabilities	5,560,468	1,480,661
Deferred revenue	1,463,672	1,962,077
Inventory for consumption	(852,778)	532,465
Cash provided by operating	68,884,129	28,602,288
Capital		
Acquisition of tangible capital assets	(34,147,148)	(18,730,169)
Proceeds on disposal of tangible capital assets	300,147	518,085
Cash used in capital	(33,847,001)	(18,212,084)
Investing		
Acquisitions of investments	(23,818,027)	(11,963,097)
Disposals of investments	18,045,830	11,068,000
Cash used in investing	(5,772,197)	(895,097)
Financing		
Long-term debt issued	-	10,000,000
Long-term debt repaid	(3,271,209)	(3,154,274)
Cash provided by (used in) financing	(3,271,209)	6,845,726
Increase in cash during the year	25,993,722	16,340,833
Cash and short-term investments, beginning of year	63,040,210	46,699,377
Cash and short-term investments, end of year	\$ 89,033,932	\$ 63,040,210

The accompanying notes are an integral part of these financial statements

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Sturgeon County are prepared by management prepared in accordance Canadian Public Sector Accounting Standards. Significant accounting policies are presented to assist the reader in evaluating these financial statements and, together with the following notes, should be considered an integral part of the financial statements. The significant accounting policies adopted by Sturgeon County are as follows:

a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances, and the change in financial position of Sturgeon County. Property taxes levied includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity. The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated where appropriate.

b) Basis of Accounting

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

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

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

c) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Estimates have been used to determine provisions for accrued liabilities, useful life of tangible capital assets, post retirement benefits, gravel inventory and reclamation, provisions made for allowance for doubtful receivables.

Revenue recognition related to development levies and charges utilized forecasted development costs, staging, and financing requirements.

d) Cash and Short-term Investments

Short term investments are term deposits that mature in three months or less from the acquisition date.

e) Loans Receivable

Loans receivable are recorded based on the original amount loaned, including interest, and decreased overtime based on agreements in place. If reasonable assurance of collection does not exist, a provision may be made to the balance of the principal and interest of a loan to reduce the loan to its estimated amount.

f) Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss. Investment income is reported as revenue in the period earned. When required by agreement or legislation, investment income earned on deferred revenue is added to the deferred revenue balance based on the County's high interest savings account rate. Investment income is reported as revenue in the period earned. When required by agreement or legislation, investment income earned on deferred revenue is added to the deferred revenue balance based on the County's high interest savings account rate.

1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

g) Debt Charges Recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the un-matured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

h) Requisition Over-levy and Under-levy

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

If the actual tax levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual tax levy is less than an external organization's 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 or under levies of the prior year.

i) Developer Offsite Levies

Offsite levies are collected from developers upon the execution of a development agreement as per the offsite levy bylaw. These funds are restricted to fund the construction of specific infrastructure and are recognized as revenue once the infrastructure has been built.

j) Tax Revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the tax notices are issued. Requisitions operate as a flow through and are excluded from municipal reserve.

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by Sturgeon County and are recognized as revenue in the year they are levied.

k) Contaminated Sites Liability

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

l) Government Transfers

Government transfers are the transfer of assets from government that are not the result of an exchange transaction, are not expected to be repaid in the future, or 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.

m) Employee Benefit Obligations

The cost of employment benefits, pension benefits, compensated absences and termination benefits are recorded as an expense at the time the event giving rise to the obligation occurs.

n) Post Retirement Benefit Plans

Post retirement obligations are unfunded, accrued, and paid as they become due. The cost of non-pension post-retirement benefits earned by employees is determined by management's best estimate based on service, salary escalation, retirement ages of employees and expected health care costs. The present value of the cost of providing employees with future benefits programs is recognized as employees earn these entitlements through service rendered.

1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

o) Deferred Revenue

Deferred revenue consist of unrecognized government transfers, development levies, tax prepayments, and other revenue. Funds from external parties and earning thereon restricted by agreement, conditions, or legislation are accounting for as deferred revenue until use for the purpose specified.

p) Foreign Exchange

Monetary items denominated in foreign currency are translated to Canadian dollars at exchange rates in effect at December 31. Gains or losses on foreign currency translation are included as revenues or expenses.

q) Developer Contributions

Developer contributions are recognized as revenue in the period they are used for the purpose specified.

r) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful life extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, results in the Change in Net Financial Assets for the year.

s) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

t) Tangible Capital Assets

Tangible capital assets are recorded at cost which, includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, interest charges are not capitalized. Engineering structures, road network, vehicles, buildings, and machinery and equipment are amortized over their useful lives in a manner that reflects the consumption of their future economic benefits. The cost, less residual value, of the tangible capital assets is amortized on either the straight-line basis or declining balance. Useful life for each class of depreciable asset are:

