



2023 ANNUAL FINANCIAL REPORT

*Prepared by Parkland County Finance Department with support from
Communications Department and Growth & Strategy Department*

*For the Year Ending December 31, 2023
Parkland County, Alberta, Canada*



ONE PARKLAND: POWERFULLY CONNECTED

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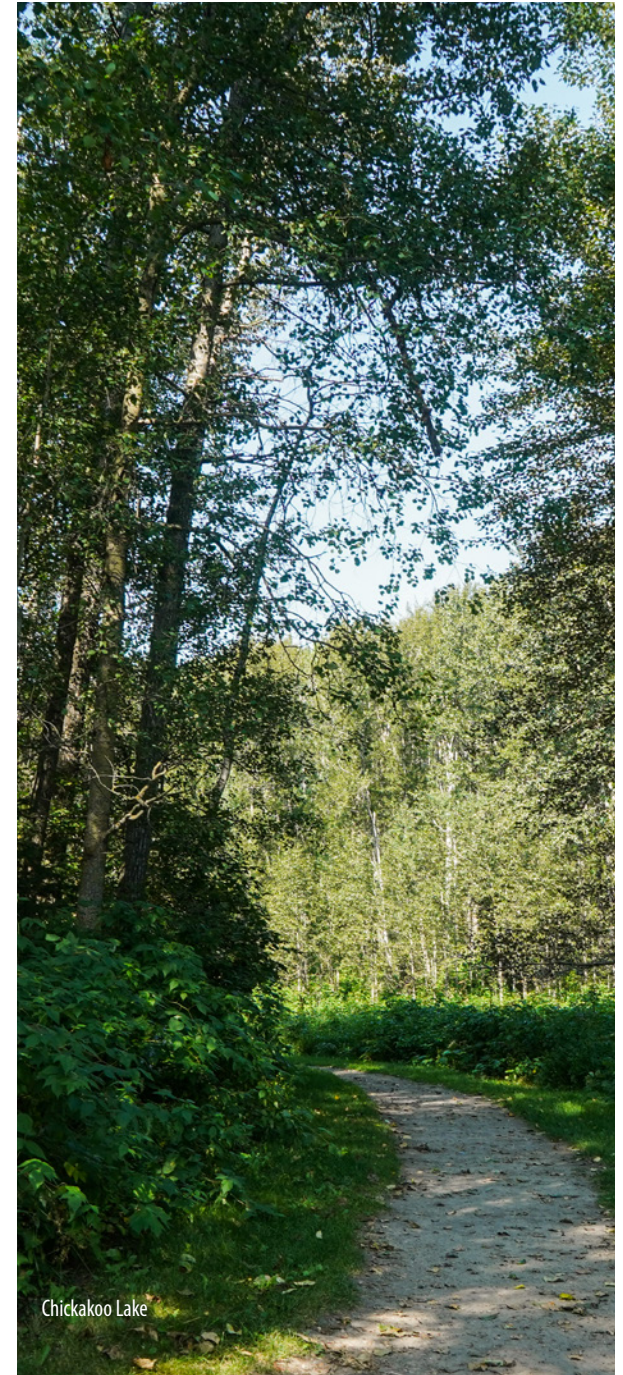
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Chickakoo Lake



Constable Chelsey Robinson Park

SECTION ONE

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MESSAGE FROM THE MAYOR



Allan Gamble,
Mayor

Having initiative and taking action was a consistent theme in 2023 and I'm very proud of the fantastic work that our team accomplished together at Parkland County. Although 2023 was not without its challenges, the County remained strong and resilient as we navigated these challenges while making strides in various projects and initiatives that align with Council's strategic pillars.

Residents and visitors in our region continue to enjoy an exceptional quality of life as we focus on enhancements to our infrastructure and transportation services while collaborating with our neighbors to ensure investment and shared growth opportunities.

Last year, Parkland County managed a total of 1,054 incidents in Fire Services, including the Range Road 70 wildfire. This wildfire began near the Entwistle area and quickly spread, forcing the evacuation of hundreds of residents. Throughout this emergency, I was amazed at the response from our entire Fire Services team. We could not be more grateful for their dedication to keeping those near the fire, and everyone in our County, safe.

Following the challenging wildfire season, Parkland County brought forward a resolution to the Rural Municipalities of Alberta for the province to create a long-term strategy for the management of large wildland fires outside of Alberta's Forest Protection Areas. Action is necessary to protect residents from the increasing risk of wildfire, and we will continue advocating on this issue.

Thanks to the collective efforts and lobbying of residents and Council, we were heartened to see the Government of Alberta commit \$22.2 million to address safety issues at the intersection of Range Road 20 and Highway 16A. We are hopeful that addressing these safety concerns will reduce collisions and save lives.

We were also pleased to celebrate the Province's announcement of upgrades to Highway 60 in Acheson, improvements that are critical in addressing transportation needs for this booming area.

In my roles as Mayor of Parkland County and Chair of the Edmonton Metropolitan Region Board, I am eager to continue collaborating with our neighbours as we work to build a more connected region. We are stronger by working together, and our future is bright and prosperous.

Parkland County remains in a stable fiscal position and continues to rank among the lowest residential and non-residential property tax rates in the Edmonton Region, all while maintaining service levels and funding investments to ensure future growth.

The Sundance Boat Launch and Recreation Area opened on July 21, 2023 and features a boat launch, a walking path, fishing and even a picnic area. Landscaping and improvements will continue in 2024, and we look forward to its completion for residents to enjoy this new park year-round.

I am proud of our Administration for their planning and execution capabilities that are providing tangible results in our community, all while remaining fiscally responsible.

We are excited about the year ahead as we continue to make Parkland County a wonderful place to live, work and play.

A handwritten signature in black ink that reads "Allan Gamble". The signature is fluid and cursive.

ALLAN GAMBLE,
Mayor

MESSAGE FROM THE ACTING CAO



Jeff Dyck,
Acting CAO

As a community of choice for our residents, businesses and partners, our team is proud to serve with an aptitude for positivity and results-driven achievements. As Acting Chief Administrative Officer, I continue to be proud and excited to work collaboratively as we move Parkland County's vision forward.

An organizational review resulted in a series of recommendations that were implemented in 2023 in our team's strive for organizational excellence in delivering optimized services and programs to residents, businesses, and community groups.

We value the relationships that we created and maintained this past year. Whether with our residents and neighbours, Parkland County employees, our regional partners, or our provincial colleagues, we understand the importance of building connections for the betterment of our municipality. We will continue collaborating to make improvements that benefit our region.

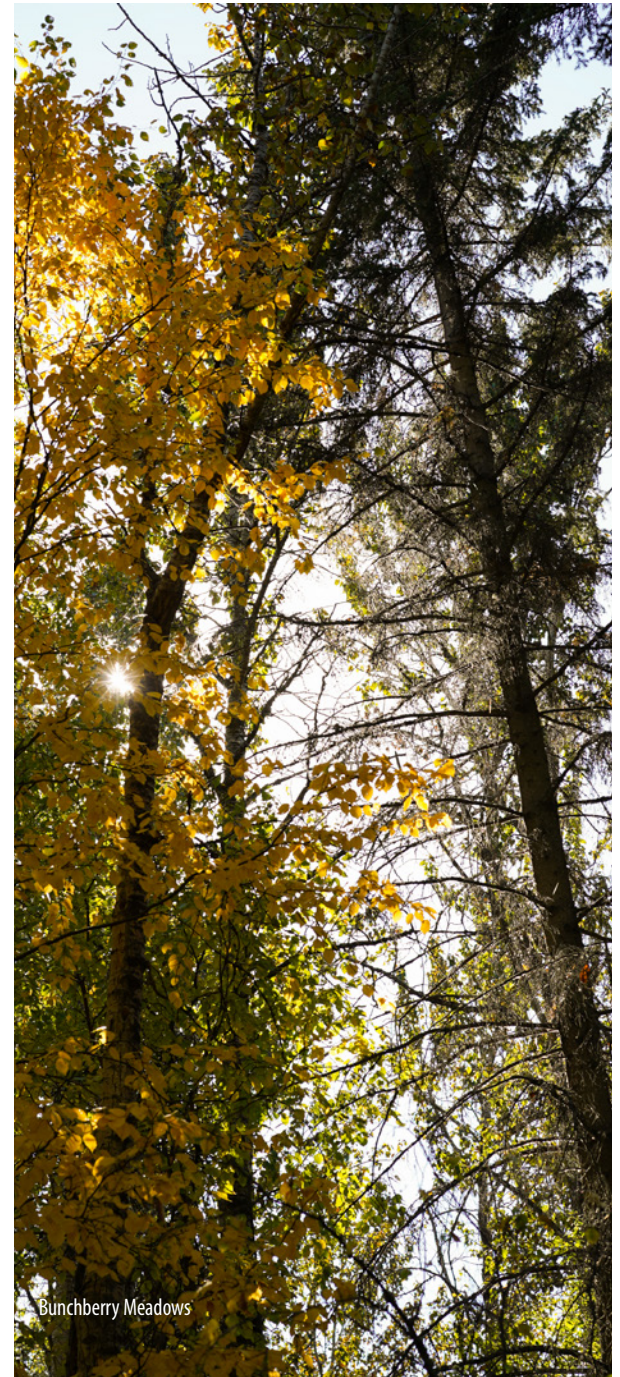
Our vision exemplifies the continuation and evolution of economic diversification and sustainable growth. Key performance indicators in 2023 included \$140 million in building permits, over 160,000 hectares of agricultural zoned land, and a 99.7% annual assessment audit score.

A robust and current framework of bylaws, policies and plans have created strategic priorities for Council, Administration and the public with a recent focus on updating the Fire Bylaw, County Parks Bylaw, the Municipal Development Plan, Land Use Bylaw, Community Standards Bylaw and more.

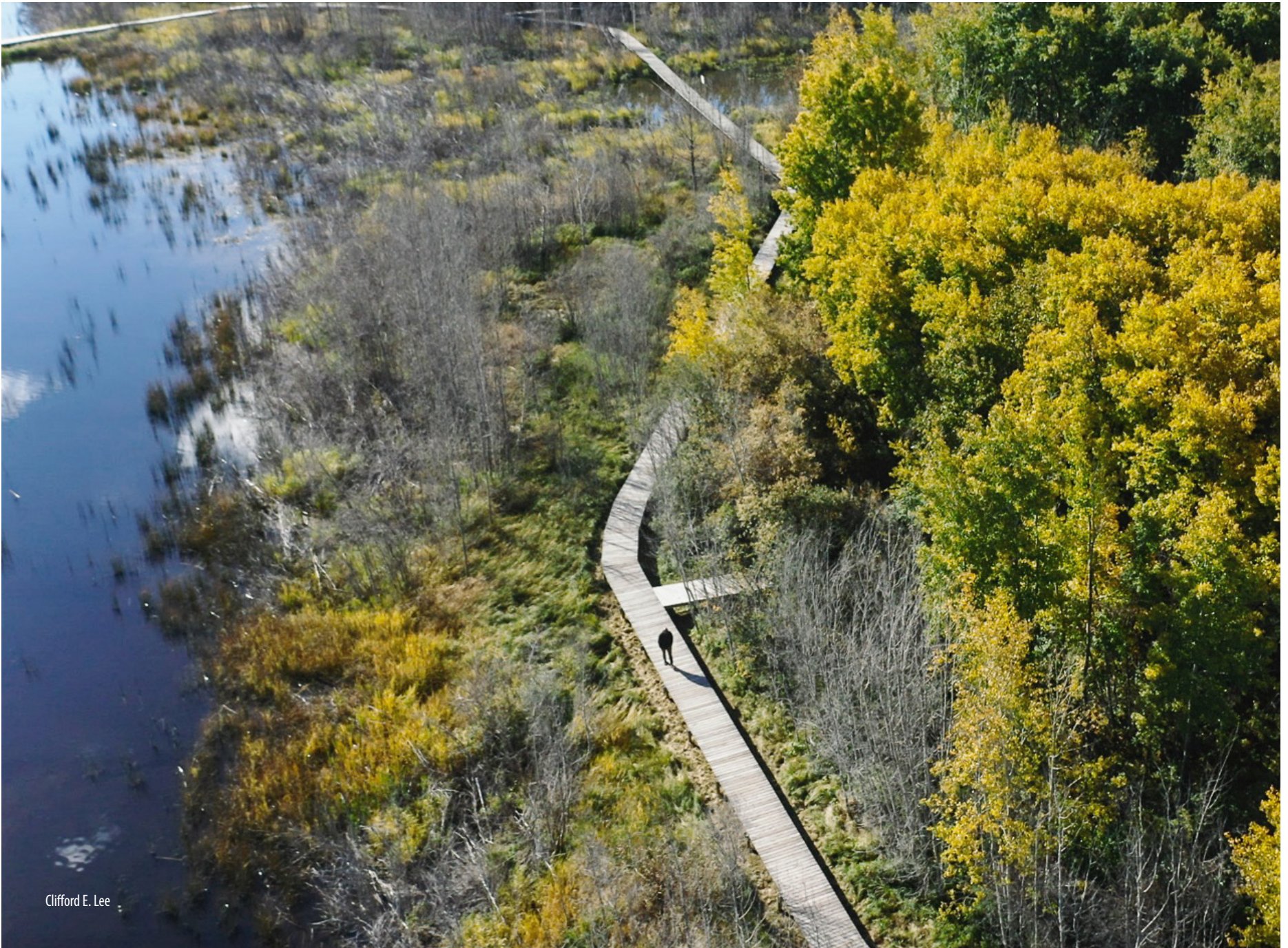
Parkland County's fiscal efforts resulted in a consolidated surplus of \$19,087,491 in 2023. Our property tax rate is significantly lower than several other municipalities in the region, with an increase of just 2.78% in 2023. We strive to maintain the trust of our residents through transparent and fair decision-making, superior service delivery, and effective engagement. I am proud of our Administration, and the visionary achievements of our Council, that continues to drive innovation and purpose for 2024 and beyond.

A stylized, handwritten signature in black ink, consisting of several overlapping loops and lines that form the name 'JEFF DYCK'.

