

**Lacombe County**  
**Consolidated Financial Statements**  
**For the year ended December 31, 2022**

**Lacombe County**  
**Consolidated Financial Statements**  
**For the year ended December 31, 2022**

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**Contents**

**Independent Auditors' Report**

**Consolidated Financial Statements**

Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Change in Net Financial Assets	5
Consolidated Statement of Cash Flows	6
Summary of Significant Accounting Policies	7 - 9
Notes to the Consolidated Financial Statements	11 - 30



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## Independent Auditor's Report

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To the Members of Council of Lacombe County

### Opinion

We have audited the consolidated financial statements of Lacombe County and its controlled or owned organizations (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of operations, consolidated statement of changes in net financial assets, and consolidated statement of 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 Group as at December 31, 2022 and its consolidated results of operations, its consolidated change in net financial assets, and its consolidated cash flows for the year then ended in accordance with Public Sector Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group 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 these consolidated financial statements in accordance with Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group'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 financial statements.

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## Independent Auditor's Report - continued

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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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 Group 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.

Chartered Professional Accountants  
Red Deer, Alberta  
April 27, 2023

**Lacombe County**  
**Consolidated Statement of Financial Position**

December 31	2022	2021
<b>Financial assets</b>		
Cash and cash equivalents (Note 1)	\$ 69,859,982	\$ 63,169,669
Investments (Note 2)	18,056,432	19,608,197
Taxes receivable (Note 3)	1,147,029	626,231
Accounts receivable (Note 4)	6,459,858	9,337,864
Inventories for resale (Note 5)	572,778	549,515
	<b>96,096,079</b>	<b>93,291,476</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,999,974	3,775,874
Employee benefit obligation (Note 6)	1,887,963	1,462,104
Deposit liabilities	1,317,023	1,268,898
Deferred revenue (Note 7)	1,751,126	6,137,851
	<b>7,956,086</b>	<b>12,644,727</b>
<b>Net financial assets</b>	<b>88,139,993</b>	<b>80,646,749</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 8)	292,941,219	289,675,932
Prepaid expenses and inventories of supplies (Note 9)	6,852,631	6,571,022
	<b>299,793,850</b>	<b>296,246,954</b>
<b>Accumulated surplus (Note 10)</b>	<b>\$ 387,933,843</b>	<b>\$ 376,893,703</b>
<b>Contingencies and commitments (Note 19)</b>		
<b>Liability for contaminated sites (Note 20)</b>		
<b>Funds held in trust (Note 21)</b>		

**Lacombe County**  
**Consolidated Statement of Operations**

<b>For the year ended December 31</b>	<b>Budget 2022</b>	<b>2022</b>	<b>2021</b>
<b>Revenues</b>			
Taxation - net (Note 12)	\$ 33,549,280	\$ 33,338,856	\$ 31,710,900
Taxation - other (Note 13)	680,000	902,635	847,044
Government transfers (Note 14)	7,461,230	8,203,806	7,432,003
Sales, user charges and costs recovered	2,441,410	2,408,830	2,470,781
Sales to other governments	1,250,730	1,505,708	1,434,858
Permits, licenses, fines, penalties and rentals	614,310	959,432	765,416
Interest, royalties and patronage allocations	1,215,850	2,273,537	1,083,331
Gain on sale of tangible capital assets	-	2,622,749	217,803
Contributed assets	-	4,258,200	-
Development levies	4,222,110	2,529,301	14,576
Other	11,630	79,488	58,008
	<u>51,446,550</u>	<u>59,082,542</u>	<u>46,034,720</u>
<b>Expenditures (Note 15)</b>			
General government	5,808,625	6,139,077	5,240,223
Protective services	3,936,807	3,566,451	3,214,644
Transportation services	29,462,109	28,981,864	28,831,975
Environmental services	3,317,380	2,985,437	2,861,737
Cemetery	58,240	68,424	63,294
Social and family services	390,380	386,621	381,203
Recreation and cultural services	3,502,952	2,933,955	4,545,905
Planning and development	1,139,890	1,032,110	1,121,278
Agriculture services	1,310,478	1,125,972	1,206,571
Write-down of tangible capital assets	-	793,469	1,591,344
Loss on sale of tangible capital assets	-	29,022	64,302
	<u>48,926,861</u>	<u>48,042,402</u>	<u>49,122,476</u>
<b>Deficiency of revenue over expenditures</b>	<u>2,519,689</u>	<u>11,040,140</u>	<u>(3,087,756)</u>
<b>Accumulated surplus, beginning of year</b>	<u>376,893,703</u>	<u>376,893,703</u>	<u>379,981,459</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 379,413,392</u>	<u>\$ 387,933,843</u>	<u>\$ 376,893,703</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

