

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**

**Consolidated Financial Statements**

**For the year ended December 31, 2023**

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
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**For the year ended December 31, 2023**

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## INDEPENDENT AUDITOR'S REPORT

To: The Reeve and Members of Council of  
the Municipal District of Pincher Creek No. 9

### *Opinion*

We have audited the consolidated financial statements of the Municipal District of Pincher Creek No. 9 which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipal District of Pincher Creek No. 9 as at December 31, 2023, the results of its operations, remeasurement gains and losses, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipal District of Pincher Creek No. 9 in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis of Matter*

We draw attention to note 2 to the financial statements which describes the amendments made to the prior year's figures as a result of adopting the new accounting standard PS 3280 Asset Retirement Obligations. Our audit opinion is not modified in 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 the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Municipal District of Pincher Creek No. 9'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 Municipal District of Pincher Creek No. 9 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipal District of Pincher Creek No. 9's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

## INDEPENDENT AUDITOR'S REPORT, continued

influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipal District of Pincher Creek No. 9's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipal District of Pincher Creek No. 9's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Lethbridge, Alberta

April 16, 2024



Chartered Professional Accountants

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Municipal District of Pincher Creek No. 9 is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements. Management believes that the consolidated financial statements present fairly the Municipal District's financial position as at December 31, 2023 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

The Municipal District Council carries out its responsibilities for review of the consolidated financial statements. The Council meets with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Council with and without the presence of management. The Municipal District Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Avail LLP Chartered Professional Accountants, the independent external auditors appointed by the Municipal District. The accompanying independent Auditor's Report outlines their responsibilities, the scope of the examination and their opinion on the Municipal District's consolidated financial statements.



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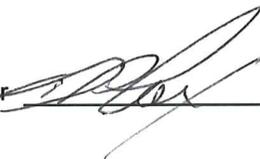
Chief Administrative Officer

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2023**

	2023	2022 (restated)
<b>Financial assets</b>		
Cash and temporary investments (note 3)	\$ 11,279,471	\$ 16,953,405
Taxes and grants in place of taxes receivable (note 4)	232,958	268,693
Trade and other receivables (note 5)	5,444,250	4,484,341
Investments (note 6)	10,219,716	9,907,340
Debt charges recoverable (note 7)	1,414,320	1,549,731
	28,590,715	33,163,510
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,110,621	3,502,047
Employee benefit obligations (note 9)	170,534	441,366
Provision for reclamation (note 10)	1,345,394	1,330,204
Deferred revenue (note 11)	4,858,092	8,264,646
Long-term debt (note 12)	2,688,284	3,071,667
Asset retirement obligations (note 13)	503,099	483,749
	11,676,024	17,093,679
<b>Net financial assets</b>	16,914,691	16,069,831
<b>Non-financial assets</b>		
Prepaid expenses	310,026	185,952
Inventory for consumption	2,154,508	2,470,915
Tangible capital assets (schedule 2)	81,050,321	73,415,895
	83,514,855	76,072,762
<b>Accumulated surplus</b> (note 14 and schedule 1)		
Accumulated operating surplus	100,429,546	92,142,593
Accumulated remeasurement gains (losses)	-	-
	\$ 100,429,546	\$ 92,142,593

*Commitments and contingencies* (note 22)

Approved on behalf of Council:

Councillor  \_\_\_\_\_

Councillor  \_\_\_\_\_

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
<b>Revenue</b>			
Net municipal property taxes (note 17)	\$ 13,348,620	\$ 13,515,365	\$ 13,171,798
User fees and sales of goods	465,050	496,939	405,301
Government transfers for operating (note 18)	450,900	643,691	357,079
Investment income	266,000	698,921	443,394
Penalties and costs of taxes	70,900	62,889	95,009
Licenses and permits	64,300	112,887	95,591
Rental	125,635	81,373	81,468
Other	140,570	128,203	224,772
	<u>14,931,975</u>	<u>15,740,268</u>	<u>14,874,412</u>
<b>Expenses (note 19)</b>			
General government			
Legislative	306,000	237,098	179,190
Administration	2,493,310	2,427,954	2,217,750
Protective services			
Police, fire, disaster, ambulance and bylaw enforcement	1,252,707	1,078,895	974,717
Transportation services			
Roads, streets, walks and lighting	7,413,500	6,977,903	7,243,561
Airport	884,705	825,866	833,980
Environmental use and protection			
Water supply and distribution	1,602,562	2,478,101	1,244,582
Wastewater treatment and disposal	138,563	133,959	75,024
Waste management	414,841	339,597	322,733
Public health and welfare			
Family and community support services	134,000	138,020	133,514
Cemeteries and crematoriums	50,000	60,788	51,870
Planning and development			
Land use planning, zoning and development	249,650	260,753	277,224
Agricultural and environmental services	713,234	581,197	482,789
Recreation and culture			
Parks and recreation	471,792	494,338	464,356
Culture - libraries, museums, halls	448,125	434,724	443,444
	<u>16,572,989</u>	<u>16,469,193</u>	<u>14,944,734</u>
<b>Deficiency of revenue over expenses before other</b>	<b>(1,641,014)</b>	<b>(728,925)</b>	<b>(70,322)</b>