Roadway network:		
Roads	Straight Line	10 - 60 years
Bridges	Straight Line	40 - 75 years
Swales, curb & gutter	Straight Line	30 - 50 years
Railway	Straight Line	50 years
Engineering structures:		
Force main/collection/supply/distribution lines	Straight Line	75 years
Storm water systems	Straight Line	75 years
Plants, facilities, reservoirs & lagoons	Straight Line	40 years
Equipment & pump and lift stations	Straight Line	15 - 40 years
Land improvements:		
Landscaping/asphalt paths	Straight Line	25 years
Fences/ball diamonds	Straight Line	20 years
Gravel paths/parking lots	Straight Line	15 - 20 years
Playground structures	Straight Line	10 years
Buildings:		
Brick/steel frame	Straight Line	40 years
Wood/portable structures	Straight Line	25 years
Leasehold improvements	Straight Line	as per lease agreement
Machinery and equipment:		
Heavy	Straight Line	10 years
Light & various	Straight Line	4 - 20 years
Office & computer	Declining Balance	5 years

Sturgeon County

Notes to Financial Statements

December 31, 2021

t) Tangible Capital Assets Continued

Vehicles:			
Light	Declining Balance	10 years	
Heavy & fire	Straight Line	15 - 20 years	
Trailers	Straight Line	15 years	

For assets other than roads, a full year of amortization is charged in the year of acquisition and none is charged in the year of disposal. For roads, no amortization is charged in the year of construction and a full year is charged in the year of reconstruction. Assets under construction are not amortized until the asset is available for productive use.

u) Contributions of Tangible Capital Assets

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

v) Inventories

Inventories of materials and supplies are valued at the lower of cost or net realizable value.

w) Future Accounting Standard Pronouncements

The following summarizes upcoming changes to Canadian public sector accounting standards. In 2022, Sturgeon County will continue to assess the impact and prepare for the adoption of these standards. While the timing of standards adoption may vary, certain standards must be adopted concurrently. The requirements in Financial Statement Presentation (PS1201), Financial Instruments (PS3450), Foreign Currency Translation (PS2601) and Portfolio Investments (PS3041) must be implemented at the same time.

Standard	Name	Effective Date
PS1201	Financial Statement Presentation	April 1, 2022
PS2601	Foreign Currency Translation	April 1, 2022
PS3041	Portfolio Investments	April 1, 2022
PS3280	Asset Retirement Obligations	April 1, 2022
PS3450	Financial Instruments	April 1, 2022
PS3400	Revenue	April 1, 2023

2. CASH AND SHORT TERM INVESTMENTS

	2021	2020
Cash	\$ 43,579,742	\$ 8,863,930
Short-term investments	45,454,190	54,176,280
	<u>\$ 89,033,932</u>	<u>\$ 63,040,210</u>

Included in cash and short-term investments is \$370,434 (2020 - \$428,028) of funds restricted for municipal parks. Short-term investments consist of a high-interest savings account that has a stated interest rate of 0.60% (2020 - 0.60%).

3. ACCOUNTS RECEIVABLE

	2021	2020
Receivable from other governments	\$ 4,454,019	\$ 2,718,279
Taxes and grants in place of taxes*	3,728,953	16,770,635
Trade and other	2,901,700	2,300,051
Local improvement taxes **	158,687	333,429
Allowance for doubtful accounts	(854,930)	(1,196,040)
	<u>\$ 10,388,429</u>	<u>\$ 20,926,354</u>

Sturgeon County

Notes to Financial Statements

December 31, 2021

3. ACCOUNTS RECEIVABLE CONTINUED

* Included in the 2020 taxes and grants in place of taxes is a supplementary tax levy completed in December in the amount of \$12,837,632 which was collectable in 2021.

** Local Improvement Taxes

	2021	2020
Local Improvement Bylaw 1111-07, expiring 2021	-	22,770
Local Improvement Bylaw 1147-08, expiring 2022	151,225	302,451
Local Improvement Bylaw 1353-15, expiring 2030	7,462	8,208
	<u>\$ 158,687</u>	<u>\$ 333,429</u>

4. LOANS RECEIVABLE

The West Sturgeon Aging in Place Foundation loan receivable is secured by a mortgage and assignment of rents with a interest rate of 3.075% and semi annual installment payments of \$120,504 maturing in 2037. This loan is based off the original amount lent with no valuation adjustments, write-offs, or recoveries made in 2021. Interest is recorded on an accrual basis.

5. INVESTMENTS

	2021	2020
Long-term Notes	\$ 17,956,148	\$ 13,502,966
Corporate Bonds	17,351,112	16,109,505
Servus Credit Union Member Equity	200,000	200,000
MuniSerp Retirement Plan	187,934	180,941
Alcomdale Local Development Co-op (1 share)	1,500	1,500
River Valley Alliance (1 share)	1,000	1,000
United Farmers of Alberta (15 shares)	75	75
	<u>\$ 35,697,769</u>	<u>\$ 29,995,987</u>

Corporate Bonds have effective interest rate(s) of 1.67% - 4.86% with maturity dates from 2022 - 2033. All bonds are recorded at their amortized cost. The long-term notes bear interest at a rate of 1.6% - 3.1%.

