



## County of Wetaskiwin No. 10

December 31, 2021

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**County of Wetaskiwin No. 10  
Consolidated  
Financial Statements**

**December 31, 2021**



# County of Wetaskiwin No. 10

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## **Management's Responsibility**

To the Reeve and Councilors of the County of Wetaskiwin No. 10:

The accompanying consolidated financial statements of the County of Wetaskiwin No. 10 are the responsibility of management and have been approved by Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

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

MNP LLP is appointed by Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Council and management to discuss their audit findings.

May 31, 2022

**Original Signed**

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Chief Administrative Officer

To the Reeve and Councilors of County of Wetaskiwin No. 10:

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of County of Wetaskiwin No. 10 (the "County"), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, change in net financial assets, cash flows and the related schedules 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 County as at December 31, 2021, and the results of its consolidated operations, change in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the 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 Canadian public sector accounting standards, 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 County's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of the 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:

- 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 County's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 County 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the County to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

## Report on Other Legal and Regulatory Requirements

- Debt Limit Regulation:  
In accordance with Alberta regulation 255/2000, we confirm that the County is in compliance with the Debt Limit Regulation. A detailed account of the County's debt limit can be found in Note 13.
- Supplementary Accounting Principles and Standards Regulation:  
In accordance with Alberta regulation 313/2000, we confirm that the County is in compliance with the Supplementary Accounting Principles and Standards Regulation and note the information required can be found in Note 17.

Leduc, Alberta

May 31, 2022

*MNP LLP*

Chartered Professional Accountants

**County of Wetaskiwin No. 10**  
**Consolidated Statement of Financial Position**  
*As at December 31, 2021*

	2021	2020 <i>Restated</i>
<b>Financial assets</b>		
Cash and equivalents ( <i>Note 2</i> )	33,134,955	29,042,824
Property taxes receivable ( <i>Note 3</i> )	1,912,977	1,934,246
Trade and other accounts receivable ( <i>Note 4</i> )	4,296,721	5,969,307
Tax sale proceeds ( <i>Note 5</i> )	134	115,528
Patronage reserves	13,572	13,572
Debt charges recoverable ( <i>Note 6</i> )	5,786,623	6,067,048
	45,144,982	43,142,525
<b>Liabilities</b>		
Accounts payable and accrued liabilities ( <i>Note 8</i> )	3,658,446	2,873,216
Reclamation liability ( <i>Note 9</i> )	5,494,575	5,222,091
Deposit liabilities	666,040	1,671,593
Contaminated sites	750,000	750,000
Tax sales proceeds liability ( <i>Note 5</i> )	134	115,528
Employee benefit obligations ( <i>Note 10</i> )	372,558	461,712
Deferred revenue ( <i>Note 11</i> )	11,472,126	9,255,766
Long-term debt ( <i>Note 12</i> )	7,984,977	7,222,932
	30,398,856	27,572,838
<b>Net financial assets</b>	14,746,126	15,569,687
<b>Non-financial assets</b>		
Tangible capital assets ( <i>Schedule II</i> )	99,917,089	89,425,300
Inventory for consumption ( <i>Note 14</i> )	10,341,725	8,782,867
Membership fee ( <i>Note 15</i> )	400,000	400,000
Prepaid expenses	166,393	155,339
	110,825,207	98,763,506
<b>Accumulated surplus</b> ( <i>Schedule I</i> )	125,571,333	114,333,193

Commitments and contingencies (*Note 20*)

Approved on behalf of Council:

Original Signed

Reeve

Original Signed

Deputy Reeve

*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Consolidated Statement of Operations**

*For the year ended December 31, 2021*

	<b>2021 Budget (Note 23)</b>	<b>2021</b>	<b>2020 Restated</b>
<b>Revenue</b>			
Net municipal property taxes <i>(Schedule III)</i>	19,952,648	<b>20,916,989</b>	19,965,669
User fees and sale of goods	3,097,183	<b>3,906,578</b>	3,422,441
Other	754,630	<b>1,531,755</b>	517,969
Government transfers <i>(Schedule IV)</i>	1,182,727	<b>1,036,375</b>	2,126,055
Sales to other governments	3,059,590	<b>839,711</b>	506,890
Gain on sale of tangible capital assets	415,260	<b>541,483</b>	408,019
Investment income	500,000	<b>436,133</b>	509,190
Rental	274,000	<b>290,651</b>	247,154
Permits, licenses, and fines	208,667	<b>247,767</b>	466,573
	29,444,705	<b>29,747,442</b>	28,169,960
<b>Expenses</b>			
Public works	31,613,831	<b>11,592,855</b>	15,030,528
General Government	4,545,535	<b>6,087,150</b>	6,305,685
Restructuring transaction <i>(Note 21)</i>	-	-	5,454,892
Utilities	8,396,128	<b>3,907,125</b>	2,518,115
Protective services	1,803,825	<b>2,620,357</b>	2,344,216
Recreation and cultural services	2,338,769	<b>1,739,244</b>	1,457,381
Agriculture Service Board	932,300	<b>988,922</b>	1,036,758
Planning and development	912,117	<b>932,321</b>	860,046
Family and Community Support Services	484,511	<b>353,040</b>	427,569
Cemetery	53,354	<b>53,394</b>	53,354
	51,080,370	<b>28,274,408</b>	35,488,544
<b>Excess (deficiency) of revenue over expenses before other</b>	(21,635,665)	<b>1,473,034</b>	(7,318,584)
<b>Other</b>			
Government transfers for capital <i>(Schedule IV)</i>	22,084,613	<b>9,765,106</b>	7,185,264
<b>Excess (deficiency) of revenue over expenses</b>	448,948	<b>11,238,140</b>	(133,320)
<b>Accumulated surplus, beginning of year</b>	114,333,193	<b>114,333,193</b>	114,466,513
<b>Accumulated surplus, end of year</b>	114,782,141	<b>125,571,333</b>	114,333,193