JEFF DYCK,
Acting CAO



Bunchberry Meadows



Clifford E. Lee

CHIEF FINANCIAL OFFICER'S REPORT

It is our pleasure to submit Parkland County's Annual Financial Report for the year ended December 31, 2023. The purpose of this Annual Financial Report is to provide readers with clear insight into the financial results of the municipality.

In accordance with Section 276 of the Municipal Government Act (MGA) of the Province of Alberta, Parkland County is required to prepare annual financial statements by May 1 for the immediately preceding year. Parkland County's audited consolidated financial statements were approved by Council on April 23, 2024.

The County's 2023 consolidated financial statements are prepared by management in accordance with the principles and standards established by the Public Sector Accounting Board (PSAB). Management has made every effort to ensure the financial statements present a fair accounting of the County's consolidated operations for the fiscal year ending December 31, 2023. Management is also responsible for 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.

These consolidated financial statements also include the operations of Parkland County's portion of the Tri-Municipal Leisure Facility Corporation and the Parkland County Library Board.

In 2023, there was a challenging wildfire in Parkland County that necessitated extensive wildfire fighting efforts. The financial effects of this extreme event, the Range Road 70 wildfire, are within the County's 2023 financial results. Firefighting efforts are seen in expenses with a corresponding disaster recovery revenue amount for eligible costs.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Consolidated Statement of Financial Position highlights the following four key figures that describe the financial position of the municipality at the reporting date:

- The financial assets;
- The net financial assets;
- The non-financial assets and;
- The accumulated surplus.

The Consolidated Statement of Financial Position is used to evaluate the County's ability to finance its activities and meet its liabilities and commitments. As compared to the prior year, the municipality's financial assets increased by \$5.1 million, liabilities decreased by \$3.3 million with an increase in net financial assets of \$8.4 million. Non-financial assets increased by \$10.7 million. The resulting net change in accumulated surplus is \$19.1 million.

Consolidated Statement of Financial Position highlights are detailed below:

- Cash and cash equivalents decreased by \$20.6 million as excess cash is being invested to generate increased investment income.
- Accounts receivable increased by \$7.4 million largely due to an approved grant payment for the Range Road 70 wildfire disaster not received as at December 31, 2023.
- Investments increased by \$18.2 million because of conscious efforts to allocate more cash to high-interest bearing assets to minimize tax requirements in future years.

- Deferred revenue is comprised of funds received through developer, grant, or other agreements before revenue recognition criteria has been met. Deferred revenue has decreased by \$3.0 million primarily due to the utilization of grants for infrastructure which is detailed in Note 7 of the consolidated financial statements. Total grants utilized in 2023 amounted to \$24.0 million.
- Asset retirement obligations (ARO) are a new item on Parkland County's financial statements as the PS3280 Asset Retirement Obligations standard took effect for the 2023 fiscal year. The County adopted the standard using the modified retroactive approach which required the County to restate the prior year's comparative figures to ensure that the 2023 financial statements are comparable to the prior year. AROs are legal obligations that arise from the acquisition, construction, development, and normal use of an asset. The County's asset retirement obligation liabilities total \$5.8 million and relate to buildings, water and wastewater infrastructure, gravel pits, and landfills. They are further detailed in Note 10 of the consolidated financial statements.
- Tangible capital assets increased by \$9.9 million which consists of Council-approved additions of \$22.2 million, contributed assets of \$9 million, amortization of \$20.9 million, and net disposals of \$285 thousand.

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

The Consolidated Statement of Operations and Accumulated Surplus outlines what revenues were earned in the year, the expenses showing how funds were used during the year, and the net change to accumulated surplus.

Municipal Revenues

Total consolidated municipal revenues exceeded budget by \$9.9 million largely due to the below highlights:

- The largest reason for this increased revenue was the disaster recovery claim for the Range Road 70 wildfire. These revenues are recovery for eligible expenses incurred during this extreme event and are included in government transfers for operating.
- Investment income exceeded budget due to higher-than-expected interest rates and active portfolio management.
- User fees and sales exceeded budget primarily due to increased water usage which is consistent with an increase in the corresponding water and wastewater expense.

Council approved a total tax rate increase of 2.78%. This additional levy resulted in an increase to net municipal taxes in the amount of \$2.2 million when compared to 2022.

Municipal Expenses

Total consolidated municipal expenses were under budget by \$4.7 million largely due to the below highlights:

- The deferral of the \$8 million first phase of the broadband fibre project which can be seen in the budget variance for transfers to governments, agencies, and organizations.
- Contracted and general services were consistent with budget overall; however, there were two offsetting areas that were over- and underbudget.

Council-approved operating project expenses had timing differences resulting in those items being underbudget and there was a similar amount that was incurred but unbudgeted related to the Range Road 70 wildfire costs. As mentioned previously, the Range Road 70 wildfire costs are partially recoverable through provincial disaster recovery funding and there is offsetting revenue associated with these costs.

- Purchases from other governments exceeded budget due to higher water consumption offset by the previously mentioned increase in water and wastewater revenue.

Other

Total other items were \$6.9 million under budget. Revenue utilized for capital government transfers was less than budgeted due to the timing of capital projects since revenue is recognized as those capital expenditures are incurred. The revenue amount being underbudget is consistent with acquisition of tangible capital assets being underbudget.

Annual Surplus

The County's 2023 annual consolidated surplus was \$19.1 million.

ACCUMULATED SURPLUS

The accumulated surplus reflects the net economic resources that the County has built up over time. As reflected in Note 14 of the financial statements, the accumulated surplus consists of restricted surplus, unrestricted surplus, and equity invested in tangible capital assets.

Restricted surplus funds are used by the County to stabilize the tax rate and to reduce reliance on debt borrowing. This is accomplished by setting aside funds for large one-time projects and for replacement of existing capital. This process is governed by the County's Restricted Surplus Policy. Administration will continue to set aside funding for the County's future

capital needs through appropriate restricted surplus transfers and will continue to utilize restricted surplus as a financial strategy in preparing the next year's budget.

In 2023, there was a net increase to restricted surplus of \$8.9 million. Council approved transfers to restricted surplus for various purposes, including planning for extreme events, long term sustainability, County asset lifecycle plans, and recreation facilities for the County. These funds are also used for the repayment of internally financed projects and the carryover of funds for projects and programs not completed in the 2023 fiscal year result in increases to the year's restricted surplus balance.

CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS

Net financial assets are a key indicator for financial sustainability and the balance shows the County's ability to maintain and provide services, as well as meet financial commitments. As at December 31, 2023, the County's net financial assets continue to be strong totalling \$107 million— an increase of \$8.4 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

The Consolidated Statement of Cash Flows summarizes the sources and uses of cash in 2023. The cash position, comprised of cash and cash equivalents, reported a net decrease of \$20.6 million. This total decrease is comprised of four types of activities:

- \$20.1 million increase due to operating activities;
- \$22.1 million decrease due to capital activities;
- \$18.2 million decrease due to investing activities and;
- \$336 thousand decrease due to financing activities.

The largest drivers of the above four activities were tangible capital asset purchases totalling \$22.2 million, \$75 million of investment acquisitions, and investment maturities of \$57 million.

FINANCIAL MANAGEMENT POLICIES:

Investment Policy

The County's investment policy is reviewed on a regular basis and provides direction on all investments matters for all funds based on the standards of safety of principal, maintenance of liquidity, maximizing returns, and compliance with legislation. The County only invests in high grade securities.

Debt Management

The County's debt management policy establishes financial guidelines and appropriate controls for the issuance and use of new debt to ensure a favorable financial position while supporting the County's ability to address current and future infrastructure challenges, as well as any unforeseen events that may arise.

In 2023, the County borrowed \$1.3 million to complete the construction of the Walker Lake Water Loop project. This debenture will be repaid to the municipality through offsite levy revenue received in future years.

Note 9 details Parkland County's debt in relation to the Municipal Government Act's debt limit requirements illustrating that Parkland County continues to be prudent with debt use:

- The County's debt limit is calculated as 1.5 times the annual revenue of the County. As at December 31, 2023, the debt utilization was 26%.
- The County's service on debt limit is calculated as 0.25 times the revenue of the County. As at December 31, 2023, the annual service on debt was 14% of the limit.

FINANCIAL MANAGEMENT CONTROL:

Budget Process

Budgeting is a planning process which identifies actions to be undertaken for core services, value add services, and special projects. The budget is a financial representation of services provided to residents and a financial plan.

Developing Parkland County's Annual Budget requires input from many stakeholders. The process involves department managers, front line staff, executive team members as well as information from internal and external sources. This information is compiled by Finance and then refined using the Corporate Plan and Council's Strategic Plan. The strategic planning and budget process begins in the spring of the preceding fiscal year and culminates with budget presentations by management to Council at open Council meetings in the fall. Formal adoption of the budget occurs in December and final budget adjustments are made early in the year for that year's budget. This final budget is used to set the tax levy. Council approved the 2023 final budget on April 11, 2023.

Accounting Process

The County has a centralized accounting process. The Finance department is responsible for the common financial and computer systems used to record all financial transactions. The Finance department prepares the annual financial statements and provides financial reporting to management monthly and to Council on a quarterly basis.

Audit Process

The Municipal Government Act requires Council to appoint an external auditor to provide an opinion on the annual financial statements. Accordingly, Council appointed the firm of Metrix Group LLP as auditors for the County for the 2023 fiscal year.

Future Outlook

The County is currently in a strong financial position. In looking ahead, challenges faced by the County will be to maintain current service levels while responding to declines in linear assessment base. A great deal of consideration will need to be given to the current state of the Alberta economy and the political climate of the Federal and Provincial governments. The County will continue to develop strategies to offset the potential loss in tax revenue and seek the necessary funding to undertake projects required to maintain an acceptable level of programs, services, and infrastructure for Parkland County residents.

Respectfully submitted,



CRAIG FROEHLICH, CPA, CA

Acting General Manager, Corporate and Shared Services & Chief Financial Officer

April 23, 2024



CAROLYN ZENKO, CPA, CA

Acting Director, Finance

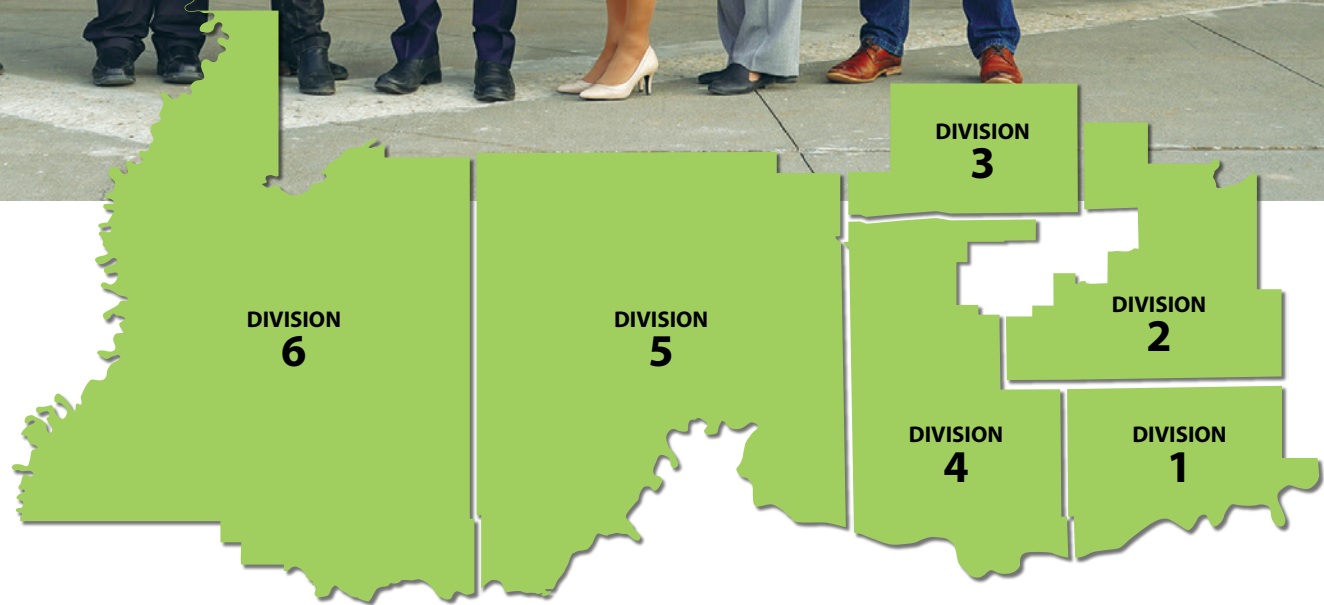
April 23, 2024

MAYOR AND COUNCIL



From left to right:

- Division 4 Councillor – Natalie Birnie
- Division 6 Councillor – Allan Hoefsloot
- Division 1 Councillor – Sally Kucher Johnson
- Mayor – Allan Gamble
- Division 3 Councillor – Phyllis Kobasiuk
- Division 2 Councillor – Kristina Kowalski
- Division 5 Councillor – Rob Wiedeman



VISION, MISSION, VALUES

In looking towards the future of Parkland County, it is important that Council members agree on what the destination looks like. With this in mind, Council first decided on the County's ideal long-term future (Vision) and the general direction it will take to achieve that future (Mission).

VISION

The vision is a high-level statement that expresses what the future looks like. Our vision has been crafted to be inspiring, energizing and motivating — both internally and externally.

The Strategic Plan is intentional about the areas where focus must occur to advance our vision for the County. It is a roadmap, guiding our vision for the future — a place to get us from where we are today to where we want to be.

Parkland County: gifted by nature, inspired by innovation, powerfully connected, and home to opportunity.

MISSION

Our mission statement communicates what we do and who we serve. Parkland County's mission is closely linked to our vision, as understanding who we are drives what we might become.

Connecting individuals to communities, industry to opportunities, and people to nature. Parkland County, a home to grow and prosper.

VALUES

The values expressed here determine how the County operates, both publicly and privately.

ACCOUNTABILITY

Parkland County is responsible for delivering necessary programs and services to all who choose to call Parkland County home.

TRANSPARENCY

We conduct County business in public, whenever possible. Council and Administration operate in an open and accessible manner while still respecting privacy legislation.

CUSTOMER FOCUS

Parkland County keeps our residents, business, and community organizations at the centre of all decision-making. We strive for service excellence.