6. BANK INDEBTEDNESS

The County has a revolving line of credit with Servus Credit Union with a maximum limit of \$600,000, in which interest accrues monthly on the outstanding balance at a rate of prime. The County has a non-revolving Demand Instalment Loan with Canadian Imperial Bank of Commerce with a maximum limit of \$6,000,000. Interest calculates on the outstanding balance at a rate of prime per annum. As at December 31, 2021 Sturgeon County had not drawn any funds (2020 - \$ nil) on the line of credit or loan.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Trade and other accounts payable	\$ 13,010,307	\$ 8,005,577
Deposit liabilities	3,768,312	3,721,839
Post retirement benefits obligation	3,357,375	3,579,323
Earned vacation and overtime liability	1,591,815	1,349,260
Reclamation liability (gravel)	1,438,944	955,840
Accrued long-term debt interest	101,500	95,946
	<u>\$ 23,268,253</u>	<u>\$ 17,707,785</u>

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES CONTINUED

Sturgeon County makes available to qualifying employees with 15 years of continuous service who retire at or after the age of 55, the opportunity to continue their coverage for extended health and dental benefits. Coverage ceases at the age of 70. Sturgeon County pays 80 percent of benefit costs and the employee pays the remaining 20 percent. Amounts provided for in the current year amounted to \$99,542 (2020 - \$89,492). Retirees contributed \$24,887 in 2021 (2020 - \$22,373). In addition to the post retirement benefits, Sturgeon County provides a retirement allowance lump-sum payment based on years of service commencing with 35% of salary after a minimum of 20 years' consecutive service. Amounts provided for in the current year amounted to \$ nil (2020 - \$82,851) no Retirees in 2021. Significant assumptions used in the valuation include a discount rate of 2.41% (2020 - 0.7809%). Compensation increases of 4% for 2021 of those that have not maximized in steps and a 2% inflationary increase for all. The health and dental premiums includes a 5% inflationary increase for health and 3% for dental over several years.

8. LONG TERM DEBT

	2021	2020
Government of Alberta		
Self supported debt	\$ 15,999,766	\$ 16,959,842
Tax supported debt	\$ 14,958,717	\$ 17,269,850
	\$ 30,958,483	\$ 34,229,692

The required principal and interest repayments until maturity are as follows:

	Principal	Interest	Total
2022	\$ 3,368,033	\$ 790,674	\$ 4,158,707
2023	3,188,219	693,044	3,881,263
2024	3,134,203	600,891	3,735,094
2025	2,245,460	518,406	2,763,866
2026	1,887,993	459,447	2,347,440
Thereafter	17,134,575	1,673,541	18,808,116
	\$ 30,958,483	\$ 4,736,003	\$ 35,694,486

Government of Alberta debentures bearing interest at rates ranging from 1.95% to 4.61% per annum, maturing between 2022 and 2037. Sturgeon County's total cash payments for interest in 2021 were \$887,497 (2020 - \$886,403).

9. DEBT LIMITS

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

MGA Debt Limit Calculation	2021	2020
Total debt limit	\$ 156,146,502	\$ 126,156,787
Total debt	30,958,483	34,229,692
Amount of debt limit available	\$ 125,188,019	\$ 91,927,095
Debt servicing limit	\$ 26,024,417	\$ 21,026,131
Debt servicing	4,158,707	4,158,707
Amount of debt servicing limit available	\$ 21,865,710	\$ 16,867,424

9. DEBT LIMITS CONTINUED

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times revenue as defined by the Statement of Operations and Accumulated Surplus. 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 alone does not represent the financial stability of Sturgeon County. Rather, the financial statements must be interpreted as a whole.

10. DEFERRED REVENUE

	2020	Contributions	Interest Earned	Contributions Recognized	2021
	<i>(restated)</i>				
Tax Prepayment Agreements	\$14,340,701	-	-	\$ (1,907,060)	\$ 12,433,641
Municipal Sustainability Initiative	7,464,872	6,840,571	22,444	(6,824,164)	7,503,723
Off site levies	5,310,449	380,282	55,078	(286,359)	5,459,450
Other government transfer payments	3,243,341	3,319,357	-	(2,949,727)	3,612,971
Canada Community Building fund	2,128,932	2,401,021	7,140	(938,919)	3,598,174
Other	602,866	1,639,298	-	(297,235)	1,944,929
Developer contributions	1,313,130	-	-	-	1,313,130
Investment fund	10,901	5,000	-	(3,055)	12,846
Alcomdale waterline project	-	696,429	-	(696,429)	-
	<u>\$34,415,192</u>	<u>\$ 15,281,958</u>	<u>\$ 84,662</u>	<u>\$ (13,902,948)</u>	<u>\$ 35,878,864</u>

Deferred revenue comprises the amounts noted below, the use of which, together with any earnings thereon, is externally restricted to eligible expenditures on operating or capital projects as approved by the governments. These funds are recognized as revenue in the period the stipulations are met.

Deferred revenue is being accounted for in net debt to determine the financial condition of the municipality. Though net debt cannot be considered in isolation but also in the context of the overall economic and financial environment the municipality is operating in.

In 2010 Sturgeon County expended the remainder of Fort Hills Energy Corporation's tax prepayment of \$12,700,000. Although the funds have been expended, there is a 10 year recognition period for this amount in accordance with Public Sector Accounting Board standard. The revenue recognized was \$789,460 (2020 - \$789,460).