*The accompanying notes are an integral part of these financial statements*



**County of Wetaskiwin No. 10**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended December 31, 2021*

	<i>2021 Budget (Note 23)</i>	<i>2021</i>	<i>2020 Restated</i>
<b>Excess of revenue over expenses</b>	448,948	<b>11,238,140</b>	(133,320)
Acquisition of tangible capital assets	(2,344,000)	<b>(16,051,574)</b>	(12,390,449)
Proceeds on disposal of tangible capital assets	-	<b>689,323</b>	490,895
Amortization of tangible capital assets	-	<b>5,411,945</b>	4,978,993
Gain on disposal of tangible capital assets	-	<b>(541,483)</b>	(408,019)
Restructuring transaction	-	-	5,454,893
Use (acquisition) of prepaids	-	<b>(11,054)</b>	57,464
Use (acquisition) of inventory for consumption	-	<b>(1,558,858)</b>	794,024
<b>Decrease in net financial assets</b>	(1,895,052)	<b>(823,561)</b>	(1,155,519)
<b>Net financial assets, beginning of year, as previously stated</b>	21,808,618	<b>21,808,618</b>	22,964,137
<b>Correction of errors (Note 26)</b>	-	<b>(6,238,931)</b>	(6,238,931)
<b>Net financial assets, beginning of year, as restated</b>	21,808,618	<b>15,569,687</b>	16,725,206
<b>Net financial assets, end of year</b>	19,913,566	<b>14,746,126</b>	15,569,687

*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Consolidated Statement of Cash Flows**  
*For the year ended December 31, 2021*

	2021	2020
<hr/>		
<b>Cash provided by (used for) the following activities:</b>		
<b>Operating</b>		
Excess of revenue over expenses	11,238,140	(133,320)
Non-cash items:		
Amortization of tangible capital assets	5,411,945	4,978,993
Gain on disposal of tangible capital assets	(541,483)	(408,019)
Restructuring transaction	-	5,454,893
Net change in non-cash operating working capital balances:		
Increase (decrease) in deferred revenue	2,216,360	(4,144,367)
Decrease (increase) in prepaid expenses	(11,054)	57,462
Increase in accounts payable and accrued liabilities	790,867	1,013,615
Increase (decrease) in employee benefits plan liability	(89,154)	20,432
Decrease in deposit liabilities	(1,005,553)	(189,245)
Decrease (increase) in trade and other accounts receivable	1,672,586	(657,659)
Decrease in property taxes receivable	21,269	293,947
Use (acquisition) of inventory for consumption	(1,558,859)	794,024
Increase in reclamation liability	272,484	-
	<hr/> 18,417,548	<hr/> 7,080,756
<b>Capital</b>		
Proceeds on disposal of tangible capital assets	342,787	170,401
Acquisition of tangible capital assets	(15,710,674)	(12,069,955)
	<hr/> (15,367,887)	<hr/> (11,899,554)
<b>Investing</b>		
Net change in patronage reserve	-	(77)
<hr/>		
<b>Financing</b>		
Net change in debt charges recoverable	280,425	268,511
Proceeds from long-term debt	1,092,160	589,477
Repayment of long-term debt	(330,115)	(624,522)
	<hr/> 1,042,470	<hr/> 233,466
<b>Increase (decrease) in cash and equivalents</b>	<b>4,092,131</b>	<b>(4,585,409)</b>
<b>Cash and equivalents, beginning of year</b>	<b>29,042,824</b>	<b>33,628,233</b>
<b>Cash and equivalents, end of year (Note 2)</b>	<b>33,134,955</b>	<b>29,042,824</b>

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**County of Wetaksiwin No. 10**  
**Schedule I - Schedule of Changes in Accumulated Surplus**