TEAMWORK

Together we are better. Parkland County works with and for those who choose to live and serve here to promote a sense of belonging and well-being.

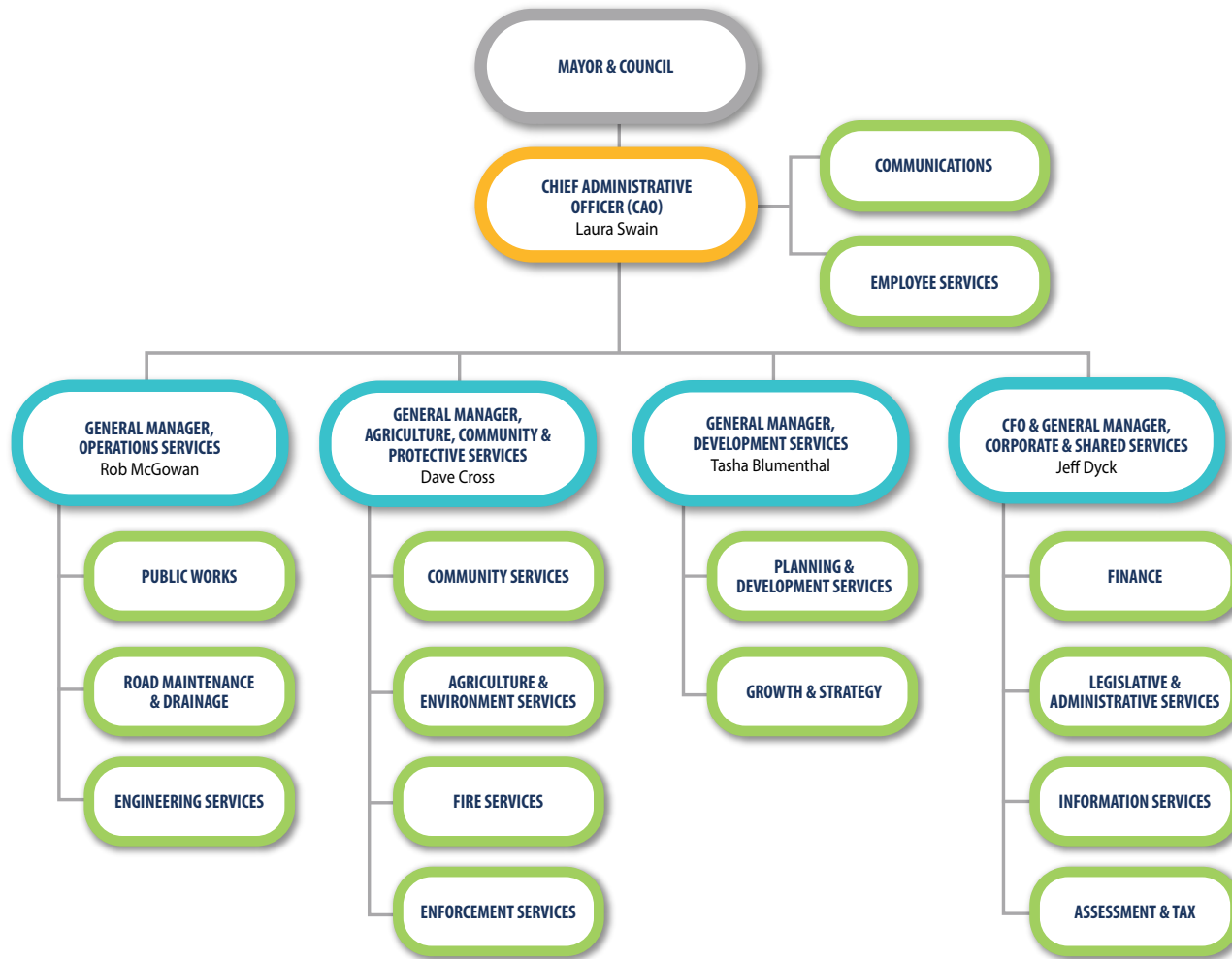
LEADERSHIP

We serve our community by listening, engaging in prudent decision-making, and forward thinking.

INNOVATION

We are responsive to new ideas that will benefit and improve our community. Parkland County is open for opportunities.

2023 ORGANIZATIONAL CHART



The County has grouped its departments into four divisions:

Operations Services, Agriculture, Community & Protective Services, Development Services, and Corporate & Shared Services.

Each division has a General Manager who oversees the division, coordinates County operations, and ensures the implementation of Council directives and Strategic Plan initiatives. The General Managers reports to the CAO which completes the Executive Administration team.

As at December 31, 2023



Bunchberry Meadows

PILLAR A

COMPLETE COMMUNITIES

We recognize the diversity of Parkland County's communities, while fostering a united and shared vision for Parkland as a whole.



PILLAR B

STRATEGIC ECONOMIC DIVERSIFICATION

We support the continuation and evolution of traditional economic activities, while pursuing new opportunities for diversified and sustainable growth.



GOALS

- A1** To ensure that County infrastructure meets the needs of residents, businesses, and industry
- A2** To create a sense of belonging and well-being by enriching our communities with relevant amenities
- A3** To build a strong community through effective social support services
- A4** To honour the history and culture of local Indigenous peoples

GOALS

- B1** To explore strategies that encourage new businesses to locate in Parkland County
- B2** To add emphasis to recreation and rural tourism to diversify the County's economic opportunities
- B3** To support energy security and diversification
- B4** To support existing and new businesses in Parkland County with a focus on micro and small businesses

These goals are reviewed annually. For 2024 – 2025, please see our website www.parklandcounty.com/strategicplan

PILLAR C

RESPECTED ENVIRONMENT AND AGRICULTURE



We respect the natural environment, recognizing Parkland County's biodiversity and unique natural beauty, the land's value for agricultural purposes, and ensuring our commitment to sustainable agricultural and environmental practices.



GOALS

- C1** To develop a policy framework that ensures the protection of environmental significant areas
- C2** To recognize the importance of preserving prime agricultural land available for production
- C3** To support our agricultural community

PILLAR D

RESPONSIBLE LEADERSHIP



We maintain the public's trust through transparent and fair decision-making, superior service delivery, and effective engagement.



GOALS

- D1** To ensure that County Council is supported by a robust and current framework of bylaws, policies, and plans
- D2** To strive for organizational excellence in delivering County services and programs to residents, businesses, and community groups
- D3** To strengthen relationships with leaders of Parkland County-based businesses and community groups
- D4** To engage and collaborate with all orders of government, particularly our Tri-Region partners and Indigenous neighbours
- D5** To engage meaningfully with County residents on matters of importance to them using methods that work for them



COMPLETE COMMUNITIES



STRATEGIC ECONOMIC DIVERSIFICATION



RESPECTED ENVIRONMENT AND AGRICULTURE



RESPONSIBLE LEADERSHIP

2023 YEAR IN REVIEW

<p>LOCAL TRANSIT</p> <p>The Tri-Region launched On-Demand Local Transit, allowing riders to travel between Stony Plain, Spruce Grove, Acheson, and Parkland Village with ease.</p>  <p>JAN</p>	<p>SUSTAINABILITY AWARD</p> <p>Parkland County received a Sustainable Communities Award, celebrating the County's work in assessing the value of natural infrastructure in rural road networks.</p>  <p>First edition of Your Parkland newsletter sent out.</p>  <p>FEB</p>	<p>FUNDING FOR HIGHWAY 60</p> <p>The Alberta Government committed to fund improvements to Highway 60 through Acheson, as well as the intersection at Highway 16A and Range Road 20.</p>  <p>MAR</p>
<p>VOLUNTEERS!</p> <p>Celebrated our community league volunteers at the Volunteer of the Year event.</p> <p>Range Road 70 Wildfire began.</p>   <p>APR</p>	<p>IMPROVE STOREFRONTS</p> <p>Launched the Business Revitalization Program to help local businesses improve their storefronts.</p>  <p>MAY</p>	<p>FIRE STRATEGY</p> <p>Advocated for Provincial wildfire strategy and effectiveness.</p>  <p>JUN</p>
<p>BOAT LAUNCH</p> <p>Sundance Boat Launch and Recreation Area opened.</p> <p>Wildfire declared extinguished</p>   <p>JUL</p>	<p>THE ZONE</p> <p>Launched "The Zone" — a welcome to Acheson guide in partnership with the ABA (Acheson Business Association).</p>  <p>AUG</p>	<p>OUTDOOR MOVIE</p> <p>Hosted our second annual outdoor movie event in Wabamun with over 450 people in attendance.</p>  <p>SEP</p>
<p>NEW WEBSITE</p> <p>Launched a new and improved website to better serve residents and visitors looking for information.</p>  <p>OCT</p>	<p>REGIONAL INITIATIVES</p> <p>Mayor Gamble began his role as Chair of the EMRB, a board that provides leadership to regional initiatives building a connected, thriving, and sustainable region.</p>  <p>NOV</p>	<p>FIRESMART</p> <p>Fire Services has completed community level, full-scale FireSmart Hazard Assessments for all hamlets, along with 38 individual homes in the County receiving an Advanced FireSmart Assessment.</p>  <p>DEC</p>



Wabamun Lake



Acheson Business Park

SECTION TWO

Consolidated Financial Statements

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Chickakoo Lake

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying consolidated 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 responsibility for the integrity and fairness of the consolidated 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 the consolidated financial statements.

The elected Mayor and Council of Parkland County are composed entirely of individuals who are neither management nor employees of the County. The Mayor and Council have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Mayor and Council are also responsible for the appointment of the County's external auditors.

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



Jeff Dyck, CPA, CA Acting Chief Administrative Officer



Craig Froehlich, CPA, CA Acting General Manager Corporate Services

Parkland County, Alberta
April 23, 2024

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Although 2023 was not without its challenges, our County remained strong and resilient as we navigated these challenges while making strides in various projects and initiatives that align with Council's strategic pillars.

– Mayor Allan Gamble

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of Parkland County

Opinion

We have audited the accompanying consolidated financial statements of Parkland County (the "County"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, the financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2023, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the 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 other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes the County's adoption of PS3280 — Asset Retirement Obligations using the modified retroactive approach and have restated prior year comparative figures. Our opinion is not modified with respect of this matter.

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.

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

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

Auditors' 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 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 the 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 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
April 23, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2023

	2023	2022 (Restated) (Note 1)
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 9,305,982	\$ 29,891,715
Accounts receivable (Note 4)	23,625,083	16,199,274
Investments (Note 5)	155,598,984	137,426,996
Land held for resale	1,050,205	1,022,000
	<u>189,580,254</u>	<u>184,539,985</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	12,019,126	10,969,259
Deposit liabilities	2,496,046	3,306,075
Deferred revenue (Note 7)	19,927,890	22,911,212
Long-term debt (Note 8)	39,581,118	39,917,097
Asset retirement obligations (Note 10)	5,802,486	5,918,201
Environmental liabilities (Note 11)	2,865,336	2,989,136
	<u>82,692,002</u>	<u>86,010,980</u>
NET FINANCIAL ASSETS	<u>106,888,252</u>	<u>98,529,005</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 12)	569,899,764	560,007,080
Inventory for consumption (Note 13)	11,229,711	10,762,105
Prepaid expenses	1,988,518	1,620,564
	<u>583,117,993</u>	<u>572,389,749</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 690,006,245</u>	<u>\$ 670,918,754</u>

Contractual rights (Note 15)
Contractual obligations (Note 16)
Contingent assets and liabilities (Note 17)

The accompanying notes are an integral part of the consolidated financial statements.

APPROVED ON BEHALF OF COUNCIL:



Allan Gamble
Mayor



Natalie Birnie
Deputy Mayor

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended December 31, 2023

	2023 (Budget) (Note 25)	2023 (Actual)	2022 (Actual) (Restated) (Note 1)
REVENUES			
Net municipal property taxes (Note 18)	\$ 71,203,300	\$ 70,833,668	\$ 68,591,540
User fees and sales	11,134,459	12,558,442	11,510,670
Penalties	908,500	1,150,198	1,083,416
Investment income	2,050,305	4,639,664	3,870,653
Government transfers for operating (Note 19)	4,226,128	9,959,149	6,961,870
Licenses and permits	1,343,000	1,182,266	1,308,052
Other revenue	544,746	1,029,315	644,671
	<u>91,410,438</u>	<u>101,352,702</u>	<u>93,970,872</u>
EXPENSES			
Salaries, wages, and employee benefits	38,804,184	37,284,273	35,407,422
Contracted and general services	21,339,976	22,801,123	19,386,546
Materials, goods, supplies and utilities	9,036,871	9,441,315	8,631,010
Interest on long term debt	1,418,200	1,137,357	951,940
Bank charges	54,625	62,707	58,458
Transfers to governments, agencies and organizations	16,863,291	7,586,013	7,856,165
Purchases from other governments	4,619,070	5,792,246	4,938,616
Amortization of tangible capital assets	16,967,000	20,938,172	18,581,383
Other expenses – operating	675,404	36,107	170,302
	<u>109,778,621</u>	<u>105,079,313</u>	<u>95,981,842</u>
ANNUAL SURPLUS BEFORE OTHER INCOME	<u>(18,368,183)</u>	<u>(3,726,611)</u>	<u>(2,010,970)</u>
OTHER			
Contributed tangible capital assets	3,954,500	8,957,010	15,805,880
Government transfers for capital (Note 19)	25,912,111	14,053,645	10,565,949
Developer and customer contributions — capital	-	-	4,596,778
Gain (loss) on disposal of tangible capital assets	(173,600)	(268,792)	1,315,275
Other revenue — capital	-	72,239	-
	<u>11,324,828</u>	<u>19,087,491</u>	<u>30,272,912</u>
ANNUAL SURPLUS	<u>11,324,828</u>	<u>19,087,491</u>	<u>30,272,912</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>670,918,754</u>	<u>670,918,754</u>	<u>640,645,842</u>
ACCUMULATED SURPLUS, END OF YEAR (NOTE 14)	<u>\$682,243,582</u>	<u>\$690,006,245</u>	<u>\$ 670,918,754</u>