On August 24, 2012 Sturgeon County entered into an agreement with North West Redwater Partnership (NWRP) for the prepayment of \$5,588,000 in property taxes. The prepayment was received by Sturgeon County on December 21, 2012. In accordance with Public Sector Accounting Board standards, Sturgeon County may begin recognizing the revenue in 5 equal annual amounts of \$1,117,600 commencing June 30, 2021.

Sturgeon County

Notes to Financial Statements

11. TANGIBLE CAPITAL ASSETS

For the year ended December 31st

2021

	Engineering Structures	Road Network	Machinery & Equipment	Buildings	Vehicles	Land	Land Improvements	Work in Progress	2021
Cost									
Balance, beginning of year	\$ 92,862,816	\$ 280,401,874	\$ 17,419,495	\$ 12,120,349	\$ 11,560,916	\$ 28,341,017	\$ 6,720,382	\$ 14,262,505	\$ 463,689,354
Add:									
Additions during the year	1,008,901	1,809,802	249,773	111,007	1,274,257	(1,716)	69,093	33,035,419	37,556,536
Less:									
Disposals during the year		-	(99,396)		(764,396)	(336,870)			(1,200,662)
Transfers	4,449,970	25,730,292	88,220	280,414	210,410	740,571	282,252	(31,782,129)	-
Balance, end of year	\$ 98,321,687	\$ 307,941,968	\$ 17,658,092	\$ 12,511,770	\$ 12,281,187	\$ 28,743,002	\$ 7,071,727	\$ 15,515,795	\$ 500,045,228
Accumulated Amortization									
Balance, beginning of year	\$ 20,579,672	\$ 134,241,900	\$ 6,612,785	\$ 4,275,858	\$ 5,198,388	\$ -	\$ 1,951,180	\$ -	\$ 172,859,783
Add:									
Amortization	\$ 1,593,666	\$ 8,061,206	\$ 1,117,807	\$ 306,445	\$ 656,031	\$ -	\$ 333,187	\$ -	\$ 12,068,342
Less:									
Accumulated amortization on disposals		-	(70,514)		(457,742)				(528,256)
Balance, end of year	\$ 22,173,338	\$ 142,303,106	\$ 7,660,078	\$ 4,582,303	\$ 5,396,677	\$ -	\$ 2,284,367	\$ -	\$ 184,399,869
Net Book Value	\$ 76,148,349	\$ 165,638,862	\$ 9,998,014	\$ 7,929,467	\$ 6,884,510	\$ 28,743,002	\$ 4,787,360	\$ 15,515,795	\$ 315,645,359

Non-cash contributed tangible capital assets for 2021 total \$3,409,388 received from developers for subdivision roads, water supply line and wastewater collection line. (2020 - \$2,298,539). Work in Progress in the amount of \$15,515,795 (2020 - 14,262,505) is not in service therefore has not been amortized.

Sturgeon County

Notes to Financial Statements

11. TANGIBLE CAPITAL ASSETS CONTINUED

For the year ended December 31st

2020
(restated)(Note 23)

	Engineering Structures	Road Network	Machinery & Equipment	Buildings	Vehicles	Land	Land Improvements	Work in Progress	2020 (restated)
Cost									(restated)
Balance, beginning of year	\$ 91,975,781	\$ 268,577,410	\$ 15,842,297	\$ 12,120,349	\$ 11,198,583	\$ 27,618,347	\$ 6,452,382	\$ 10,621,064	\$ 444,406,213
Add:									
Additions during the year	760,044	1,782,393	2,526,110		587,440	91,192	268,000	15,013,529	21,028,708
Less:									
Disposals during the year		(73,237)	(1,219,190)		(225,107)			(228,033)	(1,745,567)
Transfers	126,991	10,115,308	270,278			631,478		(11,144,055)	-
Balance, end of year	\$ 92,862,816	\$ 280,401,874	\$ 17,419,495	\$ 12,120,349	\$ 11,560,916	\$ 28,341,017	\$ 6,720,382	\$ 14,262,505	\$ 463,689,354
Accumulated Amortization									
Balance, beginning of year	\$ 19,101,146	\$ 126,622,671	\$ 5,975,655	\$ 3,997,854	\$ 4,687,613	\$ -	\$ 1,625,986	\$ -	\$ 162,010,925
Add:									
Amortization	1,478,526	7,692,466	1,089,714	278,004	617,013		325,194		11,480,917
Less:									
Accumulated amortization on disposals		(73,237)	(452,584)		(106,238)				(632,059)
Balance, end of year	\$ 20,579,672	\$ 134,241,900	\$ 6,612,785	\$ 4,275,858	\$ 5,198,388	\$ -	\$ 1,951,180	\$ -	\$ 172,859,783
Net Book Value	\$ 72,283,144	\$ 146,159,974	\$ 10,806,710	\$ 7,844,491	\$ 6,362,528	\$ 28,341,017	\$ 4,769,202	\$ 14,262,505	\$ 290,829,571

Sturgeon County

Notes to Financial Statements

December 31, 2021

12. EQUITY IN TANGIBLE CAPITAL ASSETS

	2021	2020 <i>(restated)</i>
Capital assets (cost)	\$ 500,045,228	\$ 463,689,354
Accumulated amortization	(184,399,869)	(172,859,783)
Long-term debt utilized	(13,931,548)	(16,596,350)
	<u>\$ 301,713,811</u>	<u>\$ 274,233,221</u>