**Lacombe County**  
**Consolidated Statement of Change in Net Financial Assets**

<b>For the year ended December 31</b>	Budget 2022	2022	2021
Deficiency of revenue over expenditures	\$ 2,519,689	\$ 11,040,140	\$ (3,087,756)
Acquisition of tangible capital assets	(24,187,200)	(21,368,402)	(16,137,209)
Acquisition of contributed assets	-	(4,258,200)	-
Amortization of tangible capital assets	21,330,881	21,330,881	22,142,177
Gain on sale of tangible capital assets	-	(2,622,749)	(217,803)
Loss on sale of tangible capital assets	-	29,022	64,302
Proceeds on sale of tangible capital assets	2,259,260	2,830,692	313,790
Write-downs of tangible capital assets	-	793,469	1,591,344
	1,922,630	7,774,853	4,668,845
Change in prepaid expenses and inventory of supplies	-	(281,609)	(125,962)
<b>Net change in net financial assets</b>	1,922,630	7,493,244	4,542,883
<b>Net financial assets, beginning of year</b>	80,646,749	80,646,749	76,103,866
<b>Net financial assets, end of year</b>	\$ 82,569,379	\$ 88,139,993	\$ 80,646,749

**Lacombe County**  
**Consolidated Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2022</b>	<b>2021</b>
<b>Operating transactions</b>		
Excess (deficiency) of revenue over expenditures	\$ 11,040,140	\$ (3,087,756)
Items not involving cash		
Contributed assets	(4,258,200)	-
Amortization	21,330,881	22,142,177
Gain on disposal of tangible capital assets	(2,622,749)	(217,803)
Write-down of tangible capital asset	793,469	1,591,344
Loss on disposal of tangible capital assets	29,022	64,302
Changes in non-cash operating balances		
Taxes receivable	(520,798)	(52,941)
Accounts receivable	2,878,006	(111,162)
Inventories for resale	(23,263)	(112,948)
Prepaid expenses and inventories of supplies	(281,609)	(125,962)
Accounts payable and accrued liabilities	(775,900)	858,427
Employee benefit obligation	425,859	281,903
Deposit liabilities	48,125	(455,403)
Deferred revenue	(4,386,725)	(772,401)
	<b>23,676,258</b>	<b>20,001,777</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(21,368,402)	(16,137,209)
Proceeds on sale of tangible capital assets	2,830,692	313,790
	<b>(18,537,710)</b>	<b>(15,823,419)</b>
<b>Investing transactions</b>		
Decrease of investments	1,551,765	510,871
Restricted cash balances	786,224	1,684,545
	<b>2,337,989</b>	<b>2,195,416</b>
<b>Net change in cash and cash equivalents</b>	<b>7,476,537</b>	<b>6,373,774</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>61,033,043</b>	<b>54,659,269</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 68,509,580</b>	<b>\$ 61,033,043</b>
Cash and cash equivalents is comprised of:		
Cash and cash equivalents	\$ 69,859,982	\$ 63,169,669
Less: restricted (Note 1)	(1,350,402)	(2,136,626)
	<b>\$ 68,509,580</b>	<b>\$ 61,033,043</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements



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**Lacombe County**  
**Summary of Significant Accounting Policies**

**December 31, 2022**

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**Management's  
Responsibility for the  
Financial Statements**

The consolidated financial statements of the County are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

**Basis of Consolidation**

The financial statement reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the County.