*For the year ended December 31, 2021*

	<i>Unrestricted Surplus (Deficit)</i>	<i>Restricted Operating Reserve</i>	<i>Restricted Capital Reserve</i>	<i>Equity in Tangible Capital Assets and Other Non-Financial Assets (Note 16)</i>	<i>2021</i>	<i>2020 Restated</i>
<b>Balance, beginning of year, as previously stated</b>	<b>(4,830,490)</b>	<b>18,114,732</b>	<b>16,079,465</b>	<b>95,909,391</b>	<b>125,273,098</b>	125,406,418
Correction of errors <i>(Note 26)</i>	<b>(6,238,931)</b>	-	-	<b>(4,700,974)</b>	<b>(10,939,905)</b>	(10,939,905)
<b>Balance, beginning of year, as restated</b>	<b>(11,069,421)</b>	<b>18,114,732</b>	<b>16,079,465</b>	<b>91,208,417</b>	<b>114,333,193</b>	114,466,513
Deficiency of revenue over expenses	<b>11,238,140</b>	-	-	-	<b>11,238,140</b>	(133,320)
Unrestricted funds designated for future use	<b>(3,549,548)</b>	<b>1,838,517</b>	<b>1,711,031</b>	-	-	-
Restricted funds for operations	<b>2,267,437</b>	<b>(2,267,437)</b>	-	-	-	-
Restricted funds used for tangible capital assets	-	-	<b>(1,451,843)</b>	<b>1,451,843</b>	-	-
Current year funds used for tangible capital assets	<b>(14,599,731)</b>	-	-	<b>14,599,731</b>	-	-
Disposal of tangible capital assets	<b>147,840</b>	-	-	<b>(147,840)</b>	-	-
Annual amortization expense	<b>5,411,945</b>	-	-	<b>(5,411,945)</b>	-	-
Capital proceeds of long-term debt	<b>1,092,160</b>	-	-	<b>(1,092,160)</b>	-	-
Capital long-term debt repaid	<b>(330,115)</b>	-	-	<b>330,115</b>	-	-
Debenture principal paid on WALA loan	<b>280,426</b>	-	-	<b>(280,426)</b>	-	-
<b>Change in accumulated surplus</b>	<b>1,958,554</b>	<b>(428,920)</b>	<b>259,188</b>	<b>9,449,318</b>	<b>11,238,140</b>	(133,320)
<b>Balance, end of year</b>	<b>(9,110,867)</b>	<b>17,685,812</b>	<b>16,338,653</b>	<b>100,657,735</b>	<b>125,571,333</b>	114,333,193

*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Schedule II - Schedule of Tangible Capital Assets**  
*For the year ended December 31, 2021*

	<i>Construction in progress</i>	<i>Land</i>	<i>Utility Systems</i>	<i>Buildings</i>	<i>Roads &amp; Bridges</i>	<i>Equipment</i>	<i>Vehicles</i>	<i>2021</i>	<i>2020 Restated</i>
<b>Cost:</b>									
Balance, beginning of year	3,015,256	3,817,423	26,018,586	10,397,104	147,654,234	15,428,614	10,077,231	216,408,447	210,564,920
Acquisition of tangible capital assets	784,615	13,500	4,163,013	-	9,089,400	1,145,189	855,857	16,051,574	12,390,449
Construction in progress	(2,416,345)	-	-	-	2,416,345	-	-	-	-
Disposal of tangible capital assets	-	(8,071)	-	-	-	(1,086,084)	(225,857)	(1,320,012)	(1,092,029)
Reclassification	-	-	8,427	(14,463)	137,755	(796,039)	664,320	-	-
Restructuring transaction	-	-	-	-	-	-	-	-	(5,454,893)
<b>Balance, end of year</b>	<b>1,383,526</b>	<b>3,822,852</b>	<b>30,190,026</b>	<b>10,382,641</b>	<b>159,297,734</b>	<b>14,691,680</b>	<b>11,371,551</b>	<b>231,140,009</b>	<b>216,408,447</b>
<b>Accumulated amortization:</b>									
Balance, beginning of year	-	-	6,837,396	3,950,458	103,119,437	8,572,055	4,503,801	126,983,147	123,013,306
Annual amortization	-	-	589,766	197,999	3,129,944	669,302	824,934	5,411,945	4,978,993
Accumulated amortization on disposals	-	-	-	-	-	(987,099)	(185,073)	(1,172,172)	(1,009,152)
<b>Balance, end of year</b>	<b>-</b>	<b>-</b>	<b>7,427,162</b>	<b>4,148,457</b>	<b>106,249,381</b>	<b>8,254,258</b>	<b>5,143,662</b>	<b>131,222,920</b>	<b>126,983,147</b>
<b>Net book value</b>	<b>1,383,526</b>	<b>3,822,852</b>	<b>22,762,864</b>	<b>6,234,184</b>	<b>53,048,353</b>	<b>6,437,422</b>	<b>6,227,889</b>	<b>99,917,089</b>	<b>89,425,300</b>
2020 net book value	3,015,256	3,817,423	19,181,190	6,446,646	44,534,797	6,856,559	5,573,430	89,425,300	

During the year, tangible capital assets were acquired at an aggregate cost of \$16,051,574 (2020 - \$12,390,449), of which there was \$1,412,489 (2020 - \$1,418,125) in accounts payable at year end, \$346,536 (2020 - \$320,494) was acquired through a non-cash trade-in of equipment and the remaining \$15,710,674 (2020 - \$10,651,830) was acquired with cash. Proceeds on disposal of tangible capital assets is made up of \$342,787 (2020 - \$170,401) of cash and \$346,536 (2020 - \$320,494) of direct trade-in of equipment.

