

ANNUAL REPORT

COUNTY OF MINBURN

Friendly communities, beautiful scenery and miles of peaceful County roads



2021

TABLE OF CONTENTS

County Council

Message from the Reeve	3
County Council	4

Get To Know Us

County of Minburn At A Glance	5
Take A Closer Look	6
Supporting Our Community	10
Recreation & Tourism	10
Partnerships Formed	11

Departments

Planning & Development	7
Public Works/Operations Department	12
Agricultural Service Board	14
Protective Services	15
Finance & Administration	16

Financial Information

2021 Property Tax and Assessment	17
2021 Audited Financial Statements	18

REEVE'S MESSAGE



On behalf of County Council and staff, it is my pleasure to present the 2021 Annual Report of the County of Minburn No. 27. This document offers County residents and other stakeholders a summary of last year's activities, while providing a preface to our annual audited financial statement.

Municipal elections occurred in October, resulting in one change to the 7-person Council. I am pleased to welcome Joey Nafziger to the County as Councillor in Division 1 and thank Rick Wagner for his many years of service to the County, first as the Superintendent of Public Works and then as an elected official.

Unlike recent years, the lack of moisture in 2021 caused significant challenges to our agricultural community. This pressure was soon compounded by inflation and environmental policies of the federal government, both of which made essential farm inputs, such as fuel and fertilizer, soar to unprecedented levels. The County understands the difficulty and frustration of our agriculture community and is lobbying higher levels of government for further agricultural supports, while also ensuring our essential infrastructure, core services and long-term financial health is assured through sound governance and strong management.

Our key focus area remains infrastructure, which saw continued progress in 2021. Our in-house road construction crew completed the equivalent of 7 miles of road work, focusing on roads and soft spots that have traditionally required additional maintenance and gravel. In 2021, 3.5kms of RR 143 was rebuilt in partnership with GrainsConnect Canada and the Province of Alberta's STIP program. We continue this momentum into 2022 and plan on further improvement to our road and bridge assets. The County is hoping for a better year in agriculture and is already excited about the turnaround in the energy sector, which provides significant support to the County's economy and tax base.

I hope you find the following pages informative and worthwhile. As always, feel free to reach out to our administration office or an elected official if you would like further information on this report or anything else regarding the County.

Thank you for your time and we look forward to a safe and productive 2022.

Sincerely,

Roger Konieczny
Reeve and Division 3 Councillor



REEVE ROGER KONIECZNY
DIVISION 3

County Council 2021

Effective November 4, 2021



County of Minburn Council

A municipal election was held on Monday, October 18, 2021 with twelve prospective candidates running for six electoral divisions; Division three, Roger Konieczny, being the only incumbent acclaimed. 1,305 voters elected six Councillors for Divisions one, two, four, five, six, and seven. Joey Nafziger was newly elected to Division one, all others elected were incumbents. On November 4, 2021 Council was sworn in, Councillor Roger Konieczny was elected Reeve, and Councillor Cliff Wowdzia was elected Deputy Reeve.



COUNCILLOR JOEY NAFZIGER
DIVISION 1



COUNCILLOR ERIC ANDERSON
DIVISION 2



DEPUTY REEVE CLIFF WOWDZIA
DIVISION 4



COUNCILLOR TARA KUZIO
DIVISION 5



COUNCILLOR CARL OGRONICK
DIVISION 6

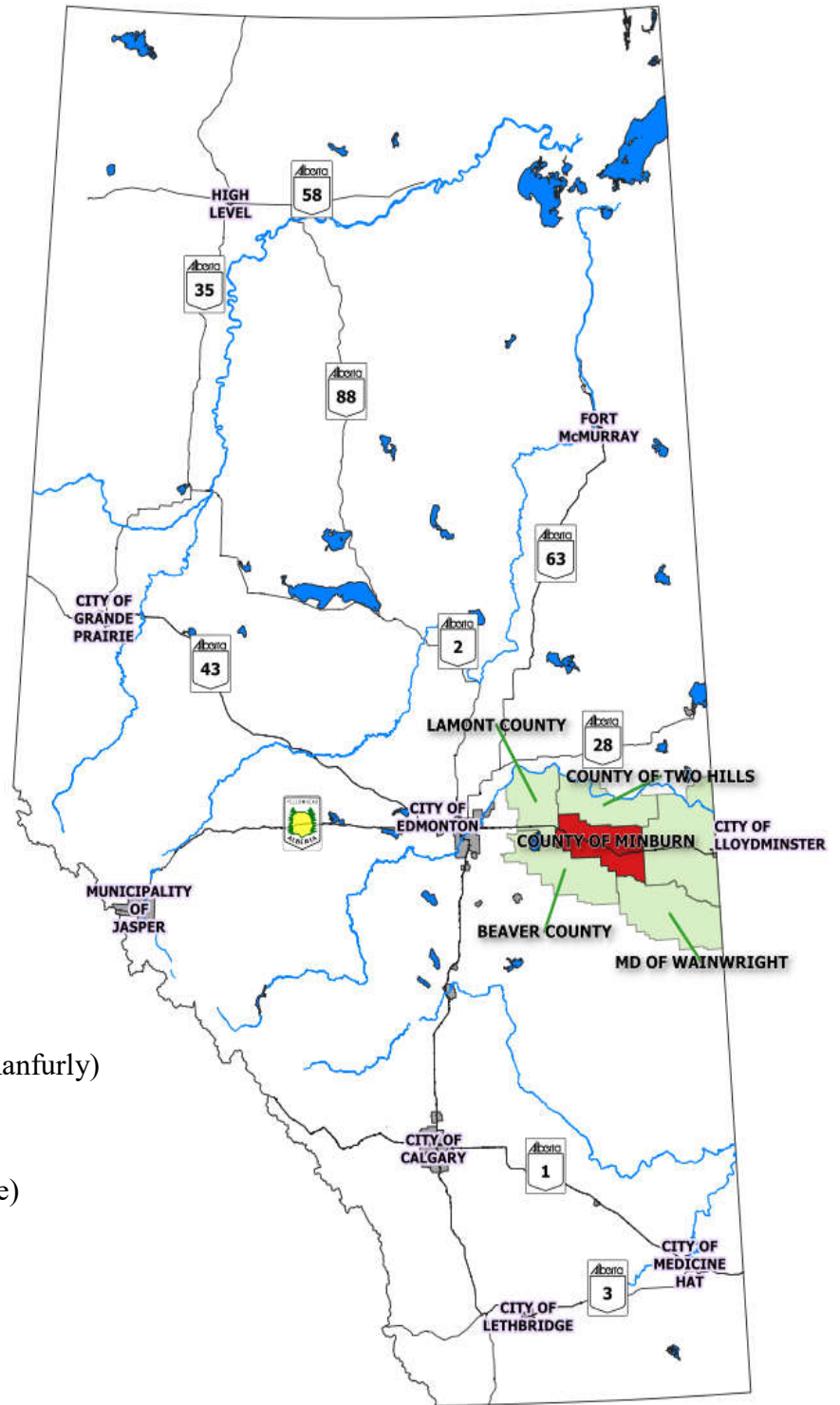


COUNCILLOR KEVIN BENTLEY
DIVISION 7

COUNTY OF MINBURN AT A GLANCE

The County of Minburn is located in east-central Alberta in the parkland area one hour east of Edmonton. The County covers an area of approximately 55 miles (88 km) east to west and 30 miles (48 km) north to south, encompassing 41 townships.