13. ACCUMULATED SURPLUS

	2021	2020 <i>(restated)</i>
Unrestricted Deficit	\$ (12,274,950)	\$ (12,847,989)
Internally designated (Note 16)		
Tax stabilization	22,575,925	16,128,763
Lifecycle & growth	59,901,540	56,054,137
Special purpose	9,256,943	3,783,429
Contingency	1,243,000	1,243,000
Front-ended offsite levies (Note 14)	(15,658,947)	(14,928,266)
Total reserves	<u>77,318,461</u>	<u>62,281,063</u>
Equity in tangible capital assets (Note 12)	<u>301,713,811</u>	<u>274,233,221</u>
Accumulated Surplus	<u>\$ 366,757,322</u>	<u>\$ 323,666,295</u>

14. FRONT END OFFSITE LEVIES

<u>Front-ended offsite levies</u>		
Transportation	\$ (2,658,700)	\$ (1,856,395)
Water	(8,768,721)	(8,786,426)
Sanitary Sewer	(4,231,526)	(4,285,445)
	<u>\$ (15,658,947)</u>	<u>\$ (14,928,266)</u>

Sturgeon County paid for certain infrastructure projects on behalf of developers and financed this development with a combination of long-term debt and reserves in order to advance the construction of these projects. The front-ended offsite levy reserves represent the developer deficits that are expected to be repaid to the County with proceeds from future developer levies.

Sturgeon County

Notes to Financial Statements

December 31, 2021

15. MUNICIPAL TAXES LEVIED

	Budget (Note 21)	2021	2020
Taxation			
Real property taxes	\$ 81,050,188	\$ 87,839,568	\$ 65,905,111
Linear property taxes	10,754,172	7,579,445	10,263,329
Government grants in place of property taxes	6,011,799	5,905,211	6,011,799
	<u>97,816,159</u>	<u>101,324,224</u>	<u>82,180,239</u>
Requisitions			
Alberta School Foundation Fund	15,643,274	16,270,307	16,352,228
Homeland Housing	699,401	719,380	702,253
Greater St. Albert RCSSD #734	295,800	799,271	794,607
Elk Island CSRD #41	245,679	187,561	209,070
Designated Industrial Property	147,087	383,762	241,928
	<u>17,031,241</u>	<u>18,360,281</u>	<u>18,300,086</u>
Net municipal property taxes	<u>\$ 80,784,918</u>	<u>\$ 82,963,943</u>	<u>\$ 63,880,153</u>

16. GOVERNMENT TRANSFERS

	Budget (Note 21)	2021	2020
For Operations			
Federal transfers	\$ -	\$ 57,689	\$ 70,700
Provincial transfers	1,435,998	1,819,929	3,788,268
	<u>1,435,998</u>	<u>1,877,618</u>	<u>3,858,968</u>
For tangible capital assets			
Federal transfers	13,261,899	8,103,049	5,191,923
Provincial transfers	225,000	938,919	1,073,981
	<u>13,486,899</u>	<u>9,041,968</u>	<u>6,265,904</u>
Total government grants	<u>\$ 14,922,897</u>	<u>\$ 10,919,586</u>	<u>\$ 10,124,872</u>

Sturgeon County

Notes to Financial Statements

December 31, 2021

17. SALARY AND BENEFITS

Disclosure of salaries and benefits for elected Sturgeon County officials and the chief administrative officer as required by Alberta Regulations 313/2000 is as follows:

	Salary ¹	Honoraria ²	Benefits ³	2021	2020
Mayor	\$ 109,914	7,410	15,672	\$ 132,996	\$ 118,226
Councillor Division 1	\$ 82,600	8,320	9,344	\$ 100,264	\$ 85,663
Councillor Division 2	\$ 80,185	8,710	13,513	\$ 102,408	\$ 89,624
Councillor Division 3 (January 1 - October 25, 2021)	\$ 64,509	7,180	10,993	\$ 82,682	\$ 89,971
Councillor Division 3 (October 26 - December 31, 2021)	\$ 14,916	230	1,672	\$ 16,818	\$ -
Councillor Division 4	\$ 80,335	5,200	13,776	\$ 99,311	\$ 87,099
Councillor Division 5 (January 1 - October 25, 2021)	\$ 64,509	4,290	11,063	\$ 79,862	\$ 85,106
Councillor Division 5 (October 26 - December 31, 2021)	\$ 14,916	1,560	2,191	\$ 18,667	
Councillor Division 6 (January 1 - October 31, 2021)	\$ 64,510	4,160	11,610	\$ 80,280	\$ 81,994
Councillor Division 6 (December 17 - 31, 2021)	\$ 3,348	-	437	\$ 3,785	\$ -
Chief Administrative Officer (CAO)	\$ 256,682	-	40,052	\$ 296,734	\$ 288,918
Designated Officers ⁴	\$ 1,290,849	-	297,643	\$ 1,588,492	\$ 1,269,431

¹ Salary includes regular base pay, and Deputy Mayor allowance. In addition to attending Regular Council Meetings during normal business hours, Council Members also attend Public Hearings and serve on 6-13 internal Committees/Boards and 207 external Committees/Boards and for community functions which they do not receive additional remuneration.