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31, 2023

	2023 (Budget) (Note 25)	2023 (Actual)	2022 (Actual) (Restated) (Note 1)
ANNUAL SURPLUS	\$ 11,324,828	\$ 19,087,491	\$ 30,272,912
Acquisition of tangible capital assets	(42,069,780)	(22,158,778)	(19,494,116)
Contributed tangible capital assets	(3,954,500)	(8,957,010)	(15,805,880)
Proceeds on disposal of tangible capital assets	650,000	16,140	2,587,275
Amortization of tangible capital assets	16,967,000	20,938,172	18,581,383
Loss/(Gain) on disposal of tangible capital assets	173,600	268,792	(1,315,275)
	<u>(28,233,680)</u>	<u>(9,892,684)</u>	<u>(15,446,613)</u>
Net change in inventory for consumption	–	(467,606)	(1,361,899)
Net change in prepaid expenses	–	(367,954)	5,606
	<u>–</u>	<u>(835,560)</u>	<u>(1,356,293)</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	<u>(16,908,852)</u>	<u>8,359,247</u>	<u>13,470,006</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>98,529,005</u>	<u>98,529,005</u>	<u>85,058,999</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 81,620,153</u>	<u>\$ 106,888,252</u>	<u>\$ 98,529,005</u>

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	2023	2022 (Restated) (Note 1)
OPERATING ACTIVITIES		
Annual surplus	\$ 19,087,491	\$ 30,272,912
Non-cash items included in excess of revenue over expenses:		
Loss/(Gain) on disposal of tangible capital assets	268,792	(1,315,275)
Amortization of tangible capital assets	20,938,172	18,581,383
Contributed tangible capital assets	(8,957,010)	(15,805,880)
Change in non-cash working capital balances:		
Accounts receivable	(7,425,809)	11,607,960
Land held for resale	(28,205)	114,000
Accounts payable and accrued liabilities	1,049,867	(2,769,364)
Deposit liabilities	(810,029)	(416,850)
Deferred revenue	(2,983,322)	(9,831,015)
Asset retirement obligations	(115,715)	116,225
Environmental liabilities	(123,800)	(16,388)
Consumable inventories	(467,606)	(1,361,899)
Prepaid expenses	(367,954)	5,606
	<u>20,064,872</u>	<u>29,181,415</u>
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(22,158,778)	(19,494,116)
Proceeds on disposal of tangible capital assets	16,140	2,587,275
	<u>(22,142,638)</u>	<u>(16,906,841)</u>
INVESTING ACTIVITIES		
Acquisition of investments	(74,986,674)	(71,112,589)
Maturity of investments	57,004,904	65,722,472
Amortization of investment premiums/discounts	(190,218)	(19,992)
	<u>(18,171,988)</u>	<u>(5,410,109)</u>
FINANCING ACTIVITIES		
Long-term debt issued	1,985,240	3,997,001
Long-term debt repaid	(2,321,219)	(2,191,870)
	<u>(335,979)</u>	<u>1,805,131</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(20,585,733)</u>	<u>8,669,596</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>29,891,715</u>	<u>21,222,119</u>
CASH AND CASH EQUIVALENTS, END OF YEAR (NOTE 3)	<u>\$ 9,305,982</u>	<u>\$ 29,891,715</u>

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023

Parkland County is a municipality in the Province of Alberta, Canada and operates under the provisions of the *Municipal Government Act*.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Parkland County (the "County") are prepared by management in accordance with Canadian Public Sector Accounting Standards. Significant accounting policies adopted by the County are as follows:

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the government reporting entity. The government reporting entity is comprised of all the organizations, committees, and local boards accountable for the administration of their financial affairs and resources to the County and which are owned or controlled by the County.

The County's consolidated financial statements include the proportionate share of assets, liabilities, revenues and expenses for the Tri-Municipal Leisure Facility Corporation (a Part 9 company operating as the TransAlta Tri Leisure Centre).

The financial statements of Parkland County Library Board are fully consolidated in the County's financial statements.

The County is also a member of boards and commissions that are not included in the government reporting entity.

Interdepartmental and inter-organizational transactions and balances between these entities and organizations are eliminated.

Property taxes levied also include requisitions for education and seniors housing; organizations that are not part of the government reporting entity.

(b) Basis of Accounting

The County follows the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the specified purpose. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of legal obligation to pay.

(c) Cash and Cash Equivalents

Cash consists of balances held with Canadian financial institutions and cash-in-transit. Cash equivalents consist of term deposits, guaranteed investment certificates (GICs), and other investments that are readily convertible to cash in less than three months and are recorded at cost.

(d) Investments

Investments consist of instruments such as term deposits, growth index deposits, notes, bonds, and guaranteed investment certificates. Term deposits, market equity growth index deposits, guaranteed investment certificates, notes, and bonds are recorded at amortized cost. Investment premiums and discounts are amortized over the term of the respective investments. When there has been a loss in the value that is other than a temporary decline, the respective investment is written down to recognize the loss.

(e) Inventories for Consumption

Land held for resale is recorded at the lower of cost and net realizable value on a specific item basis.

(f) Employee Benefit Obligations

The costs of multi-employer defined benefit pension plan benefits including LAPP and APEX pensions are the employer's contributions to the plan in the period. Health/vision and dental benefits are administered by Blue Cross on an administrative services only basis. The County is responsible for the employer share of benefit premiums throughout the year as well as any shortfall or surplus at the end of the period. Accumulated sick and vacation days are set up as a liability to the extent to which days are expected to be paid out and/or used by employees.

(g) Non-Financial Assets

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

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Tangible Capital Assets

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

	YEARS
Land improvements	15 – 30
Buildings	5 – 50
Engineered structures	
Roadway systems	10 – 60
Storm	50 – 75
Water system	45 – 75
Wastewater system	45 – 75
Machinery and equipment	5 – 40
Vehicles	10 – 20

Annual amortization is pro-rated in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of Tangible Capital Assets

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

(iii) Works of Art and Cultural and Historic Assets

The County owns original artworks that are on permanent display at the County facilities. The artworks were purchased by the County and have significant cultural and historical value in perpetuity. The artworks are not recorded as tangible capital assets in the consolidated financial statements.

(iv) Interest Capitalization

The County does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(v) Consumable Inventories

Inventories of materials and supplies for consumption are valued at the lower of cost and replacement cost with cost determined using the average cost method.

(vi) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all 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.

(h) Government Transfers

Government transfers are recognized in the financial statements as revenues 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 made.

A transfer with or without eligibility criteria but with stipulations is recognized in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfers gives rise to an obligation that meets the definition of a liability.

(i) Requisition Over-Levies and Under-Levies

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned. If the actual levy exceeds the requisition, the overlevy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue. Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

(j) Tax Revenue Recognition

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Asset Retirement

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire the tangible capital asset when, at the financial statement date:

- There is a legal obligation for the County to incur retirement costs;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

Management's best estimate of the liability includes all costs directly attributable to asset retirement activities based on information available at year end. In some instances, the best estimate of the asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods. In other instances, the asset retirement obligation is valued at current estimated cost to settle or otherwise extinguish the liability.

A corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset when a liability for an asset retirement obligation is initially recognized. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the County reviews the carrying amount of the liability. The County recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows, or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The County continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(l) Liabilities for Contaminated Sites

Contaminated sites are defined as the result of contamination being introduced in soil, water, or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability for remediation of contaminated sites is based on management's estimate of the cost of post remediation including operation, maintenance, and monitoring. The liability is recorded net of any expected recoveries. A liability is applicable to sites that are not in productive use or where an unexpected event has caused contamination in the year.

(m) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for amortization and accrued liabilities, including asset retirement obligations and environmental liabilities. Actual results could differ from those estimates.

(n) Adoption of Accounting Standards

Effective April 1, 2022, the County adopted PS3450 Financial Instruments standard and corresponding standards of PS2601 Foreign Currency Translation, PS1201 Financial Statement Presentation and PS3041 Portfolio Investments. The County used prospective application to adopt these standards. As a result, 2022 comparatives are not restated. Major changes to the consolidated financial statements include:

- Additional disclosure on financial risk exposure and risk management

The County elects to recognize the exchange gains and losses of accounts payable denominated in a foreign currency directly in the statement of operations.

The County also adopted PS3280 Asset Retirement Obligations standard, using the modified retroactive approach with restatement of prior year comparatives, and recognized the following to align to the new standard:

- Asset retirement obligations, adjusted for accumulated accretion to the effective date;
- Asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- Accumulated amortization on the capitalized cost; and
- Adjustment to the opening balance of the accumulated surplus.

Amounts are measured using information, assumptions, and discount rates where applicable that are current on the effective date. The amount recognized as an asset retirement cost is measured as of the date the asset retirement obligation was incurred. Accumulated accretion and amortization are measured for the period from the date the liability would have been recognized as if the provisions of this standard had been in effect to the date as of which this standard is first applied.

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Adoption of Accounting Standards (Continued)

The impact on the prior year's financial statements as a result of the adoptions of accounting standards is as follows:

	Previously Reported	2022 Adjustments	Restated
Consolidated Statement of Operations			
Revenues	\$ 126,254,754	\$ -	\$ 126,254,754
Expenses	<u>95,923,937</u>	<u>57,905</u>	<u>95,981,842</u>
Annual Surplus/(Deficit)	\$ <u>30,330,817</u>	\$ <u>(57,905)</u>	\$ <u>30,272,912</u>
Consolidated Statement of Financial Position			
Financial Assets	\$ 184,539,985	\$ -	\$ 184,539,985
Liabilities	<u>82,809,700</u>	<u>3,201,280</u>	<u>86,010,980</u>
Net Financial Assets	101,730,285	(3,201,280)	98,529,005
Non-Financial Assets	<u>571,177,637</u>	<u>1,212,112</u>	<u>572,389,749</u>
Accumulated Surplus	\$ <u>672,907,922</u>	\$ <u>(1,989,168)</u>	\$ <u>670,918,754</u>
Consolidated Statement of Changes in Net Financial Assets			
Annual Surplus/(Deficit)	\$ 30,330,817	\$ (57,905)	\$ 30,272,912
Acquisition of Tangible Capital Assets	(19,494,116)	-	(19,494,116)
Contributed Tangible Capital Assets	(15,805,880)	-	(15,805,880)
Proceeds on Disposals of Tangible Capital Assets	2,587,275	-	2,587,275
Amortization of Tangible Capital Assets	18,523,478	57,905	18,581,383
Loss/(Gain) on Disposal of Tangible Capital Assets	(1,315,275)	-	(1,315,275)
Change in Consumable Inventories	(1,361,899)	-	(1,361,899)
Change in Prepaid Expenses	<u>5,606</u>	<u>-</u>	<u>5,606</u>
Change in Net Financial Assets	13,470,006	-	13,470,006
Net Financial Assets, Beginning of Year	<u>88,260,279</u>	<u>(3,201,280)</u>	<u>85,058,999</u>
Net Financial Assets, End of Year	\$ <u>101,730,285</u>	\$ <u>(3,201,280)</u>	\$ <u>98,529,005</u>

(o) Valuation of Financial Assets and Liabilities

The County's financial assets and liabilities are measured as follows:

FINANCIAL STATEMENT COMPONENT	MEASUREMENT
Cash and cash equivalents	Cost/Carrying value
Accounts receivable	Lower of cost or net recoverable value
Investments	Cost or amortized cost
Inventories for resale	Lower of cost or net realizable value
Accounts payable and other accrued liabilities	Cost/Carrying value

(p) Future Accounting Standard Pronouncements

The following summarizes upcoming changes to Public Sector Accounting Standards. While the timing of standard adoption may vary, certain standards must be adopted concurrently.

PUBLIC SECTOR ACCOUNTING STANDARD	NAME	EFFECTIVE DATE (FISCAL YEARS BEGINNING ON OR AFTER)
PS3400	Revenue	April 1, 2023
PS3160	Public Private Partnerships	April 1, 2023
PSG-8	Purchased Intangibles	April 1, 2023
PS1202	Financial Presentation	April 1, 2026

Management is currently assessing the impact of these new standards on the financial statements.

2. FINANCIAL RISK MANAGEMENT

The County recognizes the importance of managing risks by using policies, procedures, and oversight designed to reduce risks identified to an appropriate threshold. The risks that the County is exposed to through its financial instruments are credit risk, liquidity risk, and market risk. There was no significant change to these risks or its processes for managing these risks from the prior year.

(a) Credit Risk

The County is subject to credit risk arising from its investment portfolio and accounts receivable, which are comprised primarily of interest receivable, government transfers receivable, and taxes receivable.

Credit risk pertaining to the investment portfolio is deemed to be low, as investments are comprised primarily of high-quality fixed income securities such as GICs, investment grade bonds and principal protected notes issued by Canadian chartered banks. Credit risk associated with government transfers receivable and interest receivable is also deemed to be low. Taxes receivable credit risk arises from the possibility that taxpayers and entities to which the County provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

(b) Liquidity Risk

Liquidity risk is the risk that the County will not be able to meet the obligations associated with financial liabilities. The County takes an active approach to address liquidity risk through debt management policy, cash flow forecasting and modelling, credit facilities, and other strategies.

(Continues)

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market Risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument fluctuates based on market factors. Market risk includes currency risk, interest rate risk, and other price risks. The County is not exposed to significant foreign exchange, interest rate, or other price risk.

3. CASH AND CASH EQUIVALENTS

	2023	2022
Cash	\$ 3,549,219	\$ 6,096,899
Cash equivalents	<u>5,756,763</u>	<u>23,794,816</u>
	<u>\$ 9,305,982</u>	<u>\$ 29,891,715</u>

Cash equivalents include investments that have effective interest rates of 5.40% to 5.70% (2022 – 4.65% to 4.75%).

