

2022 Audited Financial Statements

FOR THE YEAR ENDING DECEMBER 31, 2022



Sturgeon County
2022 Financial Statements

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Management's Responsibility

To the Mayor and Councillors of Sturgeon County:

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

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 public sector accounting standards. 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.

Council is composed entirely of individuals who are neither management nor employees of the County. Council is responsible for overseeing management in the performance of its financial reporting responsibilities and for 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. Council is also responsible for recommending the appointment of the County's external auditors.

MNP LLP is appointed by 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 Council and management to discuss their audit findings.

April 25, 2023



Reegan McCullough
Chief Administrative Officer



Andrew Hayes, CPA, CA, CGA, MPA
Chief Financial Officer

To the Mayor and Councillors of Sturgeon County:

Opinion

We have audited the financial statements of Sturgeon County (the "County"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2022, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter

The financial statement for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on April 22, 2022.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

Debt Limit Regulation

In accordance with Alberta regulations 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 11.

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 19.

Leduc, Alberta

April 25, 2023

MNP LLP

Chartered Professional Accountants

MNP

Sturgeon County

Statement of Financial Position

As at December 31, 2023	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 25,892,372	\$ 89,033,932
Accounts receivable (Note 3)	11,939,568	10,388,429
Loans receivable (Note 4)	2,878,542	3,027,569
Investments (Note 5)	79,260,815	35,697,769
	119,971,297	138,147,699
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	21,610,728	14,550,751
Employee benefit obligations (Note 8)	5,088,916	4,949,190
Deposit liabilities (Note 9)	3,822,952	3,768,312
Long-term debt (Note 10)	27,590,450	30,958,483
Deferred revenue (Note 12)	29,380,869	35,878,864
	87,493,915	90,105,600
NET FINANCIAL ASSETS	32,477,382	48,042,099
NON-FINANCIAL ASSETS		
Prepaid expenses	1,003,602	859,964
Inventory for consumption	2,484,377	2,209,900
Tangible capital assets (Note 13)	365,598,478	315,645,359
	369,086,457	318,715,223
ACCUMULATED SURPLUS (Note 15)	\$ 401,563,839	\$ 366,757,322

Contingent liabilities (Note 23)

The accompanying notes are an integral part of these financial statements

Approved on behalf of Council


Member of Council


Member of Council

Sturgeon County

Statement of Operations and Accumulated Surplus

For the year ended December 31, 2022	Budget	2022	2021
	(Note 22)		
REVENUE			
Net municipal taxes (Note 17)	\$ 85,828,138	\$ 84,262,766	\$ 82,963,943
Sales and user charges	11,857,083	13,322,012	12,623,304
Investment income	720,200	2,383,449	1,460,710
Special levies and other tax agreements	1,524,714	2,059,576	1,833,459
Government transfers for operating (Note 18)	1,196,998	1,541,045	1,877,618
Other revenue	381,830	1,571,569	508,356
Penalties on taxes and service charges	644,619	945,631	999,135
Inter-municipal agreements	928,566	871,676	437,911
TOTAL REVENUE	103,082,148	106,957,724	102,704,436
EXPENSES			
Infrastructure Services (Excluding Utilities)	38,804,382	39,747,175	34,754,401
Community Services	12,660,006	12,021,155	10,757,323
Corporate Services	7,371,584	6,349,613	5,510,480
Development & Strategic Services	7,074,099	5,266,370	5,225,383
General Administration	4,382,973	4,856,085	3,444,387
Financial Services	3,981,906	3,748,958	3,358,350
Council	1,022,763	997,356	913,552
Utility Services	9,731,035	10,842,225	9,515,857
TOTAL EXPENSES	85,028,748	83,828,936	73,479,733
EXCESS OF REVENUE OVER EXPENSES BEFORE CAPITAL INCOME	18,053,400	23,128,788	29,224,703
CAPITAL INCOME			
Government transfers for capital (Note 18)	8,221,294	10,556,054	9,041,968
Contributed tangible capital assets (Note 13)	-	489,335	3,409,388
Developer off site levies	1,647,511	632,340	1,414,968
TOTAL CAPITAL INCOME	9,868,805	11,677,729	13,866,324
EXCESS OF REVENUE OVER EXPENSES	27,922,205	34,806,517	43,091,027
ACCUMULATED SURPLUS, BEGINNING OF YEAR	366,757,322	366,757,322	323,666,295
ACCUMULATED SURPLUS, END OF YEAR (NOTE 15)	\$ 394,679,527	\$ 401,563,839	\$ 366,757,322