² Council honoraria is based on \$260 per day for attendance at conferences or conventions. Attendance at conferences and conventions typically requires travel away from home for extended periods of time.

³ Employer's share of employee benefits and contributions or payments made on behalf of employees including pensions, extended health care, dental coverage, group life insurance, accident death and dismemberment insurance, long and short-term disability plans, professional memberships and tuition.

⁴ Designated Officers include Appointment of Municipal Assessor, Bylaw Enforcement Officers (Peace Officers and Animal Control), Clerk of the Subdivision And Development Appeal Board, and Clerk of the Assessment Review Board. Total of 12 positions.

18. LOCAL AUTHORITIES PENSION PLAN

Employees of Sturgeon County participate in the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pension Plans Act. The Plan serves 275,863 members and about 433 employers. It is financed by employer, employee contributions and investment earnings of the LAPP Fund.

Sturgeon County is required to make current service contributions to the Plan of 9.39% of pensionable earnings up to the Canada Pension Plan's Yearly Maximum Pensionable Earnings and 13.84% for the excess.

Total contributions by Sturgeon County to the LAPP in 2021 were \$1,948,384 (2020 - \$1,775,313). Total contributions by the employees of Sturgeon County to the LAPP in 2021 were \$1,780,587 (2020 - \$1,615,277).

At December 31, 2020, the Local Authorities Plan disclosed an actuarial surplus of approximately \$ 5.0 billion.

19. TRUST FUNDS

A summary of trust funds held by Sturgeon County is as follows:

	2021	2020
Tax sale surplus	\$ 295,836	\$ 54,559
Dale MacMillan Memorial Scholarship Fund	108,715	110,559
Campaign Trust	-	9,531
	<u>\$ 404,551</u>	<u>\$ 174,649</u>

Trust funds administered by Sturgeon County have not been included in the Statement of Financial Position nor have their operations been included in the Statement of Operations. The Campaign Trust Account was closed in October 2021.

20. FINANCIAL INSTRUMENTS

Sturgeon County's financial instruments consist of cash and short-term investments, accounts receivable, loans receivable, investments, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that Sturgeon County is not exposed significant interest or currency risks arising from these financial instruments.

Sturgeon County is subject to credit risk with respect to taxes and grants in place of taxes receivable and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to whom Sturgeon County provides services may experience difficulty and be unable to fulfill their obligations.

Sturgeon County is subject to revenue concentration risk as municipal taxes from four ratepayers represent 44.6% (2020 - 36.9%) of the County's total revenue.

Sturgeon County

Notes to Financial Statements

December 31, 2021

21. BUDGET FIGURES

The 2021 Budget figures appearing in the financial statement below have not been audited. Budgets that are established for capital acquisitions and related financing are calculated on a project oriented basis, as they may be carried out over one or more years. As such, they are not directly comparable with current year actual amounts.

	Budget (unaudited)	2021	2020
Budget Figures			
Annual Surplus	\$ 39,208,859	\$ 43,091,027	\$ 24,678,665
Internal Transfers (net operating & capital)	(5,152,325)	(7,625,539)	(1,436,310)
Proceeds on disposal of Tangible Capital Assets	180,000	300,147	518,085
Repayment of capital long-term debt	(3,126,666)	(2,851,558)	(2,746,838)
Loss on disposal of Tangible Capital Assets	-	372,259	595,422
Capital costs	(52,494,732)	(34,147,148)	(18,730,169)
Contributed assets	-	(3,409,388)	(2,298,539)
Debt utilized	10,720,000	186,755	475,436
Amortization	10,664,864	12,068,342	11,480,917
Operating Surplus (before yearend transfer)	\$ -	\$ 7,984,897	\$ 12,536,669
Internal Transfers (net operating & capital)		(7,984,897)	(12,536,669)
Operating Surplus (after yearend transfer)	\$ -	\$ -	\$ -

Note that the above unaudited budget data presented above is based upon the 2021 operating and capital budgets that have been approved by Council. Amortization and gain/loss of disposed tangible capital assets were not contemplated to be funded in the development of the budget and, as such, have not been included.

22. CONTINGENT LIABILITIES

Sturgeon County has collected third party fees in relation to a right of way agreement which is currently being disputed. Should a future obligation present itself, any amount disbursed will be accounted for as a transaction in the year in which the disbursement occurs.

Sturgeon County

Notes to Financial Statements

December 31, 2021

23. PRIOR PERIOD ADJUSTMENT

During 2021, Sturgeon County discovered several items which required a prior period restatement related to offsite levies and tangible capital assets.

Offsite levies

Sturgeon County concluded that certain amount related to development offsite levies were previously included in deferred revenue did not meet the definition of a liability. The impact on the 2020 comparative figures has been to decrease deferred revenue by \$4,912,124, increase beginning accumulated surplus by \$4,546,568, and increase annual surplus by \$365,556.