The County consists of 694,304 acres, of which 75% is cultivated land. Wheat, canola, barley and oats are major commodities. The County is also a highly productive livestock area with a community pasture of over 20 sections of land. Shallow low pressure gas lies underneath most of the County, with over 400 oil wells.



Population of 3,014



3 Hamlets (Lavoy, Minburn, Ranfurly)



2 Villages (Innisfree, Mannville)



1 Town (Vegreville)



2,440 km of roads



3 RCMP Districts (Vegreville, Vermilion, Two Hills)



3 Fire Districts (Mannville, Innisfree, Vegreville)

1 County Fire Department and 1 Contract with Vegreville Fire Department

Take a closer look....

The County's website hosts a wealth of information on policies, programs, bylaws, and services the County provides. The website can be viewed at www.minburncounty.ab.ca

Our mobile app allows users to view information including land ownership maps and road closures, while also providing the ability to submit fire permits and report infrastructure concerns.

Need to locate a business in the County?

Use the County's mobile app to find a business name by category.

Want to add your business to our directory? Simply click on "Add Business".

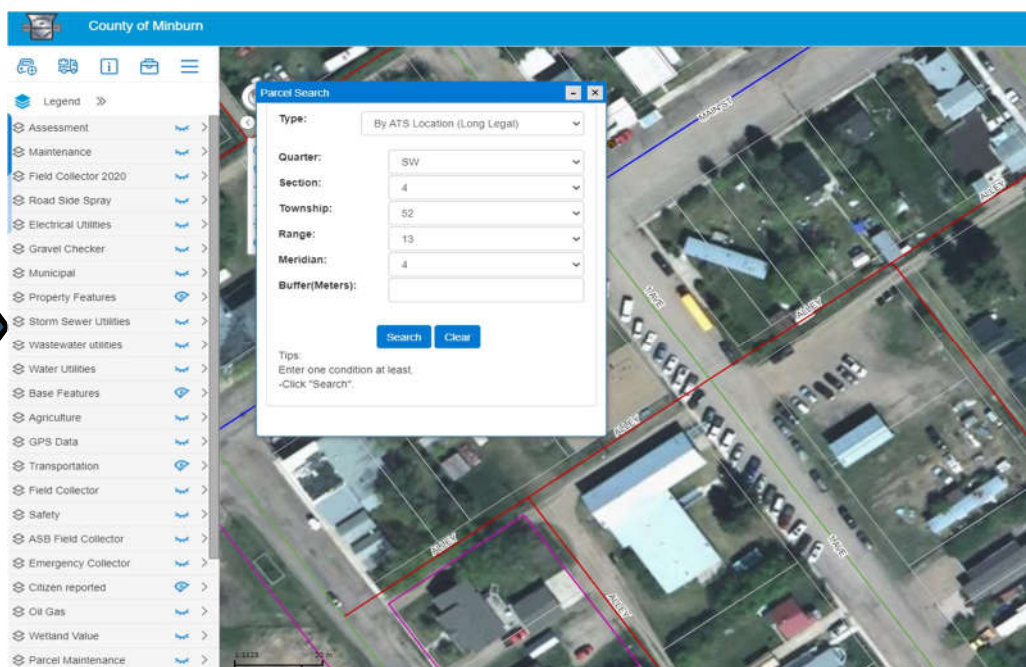
The business directory can also be accessed on our website at www.minburncounty.ab.ca

Searching for a business within the County has never been easier!

The County's Public GIS includes the following functions:

- Property parcel display
- Ownership information display
- Links to property assessment information
- Measurement tools (distance, area, perimeter)
- Road problem reporting
- Aerial photographs

**SELF SERVE PUBLIC GIS
FOR RESIDENTS AND
BUSINESSES**



Planning and Development

The Planning & Development Officer

- Reviews and processes all Development Applications and Subdivision requests
- Supervises the safety code permit and inspection service
- Processes pipeline/gas/road crossing/well site approach requests
- Oversees overweight permits
- Develops planning strategies and looks after statutory plans, the Municipal Development Plan, Area Structure Plans, as well as enforcement of the Land Use Bylaw
- Promotes initiatives to retain and attract business development

Noteworthy Projects

The Grizzly Bear Creek Wind Project which will consist of 34 turbines commenced development in late 2021. Construction will continue in 2022 with a planned in-service date of December 2022. A project value of approximately 250 million dollars.

ATCO Electric commenced the 7L65 Line Rebuild Project in 2021 with the replacement of the existing 7L65 line with a new single circuit 144kV transmission line between Vegreville's substation and Vermilion substation.

The County launched the "Buy a Lot for a Loonie" program in early 2021 to promote the development of vacant properties in the hamlets. This program gained a lot of attention and resulted in the sale of multiple lots in the Hamlet of Lavoy which are planned to be developed with new houses in 2022.

In 2021, the County developed a Broadband Discovery document which confirmed that most residents and business are underserved by current internet services, and the rural area of the County is not meeting Canadian Radio-Television and Telecommunications (CRTC) basic standards for broadband internet. In 2022, we plan to build on the findings of this document and move towards the next step of improving broadband internet within the County.



Broadband Project - Going Forward in 2022

The County of Minburn has partnered with the CIRA to get a more detailed understanding of the internet speeds throughout the County region. Simply click on the following link or scan the QR code to test your internet speeds:

<https://performance.cira.ca/minburncounty>

PERFORMANCE SUMMARY

52 Development
Permits valued at
\$265 million
dollars

13 Subdivision
Applications in
2021 compared to
11 in 2020

338 Overweight
Permits

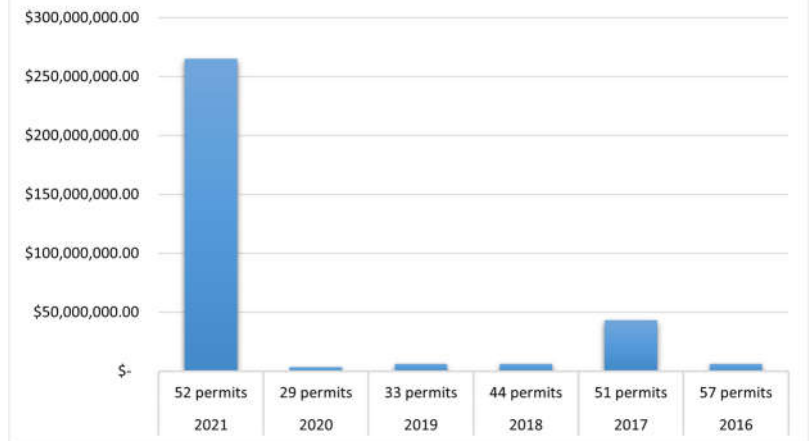
Investing in our Community!

The County of Minburn is one of the first municipalities in Alberta to take advantage of Section 364.2 of the *Municipal Government Act*, "Tax Incentives for Non-Residential Property", which allows for property tax exemptions on eligible developments.