The following entities have been proportionately consolidated:

City of Lacombe Shared Fire Services Partnership	50%
Town of Bentley Shared Fire Services Partnership	60%
Town of Blackfalds Shared Fire Services Partnership	50%
Town of Eckville Shared Fire Services Partnership	60%
Village of Alix Shared Fire Services Partnership	60%
Village of Clive Shared Fire Services Partnership	60%

**Cash and Cash  
Equivalents**

Management considers all highly liquid investments with a maturity of 12 months or less from the year end to be cash equivalents.

**Investments**

Investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

**Inventory for Resale**

Inventory for resale includes land and bridge materials. Land held for resale is recorded at 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 their respective function. Bridge materials inventory is recorded at the lower of cost or net realizable value.

**Inventory of Supplies**

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

**Inventory of Gravel**

Inventories of gravel for consumption are valued at the lower of cost or replacement cost. Cost is determined per tonne and includes the raw material, extraction, crushing, transportation and reclamation costs.

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**Lacombe County**  
**Summary of Significant Accounting Policies**

**December 31, 2022**

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**Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	20 to 25 years
Buildings	4 to 50 years
Roads	20 to 40 years
Bridges	22 to 87 years
Machinery and equipment	5 to 50 years
Water infrastructure	23 to 47 years
Sewer infrastructure	17 to 75 years
Vehicles	10 to 20 years

**Excess Collections and Under-levies**

Excess collections 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 excess collection is accrued as a liability and as a reduction in property tax revenue. Requisition tax rates in the subsequent year are adjusted for any excess collections.

**Collection of Taxes on Behalf of Other Taxation Authorities**

The County collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of entities are not reflected in these financial statements.

The entities the County collects taxation revenue on behalf of are:

- Alberta Municipal Affairs
- Alberta School Foundation Fund
- Lacombe Foundation
- Red Deer Catholic Regional Division No 39
- St Thomas Aquinas Roman Catholic Separate Regional Division No 38

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**Lacombe County**  
**Summary of Significant Accounting Policies**

**December 31, 2022**

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**Retirement Benefits and  
Other Employee  
Benefit Plans**

The County's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred.

**Deferred Revenue**

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.

**Government Transfers**

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**Revenue Recognition**

Charges for sewer and water usage are recorded as user fees and revenue is recognized when service has been provided and collection is reasonably assured. Connection fee revenues are recognized when the connection has been established.

Sales of service and other revenue is recognized on an accrual basis.

**Taxation Revenue**

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

**Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**Lacombe County**  
**Summary of Significant Accounting Policies**

**December 31, 2022**

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**Liability for  
Contaminated Sites**

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to the remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded at net of any expected recoveries.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**1. Cash and Cash Equivalents**

	2022	2021
Current account (bank prime less 1.85%)	\$ 19,072,733	\$ 27,605,152
GIC investments with interest rates varying from 1.95% to 5.74% and maturing in 2023	49,582,927	34,344,120
Security deposits	1,204,322	1,220,397
	<b>\$ 69,859,982</b>	<b>\$ 63,169,669</b>

The County has an undrawn line of credit with a limit of \$15 million that carries an interest rate of prime less 0.50%. The line of credit is secured by a general lien on County assets. As at December 31, 2022 the prime rate was 6.45% (2021 - 2.45%)

Included in the above amounts are the following amounts that are externally restricted. Externally restricted amounts include amounts received from the Province of Alberta and Government of Canada as conditional grants held exclusively for specific future projects, amounts held in lieu of reserve lands, and deposit liabilities repayable to third parties upon satisfactory completion of the terms of the specific development agreement.