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
<b>Capital revenue</b>			
Government transfers for capital (note 18)	12,545,000	8,984,878	6,610,453
Contributed assets	-	31,000	-
	12,545,000	9,015,878	6,610,453
<b>Excess of revenue over expenses</b>	10,903,986	8,286,953	6,540,131
<b>Accumulated operating surplus, beginning of year</b>			
As previously stated	92,605,055	92,605,055	86,042,676
Change in accounting policy (note 2)	-	(462,462)	(440,214)
As restated	92,605,055	92,142,593	85,602,462
<b>Accumulated operating surplus, end of year</b>	\$ 103,509,041	\$ 100,429,546	\$ 92,142,593

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
For the year ended December 31, 2023

	2023	2022
<b>Accumulated remeasurement gains (losses), beginning of year</b>	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Equity investments	-	-
Amounts reclassified to statements of operations:		
Equity investments realized gains	-	-
<b>Net remeasurement gains (losses) for the year</b>	-	-
<b>Accumulated remeasurement gains (losses), end of year</b>	\$ -	\$ -

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
<b>Excess of revenue over expenses</b>	\$ 10,903,986	\$ 8,286,953	\$ 6,540,131
Acquisition of tangible capital assets	(13,795,000)	(11,317,021)	(7,357,887)
Amortization of tangible capital assets	3,699,183	3,699,183	3,633,042
Contributed tangible capital assets	-	(31,000)	-
(Gain) loss on disposal of tangible capital assets	-	(2,663)	4,407
Proceeds on disposal of tangible capital assets	-	17,079	-
	(10,095,817)	(7,634,422)	(3,720,438)
Net change in inventory for consumption	-	316,403	(118,229)
Net change in prepaid expense	-	(124,074)	5,262
	-	192,329	(112,967)
<b>Increase in net financial assets</b>	808,169	844,860	2,706,726
<b>Net financial assets, beginning of year</b>	16,069,831	16,069,831	13,363,105
<b>Net financial assets, end of year</b>	\$ 16,878,000	\$ 16,914,691	\$ 16,069,831

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
For the year ended December 31, 2023

	2023	2022 (restated)
<b>Operating transactions</b>		
Excess of revenue over expenses	\$ 8,286,953	\$ 6,540,131
Adjustments for items which do not affect cash		
(Gain) loss on disposal of tangible capital assets	(2,663)	4,407
Amortization of tangible capital assets	3,699,183	3,633,042
Contributed tangible capital assets	(31,000)	-
Accretion of asset retirement obligations	19,350	18,606
	11,971,823	10,196,186
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	35,735	121,166
Trade and other receivables	(959,909)	(697,103)
Investments	(312,376)	(211,399)
Debt charges recoverable	135,411	131,512
Inventory for consumption	316,403	(118,229)
Prepaid expenses	(124,074)	5,262
Accounts payable and accrued liabilities	(1,391,426)	1,689,114
Employee benefit obligations	(270,832)	(66,552)
Deferred revenue	(3,406,554)	(1,199,076)
Provision for reclamation	15,190	53,904
	6,009,391	9,904,785
<b>Capital transactions</b>		
Proceeds on disposal of tangible capital assets	17,079	-
Acquisition of tangible capital assets	(11,317,021)	(7,357,887)
	(11,299,942)	(7,357,887)
<b>Financing transactions</b>		
Repayment of long-term debt	(383,383)	(375,974)
<b>(Decrease) increase in cash and temporary investments</b>	(5,673,934)	2,170,924
<b>Cash and temporary investments, beginning of year</b>	16,953,405	14,782,481
<b>Cash and temporary investments, end of year</b>	\$ 11,279,471	\$ 16,953,405

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

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**1. Significant accounting policies**

The consolidated financial statements of the Municipal District of Pincher Creek No. 9 are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipal District of Pincher Creek No. 9 are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses, changes in fund balances and change in financial position of the reporting entity which comprises all of the organizations that are owned or controlled by the Municipal District and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Taxes levied also includes requisitions for educational, health care, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

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

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

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

(c) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

There is measurement uncertainty related to asset retirement obligations as it involves estimates in determining settlement amount, discount rates and timing of settlement. Changes to any of these estimates and assumptions may result in change to the obligation.