*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Schedule III - Schedule of Property Taxes Levied**  
*For the year ended December 31, 2021*

	<b>2021 Budget (Note 23)</b>	<b>2021</b>	<b>2020</b>
<b>Taxation</b>			
Real property taxes	18,215,974	<b>18,568,739</b>	17,879,850
Linear property taxes	10,005,329	<b>10,469,428</b>	10,287,422
Local improvement levies	-	<b>83,297</b>	54,448
	<b>28,221,303</b>	<b>29,121,464</b>	<b>28,221,720</b>
<b>Requisitions</b>			
Alberta Schools Foundation Fund	7,652,762	<b>7,595,439</b>	7,631,734
Wetaskiwin and Area Lodge Authority	558,428	<b>556,150</b>	558,425
Designated Industrial Property	57,465	<b>52,886</b>	57,465
<b>Net municipal property taxes</b>	<b>19,952,648</b>	<b>20,916,989</b>	<b>19,965,669</b>

*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Schedule IV - Schedule of Government Transfers**  
*For the year ended December 31, 2021*

	<b>2021 Budget (Note 23)</b>	<b>2021</b>	<b>2020</b>
<b>Operating</b>			
Provincial	1,115,727	<b>908,155</b>	945,758
Local	67,000	<b>128,220</b>	50,043
Federal	-	-	1,130,254
	<b>1,182,727</b>	<b>1,036,375</b>	2,126,055
<b>Capital</b>			
Provincial	20,734,613	<b>8,944,710</b>	5,802,681
Federal	1,350,000	<b>820,396</b>	1,382,583
	<b>22,084,613</b>	<b>9,765,106</b>	7,185,264
<b>Total government transfers</b>	<b>23,267,340</b>	<b>10,801,481</b>	9,311,319

*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Schedule V - Schedule of Expenses by Object**

*For the year ended December 31, 2021*

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	<b>2021</b>	<b>2020</b>
Salaries, wages and benefits	<b>9,409,526</b>	9,986,680
Contracted and general services	<b>5,910,255</b>	6,919,109
Amortization	<b>5,411,942</b>	4,978,993
Materials, goods and utilities	<b>4,291,512</b>	5,267,745
Transfers to individuals and organizations	<b>1,714,342</b>	1,363,854
Provision for allowances	<b>1,234,226</b>	1,210,552
Interest on long-term debt	<b>302,605</b>	306,718
Restructuring transaction	-	5,454,893
	<b>28,274,408</b>	<b>35,488,544</b>

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*The accompanying notes are an integral part of these financial statements*

**County of Wetaskiwin No. 10**  
**Schedule VI - Schedule of Segmented Disclosure**  
*For the year ended December 31, 2021*

	General Government	Protective Services	Public Works	Utilities	Family & Community Support Services	Recreation & Cultural Services	Planning & Development	Agriculture Services	Total
<b>Revenue</b>									
Net municipal property taxes	20,916,989	-	-	-	-	-	-	-	20,916,989
Government grants	686,980	52,995	9,183,184	49,880	332,465	260,300	-	235,677	10,801,481
User fees and service charges	460,299	622,406	1,450,476	1,170,475	15,064	38,357	-	149,501	3,906,578
Other	414,991	37,381	955,883	-	-	-	123,500	-	1,531,755
Sales to other governments	162,347	4,250	-	673,114	-	-	-	-	839,711
Gains and contributed assets	541,483	-	-	-	-	-	-	-	541,483
Investment Income	436,133	-	-	-	-	-	-	-	436,133
Rental	94,575	-	-	-	-	-	196,076	-	290,651
Permits, licenses and fines	70,503	141,864	-	-	-	-	35,400	-	247,767
	<b>23,784,300</b>	<b>858,896</b>	<b>11,589,543</b>	<b>1,893,469</b>	<b>347,529</b>	<b>298,657</b>	<b>354,976</b>	<b>385,178</b>	<b>39,512,548</b>
<b>Expenses</b>									
Salaries, wages, and benefits	2,698,939	882,945	3,150,588	919,495	286,134	217,398	585,303	668,724	9,409,526
Contracted and general services	1,456,289	1,287,083	2,093,035	654,538	41,819	200,809	86,088	90,594	5,910,255
Material, goods and utilities	192,423	80,783	3,379,679	286,947	13	185,989	190	165,488	4,291,512
Transfers to other organizations	27,596	163,697	-	-	78,468	1,119,725	260,740	64,116	1,714,342
Provision for allowances	1,234,226	-	-	-	-	-	-	-	1,234,226
Interest on long-term debt	302,605	-	-	-	-	-	-	-	302,605
	<b>5,912,078</b>	<b>2,414,508</b>	<b>8,623,302</b>	<b>1,860,980</b>	<b>406,434</b>	<b>1,723,921</b>	<b>932,321</b>	<b>988,922</b>	<b>22,862,466</b>
<b>Net revenue, before amortization</b>	<b>17,872,222</b>	<b>(1,555,612)</b>	<b>2,966,241</b>	<b>32,489</b>	<b>(58,905)</b>	<b>(1,425,264)</b>	<b>(577,345)</b>	<b>(603,744)</b>	<b>16,650,082</b>
Amortization	175,072	205,849	2,969,553	2,046,145	-	15,323	-	-	5,411,942
<b>Net surplus (deficit)</b>	<b>17,697,150</b>	<b>(1,761,461)</b>	<b>(3,312)</b>	<b>(2,013,656)</b>	<b>(58,905)</b>	<b>(1,440,587)</b>	<b>(577,345)</b>	<b>(603,744)</b>	<b>11,238,140</b>