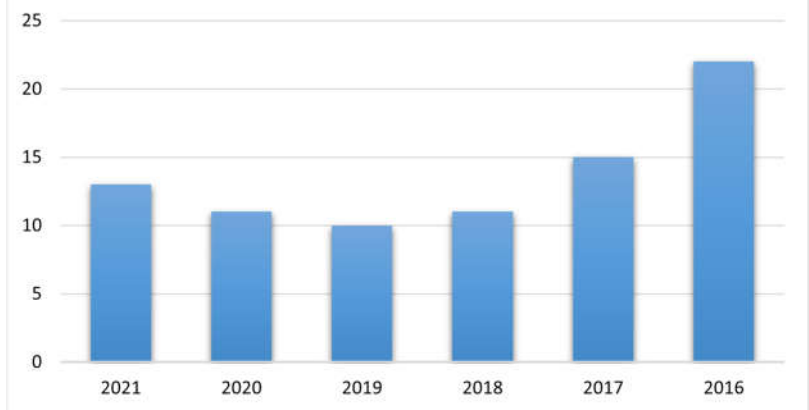
In September 2021, the County passed Tax Incentive Bylaw 1322-21 in order to encourage investment in the County of Minburn. The bylaw provides a Non-Residential Tax Incentive Program offering a tax exemption for **up to three years** on qualified properties. The tax exemption applies to new commercial and/or industrial developments as well as refurbishments to existing commercial and/or industrial properties.

Interested? Book a pre-application meeting with Planning and Development today! Contact Davin Gegolick at 780.632.2082 ext. 1111.

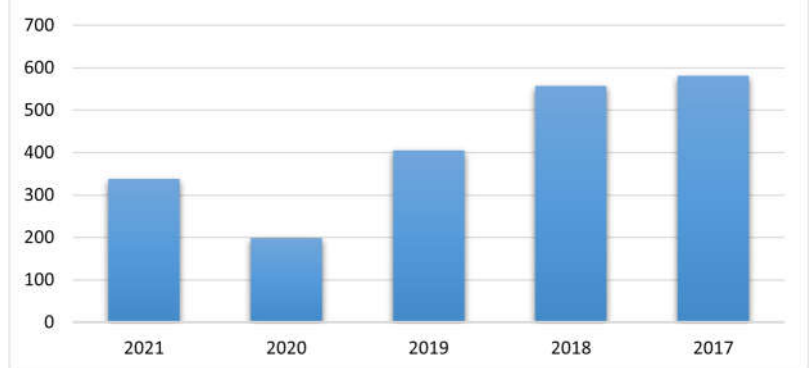
Value of Development



Subdivision Applications



Overweight/Over Dimensional Load Permits



Contact
Planning and
Development
Officer Davin
Gegolick
today!

Ph: 780.632.2082

Ext. 1111

Residential Development **OPPORTUNITY**



Visit www.MinburnCounty.ab.ca for details

CONTACT DAVIN AT 780.632.2082 OR EMAIL DGEGOLICK@MINBURNCOUNTY.AB.CA

OPPORTUNITIES ABOUND!



Build your future in the *County of Minburn*

DON'T PAY TAXES FOR UP TO 3 YEARS

with the Non-Residential Tax Incentive program!

Eligibility requirements:

- construction of a new commercial or industrial development with an assessed value between \$250,000-\$5 million or refurbishment of an existing commercial or industrial property that increases the assessed value by \$250,000-\$5 million
- employ at least 5 full-time personnel

Tax exemption will be rebated to municipal property taxes based on the assessed value:

- \$250,000 - \$500,000 = 2 years of exemption
- \$500,001 - \$5 million = 3 years of exemption

No business license requirements

Less than an hour from Edmonton

Excellent highway frontage

Visit www.MinburnCounty.ab.ca for details

Supporting our Community

The County of Minburn supports recreation and culture programs through grants to non-profit community organizations and the Town of Vegreville.

Recreational grant funding was allocated to several organizations to assist with general operating and capital improvement costs associated with operating and enhancing recreation facilities throughout the County.

2021 Recreation Funding

Town of Vegreville	\$309,500
Mannville & District Agricultural Society	\$109,300
Innisfree & District Agricultural Society	\$ 43,300
Minburn & District Agricultural Society	\$ 23,300
Ranfurly & District Agricultural Society	\$ 23,300
Lavoy Action Society	\$ 18,300

The County also provided funding to non-profit organizations whose activities benefit County residents.

Braes Community Centre
Chailey Community Centre
New Buchach Hall
New Kiew National Hall
Imperial Community Centre
Park Grove Community Centre
Old Vegreville Society
T. Shevchenko Community Association
(Warwick Hall)
Bruno Community Centre
Sich Community Centre
Mannville-Minburn-Innisfree Crime Watch
Mannville Golf Course
Vegreville Kinsmen Golf Course

Recreation and Tourism

In addition to the County of Minburn's excellent community halls, the County offers a diverse outdoor experience at its campgrounds, picnic sites and parks for everyone to enjoy.

- Wapasu Lake Conservancy Park near Innisfree, preserves and protects wildlife habitat but also offers developed walking trails, and a day-use recreational area with a beach and playground.
- The Rotary Peace Park, 1 km east of Vegreville, offers a large picnic area with covered shelter and barbeque area.
- Golf courses include Mannville Riverview Golf & RV resort on the east end of the County, and Vegreville Golf Course on the west end.
- Spend your day at one of the museums located in the region: The Vegreville Regional Museum, Mannville Historical Telephone Exchange Museum and the Historic Bank of Commerce Museum in Innisfree.



Intermunicipal Partnerships and Collaboration

- In September 2021 the County and the Village of Mannville agreed to participate in applications for provincial grant funding for the Mannville East Industrial Park Joint Area Structure Plan and completion of a regional sanitary sewer outfall and lagoon discharge line assessment.
- The County has an ongoing partnership with the Town of Vegreville which allows County residents residing west of Highway 36, with the exception of the Hamlet of Lavoy, to have access to and use the Town of Vegreville Landfill without having to pay a charge or levy.
- The County signed a new 10-year fire and emergency services agreement in 2021 with the Town of Vegreville where the Town has agreed to provide fire and emergency service protection from Highway 36 to the County's western border.
- A Regional Transfer Station Authority agreement between the County and Villages of Mannville and Innisfree provides solid waste services for the benefit of the entire region.



Partnerships with Federal and Provincial Governments

The County of Minburn maintains a collaborative working relationship with the Federal and Provincial government through the administration of a variety of conditional grant agreements.

The Canada Community-Building Fund (CCBF) previously known as the Federal Gas Tax Fund (GTF) continues to support local infrastructure priorities. The County has historically earmarked these funds for the ongoing repair and replacement of local bridges.

The Strategic Transportation Infrastructure Program (STIP) supports local transportation infrastructure projects and is dedicated to local road bridge and resource road projects such as the reconstruction of Range Road 143 north of Highway 16 completed in 2021, at a cost of \$2 million.

Alberta Community Partnership (ACP) funding agreements support enhanced regional municipal services and intermunicipal relations through joint and collaborative activities.

The Municipal Stimulus Program (MSP) was created in 2020 to provide additional capital infrastructure funding to stimulate economic growth due to the effects of the COVID-19 pandemic. The County used the funds to complete a shoulder pull rehabilitation project in 2021 and plans to complete another road project in 2022.