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**1. Significant accounting policies, continued**

(d) Valuation of financial assets and liabilities

The Municipal District of Pincher Creek No. 9's financial assets and financial liabilities are measured as follows:

Financial statement component	Measurement
Cash	Cost and amortized cost
Short-term investments	Amortized cost
Trade and other receivables	Lower of cost or net recoverable value
Investments	Fair value and amortized cost
Loans receivable and debt charges recoverable	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Bank indebtedness and long-term debt	Amortized cost

(e) Investments

Investments in derivatives and equity instruments quoted in an active market are carried at fair value with transactions costs expensed upon initial recognition. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of operations. Investments in interest bearing securities are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

(f) Inventories for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling charges. Related development costs incurred to provide infrastructure such as water and waste water services, roads, sidewalks, and street lighting are recorded as physical assets under their respective function.

(g) Debt charges recoverable

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

(h) Gravel pit closure

Pursuant to the gravel pit contracts, the Municipal District is required to fund the reclamation work for gravel pits. Closure activities include the final clay cover landscaping, and reclamation monitoring. The requirement is being provided for over the estimated remaining life of the gravel pits based on usage.

(i) Contaminated sites liability

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

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**1. Significant accounting policies, continued**

(j) Tax revenue

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

Requisitions operate as a flow through and are excluded from municipal revenue.

(k) Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Municipality 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. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an 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.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. 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 Municipality reviews the carrying amount of the liability. The Municipality 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 Municipality 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) Reserves for future expenses

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

(m) Requisition over-levy and under-levy

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

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**1. Significant accounting policies, continued**

(n) Government transfers

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

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

(o) 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. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.

(i) Tangible capital assets

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

	Years
Land improvements	20
Buildings	50
Engineered structures	20-75
Machinery and equipment	3-35
Vehicles	3-20

Assets under construction are not amortized until 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 are recorded as revenue.

(iii) Leases

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

(iv) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(v) Cultural and historical tangible capital assets

Works of art for display are not recorded as tangible capital assets but are disclosed.

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2023**

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**1. Significant accounting policies, continued**

(p) Future accounting standards pronouncements

The following summarizes upcoming changes to Canadian public sector accounting standards. In 2024, the Municipality will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption may vary, certain standards must be adopted concurrently.

a) Revenue

PS3400, Revenue establishes standards on how to account for and report on revenue, specifically in regard to revenue arising from transactions with performance obligations (exchange transactions) and those without performance obligations (non-exchange transactions). This standard is applicable for fiscal years beginning on or after April 1, 2023.

b) Purchased Intangibles

PSG-8, Purchased Intangibles, allows for purchased intangible assets to be recognized as assets in the public sector entity's financial statements. This standard is applicable for fiscal years beginning on or after April 1, 2023.

c) Public Private Partnerships

PS3160, Public Private Partnerships, establishes standards on how to account for certain arrangements between public and private entities. The standard provides guidance on situations where a public entity acquires infrastructure asset past the point where it is ready for use. This standard is applicable for fiscal years beginning on or after April 1, 2023.

**2. Change in accounting policy**

Effective January 1, 2023, the Municipal District adopted the new accounting standard PS 3280 Asset Retirement Obligations and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

On the effective date of the PS 3280 standard, the Municipal District recognized the following to conform 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 accumulated surplus.

Amounts are measured using information, assumptions and discount rates where applicable that are current on the effective date of the standard. 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 had the provisions of this standard been in effect to the date as of which this standard is first applied.