4. ACCOUNTS RECEIVABLES

The accounts receivable is made up of the following:

	2023	2022
Accrued interest receivable - investments	\$ 4,912,046	\$ 3,639,793
Government transfers receivable	11,102,697	6,105,103
Local improvements	224,672	340,691
Requisition underlevy	169,022	175,286
Taxes - arrears	1,384,659	1,246,998
Taxes - current	3,089,552	2,648,637
Trade and other	<u>2,755,365</u>	<u>2,052,843</u>
	<u>23,638,013</u>	16,209,351
Less: Allowance for doubtful accounts	<u>(12,930)</u>	<u>(10,077)</u>
	<u>\$ 23,625,083</u>	<u>\$ 16,199,274</u>

5. INVESTMENTS

	2023		2022	
	Carrying Amount	Market Amount	Carrying Amount	Market Amount
Cash invested	\$ -	\$ -	\$ 51,501	\$ 51,501
Other:				
Notes and deposits	94	94	94	94
Bank and callable bonds	95,548,706	88,510,676	90,652,817	80,740,014
Principal protected notes	39,579,000	38,626,590	41,519,400	39,154,529
Memberships/shares	203,184	203,184	203,184	203,184
Guaranteed investment certificate	<u>20,268,000</u>	<u>20,268,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
	<u>\$ 155,598,984</u>	<u>\$ 147,608,544</u>	<u>\$ 137,426,996</u>	<u>\$ 125,149,322</u>

Investments have effective interest rates of 1.80% to 6.29% (2022 – 1.80% to 5.00%) while Principal Protected Notes have variable interest and are linked to the performance of an equity market index with maturity dates between August 2028 to April 2032 (2022 – May 2028 to April 2032).

Market values are based on quoted market values received on December 31, 2023. The market values fluctuate with changes in market interest rates. Should there be a loss in value that is not considered temporary, the respective investment is written down to recognize the loss.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities is made up of the following:

	2023	2022
Trade and other accounts payable	\$ 8,364,614	\$ 7,607,797
Holdbacks payable	679,448	430,471
Wage and benefit obligations	883,850	991,546
Payable to other governments	3,557	5,179
Accrued interest on long-term debt	58,768	59,826
Earned vacation and overtime liability	<u>2,028,889</u>	<u>1,874,440</u>
	<u>\$ 12,019,126</u>	<u>\$ 10,969,259</u>

7. DEFERRED REVENUE

	2022	Contributions	Interest Earned	Amount Utilized	2023
Government Transfers					
Capital:					
Municipal Sustainability Initiative	\$ 8,662,131	\$ 4,196,170	\$ 82,516	\$ (5,399,426)	\$ 7,541,391
Canada Community-Building Fund	8,123,777	2,059,325	95,808	(5,445,664)	4,833,246
Other capital grant	371,573	2,560,969	2,780	(2,865,384)	69,938
Operating:					
Municipal Sustainability Initiative	1,901	687,452	3,393	(687,452)	5,294
Family and Community Support Services	5,684	805,296	-	(763,786)	47,194
9-1-1 Grant	667,459	2,007,176	11,710	(1,479,287)	1,207,058
Other operating grant	<u>346,048</u>	<u>7,528,661</u>	<u>5,601</u>	<u>(7,371,795)</u>	<u>508,515</u>
	<u>18,178,573</u>	<u>19,845,049</u>	<u>201,808</u>	<u>(24,012,794)</u>	<u>14,212,636</u>
Other Deferred Revenue					
Offsite levies	3,413,122	173,697	207,174	(33,877)	3,760,116
Other revenue	<u>1,319,517</u>	<u>1,876,483</u>	<u>4,888</u>	<u>(1,245,750)</u>	<u>1,955,138</u>
	<u>4,732,639</u>	<u>2,050,180</u>	<u>212,062</u>	<u>(1,279,627)</u>	<u>5,715,254</u>
	<u>\$ 22,911,212</u>	<u>\$ 21,895,229</u>	<u>\$ 413,870</u>	<u>\$(25,292,421)</u>	<u>\$ 19,927,890</u>

8. LONG-TERM DEBT

	2023	2022
Long term debt — user pay	\$ 37,987,186	\$ 38,982,819
Long term debt — tax supported	<u>1,593,932</u>	<u>934,278</u>
	<u>\$ 39,581,118</u>	<u>\$ 39,917,097</u>

Debenture debt is repayable to Alberta Treasury Board and Finance. The debt is issued on the credit and security of the County at large. It is payable and due over various periods up to the year 2047 with effective interest rates ranging from 2.08% to 4.92% (2022 – 2.08% to 5.75%).

The County entered into an infrastructure loan facility agreement with Servus Credit Union with a maximum of \$16,500,000 for a term of 20 years, bearing interest at 6.70% (2022 – 5.95%) based on the Credit Union's prime rate less 0.5%. The loan can be paid in full prior to maturity and is provided on the faith and credit of the County.

During the year, Parkland County borrowed \$1,325,586 (2022 – \$8,000,000) from Alberta Treasury Board and Finance for development of infrastructure in Acheson. A portion of these debt proceeds was used to repay \$934,278 (2022 – \$4,937,277) of the infrastructure loan facility agreement. These amounts are shown on a net basis.

Principal and interest amounts due on debentures and loans each of the next five years are as follows:

	Principal	Interest	Total
2024	\$ 2,373,860	\$ 1,185,603	\$ 3,559,463
2025	2,366,961	1,072,854	3,439,815
2026	3,751,798	928,593	4,680,391
2027	2,487,071	835,390	3,322,461
2028	2,549,589	772,872	3,322,461
Thereafter	<u>24,457,907</u>	<u>5,918,449</u>	<u>30,376,356</u>
	<u>\$ 37,987,186</u>	<u>\$ 10,713,761</u>	<u>\$ 48,700,947</u>

Total interest on long-term debt which is reported on the consolidated statement of operations and accumulated surplus amounted to \$1,137,357 in 2023 (2022 – \$951,940).

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 the County be disclosed as follows:

	2023	2022
Total debt limit	\$152,029,053	\$ 140,956,308
Total debt	<u>(39,581,118)</u>	<u>(39,917,097)</u>
Amount of debt limit unused	<u>\$112,447,935</u>	<u>\$ 101,039,211</u>
Service on debt limit	\$ 25,338,176	\$ 23,492,718
Service on debt	<u>(3,559,463)</u>	<u>(3,413,662)</u>
Amount of service on debt limit unused	<u>\$ 21,778,713</u>	<u>\$ 20,079,056</u>

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

10. ASSET RETIREMENT OBLIGATIONS

The County has identified a number of tangible capital assets where asset retirements obligations exist. As at December 31, 2023, the total asset retirement obligations liabilities are as follows:

	2023	2022 (Restated)
Asset retirement obligations, beginning of year	\$ 5,918,201	\$ 5,801,976
Asset retirement obligations liabilities incurred	-	-
Asset retirement obligations liabilities settled	(115,715)	(66,117)
Accretion expense	-	-
Revision in estimates	-	182,342
Asset retirement obligations, end of year	<u>\$ 5,802,486</u>	<u>\$ 5,918,201</u>

Included in ARO liabilities, \$2,601,206 (2022 – \$2,716,921) is valued using the present value technique with an undiscounted amount of estimated future cash flows required to settle this obligation of \$2,767,299 (2022 – \$2,919,600). The discount rate used for the present value technique was 3.34% and these obligations are expected to be settled between 2024 and 2043. The total ARO liabilities also include \$3,201,280 (2022 – \$3,201,280) of undiscounted future cash flows valued using the cost escalation technique as the settlement dates related to these liabilities have not been determined.

(Continues)

10. ASSET RETIREMENT OBLIGATIONS (CONTINUED)

The above asset retirement obligations relate to buildings, engineered structures, and land improvements.

The County estimated the nature and extent of the hazardous materials in its buildings based on the potential square feet and average costs per square foot to remove and dispose of the hazardous materials. The estimate of these obligations is based on assessments provided by third party and internal experts.

The County estimated the nature and extent of the hazardous materials used to construct engineered structures based on the potential meters and average costs per meter to remove and dispose of the underground infrastructure. The estimate of these obligations is based on assessments provided by third party and internal experts.

Under Provincial legislation, the County is required to provide for closure and post closure care for its landfill sites which are classified as land improvements. Post closure activities include surface and ground water monitoring, leachate control and, visual inspection for a period of 25 years after the landfill has been closed. The County currently has no active landfill sites. The estimate of these obligations is based on assessments provided by third party and internal experts.

In addition to the landfill sites with associated liabilities, there were three identified historic landfill sites within Parkland County. Two of the sites will be undergoing a supplementary Phase II environmental site assessment to determine the extent of contamination and costs required to reclaim the sites. The third historical landfill site will be undergoing a Phase II environmental site assessment to confirm contamination concerns. These assessments will ultimately confirm the extent of risk management and reclamation efforts that are required but, as of the financial statement date, the costs are not yet determinable.

Under Provincial legislation, the County is required to reclaim lands used for the extraction of aggregate material. Reclamation requirements have been defined in accordance with industry standards and include revegetation of sites upon closure. The County owns and operates a number of aggregate extraction sites. The aggregate is used for road maintenance and construction projects within the County. The estimate of these obligations is based on assessments provided by third party and internal experts.

The reported liabilities are based on estimates and assumptions using the best information available at the end of the reporting period. Future events, such as changes in regulatory requirements, may result in significant changes to the estimated total liabilities and will be recognized prospectively, as a change in estimate, when applicable.

The County maintains four wastewater lagoons which operate under the Code of Practice (CoP) for Wastewater Systems Using a Wastewater Lagoon and the Environmental Protection and Enhancement Act (EPEA). There is a requirement to return these sites to equivalent land capability at end of life, and as such an obligation exists with respect to retirement of the lagoons. However, these lagoons can have an indefinite useful life with regular maintenance, upkeep, and monitoring over time. Given the significant uncertainty in estimating a liability to be incurred at an indeterminable point in time, and the immaterial present value of such a liability, no asset retirement obligation has been recognized in the financial statements related to the retirement of these lagoons.

11. ENVIRONMENTAL LIABILITIES

Under Provincial legislation, the County is required to remediate lands with contamination in excess of Provincial Environmental Standards. Reclamation requirements have been defined in accordance with industry standards and include ongoing environmental monitoring, site inspections and maintenance. The County Services Building yard contains a salt storage site where contamination is in excess of environmental standards. The costs for remediation have been adjusted by applying a discount rate based on the County's average long term borrowing rate of 3.34%. An amount of \$2,865,336 (2022 – \$2,989,136) has been recorded.

12. TANGIBLE CAPITAL ASSETS

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Engineered Structures</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Assets Under Construction</u>	<u>2023</u>
COST:								
Balance, Beginning of Year	\$ 165,806,359	\$ 13,036,565	\$ 69,510,381	\$ 615,112,508	\$ 29,109,828	\$ 19,933,778	\$ 3,687,016	\$ 916,196,435
Additions	42,512	649,514	393,961	15,163,249	1,530,989	715,722	3,662,831	22,158,778
Contributed assets	389,560	1,397,451	-	7,111,401	58,598	-	-	8,957,010
Disposals	-	-	(39,776)	(1,550,882)	(811,828)	-	-	(2,402,486)
Transfers	-	465,817	470,945	651,553	911,768	413,449	(2,913,532)	-
Balance, End of Year	<u>166,238,431</u>	<u>15,549,347</u>	<u>70,335,511</u>	<u>636,487,829</u>	<u>30,799,355</u>	<u>21,062,949</u>	<u>4,436,315</u>	<u>944,909,737</u>
ACCUMULATED AMORTIZATION:								
Balance, Beginning of Year	-	4,346,459	15,646,012	315,783,892	12,493,797	7,919,195	-	356,189,355
Amortization	-	954,436	1,561,816	14,452,440	2,663,494	1,305,986	-	20,938,172
Disposals	-	-	(18,363)	(1,404,797)	(694,394)	-	-	(2,117,554)
Balance, End of Year	-	<u>5,300,895</u>	<u>17,189,465</u>	<u>328,831,535</u>	<u>14,462,897</u>	<u>9,225,181</u>	-	<u>375,009,973</u>
NET BOOK VALUE	\$ <u>166,238,431</u>	\$ <u>10,248,452</u>	\$ <u>53,146,046</u>	\$ <u>307,656,294</u>	\$ <u>16,336,458</u>	\$ <u>11,837,768</u>	\$ <u>4,436,315</u>	\$ <u>569,899,764</u>
2022 (Restated)								
Balance, Beginning of Year	\$ 163,771,838	\$ 10,248,126	\$ 63,141,547	\$ 581,317,315	\$ 27,424,772	\$ 18,920,879	\$ 18,826,772	\$ 883,651,249
Restatement (Note 1)	-	151,297	432,000	2,749,280	-	-	-	3,332,577
Balance, Beginning of Year, As Restated	163,771,838	10,399,423	63,573,547	584,066,595	27,424,772	18,920,879	18,826,772	886,983,826
Additions	144,432	2,117,798	406,716	10,954,884	2,782,118	1,224,199	1,863,969	19,494,116
Contributed assets	1,900,462	-	-	13,905,418	-	-	-	15,805,880
Disposals	(10,373)	-	(1,859,530)	(671,854)	(2,137,633)	(1,407,997)	-	(6,087,387)
Transfers	-	519,344	7,389,648	6,857,465	1,040,571	1,196,697	(17,003,725)	-
Balance, End of Year	<u>165,806,359</u>	<u>13,036,565</u>	<u>69,510,381</u>	<u>615,112,508</u>	<u>29,109,828</u>	<u>19,933,778</u>	<u>3,687,016</u>	<u>916,196,435</u>
ACCUMULATED AMORTIZATION:								
Balance, Beginning of Year	-	3,654,458	15,698,222	301,893,495	11,223,528	7,891,096	-	340,360,799
Restatement (Note 1)	-	100,864	260,520	1,701,176	-	-	-	2,062,560
Balance, Beginning of Year, As Restated	-	3,755,322	15,958,742	303,594,671	11,223,528	7,891,096	-	342,423,359
Amortization	-	591,137	1,452,749	12,810,231	2,452,252	1,275,014	-	18,581,383
Disposals	-	-	(1,765,479)	(621,010)	(1,181,983)	(1,246,915)	-	(4,815,387)
Balance, End of Year	-	<u>4,346,459</u>	<u>15,646,012</u>	<u>315,783,892</u>	<u>12,493,797</u>	<u>7,919,195</u>	-	<u>356,189,355</u>
NET BOOK VALUE	\$ <u>165,806,359</u>	\$ <u>8,690,106</u>	\$ <u>53,864,369</u>	\$ <u>299,328,616</u>	\$ <u>16,616,031</u>	\$ <u>12,014,583</u>	\$ <u>3,687,016</u>	\$ <u>560,007,080</u>

(a) Assets Under Construction

Assets under construction totalling \$4,436,315 (2022 – \$3,687,016) have not been amortized. Amortization of these assets will commence when they are put into service.