The accompanying notes are an integral part of these financial statements



## 1. Significant accounting policies

The consolidated financial statements of the County of Wetaskiwin No. 10 (the "County") are the representations of management prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the County are as follows:

### ***Reporting entity***

The consolidated financial statements reflect the assets, liabilities, revenue, expenses, and changes in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the County and are, therefore, accountable to County Council for the administration of their financial affairs and resources, including Family and Community Support Services and the Wetaskiwin County Library Board.

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

The consolidated financial statements exclude trust assets that are administered for the benefit of external parties.

### ***Basis of accounting***

The consolidated 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.

### ***Measurement uncertainty (use of estimates)***

The preparation of consolidated 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 expenses 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.

Property taxes receivable and trade and other accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Gravel inventory and contaminated sites are valued using calculations which have some estimation involved. Accrued sick time for employees is based on historical utilization applied to total sick bank.

Pursuant to the *Environmental Protection and Enhancement Act* (Alberta), the County is required to fund the future reclamation of gravel pits. Closure activities include the final top soil cover, landscaping, and visual inspection. The requirement is being provided for based on the estimated costs and length of time until the site is expected to be inactive. Reclamation liability is valued using calculations which have significant estimates for future reclamation costs, inflation rate and the risk-free rate. The reclamation liability is an estimated cost to bring the gravel pit sites back to their original condition.

**1. Significant accounting policies** *(continued)*

***Cash and equivalents***

Cash and equivalents include balances with banks and short-term investments with maturities of three months or less.

***Tax sale proceeds***

Tax sale proceeds and the associated liabilities consist of the excess funds collected on the sale of seized properties put up for tax auction after outstanding property taxes were recovered. Under the *Municipal Government Act*, the County is required to hold these funds for up to 10 years and attempt to disperse them to the former property owners.

***Debt charges recoverable***

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

***Property tax requisition over-levy and under-levy***

Over-levies and under-levies arise from the difference between the actual 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.

***Liability for contaminated sites***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the County is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2021.

At each financial reporting date, the County reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The County continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

During the year total contaminated site reclamation had an estimated value of \$750,000 (2020 - \$750,000).

**1. Significant accounting policies** *(continued)*

***Revenue recognition***

**i. 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.

The County recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the County recognizes revenue as the liability is settled.

**ii. Tax revenue**

The County recognizes taxes as assets and revenue when they meet the definition of an asset, are authorized by Council, and the taxable event has occurred. Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the County evaluates the tax receivable for collectibility and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

**iii. Utility service revenue**

The County recognizes the provision of utility services as assets and revenue when they meet the definition of an asset and in the period the utility services are provided to the consumer.

**iv. Fines and penalties**

Traffic fine revenue is recorded as cash is received, which is not materially different than recording such revenue on an accrual basis.

**v. Other revenue**

Other sources of revenue are recorded when received or receivable.

***Non-financial assets***

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations.

**1. Significant accounting policies** *(continued)*

**Non-financial assets** *(continued)*

**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:

Buildings and land improvements	25 to 50 years
Equipment	1 to 30 years
Vehicles	5 to 25 years
Water and other utility systems	22 to 75 years
Roads and bridges	15 to 80 years

Half year rule is applied in the year of acquisition and no amortization is taken in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**ii. Contributions of tangible capital assets**

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also 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 a operating leases and the related lease payments are charged to expenses as incurred.

**iv. Inventory for consumption**

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

**v. Prepaid expenses**

Prepaid expenses include pre-payments on goods and services which will be utilized in the following fiscal year.

**Segments**

The County conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the County's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

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**1. Significant accounting policies** *(continued)*

***Pensions***

The County participates in a multi-employer defined benefit pension plan. The plan is accounted for as a defined contribution plan as the plan is administered independently from the County.