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**2. Change in accounting policy, continued**

The impact on the prior year's financial statements as a result of the change in accounting policy is as follows:

	2022		As restated
	As previously reported	Adjustment recognized	
<b>Statement of operations</b>			
Revenue	14,874,412	-	14,874,412
Expenses	14,922,485	22,249	14,944,734
Capital revenue	6,610,453	-	6,610,453
Excess of revenue over expenses	6,562,380	(22,249)	6,540,131
Accumulated surplus, beginning of year	86,042,675	(440,213)	85,602,462
Accumulated surplus, end of year	92,605,055	(462,462)	92,142,593
<b>Statement of financial position</b>			
Financial assets	33,163,510	-	33,163,510
Liabilities	16,609,933	483,746	17,093,679
Net financial assets	16,553,577	(483,746)	16,069,831
Non-financial assets	76,051,478	21,284	76,072,762
Accumulated surplus, end of year	92,605,055	(462,462)	92,142,593
<b>Statement of change in net financial assets</b>			
Excess of revenue over expenses	6,562,380	(22,249)	6,540,131
Net financial assets (net debt), beginning of year	13,828,247	(465,142)	13,363,105
Net financial assets (net debt), end of year	16,553,577	(483,746)	16,069,831

**3. Cash and temporary investments**

	2023	2022
Savings accounts	\$ 10,504,237	\$ 15,988,901
Operating accounts	775,234	964,504
	\$ 11,279,471	\$ 16,953,405

**4. Taxes and grants in place of taxes receivables**

	2023	2022
Taxes and grants in place of taxes receivable	\$ 110,546	\$ 173,157
Arrears	122,412	95,536
	\$ 232,958	\$ 268,693

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**5. Trade and other receivables**

	2023	2022
Grants	\$ 4,894,397	\$ 4,173,877
Trade receivables	312,297	100,926
Goods and Services Tax	237,556	209,538
	<b>\$ 5,444,250</b>	<b>\$ 4,484,341</b>

**6. Investments**

	2023		2022	
	Carrying value	Market value	Carrying value	Market value
Bonds	\$ 10,166,416	\$ 9,840,659	\$ 9,854,040	\$ 9,418,679
Castle Mountain Resort	50,000	58,820	50,000	58,820
Other	3,300	3,340	3,300	3,340
	<b>\$ 10,219,716</b>	<b>\$ 9,902,819</b>	<b>\$ 9,907,340</b>	<b>\$ 9,480,839</b>

The bond portfolio is carried at amortized cost, has interest rates of 1.67% to 4.86% (2022 - 1.67% to 4.86%) and maturity dates from 2024 to 2033. The other long-term investments are not traded in an organized financial market.

**7. Debt charges recoverable**

	2023	2022
Current debt charges recoverable	\$ 139,424	\$ 135,410
Non-current debt charges recoverable	1,274,896	1,414,321
	<b>\$ 1,414,320</b>	<b>\$ 1,549,731</b>

The Municipal District has undertaken a joint landfill road development project with the Crowsnest/Pincher Creek Landfill Association. The Municipal District assumed long-term financing totaling \$3,607,273 in 2012; however, \$2,053,502 plus interest at 2.94% is recoverable from the Landfill Association with respect to this financing. Amounts are recoverable in bi-annual principal and interest payments of \$90,007 until September 1, 2032.

	Principal	Interest	Total
2024	\$ 139,424	\$ 40,592	\$ 180,016
2025	143,555	36,460	180,015
2026	147,810	32,205	180,015
2027	152,191	27,824	180,015
2028	156,701	23,315	180,016
Thereafter	674,639	45,420	720,059
	<b>\$ 1,414,320</b>	<b>\$ 205,816</b>	<b>\$ 1,620,136</b>

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. Authorized overdraft**

The Municipal District has an authorized overdraft with the CIBC up to \$5,000,000.

**9. Employee benefit obligations**

	2023	2022
Vacation and time in lieu	\$ 35,763	\$ 33,897
Sick time	134,771	407,469
	<b>\$ 170,534</b>	<b>\$ 441,366</b>

**Vacation and time in lieu**

The vacation and time in lieu liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and they are vested) or are entitled to these benefits within the next budgetary year.

**10. Provision for gravel pit closure**

The Municipal District is required under contract to perform post-closure costs of several gravel pits. The accrued liability portion for the gravel pits is based on an estimate of future costs. The estimated closure costs for the gravel pits are \$1,345,394 (2022 - \$1,330,204), all costs have been accrued in the financial statements.