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, 2022	Budget	2022	2021
	(Note 22)		
EXCESS OF REVENUE OVER EXPENSES	\$ 27,922,205	\$ 34,806,517	\$ 43,091,027
Acquisition of tangible capital assets	(57,237,541)	(65,094,082)	(34,147,148)
Contributed tangible capital assets	-	(489,335)	(3,409,388)
Amortization of tangible capital assets	11,737,640	14,148,271	12,068,342
Loss on disposal of tangible capital assets	-	1,032,008	372,259
Proceeds on sale of tangible capital assets	869,000	450,019	300,147
	(44,630,901)	\$ (49,953,119)	(24,815,788)
Acquisition of inventory for consumption	-	(2,484,377)	(2,209,900)
Acquisition of prepaid expense	-	(1,003,602)	(859,964)
Consumption of inventory	-	2,209,900	1,357,122
Use of prepaid expense	-	859,964	697,604
	-	(418,115)	(1,015,138)
(DECREASE) INCREASE IN NET FINANCIAL ASSETS	(16,708,696)	(15,564,717)	17,260,101
NET FINANCIAL ASSETS, BEGINNING OF YEAR	48,042,099	48,042,099	30,781,998
NET FINANCIAL ASSETS, END OF YEAR	\$ 31,333,403	\$ 32,477,382	\$ 48,042,099

The accompanying notes are an integral part of these financial statements

Sturgeon County

Statement of Cash Flows

For the year ended December 31, 2022	2022	2021
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING:		
OPERATING		
Excess of Revenue over Expenses	\$ 34,806,517	\$ 43,091,027
Non-Cash Items:		
Contributed tangible capital assets	(489,335)	(3,409,388)
Amortization of tangible capital assets	14,148,271	12,068,342
Loss on disposal of tangible capital assets	1,032,008	372,259
Amortization of premium on investments	50,129	77,000
Loss (Gain) on sale of investments	58,827	(6,585)
	49,606,417	52,192,655
Changes to Non-Cash Financial Assets and Liabilities		
Accounts receivable	(1,551,139)	10,489,946
Loans receivable	149,027	144,547
Prepaid expenses	(143,638)	(162,360)
Accounts payable and accrued liabilities	1,611,436	936,167
Employee benefit obligations	139,726	20,607
Deposit liabilities	54,640	46,473
Deferred revenue	(6,497,995)	1,463,672
Inventory for consumption	(274,477)	(852,778)
Cash Provided by Operating	43,094,006	64,278,929
CAPITAL		
Acquisition of tangible capital assets	(59,548,550)	(29,563,427)
Proceeds on disposal of tangible capital assets	353,019	273,647
Cash used in capital	(59,195,530)	(29,289,780)
INVESTING		
Acquisitions of investments	(49,086,971)	(23,818,027)
Disposals of investments	5,414,969	18,045,830
Cash used in investing	(43,672,002)	(5,772,197)
FINANCING		
Line of credit used	(1,062,448)	-
Line of credit repaid	1,062,448	-
Long-term debt issued	-	-
Long-term debt repaid	(3,368,033)	(3,271,209)
Cash used in financing	(3,368,033)	(3,271,209)
INCREASE (DECREASE) IN CASH DURING YEAR	(63,141,560)	25,945,743
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	89,033,932	63,088,189
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 25,892,372	\$ 89,033,932

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. 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 include 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. The reporting entity includes all divisions and departments of the County's operations, and all 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. 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 and 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 Cash Equivalents

Cash and cash equivalents are cash on deposit in bank accounts and short-term investments that mature in 90 days or less. These cash equivalents are highly liquid and are used to manage the County's cash position through the year.

e) Loans Receivable

Loans receivables 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 interest savings account rate.

1) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) 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 amounts are collectible and applied to the acquisition of leviable infrastructure or other contractual requirements.

h) Tax Revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the tax notices are issued. 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.

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) 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.

As of December 31, 2022, the County have not identified liabilities for contaminated sites.

j) 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 are the result of a direct financial return. Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

k) 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.

l) Post Retirement Benefit Plans

Post retirement obligations are 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)

m) Deferred Revenue

Deferred revenue consists 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 accounted for as deferred revenue until used for the purpose specified.

n) Foreign Exchange

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

o) Developer Contributions

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

p) 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.

q) 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 is:

Roadway Network:

Roads	Straight Line	10 – 60 years
Bridges	Straight Line	40 – 75 years
Swales, curb, and gutter	Straight Line	30 – 50 years
Railway	Straight Line	50 years

Engineering Structures:

Force main, collection, supply, and distribution lines	Straight Line	75 years
Storm water systems	Straight Line	75 years
Plants, facilities, reservoirs, and lagoons	Straight Line	40 years
Equipment & pump, and lift stations	Straight Line	15 – 40 years

Land Improvements:

Landscaping and asphalt paths	Straight Line	25 years
Fences and ball diamonds	Straight Line	20 years
Gravel paths and parking lots	Straight Line	15 – 20 years
Playground structures	Straight Line	10 years

Buildings

Brick/steel frame	Straight Line	40 years
Wood and portable structures	Straight Line	25 years

1) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasehold improvements	Straight Line	As per lease agreement
Machinery and Equipment:		
Heavy	Straight Line	10 years
Light and various	Straight Line	4 – 20 years
Office and computer	Declining Balance	5 years
Vehicles		
Light	Declining Balance	10 years
Heavy and 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.

r) Contributions of Tangible Capital Assets

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

s) Inventories

Inventories of materials and supplies are valued at the lower of cost or replacement cost.

t) 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 for the County's year ended
PS1201	Financial Statement Presentation	December 31, 2023
PS2601	Foreign Currency Translation	December 31, 2023
PS3041	Portfolio Investments	December 31, 2023
PS3280	Asset Retirement Obligations	December 31, 2023
PS3450	Financial Instruments	December 31, 2023
PS3400	Revenue	December 31, 2024

2) CASH AND CASH EQUIVALENTS

	2022		2021	
Cash	\$	4,291,296	\$	43,579,742
Restricted Cash		402,740	\$	370,433
Short-term investments		21,601,076		45,454,190
	\$	25,892,372	\$	89,033,932

Included restricted cash is \$402,740 (2021 - \$370,434) of funds restricted for municipal parks. Short-term investments consist of a high-interest savings account that has a stated interest rate as of December 31, 2022, of 4.60% (2021 - 0.60%), interest rates ranged from 0.6% to 4.6% throughout the year.

3) ACCOUNTS RECEIVABLE

	2022		2021	
Trade and other	\$	5,664,302	\$	2,901,700
Receivable from other governments		3,410,920		4,454,019
Taxes and grants in place of taxes		3,757,227		3,728,953
Local improvement taxes *		272,287		158,687
Allowance for doubtful accounts		(1,165,168)		(854,930)
	\$	11,939,568	\$	10,388,429

*** Local Improvement Taxes**

	2022		2021	
Local Improvement Bylaw 1599-22, expiring 2038	\$	265,571	\$	-
Local Improvement Bylaw 1353-15, expiring 2030		6,716		7,462
Local Improvement Bylaw 1147-08, expiring 2022		-		151,225
	\$	272,287	\$	158,687

4) LOANS RECEIVABLE

The West Sturgeon Aging in Place Foundation loan receivable is secured by a mortgage and assignment of rents with an interest rate of 3.0757% 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 2022. Interest is recorded on an accrual basis.

5) INVESTMENTS

	2022		2021	
	Carrying Value	Market Value	Carrying Value	Market Value
Long-term Notes	\$ 38,361,600	\$ 35,264,624	\$ 15,623,200	\$ 24,668,764
Corporate Bonds	40,544,251	38,085,605	19,684,060	10,555,386
Servus Credit Union Member Equity	200,000	200,000	200,000	200,000
MuniSerp Retirement Plan	152,389	152,389	187,934	187,934
Alcomdale Local Development Co-op (1 share)	1,500	1,500	1,500	1,500
River Valley Alliance (1 share)	1,000	1,000	1,000	1,000
United Farmers of Alberta (15 shares)	75	75	75	75
	\$ 79,260,815	\$ 73,705,193	\$ 35,697,769	\$ 35,614,659

5) INVESTMENTS (CONTINUED)

Corporate bonds have effective interest rate(s) of 1.60% - 4.86% with maturity dates from 2023 - 2033. All bonds are recorded at their amortized cost. The long-term notes bear interest at a rate of 0.76% - 7.02% with maturity dates from 2023-2035. Any declines in market value below cost are considered to be temporary therefore no write-downs have been recorded.

6) BANK INDEBTEDNESS

The County has two revolving lines of credit with Servus Credit Union with a maximum limit of \$25,000,000 and \$7,300,000, in which interest accrues monthly on the outstanding balance at a rate of prime less 0.5%. The County has a non-revolving Demand Instalment Loan with Canadian Imperial Bank of Commerce with a maximum limit of \$6,000,000. Interest is calculated on the outstanding balance at a rate of prime per annum. As of December 31, 2022, Sturgeon County had drawn and fully repaid \$1,062,448 (2021 - \$ nil) on the line of credit and other loans. The County also has access to a \$200,000 corporate credit card facility for operations.

7) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Trade and other accounts payable	\$ 15,962,987	11,813,393
Holdback payable	4,025,154	1,196,914
Reclamation liability (gravel)	1,525,262	1,438,944
Accrued long-term debt interest	97,325	101,500
	<u>\$ 21,610,728</u>	<u>\$ 14,550,751</u>

8) EMPLOYEE BENEFIT OBLIGATION

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 end of 70th year of life. Sturgeon County pays 80 percent of benefit costs, and the employee pays the remaining 20 percent. Estimates are used in the valuation model which include a discount rate of 2.54% (2021 - 2.41%). The health and dental premiums include a 2.6% inflationary increase for health and 0.7% for dental premiums over several years.

	2022	2021
Retirement liability	\$ 3,576,630	\$ 3,357,375
Vacation & overtime	1,512,287	1,591,815
	<u>\$ 5,088,916</u>	<u>\$ 4,949,190</u>

In addition to the post retirement benefits, Sturgeon County provides, to qualifying employees with a minimum 20 years of continuous service at or after the age of 55, a lump-sum retirement allowance payment based on years of service. The allowance factors in 1.27% wage inflation and performance increases of 4% per annum provided the employee has not reached the top of their position pay scale, at that point it would only factor in the wage inflation.

9) DEPOSIT LIABILITIES

Deposit liabilities are held based on the terms of the related transactions or agreements. The County has taken securities from developers in the form of cash, recorded as deposit liabilities, and letters of credit.

10) LONG TERM DEBT

	2022	2021
Government of Alberta		
Non-tax supported debt		
Utility rate supported capital debt	\$ 1,404,492	\$ 9,649,835
Utility rate supported operating debt	371,794	426,411
Other debt (Note 4)	2,878,542	3,027,569
Developer supported capital debt	2,916,619	3,600,785
Total non-tax supported debt	7,571,447	\$ 116,704,600
Tax supported operating debt	2,667,357	2,895,951
Tax supported capital debt	17,351,646	11,357,932
	\$ 27,590,450	\$ 30,958,483

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

	Principal	Interest	Total
2023	\$ 3,188,219	\$ 693,043	\$ 3,881,262
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
2027	1,919,815	409,196	2,329,011
Thereafter	15,214,760	1,338,932	16,553,692
	\$ 27,590,450	\$ 4,019,915	\$ 31,610,364

The 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 2022 were \$790,674 (2021 - \$887,497).

11) 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	2022	2021
Total debt limit	\$ 161,385,096	\$ 156,146,502
Total debt	27,590,450	30,958,483
Amount of debt limit available	\$ 133,794,646	\$ 125,188,019
Debt servicing limit	\$ 26,897,516	\$ 26,024,417
Debt servicing	3,881,262	4,158,707
Amount of debt servicing limit available	\$ 23,016,254	\$ 21,865,710

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.

12) DEFERRED REVENUE

	2021	Contributions	Interest Earned	Contributions Recognized	2022
Tax prepayment agreements	\$ 12,433,641	\$ -	\$ -	\$ (1,907,060)	\$ 10,526,581
Municipal Sustainability Initiative	7,503,723	2,993,362	94,690	(6,633,388)	3,958,387
Offsite levies	5,459,450	105,353	128,253	(4,659)	5,688,397
Other government transfer payments	3,612,971	4,200,775	-	(2,596,071)	5,217,675
Canada Community Building fund	3,598,174	-	29,943	(2,296,294)	1,331,823
Other	1,944,929	10,455	-	(633,769)	1,321,615
Developer contributions	1,313,130	45,213	-	(36,462)	1,321,880
Investment fund	12,846	11,850	-	(10,186)	14,510
Alcomdale waterline project	-	128,115	-	(128,115)	-
	<u>\$ 35,878,864</u>	<u>\$ 7,495,123</u>	<u>\$ 252,886</u>	<u>\$ (14,246,004)</u>	<u>\$ 29,380,869</u>

Deferred revenue comprises the amounts noted above, 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.

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. The revenue recognized was \$789,460 (2021 - \$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. 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

13) TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2022

	Engineering Structures	Road Network	Machinery & Equipment	Buildings	Vehicles	Land	Land Improvements	Work in Progress	2022
COST									
Balance, beginning 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
Additions during the year	642,217	192,890	2,710,720	22,600	2,372,822	39,328	16,500	59,586,340	65,583,417
Disposals during the year	(6,925)	(677,313)	(710,286)		(593,865)	(6,508)		(443,287)	(2,438,184)
Transfers	2,692,627	26,882,833	66,036	56,460	833,206	65,034		(30,596,196)	-
END OF YEAR BALANCE	\$ 101,649,606	\$ 334,340,378	\$ 19,724,562	\$ 12,590,830	\$ 14,893,350	\$ 28,840,856	\$ 7,088,227	\$ 44,062,652	\$ 563,190,461
ACCUMULATED AMORTIZATION									
Balance, beginning of year	\$ 22,173,338	\$ 142,303,106	\$ 7,660,078	\$ 4,582,303	\$ 5,396,677	\$ -	\$ 2,284,367		\$ 184,399,869
Amortization	\$ 1,694,132	\$ 9,607,632	\$ 1,231,410	\$ 308,031	\$ 970,545		\$ 336,521		14,148,271
Accumulated amortization on disposals	(6,925)	(270,699)	(353,680)		(324,853)				(956,157)
END OF YEAR BALANCE	\$ 23,860,545	\$ 151,640,039	\$ 8,537,808	\$ 4,890,334	\$ 6,042,369	\$ -	\$ 2,620,888	\$ -	\$ 197,591,983
NET BOOK VALUE	\$ 77,789,061	\$ 182,700,339	\$ 11,186,754	\$ 7,700,496	\$ 8,850,981	\$ 28,840,856	\$ 4,467,339	\$ 44,062,652	\$ 365,598,478

Non-cash contributed tangible capital assets for 2022 total \$489,335 received from developers for subdivision roads, water supply line and wastewater collection line. (2021 - \$3,409,388). Work in Progress in the amount of \$44,062,653 (2021 - \$15,515,795) is not in service therefore has not been amortized.

During the year, tangible capital assets were acquired at an aggregate cost of \$65,583,418 (2021 - \$37,556,536), of which \$489,335 (2021 - \$3,409,388) was acquired as contributed assets, \$10,005,754 (2021 - \$4,557,221) remains in accounts payable at year end and \$97,000 (2021 - \$26,500) of a non-cash trade in of equipment. The remaining \$59,548,550 (2021 - \$29,563,427) was acquired by cash.

Sturgeon County

Notes to Financial Statements

13. TANGIBLE CAPITAL ASSETS (CONTINUED)

For the year ended December 31, 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
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
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)	-
END OF YEAR BALANCE	\$ 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
Amortization	1,593,666	8,061,206	1,117,807	306,445	656,031		333,187		12,068,342
Accumulated amortization on disposals		-	(70,514)		(457,742)				(528,256)
END OF YEAR BALANCE	\$ 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. Work in Progress in the amount \$15,515,795 is not in service therefore has not been amortized.

14) EQUITY IN TANGIBLE CAPITAL ASSETS

	2022	2021
Capital assets (cost)	\$ 563,190,461	\$ 500,045,228
Accumulated amortization	(197,591,983)	(184,399,869)
Long-term capital debt utilized	(21,672,757)	(21,240,519)
	\$ 343,925,721	\$ 294,404,840

15) ACCUMULATED SURPLUS

	2022	2021
Unrestricted deficit	\$ (13,851,524)	\$ (4,965,979)
Internally designated		
Tax stabilization	\$ 21,973,108	\$ 22,575,925
Lifecycle & growth	48,869,079	59,901,540
Special purpose	15,043,182	9,256,943
Contingency	1,243,000	1,243,000
Front-ended offsite levies (Note 16)	(15,638,727)	(15,658,947)
Total reserves	\$ 71,489,642	\$ 77,318,461
Equity in tangible capital assets (Note 14)	343,925,721	294,404,840
Accumulated surplus	\$ 401,563,839	\$ 366,757,322

The unrestricted deficit includes budgeted capital expenditures of \$8,600,829 incurred in advance of borrowing the corresponding external debt financing as well as \$10,526,581 tax prepayments funds applied to capital in advance of revenue recognition.

16) FRONT END OFFSITE LEVIES

	2022	2021
Front-ended offsite levies		
Transportation	\$ (2,596,184)	\$ (2,658,700)
Water	(8,917,109)	(8,768,721)
Sanitary sewer	(4,125,434)	(4,231,526)
	\$ (15,638,727)	\$ (15,658,947)

Sturgeon County paid for certain infrastructure projects on behalf of developers and financed this development with a combination of long-term debt and reserves 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.

17) NET MUNICIPAL TAXES

	Budget	2022	2021
	(Note 22)		
Taxation			
Real property taxes	\$ 97,887,179	\$ 90,184,617	\$ 87,839,568
Linear property taxes	-	9,911,531	7,579,445
Government grants in place of property taxes	5,905,211	4,412,082	5,905,211
	<u>\$ 103,792,390</u>	<u>\$ 104,508,230</u>	<u>\$ 101,324,224</u>
Requisitions			
Alberta School Foundation Fund	\$ 16,473,926	\$ 17,866,686	\$ 16,270,306
Homeland Housing	922,040	926,756	719,380
Greater St. Albert RCSSD #734	(56,281)	877,535	799,271
Elk Island CSRD #41	244,859	194,339	187,561
Designated Industrial Property	379,708	380,148	383,762
	<u>\$ 17,964,252</u>	<u>\$ 20,245,464</u>	<u>\$ 18,360,280</u>
Net municipal property taxes	<u>\$ 85,828,138</u>	<u>\$ 84,262,766</u>	<u>\$ 82,963,944</u>