***Future Accounting Standards***

**Effective for years beginning on or after April 1, 2022:**

**PS 3450 *Financial Instruments***, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

**PS 3280 *Asset Retirement Obligations***, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. As this standard includes solid waste landfill sites active and post-closing obligations upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

The extent of the impact on adoption of these future standards is not known at this time.

**2. Cash and equivalents**

	<b>2021</b>	<b>2020</b>
Petty cash	<b>804</b>	759
Cash balances	<b>33,134,151</b>	29,042,065
	<b>33,134,955</b>	29,042,824

**3. Property taxes receivable**

	<b>2021</b>	<b>2020</b>
Current taxes	<b>1,506,314</b>	2,025,070
Arrears taxes	<b>728,422</b>	1,939,767
	<b>2,234,736</b>	3,964,837
Less allowance for doubtful accounts	<b>(321,759)</b>	(2,030,591)
	<b>1,912,977</b>	1,934,246

**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

**4. Trade and other accounts receivable**

	<i>2021</i>	<i>2020</i> <i>Restated</i>
Due from governments	4,811,223	4,760,594
Trade and other receivables	950,218	1,368,713
Less allowance for doubtful accounts	(1,464,720)	(160,000)
	4,296,721	5,969,307

**5. Tax sale proceeds**

Tax sale proceeds and the associated liabilities consist of the excess funds collected on sale of seized properties put up for tax auction after outstanding property taxes were recovered. Under the *Municipal Government Act*, the county is required to hold these funds for up to 10 years and attempted to disperse them to the former property owners.

**6. Debt charges recoverable**

The County has borrowed and loaned funds to the Wetaskiwin and Area Lodge Authority ("WALA") in accordance with section 264 of the *Municipal Government Act*.

The debenture, totaling \$5,786,623 (2020 - \$6,067,048) plus interest at a rate of 4.389% (2020 - 4.389%), recoverable in semi-annual blended instalments, matures in 2036.

The debt recoverable is secured by an assignment of insurance proceeds, an assignment of rents and leases, a general security agreement, land and buildings.

WALA has the right to requisition its members, consisting of the County of Wetaskiwin, the City of Wetaskiwin and the Town of Millet for their annual shares of budgeted operating deficits and for their annual shares of the semi-annual debt recovery payments. The annual share is calculated annually based on the equalized assessment for that year.

The estimated principal and interest repayments on debt recoverable over the next five and subsequent years are as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	292,868	250,796	543,664
2023	305,863	237,801	543,664
2023	319,435	224,229	543,664
2024	333,608	210,056	543,664
2025	348,411	195,253	543,664
To maturity	4,186,438	978,373	5,164,811
	5,786,623	2,096,508	7,883,131

The gross interest received relating to the debt recoverable was \$263,239 (2020 - \$275,153).

**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

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**7. Bank indebtedness**

The County has a revolving line of credit with a maximum limit of \$5,000,000 and letter of credit for additional \$50,000. Interest accrues monthly on the outstanding balance at a rate of prime. The line of credit arrangement is reviewed annually by the bank with the most recent review date being September 2020. As at December 31, 2021, the prime rate was 2.45% (2020 - 2.45%).

As at December 31, 2021 the County had not drawn any funds (2020 - \$ nil) on the line of credit.

The County has an un-drawn capital loan with a maximum limit of \$5,300,000. Interest accrues monthly on the outstanding balance at a rate of prime.

The line of credits and capital loans are secured by borrowing bylaws pledging grants under the particular projects or tax revenues of the County.

**8. Accounts payable and accrued liabilities**

	<i>2021</i>	<i>2020</i>
Accounts payable and accrued liabilities	<b>3,589,304</b>	2,733,294
Payroll payables	<b>69,142</b>	139,922
	<b>3,658,446</b>	2,873,216

**9. Reclamation liability**

Under Provincial legislation, the County is required to reclaim certain land used for the extraction of aggregate material. Reclamation requirements have been defined in accordance with industry standards and include re-vegetation of sites upon closure. The County owns and operates aggregate extraction sites. The aggregate is used for road maintenance and construction projects within the County. An amount of \$5,494,575 (2020 - \$5,222,091) has been accrued.

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

**10. Employee benefits plan liability**

	<i>2021</i>	<i>2020</i>
Vacation accrual and other payroll accruals	<b>305,164</b>	330,758
Accrued sick leave	<b>34,194</b>	100,921
Overtime accrual	<b>33,200</b>	30,033
	<b>372,558</b>	461,712

**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

**11. Deferred revenue**

	<i>2021</i>	<i>2020</i>
Municipal Sustainability Initiative	5,356,981	4,734,075
Alberta Community Resilience Program	1,752,239	-
Owner contribution	1,552,965	1,364,133
Other	909,895	759,374
Subdivision gravel deposits	885,198	826,578
Federal Gas Tax	712,802	1,215,332
Agricultural services	188,235	158,674
Prepaid local improvement	60,753	29,411
Water rescue donations	53,058	73,954
Municipal Stimulus Program	-	75,000
Municipal Operating Support Transfer	-	19,235
	11,472,126	9,255,766

Included in the County's deferred revenue are government transfers and grant revenue which are restricted to eligible projects as approved under the funding agreements.