**11. Deferred revenue**

	2023	2022
Municipal Sustainability Initiative	\$ 2,806,806	\$ 4,917,594
Minister of Environment and Parks - watercourse	1,257,364	-
Canada Community-Building Fund	589,058	1,006,796
Minister of Environment and Parks - watershed	140,131	159,402
Livingstone Range Planning	50,000	-
Alberta Community Partnership - wastewater	7,585	-
Minister of Environment and Parks - watercourse	7,148	113,872
Strategic Transportation Infrastructure Program	-	1,108,727
Municipal Water/Wastewater Partnership	-	937,431
Enel - EV chargers	-	20,824
	<b>\$ 4,858,092</b>	<b>\$ 8,264,646</b>

The use of the deferred revenue, together with any earnings thereon, is restricted by agreement. These funds are recognized as revenue in the period they are used for the purpose specified.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**12. Long-term debt**

	2023	2022
Tax supported debentures	\$ 2,688,284	\$ 2,945,667
Village of Cowley	-	126,000
	<u>\$ 2,688,284</u>	<u>\$ 3,071,667</u>
Current portion	<u>\$ 265,011</u>	<u>\$ 383,383</u>

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2024	\$ 265,011	\$ 77,154	\$ 342,165
2025	272,864	69,300	342,164
2026	280,951	61,214	342,165
2027	289,278	52,887	342,165
2028	297,851	44,314	342,165
Thereafter	1,282,329	391,200	1,673,529
	<u>\$ 2,688,284</u>	<u>\$ 696,069</u>	<u>\$ 3,384,353</u>

Debenture debt is repayable to the Treasury Board and Finance and bears interest at 2.94% per annum with a maturity date of 2032. Debenture debt is issued on the credit and security of the Municipal District at large.

Interest on long-term debt amounted to \$88,489 (2022 - \$99,604). The Municipal District's cash payments for interest in 2023 were \$88,489 (2022 - \$99,604).

**13. Asset retirement obligations**

**Asbestos abatement**

The Municipal District owns buildings which contain asbestos and, therefore, the Municipal District is legally required to perform abatement activities upon renovation or demolition of the buildings. Abatement activities include handling and disposal of the asbestos in a prescribed manner when it is disturbed. The estimated total liability is based on the sum of discounted future cash flows for abatement activities using a discount rate of 4% and assuming annual inflation of 2%. The Municipal District has not designated assets for settling the abatement activities.

Asset retirement obligations are expected to be settled over the next 50 to 75 years.

	2023	2022 (restated)
Balance, beginning of year	\$ 483,749	\$ 465,143
Liabilities incurred	-	-
Liabilities settled	-	-
Change in estimated cash flows	-	-
Accretion expense	19,350	18,606
Balance, end of year	<u>\$ 503,099</u>	<u>\$ 483,749</u>

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**14. Accumulated operating surplus**

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

	2023	2022 (restated)
Unrestricted surplus	\$ 5,555,005	\$ 5,843,586
Internally restricted reserves (note 15)	15,601,283	14,888,797
Equity in tangible capital assets (note 16)	79,273,258	71,410,210
	<u>\$ 100,429,546</u>	<u>\$ 92,142,593</u>

**15. Reserves**

Council has set up reserves for various purposes. These reserves are either required by legislation or set up at the discretion of Council to provide funding for future expenses.

	2023	2022
<b>Operating</b>		
Tax rate stabilization	\$ 1,936,424	\$ 2,379,242
Emergency management	61,001	61,001
Next year completions	59,983	103,863
	<u>2,057,408</u>	<u>2,544,106</u>
<b>Capital</b>		
Road infrastructure	3,102,468	3,033,570
Seniors housing	250,000	200,000
Bridge infrastructure	3,461,916	3,082,850
Airport	329,771	329,771
Regional community initiatives	545,634	249,834
Recycle equipment	104,966	104,966
Equipment	3,957,276	3,967,698
Buildings	265,907	175,100
Water and wastewater infrastructure	1,091,568	1,066,533
Emergency services	359,369	59,369
Dam (Water Storage)	75,000	75,000
	<u>13,543,875</u>	<u>12,344,691</u>
	<u>\$ 15,601,283</u>	<u>\$ 14,888,797</u>

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**16. Equity in tangible capital assets**

	2023	2022 (restated)
Tangible capital assets (schedule 2)	\$ 250,362,390	\$ 239,274,532
Accumulated amortization (schedule 2)	(169,312,069)	(165,858,637)
Asset retirement obligation (note 13)	(503,099)	(483,749)
Long-term debt (note 12)	(2,688,284)	(3,071,667)
Debt charges recoverable (note 7)	1,414,320	1,549,731
	<b>\$ 79,273,258</b>	<b>\$ 71,410,210</b>