Public Works / Operations

ORGANIZATIONAL RESTRUCTURING

In late 2021, the Public Works department was restructured to also include the Agricultural Service Board and Utilities, which together will be known as the "Operations" department. The purpose of this change was to improve the coordination and efficiency of the delivery of infrastructure related municipal services.

The Operations department is responsible for the planning, design, construction and maintenance of infrastructure which includes 2,309 km of gravel roads, 93 km of oil roads, 38 km of paved roads, 118 bridges, 3 water truck fill stations and 2 waste transfer stations.

2021 ROAD CONSTRUCTION

Nine projects totalling just over 7 miles were completed in 2021

1. Repaired soft spots on Twp Rd 504 west of RR 85
2. Repaired soft spots as well as slough crossing on Twp Rd 520A west of Hwy 870
3. Brushing project on Twp Rd 520 between RR 84 and Hwy 881
4. Road upgrade RR 143 north of Twp Rd 532
5. Improved low areas on RR 160 north and south of Twp Rd 520
6. Improve intersection and flooding concerns on RR 162 and Twp Rd 514
7. Improved low areas along Twp Rd 512 east of RR 162
8. Improved low areas on RR 155 north and south of Twp Rd 513A
9. Upgraded slough crossing on RR 160 north of Twp Rd 534

549 miles of road gravelled in 2021



Graham Shell, long-serving Superintendent of Public Works, announced his retirement at the end of 2021. The County recognizes his dedication, strong work ethic, many years of service and wishes him all the best in his future endeavors.

Road Construction

Gravelling

Bridge Work

Culverts

Dust Control

Road Oiling

Waste Management

Snowplowing

Clearing of Private Driveways

Agricultural Services

Utilities



2021 Completed Bridge Work



SOLID WASTE DISPOSAL MANAGEMENT WASTE TRANSFER STATIONS

The County operates the East Regional Waste Transfer Station near Mannville located at PT. NW 23-50-9-W4M and the Ranfurly Waste Transfer Station located at PT. SE 3-52-14-W4M.

Two Hills Regional Waste Management Commission provides contract hauling services for both transfer stations picks up waste once a week in the Hamlets of Lavoy and Minburn.



2021 SOLID WASTE COLLECTION

Location	Tonnes
Minburn	54
Lavoy	58
Mannville WTS	214
Innisfree WTS	108
Total	434



Agricultural Service Board

The County of Minburn ASB department focuses on:

- Weed control of invasive noxious weeds including roadside vegetation management
- Soil and water conservation
- Beaver dam removal
- Livestock predation program
- Pest management
- Agriculture plastics, grain bag and twine recycling
- Agriculture equipment rentals
- Crop and pest scouting for Alberta Agriculture
- Promoting agriculture education/awareness programs and are strong advocates for their local agriculture communities



YEAR IN REVIEW

The Beaver Harvest Incentive Program was offered to mitigate damage to municipal infrastructure from water movement problems related to beaver activity. Ratepayers and residents received \$20 for each beaver carcass they harvested within the municipal boundary. In 2021, the budget for the program was \$10,000 and it was fully allocated.

Liquid Strychnine sales came to an end in 2021 as Health Canada no longer permits the product to be retailed. Product holders have only to March 4, 2023 to use.

In 2021, the County contracted Lakeland Vegetation Services for 3 years to do roadside spraying.

2021	PERFORMANCE SUMMARY
1,420	Miles of road mowed under the Roadside Mowing Program
25%	Municipal road allowances treated for noxious weeds
14	Fields surveyed and inspected for Clubroot of Canola and other diseases



Water/Utility Services

The County is responsible for water and sewer service in the Hamlet of Lavoy, sanitary sewer services in the Hamlet of Minburn, and the bulk water stations in Lavoy, Ranfurly and Minburn.

Regular maintenance was done throughout 2021 on our existing systems.

Darwin Ullery oversees the County's agricultural and utility services and can be reached at 780.632.2082 ext. 1205.

Protective Services

County of Minburn Protective Services delivers fire, rescue, public education, fire prevention and emergency management services to County residents.

The Protective Services department also manages the County of Minburn's Health and Safety system ensuring its employees maintain a safe work environment and adhere to provincial Occupational Health and Safety requirements.

Mike Fundytus is the County's Director of Protective Services and can be reached at 780.632.2082 ext. 1104.

2021 RESPONSE BY DEPARTMENT

Innisfree	Mannville	Vegreville
9 medical assists 9 motor vehicle collisions 0 false alarms 2 structure fires 1 vehicle fire 7 grass fires	20 medical assists 7 motor vehicle collisions 4 false alarms 4 structure fires 2 vehicle fires 12 grass fires	7 medical assists 34 motor vehicle collisions 9 false alarms 3 structure fires 23 grass fires

AVERAGE CHUTE TIME

(Time of dispatch to the time the first emergency vehicle leaves the hall)

Innisfree Fire: 6 minutes 32 seconds

Mannville Fire: 4 minutes 30 seconds

Vegreville Fire: 11 minutes 12 seconds

Thank You!

The County of Minburn would like to thank

Enbridge Pipeline - \$15,000

Alliance Pipeline - \$5,000

TransCanada Pipeline - \$7,500

For making it possible to purchase a new command Unit in 2021.



IS THERE A
FIRE
IN YOU?

BECOME A VOLUNTER
FIREFIGHTER TODAY

JOIN OUR TEAM AT WWW.MINBURNCOUNTY.AB.CA



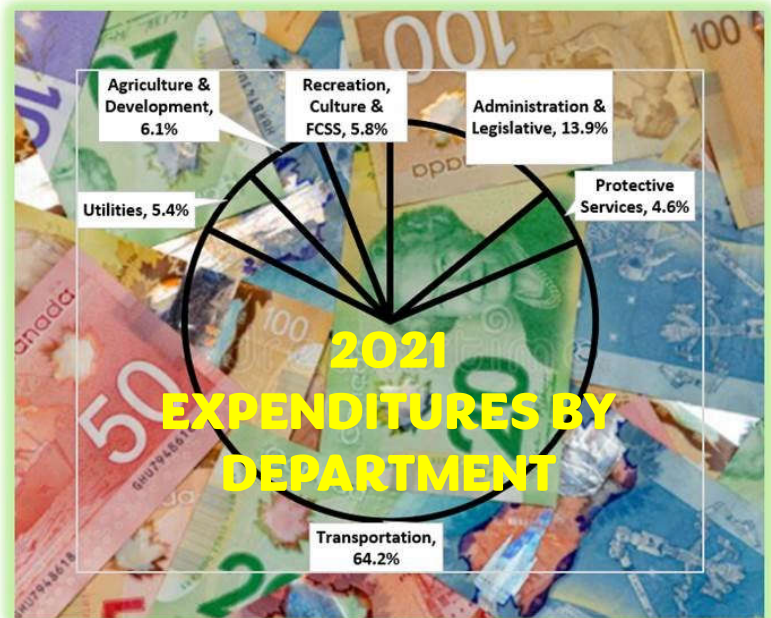
Finance and Administration

The Finance and Administration department is primarily involved in managing the financial resources of the County which includes developing budgets in conjunction with other municipal departments, overseeing the investment portfolio, recording and reporting on the financial transactions that occurred during the year as well as compiling the annual financial statements which are subject to an external audit. The department also provides legislative services to support Council decision making with respect to bylaw and policy development, research on emergent items impacting the municipality and ensuring legislative deadlines are met.