(b) Contributed Tangible Capital Assets

Contributed tangible capital assets have been recognized at fair value at the date of contribution. Contributed tangible capital assets consisting of land, roads, drainage and water/wastewater infrastructure received during the year have a value of \$8,957,010 (2022 – \$15,805,880).

13. CONSUMABLE INVENTORIES

The consumable inventories is made up of the following:

	2023	2022
Gravel — pit run	\$ 9,266,166	\$ 8,796,531
Gravel — crushed	1,474,251	1,452,775
Gas, oil and parts	214,994	203,514
Other	274,300	309,285
	<u>\$ 11,229,711</u>	<u>\$ 10,762,105</u>

14. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2023	2022 (Restated)
Unrestricted surplus	\$ 3,790,265	\$ 3,953,615
Restricted surplus	161,699,820	152,793,357
Invested in tangible capital assets	524,516,160	514,171,782
	<u>\$ 690,006,245</u>	<u>\$ 670,918,754</u>

RESTRICTED SURPLUS

	2022	Increases	Decreases	2023
Benefit premium stabilization	\$ 391,526	\$ 150,000	\$ -	\$ 541,526
Business attraction fund	8,857,065	987,000	300,698	9,543,367
County facilities	11,242,707	447,800	626,854	11,063,653
Developer recoveries	16,164,299	202,816	300,502	16,066,613
Environmental	3,103,786	903,656	37,751	3,969,691
Extreme events	8,867,505	984,123	238,655	9,612,973
Future capital	8,243,848	1,131,377	1,383,087	7,992,138
Future operating	12,022,559	1,463,366	2,698,041	10,787,884
Information technology	3,152,347	-	290,987	2,861,360
Lifecycle plans	19,700,258	5,943,000	2,916,911	22,726,347
Long term sustainability	43,882,155	4,569,899	52,038	48,400,016
Municipal park	1,131,331	198,040	156,798	1,172,573
Recreation facilities	8,689,138	2,529,130	1,844,548	9,373,720
Water and waste water	6,813,223	1,342,677	1,367,583	6,788,317
	<u>152,261,747</u>	<u>20,852,884</u>	<u>12,214,453</u>	<u>160,900,178</u>
TransAlta Tri-Leisure Centre	186,797	-	74,764	112,033
Parkland County Library Board	344,813	342,796	-	687,609
	<u>\$ 152,793,357</u>	<u>\$ 21,195,680</u>	<u>\$ 12,289,217</u>	<u>\$ 161,699,820</u>

INVESTED IN TANGIBLE CAPITAL ASSETS

	2023	2022 (Restated)
Tangible capital assets (net book value)	\$ 569,899,764	\$ 560,007,080
Capital long-term debt	(39,581,118)	(39,917,097)
Asset retirement obligations	(5,802,486)	(5,918,201)
	<u>\$ 524,516,160</u>	<u>\$ 514,171,782</u>

15. CONTRACTUAL RIGHTS

The County has a contractual right to Provincial funds to be allocated to the County in future years. The receipt of these assets will depend on submission and approval of project applications and satisfying subsequent reporting requirements.

The County has a contractual right to future lease revenue from another government organization. This lease revenue is for the use of a County-owned facility. The lease term expires January 31, 2035 with an annual lease payment of \$543,459.

The County has a contractual right to future lease revenue from another government organization. This lease revenue is for the use of a County-owned facility. The lease term expires March 31, 2027 with an annual lease payment of \$12,744.

The County entered into three separate Memorandum of Agreements with Alberta Transportation with the below two agreements related to projects yet to be completed as at December 31, 2023. The outstanding projects state the following, respectively:

- The lesser of \$52,500 or seventy-five percent (75%) of the actual shareable costs for eligible project expenditures will be contributed for bridge culvert replacement.
- The lesser of \$52,500 or seventy-five percent (75%) of the actual shareable costs for eligible project expenditures will be contributed for bridge culvert replacement.

The County entered into two agreements with Prairies Economic Development Canada (formerly Western Economic Diversification Canada). These agreements will provide funding up to \$29,900,000 for eligible project expenditures as detailed in the agreement with \$959,183 spent as at December 31, 2023.

16. CONTRACTUAL OBLIGATIONS

The County has outstanding commitments of \$19,612,517 (2022 – \$19,650,527). Significant commitments included in this balance are services for aggregate crushing, supply of aggregates, Highway 16A intersection improvements, Mink Lake Road reconstruction, purchase of custom fire apparatus, purchase of maintenance equipment, Village of Wabamun initiatives, and local government cost share agreements.

The County has entered into lease agreements for land. The lease commitments over the next five years and thereafter are as follows:

2024	\$	12,262
2025		12,487
2026		12,717
2027		12,951
2028		12,190
Thereafter		<u>198,616</u>
	\$	<u>261,223</u>

The County has entered into a License of Occupation for the transit stop area located in Acheson. The annual license fee is \$26,400 and the agreement extends to December 31, 2024.

17. CONTINGENT ASSETS AND LIABILITIES

The County has initiated a number of insurance claims that arose from the normal course of operations. The outcomes of these claims may result in assets in the future and cannot be estimated at this time. These amounts are not recorded in the consolidated financial statements.

The County is a party in various lawsuits and other proceedings as at December 31, 2023. Where the occurrence of future event is considered likely to result in a loss with respect to an existing condition, and the amount of the loss can be reasonably estimated, amounts have been included within accrued liabilities. Where the resulting losses, if any, cannot be determined or the occurrence of future events is unknown, amounts have not been recorded.

The County continues to review environmental objectives and liabilities for its activities and properties as well as any potential reclamation obligations. There may be contaminated sites that the County has identified that have the potential to result in remediation obligations. Where the resulting liability, if any, cannot be estimated or the responsibility for the site in question is not determinable, amounts have not been recorded.

18. NET MUNICIPAL PROPERTY TAX

	2023 (Budget) (Note 25)	2023 (Actual)	2022 (Actual)
Taxation			
Residential	\$ 48,143,353	\$ 48,104,362	\$ 45,609,985
Non-residential	51,872,809	51,356,061	51,119,571
Government grants in place of property taxes	<u>24,697</u>	<u>24,697</u>	<u>23,571</u>
	<u>100,040,859</u>	<u>99,485,120</u>	<u>96,753,127</u>
Less taxes collected on behalf of:			
Alberta School Foundation Fund	(26,951,230)	(26,652,114)	(25,911,175)
Evergreen Separate School	(2,081,877)	(2,214,637)	(2,277,775)
St. Thomas Aquinas	(7,547)	(7,544)	(9,576)
Senior's Foundation	(1,169,136)	(1,163,356)	(1,083,555)
Designated Industrial Property	<u>(124,169)</u>	<u>(122,484)</u>	<u>(153,394)</u>
	<u>(30,333,959)</u>	<u>(30,160,135)</u>	<u>(29,435,475)</u>
Net Municipal Property Taxes	<u>69,706,900</u>	<u>69,324,985</u>	<u>67,317,652</u>
Other Taxes			
Community aggregate levy	1,096,400	1,109,986	874,181
Special taxes and frontages	<u>400,000</u>	<u>398,697</u>	<u>399,707</u>
Net Municipal Taxes	<u>\$ 71,203,300</u>	<u>\$ 70,833,668</u>	<u>\$ 68,591,540</u>

19. GOVERNMENT TRANSFERS

	2023 (Budget) (Note 25)	2023 (Actual)	2022 (Actual)
TRANSFERS FOR OPERATING			
Federal	\$ 317,530	\$ 237,967	\$ 526,926
Provincial	3,555,584	9,320,719	6,080,438
Other local governments	<u>353,014</u>	<u>400,463</u>	<u>354,506</u>
	<u>4,226,128</u>	<u>9,959,149</u>	<u>6,961,870</u>
TRANSFERS FOR CAPITAL			
Federal	7,245,200	959,183	710,519
Provincial	18,624,268	13,037,993	9,847,942
Other local government	<u>42,643</u>	<u>56,469</u>	<u>7,488</u>
	<u>25,912,111</u>	<u>14,053,645</u>	<u>10,565,949</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 30,138,239</u>	<u>\$ 24,012,794</u>	<u>\$ 17,527,819</u>

20. SALARY AND BENEFITS DISCLOSURE

Alberta Regulation 313/2000 of the *Municipal Government Act* requires the salaries and benefits for elected municipal officials, the chief administrative officer, and designated officers be disclosed as follows:

	Salary (a)	Benefits (b)	Allowances (c)	2023	2022
Mayor - Former	\$ -	\$ -	\$ -	\$ -	\$ 400
Mayor - Current	116,867	21,968	4,821	143,656	149,155
Councillor - Division 1	76,725	17,871	3,230	97,826	104,451
Councillor - Division 2	75,640	17,763	3,782	97,185	109,329
Councillor - Division 3	77,488	3,708	8,983	90,179	92,191
Councillor - Division 4	73,169	17,484	2,267	92,920	93,656
Councillor - Division 5	81,032	18,405	5,576	105,013	94,631
Councillor - Division 6	76,841	14,251	8,828	99,920	95,197
	<u>\$ 577,762</u>	<u>\$ 111,450</u>	<u>\$ 37,487</u>	<u>\$ 726,699</u>	<u>\$ 739,010</u>
CAO	<u>\$ 225,000</u>	<u>\$ 41,883</u>	<u>\$ 6,510</u>	<u>\$ 273,393</u>	<u>\$ 287,309</u>
Designated Officers (d)	<u>\$ 633,804</u>	<u>\$ 133,020</u>	<u>\$ 1,200</u>	<u>\$ 768,024</u>	<u>\$ 154,384</u>

(a) Salary for Council includes regular base pay and honoraria. The Deputy Mayor also receives an additional amount per month.

Councillors also serve on a number of other Committees/Boards for which they receive remuneration directly from that organization and which are not included in the above salary and benefits disclosure. The list of Committees/Boards that Council members are appointed to at the annual organizational meeting are listed on the County's website for public access.

(b) Benefits include an employer's share of all employee benefits (pension or Registered Retirement Savings Plan, health, vision, dental, life insurance, accidental death and dismemberment, and Workers' Compensation coverage).

(c) Allowances include costs for internet, phone, and mileage to attend Council meetings as well as car allowance and other cash payments.

(d) The County had four designated officers in 2023 and one designated officer disclosed in 2022.

21. PENSION PLANS

(a) APEX

The APEX supplementary pension plan commenced on January 1, 2006 and provides supplementary pension benefits to a prescribed class of employees (approximately 43 in 2023). The plan supplements the Local Authorities Pension Plan.

Contributions are made by the prescribed class of employees and the County at a rate of 2.42% and 2.96% (2022 – 2.61% and 3.85%) respectively of pensionable earnings up to \$175,333 (2022 – \$171,000).

Total current service contributions by the County to APEX in 2023 were \$152,017 (2022 – \$196,085). Total current service contributions by the employees of the County were \$124,303 (2022 – \$132,930).

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

(b) Local Authorities Pension Plan

Employees of the County participate in the *Local Authorities Pension Plan* ("LAPP"), which is covered by the *Alberta Public Sector Pension Plans Act*. The Plan serves about 301,233 people and 444 employers. It is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

The County is required to make current service contributions to the Plan of 8.45% (2022 – 8.45%) of pensionable earnings up to the Canada Pension Plan Year's maximum pensionable earnings and 12.23% (2022 – 12.80%) for the excess. Employees of the County are required to make current service contributions of 7.45% (2022 – 7.45%) of pensionable salary up to the year's maximum pensionable salary and 11.23% (2022 – 11.80%) on pensionable salary above this amount.

Total current service contributions made by the County to the LAPP in 2023 were \$2,131,122 (2022 – \$2,085,806). Total current service contributions made by the employees of the County to the LAPP in 2023 were \$1,904,369 (2022 – \$1,850,339).

At December 31, 2022, the LAPP disclosed an actuarial surplus of \$12.67 billion (2021 – \$11.92 billion).

22. SEGMENTED INFORMATION

The County provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. 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 as follows:

(a) General Government

County Council makes decisions regarding service delivery and service levels on behalf of the municipality in order to balance the needs and wants of County residents in a financially responsible manner. Corporate and Shared Services is responsible for the administration of the municipality as a whole.

(b) Protective Services

Enforcement Services is responsible for enforcing Provincial Acts and Municipal Bylaws. Fire Services is responsible for providing fire suppression services, fire prevention programs, training and education related to prevention, and detection or extinguishment of fires. The mandate of Emergency Management is to help maintain safe communities and manage risk. The Emergency Communications Centre provides emergency fire dispatch, community peace officer dispatch, and alarm monitoring.

(c) Transportation

The Engineering Services and Public Works are responsible for the planning, development, maintenance and providing for the off roadway systems, storm systems and drainage activities.

(d) Utilities

The Engineering Services, Public Works, and Environment Services provide the engineering and operation of water and wastewater systems, waste management, and other environmental use and protection activities.

(e) Community Services

Community Services provides recreational and cultural services, activities which promote the health and well being of its citizens, and activities related to parks and cemetery maintenance and operation. Connected Communities is a comprehensive plan that will see the County become a community in which broadband technology is fully utilized by residents and businesses.

(f) Development Services

Planning and Development Services manages current and long range planning, development permits, and safety code disciplines. Economic Development actively promotes business growth and development. Agriculture supports farming and rural communities, fosters new rural-based business and works toward diversifying the local economy and business composition. Land Management relates to the development of land for use by the municipality for resale.