**12. Long-term debt**

	<i>2021</i>	<i>2020</i>
Self-supported debentures, due 2022 to 2045	2,198,354	1,155,884
Wetaskiwin and Area Lodge Authority	5,786,623	6,067,048
	7,984,977	7,222,932

Payments of interest and principal are due as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	372,784	323,180	695,964
2023	383,245	307,256	690,501
2023	399,520	290,981	690,501
2024	416,496	274,005	690,501
2025	434,203	256,298	690,501
To maturity	5,978,729	1,535,016	7,513,745
	7,984,977	2,986,736	10,971,713

Debenture debt is repayable to the Province of Alberta and bears interest at rates ranging from 2.29% to 6.25% (2020 - 2.89% to 6.25%) per annum and mature in periods 2022 through 2046. The average annual interest rate is 3.55% (2020 - 4.59%). Debenture debt is issued on the credit and security of the County at large.

The County's cash payments for interest in 2021 were \$300,718 (2020 - \$304,767).



**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

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**13. Debt limits**

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

	<i>2021</i>	<i>2020</i>
Total debt limit	<b>44,621,163</b>	42,254,940
Total debt	<b>7,984,977</b>	7,222,932
<hr/>		
Amount of debt limit unused	<b>36,636,186</b>	35,032,008
<hr/>		
Service on debt limit	<b>7,436,861</b>	7,044,597
Service on debt	<b>152,300</b>	87,170
<hr/>		
Amount of debt servicing limit unused	<b>7,284,561</b>	6,957,427
<hr/>		

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 which could be a 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.

**14. Inventory for consumption**

	<i>2021</i>	<i>2020</i>
Crushed gravel	<b>5,656,040</b>	4,298,371
Undeveloped gravel pits	<b>4,200,735</b>	4,200,735
Shop inventory	<b>484,950</b>	283,761
<hr/>		
	<b>10,341,725</b>	8,782,867
<hr/>		

**15. Membership fee**

The County acquired a non-controlling interest in West Dried Meat Lake Regional Solid Waste Authority on July 2, 1996. The purpose of the Authority is to administer and maintain a solid waste landfill. The non-controlling interest entitles the County to one vote in the operations of the Authority and the requirement to pay an annual requisition to deliver solid waste. There are currently five members, including the County. In case of dissolution, members are entitled to 20% of the remaining net assets of the Authority. The remaining net assets would be determined after settling all remaining environmental liability. The membership agreement has no expiry date.

The membership fee has been accounted for at historical cost.

**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

**16. Equity in tangible capital assets and other non-financial assets**

	<i>2021</i>	<i>2020</i> <i>Restated</i>
Tangible capital assets ( <i>Schedule II</i> )	<b>231,140,009</b>	216,408,447
Accumulated amortization ( <i>Schedule II</i> )	<b>(131,222,920)</b>	(126,983,147)
Capital long-term debt ( <i>Note 12</i> )	<b>(7,984,977)</b>	(7,222,932)
Debt charges recoverable ( <i>Note 6</i> )	<b>5,786,623</b>	6,067,049
Other non-financial assets	<b>2,939,000</b>	2,939,000
	<b>100,657,735</b>	91,208,417

**17. Salary and benefits disclosure**

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

	<i>Salary/ remuneration</i>	<i>Benefits &amp; allowances</i>	<i>2021</i>	<i>2020</i>
Bill Krahn, Councillor	<b>52,133</b>	<b>13,918</b>	<b>66,051</b>	69,152
Terry Van de Kraat, Past Reeve	<b>42,604</b>	<b>11,461</b>	<b>54,065</b>	76,457
Dale Woitt, Councillor	<b>52,133</b>	<b>14,132</b>	<b>66,265</b>	69,152
John Bishop, Reeve	<b>59,878</b>	<b>10,352</b>	<b>70,230</b>	66,417
Ken Adair, Councillor	<b>52,133</b>	<b>13,918</b>	<b>66,051</b>	69,152
Kathy Rooyackers, Councillor	<b>52,133</b>	<b>14,559</b>	<b>66,692</b>	69,763
Lyle Seely, Deputy Reeve	<b>52,133</b>	<b>14,559</b>	<b>66,692</b>	69,763
Lynn Marie Carwell	<b>9,670</b>	<b>2,464</b>	<b>12,134</b>	-
Rodney Hawken, CAO	<b>215,051</b>	<b>35,452</b>	<b>250,503</b>	249,291
Designated Officers (5)	<b>580,696</b>	<b>110,060</b>	<b>690,756</b>	706,333

Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

Benefits and allowances includes employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional memberships and employer's share of the costs of additional taxable benefits.