2021 FINANCIAL SUMMARY AND ANALYSIS

Despite the uncertainty in the oil and gas sector and as a result of the COVID pandemic, the Council for the County of Minburn approved a fairly ambitious 2021 budget with a capital program of over \$5.6 million and an operating budget having anticipated expenditures of over \$17.3M. In addition to the \$13.2 million of property taxes, the budget was also supported by a number of grant approvals from the Province for both the capital projects as well as to help stimulate the local economy and alleviate financial stresses encountered as a result of the pandemic. These grant funds coupled with some advantageous pricing on various procurement opportunities allowed the capital program to come in considerably under budget thereby reducing the County's need to drawdown its reserves.

Operationally, the actual revenue and expenses closely mirrored the budget in most departments. Most 2021 budget variances were positive. The most notable ones included the recovery of flood related infrastructure expenses from 2018 and 2020 through the Provincial Disaster Recovery Program (DRP), and an unanticipated increase in oil and natural gas prices which reversed the negative trend regarding the collection of oil and gas related taxes. As a result, the County ended the year recovering a significant amount of prior year taxes that were deemed to be uncollectible and also experienced a higher than average tax collection rate. These developments pushed the County into a surplus position that Council has earmarked towards a similarly aggressive capital improvement program in 2022 and will be used to partially offset current inflationary pressures.



2021 Revenue

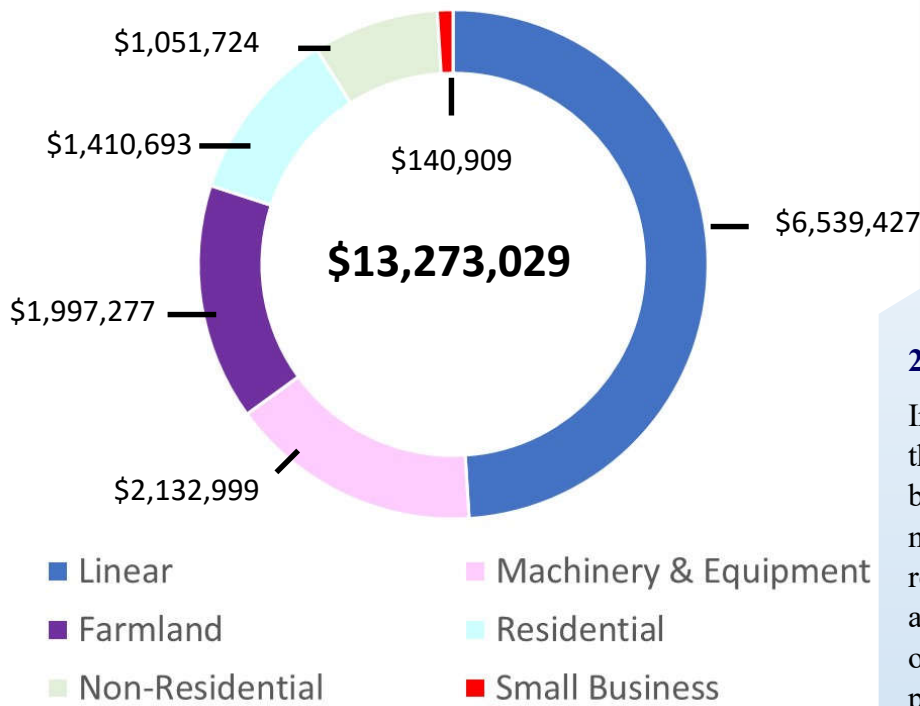
Net Property Taxes	13,273,029	65%
Grants	4,988,475	24.6%
User Fees & Sale of Goods	505,959	2.5%
Investment Income	190,517	0.9%
Penalties	94,711	0.5%
Other Income	1,206,709	6%

Jason Warawa, CPA, CMA is the County's Director of Finance & Administration and can be reached at 780.632.2082 extension 1108.

*Copies of the
2021 Audited Financial Statements
are available at the County Office or
online at www.minburncounty.ab.ca*

2021 ASSESSMENT VALUES, TAX RATES AND TAX REVENUE

2021 Property Tax Revenue by Property Class



2021 Assessment Changes and Tax Rates

In 2021, the value of assessable property in the County decreased by \$8.1 million bringing the total assessment to almost \$864 million. This 0.9% decrease is primarily related to a drop in linear assessment and is attributable to an overall drop in the number of active oil/gas wells and decreased oil production in 2020. Linear property includes:

- Oil and gas wells
- Pipelines to transport petroleum products
- Electric power systems
- Transmission and distribution facilities
- Telecommunication systems and cable television systems.

In 2021, when setting the municipal tax rates Council gave special consideration to the significant impact of COVID on local residents and businesses. As a result, no material changes were made to residential and most non-residential tax rates despite increasing costs for provincial policing. The one supportive change endorsed by Council was a 11% decrease to the small business class of properties.

The County adjusts tax rates annually based on budgetary requirements as well as changes to property values.

One area where the County has no control is over tax rates for the school and senior requisitions. In 2021, school tax rates dropped for residential properties while increased for non-residential properties. The senior requisition increased by over 50% for all applicable property classes due to increased operating costs.

Municipal Tax Rate Comparison

Property Class	2020	2021	
Residential	4.7289	4.7642	0.7%
Farmland	18.4791	18.4682	<0.1%
Non-Residential, Linear, Machinery & Equipment	21.1202	21.1004	<0.1%
Small Business	19.0893	17.0522	10.7%

Requisition Rate Comparison

Requisition Type	2020	2021	
Schools - Residential	2.5457	2.5335	4.8%
Schools - Non-Residential	3.7662	3.8421	2.0%
Seniors	0.1395	0.2150	54%

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of County of Minburn No. 27

Opinion

We have audited the consolidated financial statements of County of Minburn No. 27 (the municipality), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2021, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the municipality'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 municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

Independent Auditor's Report to the Reeve and Council of County of Minburn No. 27 (continued)

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

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.

Vegreville, AB
March 21, 2022

Wilde & Company
Chartered Professional Accountants

(continues)

COUNTY OF MINBURN NO. 27			
Consolidated Statement of Financial Position			
As at December 31, 2021			
	2021	2020	
	\$	\$	
Financial Assets			
Cash and temporary investments (Note 3)	25,169,941	23,043,914	
Receivables			
Taxes and grants in place of taxes receivable (Note 4)	635,618	1,163,030	
Due from governments	714,326	280,421	
Trade and other receivables	314,020	191,432	
Long term receivables	630,248	-	
Land held for resale	169,407	190,165	
	27,633,560	24,868,962	
Liabilities			
Accounts payable and accrued liabilities	641,980	1,298,414	
Asset retirement obligation (Note 5)	1,029,294	1,044,794	
Deposit liabilities	-	-	
Deferred revenue (Note 6)	1,344,816	927,682	
Employee benefit obligations (Note 7)	164,991	187,390	
	3,171,081	3,458,280	
Net Financial Assets	24,462,479	21,410,682	
Non-Financial Assets			
Tangible capital assets (Schedule 2)	26,066,571	24,177,716	
Inventory for consumption (Note 8)	8,629,509	8,882,113	
Prepaid expenses	171,633	159,137	
	34,867,713	33,218,966	
Accumulated Surplus (Schedule 1, Note 9)	59,330,192	54,629,648	