**17. Net municipal property taxes**

	Budget (Unaudited)	2023	2022
<b>Net municipal taxes (after requisitions)</b>			
Real property taxes	\$ 10,703,860	\$ 10,855,764	\$ 10,566,119
Linear property taxes	2,644,760	2,659,601	2,605,679
	<b>13,348,620</b>	<b>13,515,365</b>	<b>13,171,798</b>
<b>Requisitions</b>			
Alberta School Foundation Fund - basic levy	2,622,270	2,809,866	2,749,081
Alberta School Foundation Fund - opted out jurisdiction	150,000	146,495	146,495
Pincher Creek Foundation	320,370	315,823	306,334
Designated Industrial Property	72,575	71,994	71,356
	<b>\$ 3,165,215</b>	<b>\$ 3,344,178</b>	<b>\$ 3,273,266</b>

**18. Government transfers**

	Budget (Unaudited)	2023	2022
<b>Transfers for operating:</b>			
Provincial government	\$ 450,900	\$ 643,691	\$ 357,079
<b>Transfers for capital:</b>			
Provincial government	4,998,000	4,000,024	5,154,309
Federal government	7,547,000	4,984,854	1,456,144
	<b>12,545,000</b>	<b>8,984,878</b>	<b>6,610,453</b>
	<b>\$ 12,995,900</b>	<b>\$ 9,628,569</b>	<b>\$ 6,967,532</b>

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**19. Expenses by object**

	Budget (Unaudited)	2023	2022 (restated)
Salaries, wages, and benefits	\$ 4,920,406	\$ 4,419,217	\$ 4,191,356
Contracted and general services	3,345,815	3,870,010	2,918,581
Materials, goods, supplies and utilities	2,399,485	2,378,288	2,165,952
Bank charges and short term interest	10,000	8,195	7,403
Interest on long term debt	92,110	88,489	99,604
Other expenditures	37,900	50,352	29,056
Transfers to local boards and agencies	2,068,090	1,938,772	1,876,727
Amortization of tangible capital assets	3,699,183	3,699,183	3,633,042
(Gain) loss on disposal of tangible capital assets	-	(2,663)	4,407
Accretion of asset retirement obligation	-	19,350	18,606
	<b>\$ 16,572,989</b>	<b>\$ 16,469,193</b>	<b>\$ 14,944,734</b>

**20. Debt limits and debt servicing limit**

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Municipal District be disclosed as follows:

	2023	2022
Total debt limit	\$ 23,610,402	\$ 22,311,617
Total debt	2,688,284	3,071,667
	<b>\$ 20,922,118</b>	<b>\$ 19,239,950</b>
Debt servicing limit	\$ 3,935,067	\$ 3,718,603
Debt servicing	342,165	471,874
	<b>\$ 3,592,902</b>	<b>\$ 3,246,729</b>

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

**21. Segmented disclosure**

The Municipal District 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. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 1.

Refer to the schedule of segmented disclosure (schedule 3).

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**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

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**22. Commitment and contingencies**

The Municipal District has entered into an agreement with the Town of Pincher Creek to help fund the Early Childhood Learning Centres. The Municipal District has contributed \$700,000 towards the project in prior years, \$100,000 in 2023 and will contribute an additional \$100,000 per year through 2025.

The Municipal District is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the Municipal District could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

The Municipal District has agreed to fund half of the Pincher Creek Emergency Services Commission purchase of a fire hall with the Town of Pincher Creek funding the other half. The Municipal District approved a maximum of \$2,500,000 split equally with the Town of Pincher Creek.

**23. Local authorities pension plan**

Employees of the Municipal District participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pensions Plans Act. The LAPP is financed by the employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year they become due. The Municipal District is required to make current service contributions to the LAPP of 8.45% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 11.65% on pensionable earnings above this amount.

Total current service contributions by the Municipal District to the LAPP in 2023 were \$246,346 (2022 - \$249,962). Total current service contributions by the employees of the Municipal District to the LAPP in 2023 were \$219,816 (2022 - \$223,598).

At December 31, 2022, the LAPP disclosed an actuarial surplus of \$12.67 billion.

**24. Financial instruments**

The Municipal District's financial instruments consist of cash and temporary investments, accounts receivable, investments, debt charges recoverable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Municipal District is not exposed to significant interest or currency risk arising from these financial instruments.