**18. Local Authorities Pension Plan**

Employees of the County participate in the Local Authorities Pension Plan ("LAPP"), which is one of the plans covered by the *Alberta Public Sector Pension Plans Act*. The LAPP serves approximately 275,893 people and 433 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

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

The County 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. Employees of the County are required to make current service contributions of 8.39% of pensionable salary up to the year's maximum pensionable salary and 12.84% on pensionable salary above this amount.

Total current service contributions by the County to the LAPP in 2021 were \$618,219 (2020 - \$636,053). Total current service contributions by the employees of the County to the Local Authorities Pension Plan in 2021 were \$563,943 (2020 - \$571,253).

At December 31, 2020, the date of the most recent actuarial valuation, the LAPP disclosed an actuarial surplus of \$4,961,337,000 (2019 - \$7,913,261,000).

**19. Segments**

The County provides a range of services to its ratepayers. For each reported segment, the revenue 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 consolidated financial statements as disclosed in Note 1.

Refer to Schedule VI - Schedule of Segmented Disclosure.

**20. Commitments and contingencies**

The County has been named as a defendant in an action seeking damages from the County and other unrelated parties. These claims have been forwarded to the County's insurers who are defending the claims. No liability to the County is foreseen in any of these claims.

Capital commitments are not reflected in the financial statements. These capital commitments were included in the County's capital budget and will be funded from government transfers for capital, reserves, and debt in future years.

The County has entered into agreements related to cost shares and other contracts. The commitments over the next three years are as follows:

2022	\$1,043,479
2023	\$1,043,479
2024	\$929,479

**21. Restructuring transactions**

In 2020, the County disposed of tangible capital assets including engineering structures that were part of the South Pigeon Lake Regional Wastewater sewer system, with a net book value of \$5,454,893, to the South Pigeon Lake Regional Wastewater Commission ("the Commission") for consideration of \$1.

The County was the main contractor during the construction phase of the South Pigeon Lake Regional Wastewater sewer system and had accounted for the grant revenues and capital costs in the accounting records of the County. Legal title of the sewer assets were transferred to the South Pigeon Lake Regional Wastewater Commission upon completion of construction.

**22. Funds held in trust**

The County performs administrative functions and held \$501,357 (2020 - \$470,749 ) in trust for the Joint Economic Development Initiative (JEDI), a society.

**23. Budget information**

The disclosed budget information was approved by Council. The following is a reconciliation between the budget approved and that showing in the financial statements:

	<b>Budget</b>
	<b>2021</b>
Approved budgeted net surplus	-
Operating and capital reserve transfers	(2,251,463)
Debenture principal payments	312,411
Capital purchases	2,344,000
Other adjustments	44,000
<hr/>	
Excess (deficiency) of revenue over expenses ( <i>Statement of Operations</i> )	448,948

**24. Significant event**

In March 2020, the World Health Organization declared the outbreak of COVID-19 (coronavirus) a pandemic. This has had a significant impact on municipal government operations through the restrictions put in place by the Canadian and provincial governments as well as municipal governments regarding travel, isolation/quarantine orders, closures of County facilities, cancellation/postponement of programs and tax and utility deferral programs. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the County as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the virus, and the duration of the outbreak, including the duration of County facility closures, program and service disruptions, and isolation/quarantine measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

**County of Wetaskiwin No. 10**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2021*

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**25. Comparative figures**

Certain comparative figures have been reclassified to conform with current year presentation.

**26. Correction of errors**

During the year, the following errors were identified and corrected:

- a) The County determined that it should record local improvement levies only when the tax is authorized by Council through budget or bylaw rather than in advance as prescribed by PS 3510. The total impact of this error was an overstatement of accounts receivable and revenue of \$367,166 prior to 2020.
- b) The County determined that the reclamation liability recorded for gravel crushing is understated based on an engineer's report received. The total impact of this error was an understatement of reclamation liabilities and expenses of \$5,121,765 prior to 2020.
- c) The County determined that historically, the estimated cost of reclamation of contaminated sites was not recorded. The total impact of this error was an understatement of contaminated sites liabilities and expenses of \$750,000 prior to 2020.
- d) The County determined that tangible capital assets were not valued properly due to incorrect amortization rates being applied in prior years. The total impact of this error was an understatement of accumulated amortization and expenses of \$4,700,974 prior to 2020.

The net effect of the correction of these errors are summarized as follows:

	December 31, 2020			December 31, 2019		
	Originally stated	Correction	Restated	Originally stated	Correction	Restated
Trade and other accounts receivable	6,336,473	(367,166)	5,969,307	5,678,814	(367,166)	5,311,648
Gravel reclamation liability	100,327	5,121,765	5,222,091	100,327	5,121,765	5,222,091
Liability for contaminated sites	-	750,000	750,000	-	750,000	750,000
Tangible capital assets	94,126,274	(4,700,974)	89,425,300	92,252,588	(4,700,974)	87,551,614
Accumulated surplus	125,273,098	(10,939,905)	114,333,193	125,406,418	(10,939,905)	114,466,513
Net financial assets	21,808,618	(6,238,931)	15,569,687	22,964,137	(6,238,931)	16,725,206