COUNTY OF MINBURN NO. 27			
Consolidated Statement of Operations			
Year Ended December 31, 2021			
	Budget	2021	2020
	\$(Unaudited)	\$	\$
Revenues			
Net municipal taxes (Schedule 3)	13,207,789	13,273,029	13,608,582
User fees and sales of goods	360,150	505,959	335,765
Government transfers for operating (Schedule 4)	2,414,283	2,803,863	3,057,238
Investment income	208,000	190,817	253,593
Penalties and costs on taxes	160,600	94,711	156,764
Gain on the disposal of tangible capital assets	-	10,000	-
Other	1,343,473	1,196,709	293,056
Total revenues	17,694,295	18,074,788	17,705,000
Expenses			
Administration and legislative	3,421,072	2,156,193	3,400,918
Fire protection and safety services	621,300	558,648	659,091
Ambulance services	11,115	10,077	11,115
Policing services	123,000	113,468	61,349
Bylaw enforcement, bridge inspection, health and safety	46,800	25,851	57,528
Roads, streets, walks, lighting	10,351,891	9,993,450	9,949,218
Water supply and distribution	377,550	383,858	200,289
Wastewater treatment and disposal	78,500	84,868	73,986
Waste management	410,525	378,882	399,041
Family and community support	163,756	163,256	165,256
Cemetery	4,300	4,234	4,234
Planning and economic services	195,135	235,465	276,879
Agricultural Service Board	764,415	720,314	694,859
Recreation and library services	732,586	730,292	727,663
Total expenses	17,301,945	15,588,856	16,681,426
Excess of revenue over expenses - before other	392,350	2,515,932	1,023,574
Other			
Government transfers for capital (Schedule 4)	2,977,644	2,184,612	782,196
Excess of revenues over expenses	3,369,994	4,700,544	1,805,770
Accumulated surplus - beginning of the year	54,629,648	54,629,648	52,823,878
Accumulated surplus - end of the year	57,999,642	59,330,192	54,629,648

COUNTY OF MINBURN NO. 27
Consolidated Statement of Change in Net Financial Assets
Year Ended December 31, 2021

	Budget \$	2021 \$	2020 \$
(Unaudited)			
Excess of revenues over expenses	3,369,994	4,700,544	1,805,770
Acquisition of tangible capital assets	5,610,650	(3,587,533)	(1,753,088)
Proceeds on disposal of tangible capital assets	238,500	41,555	77,500
Amortization of tangible capital assets	1,554,400	1,650,543	1,550,544
Gain on sale of tangible capital assets	-	(10,000)	-
Loss on sale of tangible capital assets	-	16,580	109,605
	7,403,550	(1,888,855)	(15,439)
Use of supplies inventories	-	252,604	929,368
Acquisition of prepaid assets	-	(12,496)	(10,699)
	-	240,108	918,669
Increase in net assets	10,773,544	3,051,797	2,709,000
Net Financial Assets, beginning of year	21,410,682	21,410,682	18,701,682
Net Financial Assets, end of year	32,184,226	24,462,479	21,410,682

Page 31

COUNTY OF MINBURN NO. 27	2021	2020
Consolidated Statement of Cash Flows		
Year Ended December 31, 2021		
OPERATING		
Excess of revenue over expenses	4,700,544	1,805,770
Net changes in non-cash items included in excess of revenue over expenses		
Amortization of tangible capital assets	1,650,543	1,550,544
Net loss on disposal of tangible capital assets	6,580	109,605
Net changes in non-cash charges to operations		
Decrease in taxes and grants in place of taxes receivable	527,412	13,157
Decrease (increase) in government receivables	(433,905)	552,640
Increase in trade and other receivables	(122,588)	(27,027)
Increase in long-term receivables	(630,248)	-
Decrease in land held for resale	20,758	-
Increase in prepaid expenses	(12,496)	(10,699)
Decrease in inventory for consumption	252,604	929,368
Increase (decrease) in accounts payable and accrued liabilities	(656,434)	640,546
Decrease in deposit liabilities	-	(260)
Decrease in asset retirement obligation	(15,500)	(11,300)
Increase (decrease) in deferred revenue	417,134	(585,579)
Increase (decrease) in employee benefit obligations	(32,399)	107,272
Net cash provided by operating transactions	5,672,005	5,074,037
Capital		
Acquisition of tangible capital assets	(3,587,533)	(1,753,088)
Proceeds on disposal of tangible capital assets	41,555	77,500
Net cash used in capital transactions	(3,545,978)	(1,675,588)
Investing		
Decrease (increase) in restricted cash or cash equivalents	(417,134)	585,579
Net cash provided by (used in) investing transactions	(417,134)	585,579
Change in cash and cash equivalents during the year	1,708,893	3,984,028
Cash and cash equivalents, beginning of year	22,116,232	18,132,204
Cash and cash equivalents, end of year	23,825,125	22,116,232
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 3)	25,169,941	23,043,914
Less: restricted portion of cash and temporary investments (Note 3)	(1,344,816)	(927,682)
	23,825,125	22,116,232
Cash flows supplementary information:		
Interest received	190,517	253,595

Page 4

COUNTY OF MINBURN NO. 27
Schedule of Changes in Accumulated Surplus
Year Ended December 31, 2021

(Schedule 1)

	Unrestricted Surplus	Restricted Capital Reserves	Equity in Capital Assets	2021 \$	2020 \$
Balance, beginning of year	11,045,881	19,406,051	24,177,716	54,629,648	52,823,878
Excess of revenues over expenses	4,700,544	-	-	4,700,544	1,805,770
Unrestricted funds designated for future use	(3,665,328)	3,665,328	-	-	-
Restricted funds used for operations	160,500	(160,500)	-	-	-
Restricted funds used for tangible capital assets	-	(644,592)	644,592	-	-
Current year funds used for tangible capital assets	(2,942,941)	-	2,942,941	-	-
Disposal of tangible capital assets	48,135	-	(48,135)	-	-
Annual amortization	1,650,543	-	(1,650,543)	-	-
Change in accumulated surplus	(48,547)	2,860,236	1,888,855	4,700,544	1,805,770
Balance, end of year	10,997,334	22,266,287	26,066,571	59,330,192	54,629,648

Page 51

COUNTY OF MINBURN-NO. 27
Schedule of Tangible Capital Assets
Year Ended December 31, 2021

(Schedule 2)

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2021 \$	2020 \$
Cost								
Balance, beginning of year	509,002	973,002	3,145,432	107,041,210	12,561,809	4,748,171	128,978,626	127,606,036
Acquisition of tangible capital assets	24,975	28,677	9,005	2,956,425	244,696	289,098	3,552,877	1,243,414
Construction in progress	-	-	-	34,656	-	-	34,656	509,674
Disposal of tangible capital assets	-	-	-	(146,807)	(19,043)	(134,773)	(300,623)	(380,498)
Balance, end of year	533,977	1,001,680	3,154,437	109,885,484	12,787,462	4,902,496	132,265,536	128,978,626
Accumulated amortization								
Balance, beginning of year	-	409,220	1,234,400	93,262,291	6,770,917	3,124,083	104,800,910	103,443,759
Annual amortization	-	37,062	65,514	435,227	838,402	274,339	1,650,543	1,550,544
Accumulated amortization on disposals	-	-	-	(129,676)	(19,043)	(103,769)	(252,488)	(193,393)
Balance, end of year	-	446,281	1,299,914	93,567,842	7,590,276	3,294,652	106,198,965	104,800,910
2021 net book value of tangible capital assets	533,977	555,398	1,854,523	16,317,643	5,197,186	1,607,844	26,066,571	24,177,716
2020 net book value of tangible capital assets	509,002	563,782	1,911,032	13,778,919	5,790,892	1,624,089		24,177,716