(Continues)



Bunchberry Meadows



Chickakop Lake

22. SEGMENTED INFORMATION (CONTINUED)

	General Government	Protective Services	Transportation and Roadway Services	Utilities	Community Services	Development Services	2023
REVENUE							
Net municipal property taxes	\$ 23,915,236	\$ 7,935,074	\$ 24,829,331	\$ 2,595,739	\$ 5,319,767	\$ 6,238,521	\$ 70,833,668
User fees and sales of goods	120,123	3,176,262	126,256	6,847,996	2,002,897	284,908	12,558,442
Penalties	1,128,930	-	-	21,289	-	(21)	1,150,198
Investment income	4,375,645	-	-	86,747	177,272	-	4,639,664
Government transfers	1,118,104	7,287,211	11,963,940	1,661,370	1,428,717	553,452	24,012,794
Licenses and permits	-	18,871	16,649	-	-	1,146,746	1,182,266
Other revenues	119,521	157,011	241,814	131,369	378,251	73,588	1,101,554
Contributed tangible capital assets	6,860	58,598	2,333,705	183,718	1,397,451	4,976,678	8,957,010
Total Revenues	<u>30,784,419</u>	<u>18,633,027</u>	<u>39,511,695</u>	<u>11,528,228</u>	<u>10,704,355</u>	<u>13,273,872</u>	<u>124,435,596</u>
Budgeted Revenues	<u>32,327,187</u>	<u>12,312,775</u>	<u>46,943,447</u>	<u>12,955,259</u>	<u>9,020,551</u>	<u>7,717,830</u>	<u>121,277,049</u>
EXPENSES							
Salaries, wages and benefits	10,115,511	7,976,466	7,608,122	2,657,766	3,323,019	5,603,389	37,284,273
Contracted and general services	7,909,682	5,216,237	3,964,966	2,749,912	1,608,724	1,351,602	22,801,123
Materials, supplies and utilities	778,555	1,262,228	5,949,059	494,778	795,164	161,531	9,441,315
Interest on long term debt	-	-	906,112	231,245	-	-	1,137,357
Bank charges	62,189	-	-	-	518	-	62,707
Transfers to governments, agencies and organizations	-	2,677,312	7,337	276,511	4,353,079	271,774	7,586,013
Purchases from other governments	-	1,442,915	456,358	3,892,973	-	-	5,792,246
Amortization of tangible capital assets	1,061,638	640,043	4,306,762	2,247,692	1,192,715	11,489,322	20,938,172
Loss on disposal of tangible capital assets	101,243	5,363	-	162,186	-	-	268,792
Other expenses	17,175	-	-	-	18,932	-	36,107
Total Expenses	<u>20,045,993</u>	<u>19,220,564</u>	<u>23,198,716</u>	<u>12,713,063</u>	<u>11,292,151</u>	<u>18,877,618</u>	<u>105,348,105</u>
Budgeted Expenses	<u>23,037,340</u>	<u>12,361,805</u>	<u>24,270,835</u>	<u>11,793,608</u>	<u>12,352,046</u>	<u>26,136,587</u>	<u>109,952,221</u>
Annual Surplus (Deficit)	10,738,426	(587,537)	16,312,979	(1,184,835)	(587,796)	(5,603,746)	19,087,491
Net Budget	<u>\$ 9,289,847</u>	<u>\$ (49,030)</u>	<u>\$ 22,672,612</u>	<u>\$ 1,161,651</u>	<u>\$ (3,331,495)</u>	<u>\$ (18,418,757)</u>	<u>\$ 11,324,828</u>
2022 (Restated)							
REVENUE							
Net municipal property taxes	\$ 24,845,460	\$ 6,581,855	\$ 21,302,257	\$ 3,936,436	\$ 5,278,744	\$ 6,646,788	\$ 68,591,540
User fees and sales of goods	284,874	2,756,633	369,738	6,107,824	1,827,928	163,673	11,510,670
Penalties	1,067,334	-	-	16,082	-	-	1,083,416
Investment income	3,326,345	-	59,279	165,032	319,997	-	3,870,653
Government transfers	2,015,650	1,649,816	8,584,301	2,601,107	2,091,323	585,622	17,527,819
Licenses and permits	-	16,151	10,481	-	-	1,281,420	1,308,052
Other revenues	29,644	1,130	207,233	167,148	239,516	-	644,671
Developer and customer contributions - capital	4,596,778	-	-	-	-	-	4,596,778
Contributed tangible capital assets	1,328,207	-	9,383,411	4,243,349	-	850,913	15,805,880
Gain/(loss) on disposal of tangible capital assets	1,391,009	(17,609)	30,333	-	(37,614)	(50,844)	1,315,275
Total Revenues	<u>38,885,301</u>	<u>10,987,976</u>	<u>39,947,033</u>	<u>17,236,978</u>	<u>9,719,894</u>	<u>9,477,572</u>	<u>126,254,754</u>
EXPENSES							
Salaries, wages and benefits	9,982,703	6,540,100	8,022,153	2,837,736	2,939,620	5,085,110	35,407,422
Contracted and general services	8,723,437	1,308,929	3,946,379	3,113,841	1,408,727	885,233	19,386,546
Materials, supplies and utilities	819,201	398,626	6,006,958	433,157	887,744	85,324	8,631,010
Interest on long term debt	-	-	750,204	201,736	-	-	951,940
Bank charges	55,021	-	-	-	3,437	-	58,458
Transfers to governments, agencies and organizations	67,883	1,762,906	4,063	2,029,570	3,784,469	207,274	7,856,165
Purchases from other governments	-	1,144,646	303,662	3,490,308	-	-	4,938,616
Amortization of tangible capital assets	867,606	599,587	4,054,151	2,285,368	876,319	9,898,352	18,581,383
Other expenses	11,658	-	-	-	158,644	-	170,302
Total Expenses	<u>20,527,509</u>	<u>11,754,794</u>	<u>23,087,570</u>	<u>14,391,716</u>	<u>10,058,960</u>	<u>16,161,293</u>	<u>95,981,842</u>
Annual Surplus (Deficit)	\$ 18,357,792	\$ (766,818)	\$ 16,859,463	\$ 2,845,262	\$ (339,066)	\$ (6,683,721)	\$ 30,272,912

23. TRANSALTA TRI LEISURE CENTRE (TLC)

The County, the Town of Stony Plain, and the City of Spruce Grove have jointly developed, constructed, and are now operating the TransAlta Tri Leisure Centre (the "TLC"). The Building is jointly owned by the County, the Town of Stony Plain, and the City of Spruce Grove. The County's proportionate ownership of the TLC is 33.5% (2022 – 33.5%).

The Tri-Municipal Leisure Facility Corporation (the "Corporation") operates and manages the TLC. The County, the Town of Stony Plain, and the City of Spruce Grove provide annual contributions to support the operations of the TLC, with the County's share being 23.4% (2022 – 25.5%).

The County's proportionate ownership share (33.5%) of the financial position and operations of the Corporation is as follows:

	<u>2023</u>	<u>2022</u>
FINANCIAL POSITION		
Financial Assets	\$ 592,866	509,704
Liabilities	<u>(446,749)</u>	<u>(307,752)</u>
Net Financial Assets	146,117	201,952
Non-Financial Assets	<u>629,531</u>	<u>585,147</u>
Accumulated Surplus	<u>\$ 775,648</u>	<u>\$ 787,099</u>
OPERATIONS		
Revenue	\$ 3,078,069	\$ 2,649,076
Expenses	<u>(3,089,520)</u>	<u>(2,699,111)</u>
Annual Deficit	<u>\$ (11,451)</u>	<u>\$ (50,035)</u>

Accumulated surplus consists of restricted and unrestricted amounts and invested tangible capital asset as follows:

	<u>2023</u>	<u>2022</u>
Restricted surplus	\$ 112,033	\$ 186,797
Invested in tangible capital assets	570,073	529,974
Unrestricted surplus	<u>93,542</u>	<u>70,328</u>
	<u>\$ 775,648</u>	<u>\$ 787,099</u>

24. RELATED PARTIES DISCLOSURE

Related parties include the County's key management personnel and their close family members who are defined as follows:

- Key management personnel encompass the Council, Chief Administrative Officer (CAO), and general managers.
- Close family members are defined as an individual's spouse or adult interdependent partner, the individual's children, the parent(s) of the individual, and the parent(s) of the individual's spouse or interdependent partner.

Transactions with related parties are considered to be in the normal course of operations.

25. BUDGET INFORMATION

The County budget information presented in these consolidated financial statements is based on the budget approved by Council on April 11, 2023. Amortization was included in the budget but was removed for the calculation of the taxation requirement.

26. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements were approved by Council and management on April 23, 2024.

27. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the consolidated financial statements presentation adopted for the current year.



Constable Chelsea Robinson Park

SECTION THREE

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DEMOGRAPHICS AND OTHER STATISTICS

Years ended December 31 for 2019 to 2023



POPULATION
32,205



**LAND AREA IN
SQUARE KILOMETRES**
2,376



**KILOMETRES OF ROAD
MAINTAINED**
2,165

	2023	2022	2021	2020	2019
Population	32,205	32,205	32,205	32,737	32,737
Land area in square kilometres	2,376	2,376	2,376	2,390	2,390
Kilometres of road maintained	2,165	2,163	2,141	2,141	2,141
(Federal censuses taken in 2021 and 2016 with the 2016 census being revised thereafter)					
	2023*	2022	2021	2020	2019
BUILDING AND DEVELOPMENT TRENDS					
Estimated building permit value (in 000s)					
Residential	98,238	110,830	81,562	50,585	238
Commercial*	32,440	28,159	5,984	5,567	63,639
Industrial*	–	29,094	376,655	15,497	4,365
Institutional*	–	1,430	3,933	276	22,727
	130,678	169,513	468,134	71,925	90,969
OTHER ACTIVITY INDICATORS					
Subdivision applications approved	26	34	36	41	40
Development permits issued	435	457	541	417	451
* 2023 Commercial permit value includes Industrial and Institutional					
	2023	2022	2021	2020	2019
MUNICIPAL EMPLOYEE					
Full time equivalents (FTE)	270	264	239	237	237
	2023	2022	2021	2020	2019
ANNUAL CHANGE IN CPI					
Alberta	3.0%	6.0%	4.8%	0.8%	2.3%
Canada	3.4%	6.3%	4.8%	0.7%	2.2%
	2023	2022	2021	2020	2019
UNEMPLOYMENT RATE					
Alberta	6.3%	5.6%	7.5%	11.1%	7.0%
Canada	5.8%	5.0%	6.0%	8.8%	5.6%
(CPI and Unemployment Rate obtained from Statistics Canada)					

CONSOLIDATED EXPENSES BY FUNCTION

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
TOTAL REVENUE	\$ 101,353	\$ 93,971	\$ 96,241	\$ 88,689	\$ 83,498
EXPENSES					
General government	19,945	20,528	19,606	16,956	17,863
Protective services	19,215	11,755	12,847	9,412	9,253
Transportation and roadway services	23,199	23,066	25,724	31,697	31,608
Utilities	12,551	14,355	11,110	8,253	8,280
Community services	11,292	10,059	8,490	7,664	9,094
Development services	18,878	16,161	14,222	8,272	6,299
TOTAL EXPENSES	105,080	95,924	91,999	82,254	82,397
Excess (shortfall) of revenue over expenses before other	(3,727)	(1,953)	4,242	6,435	1,101
OTHER					
Contributed tangible capital assets	8,957	15,806	8,112	5,831	4,596
Government transfers for capital	14,054	10,566	16,678	9,103	12,231
Gain/(Loss) on disposal of tangible capital assets	(269)	1,315	(4,611)	(1,148)	(61)
Developer and customer contributions — capital	—	4,597	11,487	225	242
Other revenue — capital	72	—	1,200	4	—
Restructuring	—	—	14,864	—	—
TOTAL OTHER	22,814	32,284	47,730	14,015	17,008
ANNUAL SURPLUS	\$ 19,087	\$ 30,331	\$ 51,972	\$ 20,450	\$ 18,109

CONSOLIDATED EXPENSES BY OBJECT

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
EXPENSES					
Salaries, wages, and employee benefits	\$ 37,285	\$ 35,407	\$ 34,370	\$ 32,515	\$ 35,285
Contracted and general services	22,801	19,387	20,519	16,729	13,932
Materials, goods, supplies, and utilities	9,441	8,631	8,964	7,498	8,120
Interest on long term debt	1,138	952	776	719	839
Bank charges	63	59	53	43	40
Other	36	170	133	131	184
Transfers to governments, agencies, and organizations	7,586	7,856	4,263	3,797	2,840
Purchases from other governments	5,792	4,939	4,886	3,901	3,646
Amortization of tangible capital assets	20,938	18,523	18,035	16,921	17,511
TOTAL EXPENSES BY OBJECT	\$ 105,080	\$ 95,924	\$ 91,999	\$ 82,254	\$ 82,397



University of Alberta Gardens



Constable Chelsea Robinson Park

CONSOLIDATED REVENUE BY SOURCE

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
TAXATION					
Residential	\$ 48,104	\$ 45,610	\$ 44,517	\$ 45,010	\$ 42,118
Non-residential	51,356	51,120	49,609	46,624	45,646
Government grants in place of property taxes	25	24	22	21	26
	99,485	96,754	94,148	91,655	87,790
LESS REQUISITIONS					
Education requisitions	(28,874)	(28,199)	(27,895)	(26,452)	(25,674)
Seniors' requisition	(1,163)	(1,084)	(806)	(755)	(728)
Designated Industrial Property	(122)	(153)	(163)	(161)	(174)
	(30,159)	(29,436)	(28,864)	(27,368)	(26,576)
OTHER TAXES					
Community aggregate levy	1,110	874	1,151	924	871
Special taxes and frontages	399	400	440	400	433
	1,509	1,274	1,591	1,324	1,304
NET MUNICIPAL TAXES	70,835	68,592	66,875	65,611	62,518
User fees and sales	12,558	11,511	10,980	9,194	10,594
Penalties	1,150	1,083	1,202	897	1,052
Investment income	4,640	3,870	3,298	3,989	3,628
Government transfers for operating	9,959	6,962	8,921	7,648	3,378
Licenses and permits	1,182	1,308	4,039	876	1,420
Other revenue	1,029	645	926	474	908
TOTAL REVENUE	\$ 101,353	\$ 93,971	\$ 96,241	\$ 88,689	\$ 83,498

CONSOLIDATED FINANCIAL POSITION AND ANNUAL SURPLUS

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
FINANCIAL ASSETS	\$ 189,580	\$ 184,540	\$ 182,182	\$ 168,718	\$ 161,653
LIABILITIES	82,692	82,810	93,922	104,854	99,215
NET FINANCIAL ASSETS	106,888	101,730	88,260	63,864	62,438
NON-FINANCIAL ASSETS	583,118	571,178	554,317	526,741	507,717
ACCUMULATED SURPLUS	690,006	672,908	642,577	590,605	570,155
Restatement due to accounting standard implementation*	1,989				
ANNUAL SURPLUS	\$ 19,087	\$ 30,331	\$ 51,972	\$ 20,450	\$ 18,109