	2022	2021
Municipal Sustainability Initiative	-	791,694
ACP	33,304	-
FCSS	-	75,914
Other	75	120
Deposit liabilities	1,317,023	1,268,898
	<b>\$ 1,350,402</b>	<b>\$ 2,136,626</b>

**2. Investments**

	2022	2021
Stripped coupons, residual bonds and accrual notes purchased at discounts yielding effective annual rates of 2.00% to 5.37% to maturity at cost	\$ 17,191,737	\$ 18,555,658
Estimated accrued interest	747,421	920,758
MuniSERP	117,274	131,781
	<b>\$ 18,056,432</b>	<b>\$ 19,608,197</b>

The market value of the County's stripped coupons, residual bonds and accrual notes were \$17,772,001 (2021 - \$19,667,572). Investments are held in compliance of Alberta Regulation 66/2000.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**3. Taxes Receivable**

	2022	2021
Current taxes and grants in place	\$ 1,822,318	\$ 1,075,860
Non-current taxes and grants in place	1,406,040	1,144,075
	3,228,358	2,219,935
Allowance for doubtful accounts	(2,081,329)	(1,593,704)
	\$ 1,147,029	\$ 626,231

**4. Accounts Receivable**

Included in accounts receivable are the following receivables with terms over one year.

	2022	2021
Development levies at 5% per year	\$ 235,298	\$ 355,661
Development levies at 6.5% per year	896,945	-
Development levy at prime + 1%	1,715,238	1,715,238
Municipal Sustainability Initiative Capital Grant	1,717,747	4,639,815
Canada Community Building Fund Grant	-	630,308
	\$ 4,565,228	\$ 7,341,022

The receivables are secured by a caveat on the title of the land to be developed.

**5. Inventories for Resale**

	2022	2021
Bridge materials	\$ 571,870	\$ 548,607
Land held for resale	908	908
	\$ 572,778	\$ 549,515

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**6. Employee Benefit Obligation**

	2022	2021
Sick leave benefits	\$ 1,100,000	\$ 695,000
Vacation and overtime	787,963	767,104
	\$ 1,887,963	\$ 1,462,104

Sick Leave Benefits

Sick leave benefits accumulate at a rate of 1 sick day per month worked to a maximum of 100 days. Employees are entitled to sick leave benefits for the lesser of 90 calendar days or their accrued sick leave balance. After 90 calendar days, eligible employees would be placed on the County's long-term disability plan. Sick leave benefits are not paid out at termination or retirement.

A portion of sick leave benefits that have accumulated to December 31, 2022 are expected to be utilized in future years and the estimated liability has been accrued.

Vacation and Overtime

Vacation and overtime consist of amounts that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

**7. Deferred Revenue**

	Opening balance	Contributions received	Investment income	Revenue recognized	Ending balance
ASB	\$ -	183,907	-	(183,907)	\$ -
MSI Operating	-	149,492	-	(149,492)	-
MSI Capital	5,431,509	1,881,530	12,929	(5,608,221)	1,717,747
FCSS	75,914	227,742	-	(303,656)	-
CCBF	630,308	619,814	-	(1,250,122)	-
STIP	-	565,538	2,044	(567,582)	-
ACP	-	60,000	638	(27,334)	33,304
Other grants	-	103,731	-	(103,731)	-
Other	120	75	-	(120)	75
	\$ 6,137,851	3,791,829	15,611	(8,194,165)	\$ 1,751,126

Grants

Under various grant agreements with the Government of Canada and the Province of Alberta, the County is required to account for grants provided and to complete the projects or program in accordance with standards detailed in the various agreements. If these requirements are not adhered to, grants provided, along with any investment returns will become repayable to the source government. Unexpended funds are repayable to the source government upon final accounting. Funds are deferred until related expenditures under the specific grant agreement have been incurred.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**8. Tangible Capital Assets - 2022**