Tangible capital assets

During 2021, Sturgeon County discovered sixteen items which resulted in a prior period restatement:

- 1) Prior to 2019 a bridge that was not recognized as a tangible capital asset;
- 2) Contributed tangible capital asset for which the County received ownership to prior to 2019 was not recorded;
- 3) Nine bridges that should have been disposed of prior to 2019;
- 4) Four leasehold improvements that should have been disposed of prior to 2019;
- 5) Amortization for one tangible capital asset had not been recorded for several years.

The combined effect of on the financial statements in the current and prior periods are:

	2020	2019 and Prior
Tangible Capital Assets		
Cost	-	1,050,299
Accumulated Amortization	<u>(49,882)</u>	<u>(53,467)</u>
Equity in Tangible Capital Assets	<u>(49,882)</u>	<u>996,832</u>
Accumulated Surplus	49,882	(996,832)

These have been corrected retroactively in 2021 and comparative figures have been restated.

24. COMPARATIVE INFORMATION

Certain comparative values have been reclassified to conform with the current year financial statement presentation.

25. SUBSEQUENT EVENTS

On December 8, 2021, the Lieutenant Governor in Council made Order in Council 362/2021, the order annexing land from Sturgeon County to the City of St. Albert, effective January 1, 2022. The impact to the County's December 31, 2022 consolidated financial statements is estimated to be limited to the disposal of land under roads and engineered structures in the amount of \$523,098.

26. SEGMENTED INFORMATION

Segmented information has been identified based upon lines of service provided by the County. County services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Infrastructure Services (Excluding Utilities)

Infrastructure Services is responsible for managing the County's infrastructure by planning, constructing, and maintaining streets, highways, trails, bridges, and maintaining facilities and parks. They are also responsible for the County's drainage, stormwater, and waste management.

Community Services

Community Services is focused on creating a healthy, safe, and welcoming community that celebrates cultural and social inclusion as well as providing effective emergency and enforcement services.

Development & Strategic Services

Development & Strategic Services guides the County through developing short term and long term development plans and Council driven strategic plan. They are also responsible to asset business with development decisions to ensure local businesses prosper and grow as well as attracted new business and investment into the County.

Corporate Services

Corporate Services is a administrative support division that is comprised of legislative, information management, and human resources.

Financial, Assessment & Procurement Services

Financial, Assessment & Procurement Services provide a vital support role to help the County achieve its strategic goals while ensuring fiscal sustainability.

Council

Council is the elected officials and support staff. Council governs by providing leadership and strategic direction to administration through the review and approval of policies, bylaws, and incentives that benefit residence, businesses, and industry.

General Administration

General Administration includes the Chief Administrative Officer, Communication departments as well as corporate revenue and expense that are not specific to an individual department within Sturgeon County.

Utilities Services

The utilities department provides drinking water to approximately 2,467 customers in Sturgeon County. The department is also responsible for the collection and delivery to a treatment facility of wastewater.

Sturgeon County

Notes to Financial Statements

26. SEGMENTED DISCLOSURE CONTINUED

For the year ended December 31st

2021

Budget
unaudited

	Infrastructure Services (Excluding Utility Services)	Community Services	Development & Strategic Services	Corporate Services	Financial, Assessment, & Procurement Services	Council	General Administration	Total Municipal Operations	Utilities Services	Total	Total
Revenue											
Net municipal taxes	45,979,501	11,411,072	8,943,101	7,694,182	4,792,289	1,604,318	2,539,480	82,963,943	-	82,963,943	80,784,918
Sales and user charges	568,968	365,358	735,979	7,206	50,505	-	276,608	2,004,624	10,618,680	12,623,304	11,001,368
Government transfers	823,467	536,439	85,514	60,168	20,793	-	351,237	1,877,618	-	1,877,618	1,435,998
Special levies and tax prepayments	-	-	-	-	-	-	1,833,459	1,833,459	-	1,833,459	1,644,714
Investment Income	-	-	2,577	-	37,454	-	1,420,679	1,460,710	-	1,460,710	742,200
Penalties on taxes and service charges	-	178,273	16,940	-	-	-	774,143	969,356	18,715	988,071	627,969
Other revenue	134,767	113,125	84,690	16,550	79,668	-	81,905	510,705	8,715	519,420	216,855
Inter-municipal agreements	6,260	323,951	-	-	107,700	-	-	437,911	-	437,911	548,317
	\$ 47,512,963	\$ 12,928,218	\$ 9,868,801	\$ 7,778,106	\$ 5,088,409	\$ 1,604,318	\$ 7,277,511	\$ 92,058,326	\$ 10,646,110	\$ 102,704,436	\$ 97,002,339
Expenses											
Salaries, wages and benefits	10,191,776	3,955,615	3,214,494	3,069,036	3,103,884	841,739	1,305,951	25,682,495	1,520,453	27,202,948	27,379,465
Contracted and general services	6,253,322	1,648,804	1,606,361	1,195,692	381,377	70,687	2,832,020	13,988,263	473,071	14,461,334	17,802,646
Materials, goods and utilities	6,819,864	562,364	16,704	203,700	11,921	71	59,351	7,673,975	5,187,216	12,861,191	13,654,626
Amortization	9,588,683	860,975	-	-	6,209	-	174,707	10,630,574	1,437,768	12,068,342	10,664,864
Grants	255,215	3,265,427	131,253	-	-	-	171,221	3,823,116	-	3,823,116	2,036,261
Purchases from other governments	830,173	392,750	2,896	1,347	10,279	1,055	2,925	1,241,425	675,130	1,916,555	-
Interest on long-term debt	466,967	-	189,289	-	-	-	-	656,256	123,264	779,520	791,035
Loss/(gain) on disposal of tangible capital asset	383,705	(11,447)	-	-	-	-	4,971	377,229	-	377,229	-
Provision for allowances	-	-	-	-	-	-	(34,110)	(34,110)	1,872	(32,238)	416,100
Internal Allocations	(35,304)	82,835	64,386	(53,680)	(155,320)	-	-	(97,083)	97,083	-	-
	\$ 34,754,401	\$ 10,757,323	\$ 5,225,383	\$ 4,416,095	\$ 3,358,350	\$ 913,552	\$ 4,517,036	\$ 63,942,140	\$ 9,515,857	\$ 73,457,997	\$ 72,744,997
Annual surplus before other income	\$ 12,758,562	\$ 2,170,895	\$ 4,643,418	\$ 3,362,011	\$ 1,730,059	\$ 690,766	\$ 2,760,475	\$ 28,116,186	\$ 1,130,253	\$ 29,246,439	\$ 24,257,342