*Public Sector Accounting Board PS3280 Asset Retirement Obligations implemented for the year ended December 31, 2023 and adjusted to the opening balance of accumulated surplus

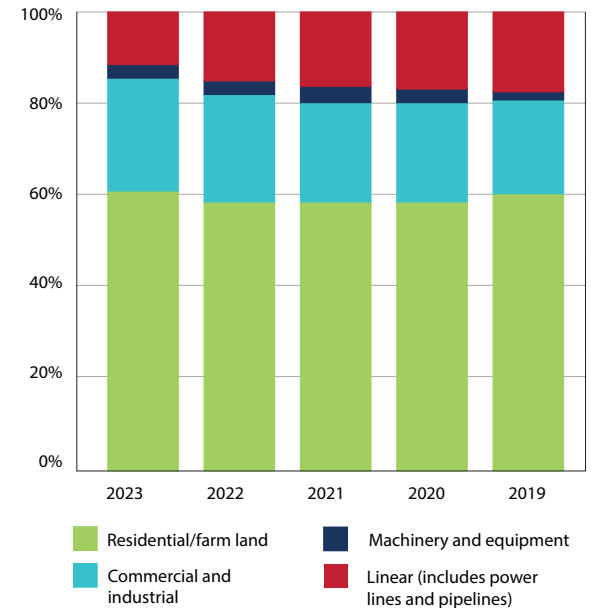


ASSESSED VALUES FOR GENERAL MUNICIPAL PURPOSES

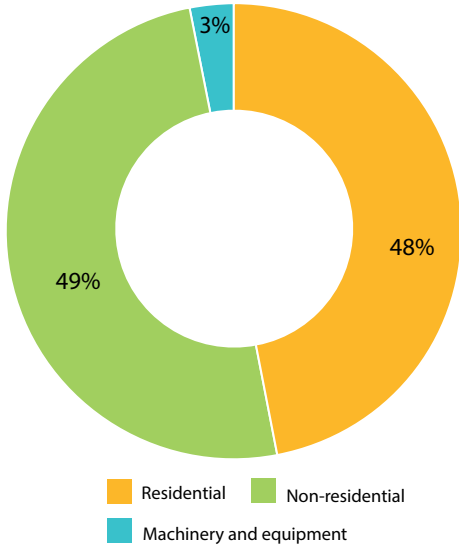
Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
ASSESSMENT CLASS					
Residential/farm land	\$ 7,036,509	\$ 6,658,450	\$ 6,381,467	\$ 6,333,326	\$ 6,446,926
Commercial and industrial	2,902,529	2,715,178	2,438,203	2,385,139	2,250,080
Machinery and equipment	334,911	326,870	338,750	282,293	229,167
Linear (includes power lines and pipelines)	1,327,129	1,672,054	1,782,877	1,819,177	1,821,984
	\$ 11,601,078	\$ 11,372,552	\$ 10,941,297	\$ 10,819,935	\$ 10,748,157

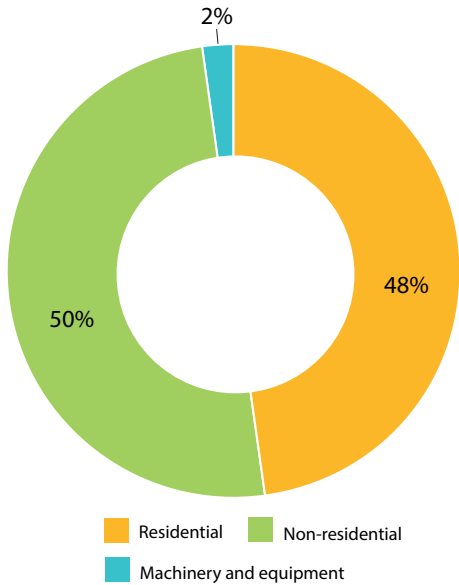
Assessed Values for General Municipal Purposes



2023 Tax Levy



2019 Tax Levy



TAX LEVY

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
Residential	\$ 47,825	\$ 45,330	\$ 44,232	\$ 43,490	\$ 41,839
Non-residential	48,425	48,401	46,767	45,462	43,638
Farm land	279	280	285	281	279
Machinery and equipment	2,931	2,719	2,842	2,401	2,008
Grant in lieu	25	24	22	21	26
TOTAL TAX REVENUE	\$ 99,485	\$ 96,754	\$ 94,148	\$ 91,655	\$ 87,790

TAX RATES

Years ended December 31 for 2019 to 2023

	2023	2022	2021	2020	2019
Residential/farm land	0.0043093	0.0042133	0.0042229	0.0041918	0.0040945
Non-residential	0.0086185	0.0084266	0.0084455	0.0083835	0.0081888
Machinery and equipment	0.0086185	0.0084266	0.0084455	0.0083835	0.0081888
Seniors foundations requisition	0.0001008	0.0000955	0.0000737	0.0000696	0.0000683
Education requisition — Residential	0.0024288	0.0025475	0.0026651	0.0025305	0.0025575
Education requisition — Non-residential	0.0035441	0.0035875	0.0040545	0.0029855	0.0039596

TAX COLLECTION

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
CURRENT LEVY	\$ 99,485	\$ 96,754	\$ 94,148	\$ 91,655	\$ 87,790
TAXES RECEIVABLE					
Current	3,090	2,649	2,230	2,675	2,879
In Arrears for One Year or More	1,385	1,247	1,395	1,263	1,272
TOTAL PROPERTY TAXES COLLECTED	\$ 95,010	\$ 92,858	\$ 90,523	\$ 87,717	\$ 83,639
TAXES OUTSTANDING AS A % OF THE CURRENT LEVY					
Current	3.11%	2.74%	2.37%	2.92%	3.28%
In Arrears for One Year or More	1.39%	1.29%	1.48%	1.38%	1.45%

DEBT LIMITS

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
DEBT LIMITS					
Maximum allowable debt	\$ 152,029	\$ 140,956	\$ 144,361	\$ 133,529	\$ 125,690
Total debt	\$ (39,581)	\$ (39,917)	\$ (38,112)	\$ (33,042)	\$ (29,386)
Percentage used	26.0%	28.3%	26.4%	24.7%	23.4%
MAXIMUM ALLOWABLE ANNUAL DEBT PAYMENT					
Maximum allowable annual debt payment	\$ 25,338	\$ 23,493	\$ 24,060	\$ 22,255	\$ 20,888
Annual payments on existing debt	\$ (3,559)	\$ (3,414)	\$ (7,872)	\$ (2,885)	\$ (2,566)
Percentage used	14.0%	14.5%	32.7%	13.0%	12.3%



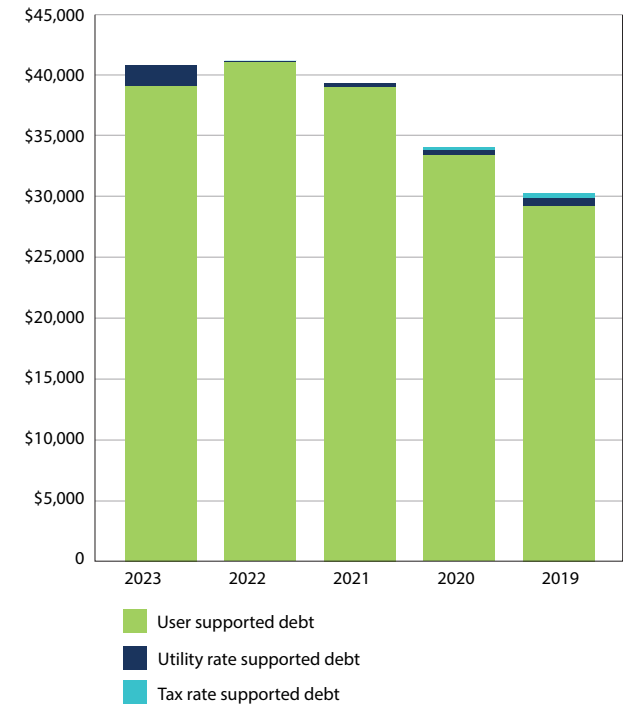
Pembina River

LONG-TERM DEBT

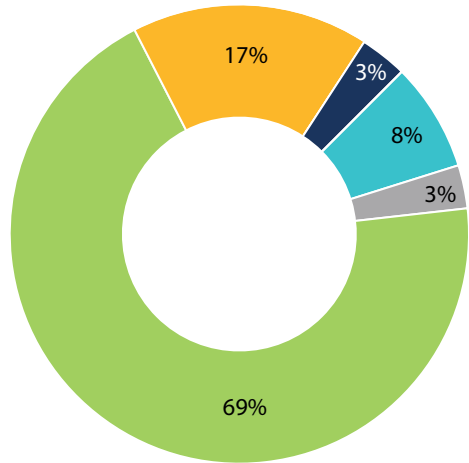
Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
USER SUPPORTED DEBT					
Acheson Stormwater	\$ 9,526	\$ 10,693	\$ 11,833	\$ 12,946	\$ 14,034
Acheson Zone 4	4,859	5,078	5,291	2,995	-
Acheson Zone 5	1,544	1,619	1,692	1,764	580
Acheson Zone 5 and 7	7,831	8,000	4,937	-	-
Acheson Zone 7	12,837	13,461	14,072	14,669	13,745
Walker Lake	1,326	934	-	-	-
	37,923	39,785	37,825	32,374	28,359
UTILITY RATE SUPPORTED DEBT					
Acheson Reservoir	64	126	185	241	294
Big Lake Water	-	6	77	144	208
Entwistle Lagoon	-	-	-	13	24
Parkland Industrial Estates	-	-	-	17	33
Parkland Village	-	-	25	49	72
Tomahawk Lagoon	1,594	-	-	-	-
	1,658	132	287	464	631
TAX RATE SUPPORTED DEBT					
Tri Leisure Centre	-	-	-	204	396
	-	-	-	204	396
TOTAL LONG TERM DEBT	\$ 39,581	\$ 39,917	\$ 38,112	\$ 33,042	\$ 29,386
LONG TERM DEBT PER CAPITA	\$ 1,229	\$ 1,239	\$ 1,183	\$ 1,009	\$ 898

Long-Term Debt



2023 Consolidated Capital Expenditures



- Environmental use and protection
- General government
- Recreation and culture
- Protective services
- Transportation

CONSOLIDATED CAPITAL EXPENDITURES

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
CAPITAL EXPENDITURES					
General government	\$ 1,698	\$ 1,881	\$ 1,379	\$ 1,502	\$ 2,460
Protective services	676	490	220	635	582
Transportation	15,342	10,752	15,202	9,081	10,126
Environmental use and protection	3,711	4,057	2,335	6,376	1,043
Public health and welfare	-	213	-	-	-
Planning and development	13	57	5,626	443	2,147
Recreation and culture	718	2,044	8,432	219	3,806
Other	-	-	-	13,562	-
	22,158	19,494	33,194	31,818	20,164
Restatement due to accounting standard implementation*	3,333	-	-	-	-
	\$ 25,491	\$ 19,494	\$ 33,194	\$ 31,818	\$ 20,164

*Public Sector Accounting Board PS3280 Asset Retirement Obligations implemented for the year ended December 31, 2023 and adjusted to the opening balance of accumulated surplus



Clifford E. Lee

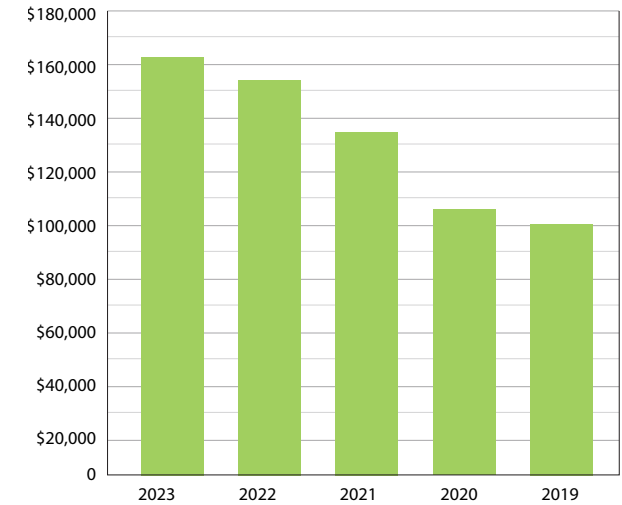
CONSOLIDATED RESTRICTED SURPLUS

Years ended December 31 for 2019 to 2023
(in 000s)

	2023	2022	2021	2020	2019
Benefit premium stabilization	\$ 541	\$ 392	\$ 392	\$ 392	\$ 392
Business attraction	9,543	8,857	4,725	3,678	2,255
County facilities	11,064	11,243	10,442	9,963	7,180
Developer recoversies	16,067	16,164	68	94	119
Entwistle community development	-	-	10	10	375
Environmental	3,970	3,104	795	795	338
Extreme events	9,613	8,868	8,205	8,205	7,721
Future capital	7,992	8,244	4,509	1,956	2,205
Future operating	10,788	12,023	12,544	8,597	7,666
Future transportation	-	-	2,679	2,160	2,306
Granular aggregates	-	-	912	843	383
Hamlet sustainability	-	-	674	43	102
Information technology	2,861	3,152	3,117	1,082	297
Lifecycle plans	22,726	19,700	14,239	15,445	16,278
Local improvements	-	-	25	66	105
Long term sustainability	48,400	43,882	45,978	27,607	22,687
Municipal park	1,173	1,131	2,003	2,337	5,522
Overland drainage	-	-	507	507	507
Recreation facilities	9,374	8,689	9,961	7,693	5,317
Waste management	-	-	7,435	7,373	11,908
Water and waste water	6,788	6,813	6,628	7,380	6,762
	\$ 160,900	\$ 152,262	\$ 135,848	\$ 106,226	\$ 100,425
Partnership Restricted Surplus	800	531	718	564	564
	\$ 161,700	\$ 152,793	\$ 136,566	\$ 106,790	\$ 100,989

Consolidated Restricted Surplus

(in 000s)





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