18) GOVERNMENT TRANSFERS

	Budget	2022	2021
	(Note 22)		
For operations			
Provincial transfers	1,196,998	1,529,795	1,819,929
Federal transfers	-	11,250	57,689
	<u>\$ 1,196,998</u>	<u>\$ 1,541,045</u>	<u>\$ 1,877,618</u>
For tangible capital assets			
Provincial transfers	5,296,294	8,259,760	8,103,049
Federal transfers	2,925,000	2,296,294	938,919
	<u>\$ 8,221,294</u>	<u>\$ 10,556,054</u>	<u>\$ 9,041,968</u>
Total government grants	<u>\$ 9,418,292</u>	<u>\$ 12,097,099</u>	<u>\$ 10,919,586</u>

19) SALARIES 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	2022	2021
Mayor	\$ 111,168	15,470	16,151	\$ 142,789	\$ 132,996
Councillor Division 1	\$ 80,332	9,230	9,413	\$ 98,975	\$ 100,264
Councillor Division 2	\$ 82,801	9,230	13,846	\$ 105,877	\$ 102,408
Councillor Division 3	\$ 80,332	11,230	6,562	\$ 98,124	\$ 16,818
Councillor Division 3 (Jan 1 - Oct 25, 2021)	\$ -	-	-	\$ -	\$ 82,682
Councillor Division 4	\$ 82,763	10,140	14,276	\$ 107,179	\$ 99,311
Councillor Division 5	\$ 80,332	8,710	9,039	\$ 98,081	\$ 18,667
Councillor Division 5 (Jan 1 - Oct 25, 2021)	\$ -	-	-	\$ -	\$ 79,862
Councillor Division 6	\$ 80,332	9,490	13,854	\$ 103,676	\$ 3,785
Councillor Division 6 (Jan 1 - Oct 25, 2021)	\$ -	-	-	\$ -	\$ 80,280
Chief Administrative Officer (CAO)	\$ 297,349	-	40,066	\$ 337,415	\$ 296,734
Designated Officers ⁴	\$ 1,409,879	-	304,333	\$ 1,714,212	\$ 1,588,492

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, and long and short-term disability plans.

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.

20) 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 281,764 members and about 435 employers. It is financed by employers, employees' contributions, and investment earnings of the LAPP Fund.

Sturgeon County is required to make current service contributions to the Plan of 8.45% of pensionable earnings up to the year's maximum pensionable earnings ("YMPE") under the Canada Pension Plan (CPP) and 12.80% for the excess. Enrolled County employees are required to make current service contributions of 7.45% of pensionable earnings up to the year's YMPE and 11.80% on pensionable earnings above this amount.

Total contributions by Sturgeon County to the LAPP in 2022 were \$1,972,928 (2021 - \$1,948,384). Total contributions by the employees of Sturgeon County to the LAPP in 2022 were \$1,769,000 (2021 - \$1,780,587).

On December 31, 2021, the Local Authorities Plan disclosed an actuarial surplus of approximately \$ 11.9 billion (2020 - \$5.0 billion)

21) TRUST FUNDS

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

	2022	2021
Tax sale surplus	\$ 505,904	\$ 295,836
Dale MacMillan Memorial Scholarship Fund	106,218	108,715
	<u>\$ 612,122</u>	<u>\$ 404,551</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.

22) BUDGET FIGURES

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 the current year's actual amounts.

	Budget	2022	2021
<u>Budget Figures</u>			
Annual Surplus	\$ 27,922,205	\$ 34,806,517	\$ 43,091,027
Reserve transfers (net operating & capital)	3,081,967	3,808,163	(15,610,436)
Proceeds on disposal of tangible capital assets	869,000	450,019	300,147
Loss on disposal of tangible capital assets	-	1,032,008	372,259
Capital additions	(57,237,541)	(65,583,417)	(37,556,536)
Capital debt impact	13,626,729	16,342,035	(2,664,803)
Amortization	11,737,640	14,148,271	12,068,342
Operating surplus (before year end transfer)	<u>\$ -</u>	<u>\$ 5,003,596</u>	<u>\$ -</u>
Internal Transfers (net operating & capital)	-	-	-
Operating surplus (after year end transfer)	<u>\$ -</u>	<u>\$ 5,003,596</u>	<u>\$ -</u>

The budget data presented above is based on the 2022 operating and capital budgets as approved by the Sturgeon County Council on December 14, 2021. Amortization and gain/loss of disposed tangible capital assets were not contemplated to be funded in the development of the budget and have not been included. Capital additions in 2022 were authorized by the Council in the 2022 and prior periods budgets.