The Municipal District is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Municipal District 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.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**25. Salary and benefits disclosure**

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	(1)		(2)		
	Salary		Benefits & allowances	2023	2022
<b>Council</b>					
Bruder, Tony	\$ 27,125	\$ 6,107	\$ 33,232	\$ 23,938	
Cox, Dave	30,444	4,737	35,181	33,147	
Hollingshead, Harold	28,113	6,676	34,789	37,761	
Lemire, Rick	28,456	2,902	31,358	27,921	
MacGarva, John	34,313	8,290	42,603	31,970	
CAO - Milligan	155,341	-	155,341	85,961	
CAO - MacCulloch	-	-	-	128,197	
Designated officer	\$ 104,970	\$ 2,532	\$ 107,502	\$ 105,750	

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration. For Councillors, salary includes a monthly allowance and per diem reimbursement for authorized meetings attended.

(2) Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances, and club memberships.

**26. Budget amounts**

The 2023 budget for the Municipal District was approved by Council on November 22, 2022 and has been reported in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified. The approved budget contained reserve transfers, capital additions and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

Budgeted surplus per financial statements	\$ 10,903,986
Less: Capital expenditures	(13,795,000)
Long-term debt repayments	(383,390)
Transfers to operating reserves	97,326
Add: Amortization	3,699,183
Transfers from capital reserves	(522,105)
<b>Equals: Balanced budget</b>	<b>\$ -</b>

**27. Approval of financial statements**

These financial statements were approved by Council and Management.

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

<b>Schedule of changes in accumulated operating surplus</b>				<b>Schedule 1</b>	
	Unrestricted	Restricted reserves	Equity in tangible capital assets	2023	2022 (restated)
Balance, beginning of year					
As previously stated	\$ 5,843,586	\$ 14,888,797	\$ 71,872,672	\$ 92,605,055	\$ 86,042,676
Prior period adjustment	-	-	(462,462)	(462,462)	(440,214)
As restated	5,843,586	14,888,797	71,410,210	92,142,593	85,602,462
Excess of revenue over expenses	8,286,953	-	-	8,286,953	6,540,131
Unrestricted funds designated for future use	(3,702,975)	3,702,975	-	-	-
Restricted funds used for operations	658,346	(658,346)	-	-	-
Restricted funds used for tangible capital assets	-	(2,332,143)	2,332,143	-	-
Current year funds used for tangible capital assets	(8,984,878)	-	8,984,878	-	-
Contributed tangible capital assets	(31,000)	-	31,000	-	-
Disposal of tangible capital assets	14,412	-	(14,412)	-	-
Amortization of tangible capital assets	3,699,183	-	(3,699,183)	-	-
Asset retirement obligation accretion expense	19,350	-	(19,350)	-	-
Debt charges recovered	135,411	-	(135,411)	-	-
Long-term debt related to tangible capital assets repaid	(383,383)	-	383,383	-	-
Change in accumulated surplus	(288,581)	712,486	7,863,048	8,286,953	6,540,131
<b>Balance, end of year</b>	<b>\$ 5,555,005</b>	<b>\$ 15,601,283</b>	<b>\$ 79,273,258</b>	<b>\$ 100,429,546</b>	<b>\$ 92,142,593</b>

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**Schedule of tangible capital assets**

**Schedule 2**

	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	Construction in progress	2023	2022 (restated)
<b>Cost:</b>									
Balance, beginning of year	\$ 2,940,594	\$ 391,680	\$ 8,037,761	\$ 204,765,941	\$ 10,626,785	\$ 2,318,602	\$ 10,193,169	\$ 239,274,533	\$ 232,012,574
Acquisitions	1,112,554	115,188	9,193	364,417	521,299	210,625	9,014,745	11,348,021	7,357,887
Transfers	-	-	-	2,548,490	708,899	-	(3,257,389)	-	-
Disposals	-	-	(27,553)	(4,518)	(16,358)	(211,735)	-	(260,164)	(95,929)
<b>Balance, end of year</b>	<b>4,053,148</b>	<b>506,868</b>	<b>8,019,401</b>	<b>207,674,330</b>	<b>11,840,625</b>	<b>2,317,492</b>	<b>15,950,525</b>	<b>250,362,390</b>	<b>239,274,532</b>
<b>Accumulated amortization:</b>									
Balance, beginning of year	-	118,002	2,396,126	154,360,959	7,234,843	1,748,706	-	165,858,636	162,317,115
Annual amortization	-	17,600	172,770	2,763,869	633,007	111,937	-	3,699,183	3,633,042
Disposals	-	-	(19,136)	(2,711)	(12,167)	(211,736)	-	(245,750)	(91,520)
<b>Balance, end of year</b>	<b>-</b>	<b>135,602</b>	<b>2,549,760</b>	<b>157,122,117</b>	<b>7,855,683</b>	<b>1,648,907</b>	<b>-</b>	<b>169,312,069</b>	<b>165,858,637</b>
<b>Net book value</b>	<b>\$ 4,053,148</b>	<b>\$ 371,266</b>	<b>\$ 5,469,641</b>	<b>\$ 50,552,213</b>	<b>\$ 3,984,942</b>	<b>\$ 668,585</b>	<b>\$ 15,950,525</b>	<b>\$ 81,050,321</b>	<b>\$ 73,415,895</b>
<b>2022 net book value</b>	<b>\$ 2,940,594</b>	<b>\$ 273,679</b>	<b>\$ 5,641,635</b>	<b>\$ 50,404,982</b>	<b>\$ 3,391,942</b>	<b>\$ 569,896</b>	<b>\$ 10,193,169</b>	<b>\$ 73,415,897</b>	