Sturgeon County

Notes to Financial Statements

26. SEGMENTED DISCLOSURE CONTINUED

For the year ended December 31st

2020
(restated)(Note 23) Budget
unaudited

	Infrastructure Services (Excluding Utilities)	Community Services	Development & Strategic Services	Corporate Services	Financial, Assessment, & Procurement Services	Council	General Administration	Total Municipal Operations	Utility Services	Total	Total
Revenue											
Net municipal taxes	36,933,564	8,137,704	4,572,575	5,900,600	3,905,283	1,187,517	3,242,910	63,880,153	-	63,880,153	50,199,197
Sales and user charges	357,989	218,208	516,597	5,052	37,415	-	202,802	1,338,063	9,303,412	10,641,475	10,604,842
Government transfers	678,244	488,591	149,241	-	44,259	-	2,480,455	3,840,790	18,178	3,858,968	1,456,950
Special levies and tax prepayments	-	-	-	-	-	-	1,485,903	1,485,903	-	1,485,903	1,834,460
Return on investments	-	-	5,316	-	33,089	-	1,312,165	1,350,570	-	1,350,570	775,830
Penalties on taxes and service charges	-	264,591	17,221	-	-	-	687,679	969,491	13,371	982,862	594,000
Other revenue	534,274	80,971	40,354	15,844	9,460	-	2,015	682,918	65,732	748,650	220,155
Inter-municipal agreements	2,493	319,923	-	-	218,040	-	-	540,456	-	540,456	535,554
	\$ 38,506,564	\$ 9,509,988	\$ 5,301,304	\$ 5,921,496	\$ 4,247,546	\$ 1,187,517	\$ 9,413,929	\$ 74,088,344	\$ 9,400,693	\$ 83,489,037	\$ 66,220,988
Expenses											
Salaries, wages and benefits	9,477,331	3,466,021	3,314,281	2,775,035	3,002,408	814,122	1,350,350	24,199,548	1,379,777	25,579,325	26,686,825
Contracted and general services	7,909,593	1,346,210	1,262,415	922,103	400,936	61,045	965,590	12,867,892	242,792	13,110,684	12,432,029
Materials, goods and utilities	6,672,266	416,950	4,441	296,972	6,346	690	51,709	7,449,374	4,820,510	12,269,884	13,163,854
Amortization	9,117,017	844,348	-	-	3,133	-	157,754	10,122,252	1,358,665	11,480,917	9,919,320
Grants	126,646	1,592,550	13,748	-	-	-	135,937	1,868,881	-	1,868,881	1,827,423
Provision for allowances	-	-	-	-	-	-	1,333,190	1,333,190	7,820	1,341,010	225,500
Purchases from other governments	160,139	433,194	12,560	-	7,770	-	360	614,023	297,873	911,896	-
Interest on long-term debt	538,115	-	154,419	-	-	-	-	692,534	139,749	832,283	836,882
Loss/(gain) on disposal of tangible capital asse	515,968	-	-	-	-	-	-	515,968	79,455	595,423	-
Internal Allocations	(301,950)	313,696	66,791	(53,680)	(143,106)	(500)	-	(118,749)	118,749	-	-
	\$ 34,215,125	\$ 8,412,969	\$ 4,828,655	\$ 3,940,430	\$ 3,277,487	\$ 875,357	\$ 3,994,890	\$ 59,544,913	\$ 8,445,390	\$ 67,990,303	\$ 65,091,833
Annual surplus before other income	\$ 4,291,439	\$ 1,097,019	\$ 472,649	\$ 1,981,066	\$ 970,059	\$ 312,160	\$ 5,419,039	\$ 14,543,431	\$ 955,303	\$ 15,498,734	\$ 1,129,155

Sturgeon County

Notes to Financial Statements

December 31, 2021

27. APPROVAL OF FINANCIAL STATEMENTS

Council have approved these financial statements.