COUNTY OF MINBURN-NO. 27

Schedule of Property and Other Taxes
Year Ended December 31, 2021

(Schedule 3)

	Budget \$ (Unaudited)	2021 \$	2020 \$
Taxation			
Real property taxes	8,769,578	8,742,704	8,688,141
Linear property	7,029,813	7,019,633	7,179,095
Government grants in place of property taxes	24,137	24,306	24,014
	15,823,528	15,786,643	15,891,250
Requisitions			
Alberta School Foundation Fund	2,397,603	2,299,132	2,130,525
Minburn Foundation	185,136	185,136	121,872
Designated Industrial Property	33,000	29,346	30,271
	2,615,739	2,513,614	2,282,668
Net Municipal Taxes	13,207,789	13,273,029	13,608,582

COUNTY OF MINBURN-NO. 27

Schedule of Government Transfers
Year Ended December 31, 2021

(Schedule 4)

	Budget \$ (Unaudited)	2021 \$	2020 \$
Transfers for operating			
Provincial Government	2,414,283	2,760,664	3,057,238
Federal Government	-	43,199	-
	2,414,283	2,803,863	3,057,238
Transfers for capital			
Provincial Government	2,977,644	2,184,612	782,196
Total Government Transfers	5,391,927	4,988,475	3,839,434

Schedule of Consolidated Expenses by Object
Year Ended at December 31, 2021

(Schedule 5)

	Budget \$ (Unaudited)	2021 \$	2020 \$
Consolidated expenses by objects			
Salaries, wages and benefits	5,258,876	5,075,276	5,104,173
Contracted and general services	2,642,505	2,200,617	1,852,251
Materials, goods, supplies and utilities	5,478,682	5,272,194	5,463,325
Transfers to local boards and agencies	1,594,482	1,498,254	1,338,241
Bank charges and short-term interest	4,000	1,180	1,000
Amortization of tangible capital assets	1,354,400	1,650,543	1,350,544
Other	769,000	(139,208)	1,371,892
	17,301,945	15,588,856	16,681,426

Notes to Consolidated Financial Statements
Year Ended December 31, 2021

1. → Significant accounting policies:

Basis of presentation

- The consolidated financial statements of the municipality 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 municipality are as follows.

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all the organizations that are owned or controlled by the municipality and are, therefore, accountable to Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

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

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.

(continues)

(Schedule 6)

	General Governance	Protective Services	Transportation Services	Environmental Services	Planning & Development	Public Health	Recreation & Culture	Other	Total
Revenue									
Net municipal taxes	-	-	-	-	-	-	-	13,273,029	13,273,029
Government transfers	92,348	19,378	4,466,879	84,355	210,207	114,508	-	600	4,988,475
User fees and sales of goods	19,639	-	168,813	275,908	41,381	-	-	-	505,959
Investment income	-	-	-	-	-	-	-	190,517	190,517
Gain on disposal of tangible capital assets	-	-	-	-	10,000	-	-	-	10,000
Other revenues	6,171	85,883	963,525	57,073	69,449	-	-	109,319	1,291,420
	118,378	105,461	5,599,217	417,334	331,037	114,508	-	13,573,468	20,259,400
Expenses									
Salaries, wages & benefits	1,494,481	101,009	2,970,697	110,236	397,953	-	-	-	5,075,276
Contracted and general services	579,577	33,888	1,135,471	291,066	130,549	-	6,869	3,200	2,200,820
Materials, goods, supplies and utilities	109,586	98,562	4,527,096	101,448	393,552	-	41,652	-	5,272,196
Transfers to local boards and agencies	86,038	332,579	-	244,135	-	163,256	672,246	-	1,498,254
Loss on disposal of tangible capital assets	-	6,004	10,576	-	-	-	-	-	16,580
Other expenses	-	-	-	-	-	-	-	(154,611)	(154,611)
	2,269,682	593,242	8,643,840	746,885	922,054	163,256	720,765	(151,411)	13,908,213
Net revenue (expense) before amortization									
	(2,151,304)	(487,781)	(3,044,623)	(329,551)	(591,017)	(48,748)	(720,765)	13,724,876	6,351,087
Amortization of tangible capital assets	41,123	114,802	1,349,610	100,725	33,723	-	9,526	1,034	1,650,543
2021 net revenue (expense)	(2,192,427)	(602,583)	(4,394,233)	(430,276)	(624,740)	(48,748)	(730,291)	13,723,842	4,700,544
2020 net revenue (expense)	(1,695,946)	(602,945)	(6,883,394)	(271,521)	(763,394)	(50,748)	(696,380)	12,770,098	1,805,770

Notes to Consolidated Financial Statements
Year Ended December 31, 2021

1. → Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 expenditure 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.

Significant estimates include:

- Amortization of tangible capital assets
- Estimated useful life of tangible capital assets
- Allowance for doubtful accounts
- Valuation of asset retirement obligation

Cash and temporary investments

Cash includes cash and cash equivalents. Cash equivalents are investments in notice accounts valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

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 unamortized long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

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.

(continues)

1. → Significant accounting policies (continued)

Inventories for resale

Land held for resale is recorded at the lower of cost or 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 wastewater services, roads, sidewalks and street lighting are recorded as physical assets under the respective function.

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.

Asset retirement obligation

Pursuant to the Alberta Environmental Protection and Enhancement Act, the municipality is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The requirement is being provided for over the accreted value from the initial obligation to the end of the useful life of the landfill.

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

(continued)

2. → Recent accounting pronouncements published but not yet adopted

The following accounting standards have been issued by the Chartered Professional Accountants of Canada (CPA) but are not yet effective. The municipality is currently evaluating the effect of adopting these standards on their financial statements.

Section PS 3450 - Financial Instruments

The new Section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. In conjunction with this new Section, Section PS 1201, Section PS 2601 and Section 3041 have been amended as a consequence of the introduction of new financial instruments standards. These amendments were required to present the associated gains and losses with financial instruments recognized under the new Section. The new Section and the related amendments are effective for fiscal periods beginning on or after April 1, 2022.

Section 3400 - Revenue

This new Section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. This Section applies to fiscal years beginning on or after April 1, 2023.

3. → Cash and temporary investments

	2021	2020
Cash	\$ 661,454	\$ 588,470
Temporary investments	24,508,487	22,455,444
	\$25,169,941	\$23,043,914

Temporary investments are short term deposits with original maturities of one year or less. Council has designated funds of \$22,286,287 (2020 - \$19,406,051) included in the above amounts for equipment replacement. Included in cash and temporary investments is a restricted amount of \$1,344,816 (2020 - \$927,682) comprised of deferred revenue not expended (Note 6).