Land improvements of \$31,000 (2022 - \$0) were acquired as contributed tangible capital assets.

**MUNICIPAL DISTRICT OF PINCHER CREEK NO. 9**  
**SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2023

**Schedule of segmented disclosure**

**Schedule 3**

	General government	Protective services	Transportation services	Environmental services	Public health services	Planning and development	Recreation and culture	Total
<b>Revenue</b>								
Net municipal property taxes	\$ 13,515,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,515,365
User fees and sales of goods	8,085	13,752	166,851	238,840	-	69,411	-	496,939
Government transfers for operating	22,922	-	112,066	89,794	110,416	308,493	-	643,691
Investment income	698,921	-	-	-	-	-	-	698,921
Penalties and costs of taxes	62,889	-	-	-	-	-	-	62,889
Licenses and permits	-	-	-	-	-	112,887	-	112,887
Rental	19,095	-	61,134	-	-	1,145	-	81,373
Other	14,110	-	64,654	-	-	44,440	4,998	128,203
	<b>14,341,387</b>	<b>13,752</b>	<b>404,705</b>	<b>328,634</b>	<b>110,416</b>	<b>536,376</b>	<b>4,998</b>	<b>15,740,268</b>
<b>Expenses</b>								
Salaries, wages and benefits	1,417,353	-	2,452,337	182,637	-	366,890	-	4,419,217
Contracted and general services	610,765	309,793	855,060	1,738,953	-	336,235	19,204	3,870,010
Materials, goods, supplies and utilities	291,478	-	1,855,241	167,605	-	61,337	2,627	2,378,288
Bank charges and short term interest	8,195	-	-	-	-	-	-	8,195
Interest on long term debt	-	-	59,472	29,017	-	-	-	88,489
Other expenditures	46,295	-	3,053	-	-	1,004	-	50,352
Transfers to local boards and agencies	44,262	749,994	-	-	198,808	44,420	901,288	1,938,772
Amortization of tangible capital assets	246,705	4,692	2,576,334	833,446	-	32,064	5,942	3,699,183
Gain on disposal of tangible capital assets	-	14,416	(17,079)	-	-	-	-	(2,663)
Accretion of asset retirement obligation	-	-	19,350	-	-	-	-	19,350
	<b>2,665,053</b>	<b>1,078,895</b>	<b>7,803,768</b>	<b>2,951,658</b>	<b>198,808</b>	<b>841,950</b>	<b>929,061</b>	<b>16,469,193</b>
<b>Excess (deficiency) of revenue over expenses before other</b>	<b>11,676,334</b>	<b>(1,065,143)</b>	<b>(7,399,063)</b>	<b>(2,623,024)</b>	<b>(88,392)</b>	<b>(305,574)</b>	<b>(924,063)</b>	<b>(728,925)</b>
<b>Other</b>								
Government transfers for capital	-	-	3,491,713	5,493,165	-	-	-	8,984,878
Contributed assets	-	-	26,000	-	-	-	5,000	31,000
	<b>-</b>	<b>-</b>	<b>3,517,713</b>	<b>5,493,165</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>9,015,878</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 11,676,334</b>	<b>\$ (1,065,143)</b>	<b>\$ (3,881,350)</b>	<b>\$ 2,870,141</b>	<b>\$ (88,392)</b>	<b>\$ (305,574)</b>	<b>\$ (919,063)</b>	<b>\$ 8,286,953</b>