The unrestricted deficit includes budgeted capital expenditures of \$8,600,829 incurred in advance of borrowing the corresponding external debt financing as well as \$10,526,581 tax prepayments funds applied to capital in advance of revenue recognition. These items are offset by the 2022 operating surplus of \$5,003,596, prior to allocation by way of Council's approval.

23) CONTINGENT LIABILITIES

In the normal course of business there may be pending claims by and against the County. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurances. In the opinion of the administration, based on the advice and information provided by its legal counsel, final determination of these litigations will not materially affect the County's financial position or results of its operations.

Through the Federation of Alberta Gas Co-ops Ltd., the County is also a member of the Fedgas Insurance Reciprocal Exchange ("FIRE") and Genesis Reciprocal Insurance Exchange ("GENESIS"). Under those terms of the membership, the County could become liable for its proportionate share of any claim losses more than the funds held by FIRE or GENESIS. Any liability incurred would be accounted for as a current transaction in the years the losses are determined.

24) COMPARATIVE INFORMATION

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

25) 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. The segmented information note excludes capital revenues. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

a) Infrastructure Services (Excluding Utilities Services)

The Infrastructure Services Division plans and prioritizes services that enhance the quality of life for residents and businesses. This includes the construction and maintenance of the County's roadways, rights of ways, trail systems and maintenance of drainage systems which incorporates bridge infrastructure and all aspects of stormwater and drainage management. The division also manages the operation and planning of water treatment, distribution systems, sanitary collection, and treatment lines of wastewater, along with solid waste planning, permitting and landfill liaison services. Rural programming is undertaken in addition to weed control, roadside mowing, municipal reserve maintenance, problem wildlife management and horticultural services. The division manages all fixed and mobile assets including acquisition, maintenance, and disposal.

b) Community Services

Community Services is focused on creating a healthy safe community with welcoming open spaces that celebrate culture, social inclusion as well as ensuring effective emergency and enforcement services.

c) Development & Strategic Services

Development and Strategic Services pioneers economic opportunity to attract, retain, and grow sustainable business investment. The division also recommends and implements land use plans and regulations that facilitate the safe and orderly development of a community reflective of Sturgeon County's vision. These priorities are underpinned by the division's support for the County's ongoing strategic direction, external relationships, major corporate initiatives, and overall competitive positioning.

25) SEGMENTED INFORMATION (CONTINUED)

d) Corporate Services

Corporate Services is primarily an internal client service division and is composed of the following departments: Human Resources, Corporate Communications, Information Services, and Legislative Services.

e) Financial Services

Financial Services supports both internal and external clients and is composed of the following departments: Corporate Finance and Treasury, Assessment Services, and Procurement Services.

f) Council

The County is comprised of six divisions, with one Councillor representing each division. The mayor is elected at-large, meaning that the mayor is elected directly by Sturgeon County residents. Bylaw 1472/20, Council's Code of Conduct, has been established to provide standards for Council relative to their roles and obligations as municipal representatives.

g) General Administration

General Administration represents the Chief Administration's Office, corporate revenue, and expenses that do not fall within a specific department at the County. The Chief Administration's Office, through the Chief Administrative Officer, leads the development, implementation, and administration of all policies and programs established and approved by Council; guides and advises Council on legislation and municipal operations; and provides information to support Council in making informed decisions. In addition, corporate revenue and expense that are not specific departments within Sturgeon County.

h) Utility Services

Utility Services offers a variety of water and sewer services to residents and businesses in the County. This includes the management of bulk water stations, piped stormwater conveyance systems, municipal potable water and sanitary sewer system and connections.

Sturgeon County

Notes to Financial Statements

25) SEGMENTED DISCLOSURE (CONTINUED)