4. → Taxes and grants in place of taxes receivable

	2021	2020
Current taxes and grants in place of taxes	\$ 832,088	\$ 1,670,968
Arrears taxes	138,622	173,694
	970,710	1,844,662
Less: allowance for doubtful accounts	(335,092)	(681,632)
	\$ 635,618	\$ 1,163,030

1. → Significant accounting policies (continued)

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.

a) → 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	20-25
Buildings	25-30
Engineered structures	
Water system	45-75
Wastewater system	45-75
Other engineered structures	30-50
Machinery and equipment	4-15
Vehicles	10-20

A full year of amortization is charged in the year of acquisition and none in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

b) → Contributions of tangible capital assets

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

c) → 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.

d) → Inventories

Inventories held for consumption are recorded at the lower of cost and net realizable value utilizing a first-in first-out costing system.

e) → Cultural and historical tangible capital assets

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

Page 14

5. → Asset retirement obligation

Alberta Environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance.

The net present value of the estimated closure and post-closure costs were calculated using a discount rate of 2%.

The following summarizes the total net present value for the estimated costs of closure and post-closure care.

	Ranfurly	Lavoy	Mannville	2021
Opening liability	\$ 77,029	\$ 33,572	\$ 934,193	\$ 1,044,794
Liability settled during the year	(3,300)	(8,000)	(4,200)	(15,500)
Closing liability	\$ 73,729	\$ 25,572	\$ 929,993	\$ 1,029,294

The Ranfurly landfill site was closed in 2012. Reclamation was completed in 2016. It is estimated that post-closure care for the site will be required for a period of 25 years.

The Lavoy site was reclaimed in 2003. It is estimated that post-closure care for the site will be required for a period of 25 years.

The Mannville site was closed in 2013. Reclamation of the Mannville site has not yet commenced. It is estimated that post-closure care for the site will be required for a period of 25 years.

All partner municipalities of the Mannville landfill site formed East Regional Waste Transfer Station. The East Regional Waste Transfer Station became operational in 2013.

The municipality has not designated assets for settling closure and post-closure liabilities.

COUNTY OF MINBURN NO. 27

Notes to Consolidated Financial Statements
Year Ended December 31, 2021

6. Deferred revenues	2021	2020
Municipality Sustainability Initiative Grants	\$ → 723,761	\$ → 525,584
Strategic Transportation Infrastructure Programs	22,605	1,338
Federal Gas Tax Fund Grants	321,379	323,192
Alberta Community Partnership – Regional Fire	48,444	68,022
Family and Community Support Services Grants	28,627	9,546
Municipal Stimulus Program	200,000	–
	\$ 1,344,816	\$ → 927,682

Grants

Funding in the amount of \$4,550,975 was received in the current year from various federal and provincial government programs and local governments. The use of these funds is restricted to eligible projects as approved under the funding agreements. Unexpended funds related to these advances are supported by temporary investments of \$1,344,816 held exclusively for these projects (Note 3).

7. Employee benefit obligations

	2021	→	2020
Vacation and overtime	\$ → 154,991	→	\$ → 187,390

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year. The municipality has accumulating non-vesting sick leave benefits.

8. Inventory for consumption	2021	2020
Municipal inventories consist of the following:		
Gravel and road materials	\$ → 8,284,456	\$ 8,546,052
Public Works	314,551	297,894
Agricultural Service Board	30,502	38,167
	\$ → 8,629,509	\$ 8,882,113

COUNTY OF MINBURN NO. 27

Notes to Consolidated Financial Statements
Year Ended December 31, 2021

9. Accumulated surplus

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

	2021	2020
Unrestricted Surplus	\$ 10,997,339	\$ 11,045,881
Restricted Surplus		
Future expenditures	12,574,504	11,324,506
General capital	2,597,278	2,597,278
Lavoy capital	113,707	102,337
Hamlet of Lavoy – sewers	6,565	4,907
Municipal Reserve	2,682	–
Agricultural Service Board	4,614	3,430
Fire – Consolidated	807,902	679,657
Equipment	2,182,471	1,500,000
Vehicle – Planning & Development	10,000	5,000
Aerial Imagery	10,000	5,000
Landfill liability	1,029,294	1,044,794
Hamlet of Lavoy	445,041	37,753
Ace Water Corporation	121,931	266,931
County – industry partnerships	74,412	188,462
Peace Parks	50,979	58,457
Bridges	2,186,955	1,545,342
Hamlet of Minburn	36,516	30,782
Hamlet of Minburn – sewers	11,431	11,435
Equity in tangible capital assets	26,066,571	24,177,716
	\$ 59,330,192	\$ 54,629,648

COUNTY OF MINBURN NO. 27

Notes to Consolidated Financial Statements
Year Ended December 31, 2021

10. 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 municipality be disclosed as follows:

	2021	2020
Total debt limits	\$ 27,112,182	\$ 26,557,500
Debt servicing limits	\$ 4,518,697	\$ 4,426,250

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

11. Equity in tangible capital assets

	2021	→	2020
Tangible capital assets (Schedule 2)	\$ 132,265,836	→	\$ 128,978,626
Less: accumulated amortization (Schedule 2)	\$ 106,198,965	→	\$ 104,800,910
	\$ 26,066,571	→	\$ 24,177,716

12. Segmented disclosure

The municipality 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 6). Section Break (Next Page)

13. Salary and benefits disclosure

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

	Salary (1)	Benefits & allowances (2)	2021	2020
Roger Konieczny - Reeve	\$ 65,900	\$ 19,510	\$ 85,410	\$ 85,605
Clifford Wowdzia - Deputy Reeve	61,100	18,691	79,791	74,252
Eric Anderson	56,300	17,869	74,169	74,304
Joseph Nafziger	10,443	3,236	13,679	-
Richard Wagner	45,857	11,834	57,691	71,340
Tara Kuzio	56,300	17,869	74,169	73,068
Carl Ogrodnick	56,300	17,869	74,169	77,536
Kevin Bentley	56,300	17,869	74,169	73,068
Chief Administrative Officer	162,500	33,567 (3)	196,067	169,140
Designated Officers	125,808	23,220	147,028	134,978

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross-up/prra and any other direct cash remuneration.
2. Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional memberships and tuition.
3. Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial and retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

14. Local Authorities Pension Plan

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

Contributions for current service are recorded as expenditures in the year in which they become due.

The municipality is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount.

Total current service contributions by the municipality to the LAPP in 2021 were \$273,690 (2020 - \$284,344). Total current service contributions by the employees of the municipality to the Local Authorities Pension Plan in 2021 were \$247,870 (2020 - \$257,784).

At December 31, 2020, the LAPP disclosed an actuarial surplus of \$4.961 billion.

15. Financial instruments

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

The municipality is subject to credit risk with respect to taxes and grants in place of taxes receivable and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the municipality provides services may experience financial difficulty and be unable to fulfill 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.

16. Budget amounts

Budget amounts are included for information purposes only and are not audited.

17. Approval of financial statements

Council and Management have approved these financial statements.

18. Pandemic Risk

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and measures put in place are having multiple impacts on local, provincial, national and global economies. As at March 21, 2022, the Municipality is aware of these changes in its operations as a result of the COVID-19 crisis. Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance. As a result, we are unable to estimate the potential impact on the Municipality's operations as of the date of these financial statements.