	For the year ended December 31, 2022									2022	Budget
	Infrastructure Services (Excluding Utilities)	Community Services	Development & Strategic Services	Corporate Services	Financial Services	Council	General Administration	Total Municipal Operations (Excluding Utilities)	Utility Services	Total	Total
REVENUE											
Net municipal taxes	47,224,078	13,254,464	6,597,683	7,777,422	4,459,157	1,465,217	3,484,745	84,262,766	-	84,262,766	85,828,138
Sales and user charges	632,599	335,641	736,809	3,998	43,893	-	340,010	2,092,950	11,229,062	13,322,012	11,857,083
Investment Income	-	-	8,634	-	49,284	-	2,321,928	2,379,846	3,603	2,383,449	720,200
Special levies and tax prepayments	-	-	-	-	-	-	2,059,576	2,059,576	-	2,059,576	1,524,714
Government transfers	811,615	487,361	27,354	4,499	65,831	-	144,385	1,541,045	-	1,541,045	1,196,998
Other revenue	244,366	723,405	51,038	131,262	30,462	-	372,967	1,553,500	18,069	1,571,569	381,830
Penalties on taxes and service charges	20,008	175,031	19,911	-	-	-	709,233	924,183	21,448	945,631	644,619
Inter-municipal agreements	-	271,676	-	-	-	-	600,000	871,676	-	871,676	928,566
	\$ 48,932,666	\$ 15,247,578	\$ 7,441,429	\$ 7,917,181	\$ 4,648,627	\$ 1,465,217	\$ 10,032,844	\$ 95,685,542	\$ 11,272,182	\$ 106,957,724	\$ 103,082,148
EXPENSES											
Salaries, wages and benefits	11,024,303	4,465,466	3,682,620	4,223,953	3,423,001	872,885	964,897	28,657,125	1,634,881	30,292,006	31,186,872
Contracted and general services	7,538,930	2,364,529	1,553,704	1,696,860	448,014	120,686	2,608,229	16,330,952	922,621	17,253,573	21,761,470
Materials, goods and utilities	8,141,701	602,461	17,264	482,202	18,897	-	198,915	9,461,440	5,669,206	15,130,646	15,667,012
Amortization	11,527,600	938,120	-	-	8,259	-	163,556	12,637,535	1,510,736	14,148,271	11,737,640
Grants	134,240	3,256,951	10,253	-	-	-	143,354	3,544,798	-	3,544,798	3,560,858
Purchases from other governments	402,558	370,996	2,529	278	3,510	3,785	7,003	790,659	507,785	1,298,444	-
Interest on long term debt	462,234	-	-	-	-	-	205,082	667,316	111,275	778,591	698,796
Loss on disposal of tangible capital assets	582,284	878	-	-	2,597	-	216,905	802,664	229,344	1,032,008	-
Provision for allowances	-	-	-	-	-	-	348,144	348,144	2,455	350,599	416,100
Internal Allocations	(66,675)	21,753	-	(53,680)	(155,320)	-	-	(253,922)	253,922	-	-
	\$ 39,747,175	\$ 12,021,154	\$ 5,266,370	\$ 6,349,613	\$ 3,748,957	\$ 997,356	\$ 4,856,085	\$ 72,986,711	\$ 10,842,225	\$ 83,828,936	\$ 85,028,748
EXCESS OF REVENUE OVER EXPENSES	\$ 9,185,491	\$ 3,226,424	\$ 2,175,059	\$ 1,567,568	\$ 899,669	\$ 467,861	\$ 5,176,759	\$ 22,698,831	\$ 429,957	\$ 23,128,788	\$ 18,053,400

Sturgeon County

Notes to Financial Statements

25) SEGMENTED DISCLOSURE (CONTINUED)

For the year ended December 31, 2021

										2021	Budget
	Infrastructure Services (Excluding Utilities)	Community Services	Development & Strategic Services	Corporate Services	Financial Services	Council	General Administration	Total Municipal Operations (Excluding Utilities)	Utility 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	60,167	20,793	-	351,238	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	11,064	178,273	16,940	-	-	-	774,143	980,420	18,715	999,135	639,619
END OF YEAR BALANCE	123,703	113,125	84,690	97,105	79,668	-	1,350	499,641	8,715	508,356	205,205
Inter-municipal agreements	6,260	323,951	-	-	107,700	-	-	437,911	-	437,911	548,317
	\$ 47,512,963	\$ 12,928,218	\$ 9,868,801	\$ 7,858,660	\$ 5,088,409	\$ 1,604,318	\$ 7,196,957	\$ 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	3,750,387	3,103,884	841,739	624,601	25,682,496	1,520,453	27,202,949	27,379,465
Contracted and general services	6,253,322	1,648,804	1,606,361	1,565,668	381,377	70,687	2,483,779	14,009,998	473,071	14,483,069	17,802,646
Materials, goods and utilities	6,819,864	562,364	16,704	213,377	11,921	71	49,674	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	33,381	-	-	137,840	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 on disposal of tangible capital assets	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	\$ 5,510,480	\$ 3,358,350	\$ 913,552	\$ 3,444,387	\$ 63,963,876	\$ 9,515,857	\$ 73,479,733	\$ 72,744,997
EXCESS OF REVENUE OVER EXPENSES	\$ 12,758,562	\$ 2,170,895	\$ 4,643,418	\$ 2,348,180	\$ 1,730,059	\$ 690,766	\$ 3,752,570	\$ 28,094,450	\$ 1,130,253	\$ 29,224,703	\$ 24,257,342