	Land	Land Improvements	Buildings	Equipment	Roads	Bridges	Water, Sewer and Other	Vehicles	Total
Cost, beginning of year	\$ 26,915,390	\$ 5,100,483	\$ 21,353,520	\$ 23,487,503	\$643,400,830	\$ 27,836,999	\$ 28,230,881	\$ 8,673,784	\$784,999,390
Additions	4,261,077	-	-	6,847,059	11,469,659	2,291,954	-	756,853	25,626,602
Disposals	-	-	-	(5,548,503)	-	(120,796)	-	(326,831)	(5,996,130)
Write-downs	-	-	-	-	(7,332,828)	-	-	-	(7,332,828)
Cost, end of year	<u>\$ 31,176,467</u>	<u>\$ 5,100,483</u>	<u>\$ 21,353,520</u>	<u>\$ 24,786,059</u>	<u>\$647,537,661</u>	<u>\$ 30,008,157</u>	<u>\$ 28,230,881</u>	<u>\$ 9,103,806</u>	<u>\$797,297,034</u>
Accumulated amortization, beginning of year	\$ -	\$ 2,002,402	\$ 5,498,915	\$ 14,527,754	\$459,384,168	\$ 7,490,424	\$ 2,312,200	\$ 4,107,595	\$495,323,458
Amortization	-	259,149	427,385	3,009,973	16,165,010	506,784	427,539	535,041	21,330,881
Disposals	-	-	-	(5,517,152)	-	(117,832)	-	(124,181)	(5,759,165)
Write-downs	-	-	-	-	(6,539,359)	-	-	-	(6,539,359)
Accumulated amortization, end of year	<u>\$ -</u>	<u>\$ 2,261,551</u>	<u>\$ 5,926,300</u>	<u>\$ 12,020,575</u>	<u>\$469,009,819</u>	<u>\$ 7,879,376</u>	<u>\$ 2,739,739</u>	<u>\$ 4,518,455</u>	<u>\$504,355,815</u>
Net carrying amount, end of year	<u>\$ 31,176,467</u>	<u>\$ 2,838,932</u>	<u>\$ 15,427,220</u>	<u>\$ 12,765,484</u>	<u>\$178,527,842</u>	<u>\$ 22,128,781</u>	<u>\$ 25,491,142</u>	<u>\$ 4,585,351</u>	<u>\$292,941,219</u>



**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**8. Tangible Capital Assets (continued) - 2021**

	Land	Land Improvements	Buildings	Equipment	Roads	Bridges	Water, Sewer and other	Vehicles	Total
Cost, beginning of year	\$ 26,935,576	\$ 5,100,483	\$ 21,186,143	\$ 22,803,178	\$647,250,617	\$ 25,149,893	\$ 27,610,149	\$ 8,068,904	\$784,104,943
Additions	8,826	-	167,377	1,111,350	10,299,459	2,830,984	620,732	1,098,481	16,137,209
Disposals	(29,012)	-	-	(427,025)	-	-	-	(493,601)	(949,638)
Write-downs	-	-	-	-	(14,149,246)	(143,878)	-	-	(14,293,124)
Cost, end of year	<u>\$ 26,915,390</u>	<u>\$ 5,100,483</u>	<u>\$ 21,353,520</u>	<u>\$ 23,487,503</u>	<u>\$643,400,830</u>	<u>\$ 27,836,999</u>	<u>\$ 28,230,881</u>	<u>\$ 8,673,784</u>	<u>\$784,999,390</u>
Accumulated amortization, beginning of year	\$ -	\$ 1,743,182	\$ 5,069,772	\$ 11,740,981	\$454,900,276	\$ 7,169,153	\$ 2,025,953	\$ 4,023,093	\$486,672,410
Amortization	-	259,220	429,143	3,123,100	17,048,066	458,877	286,247	537,524	22,142,177
Disposals	-	-	-	(336,327)	-	-	-	(453,022)	(789,349)
Write-downs	-	-	-	-	(12,564,174)	(137,606)	-	-	(12,701,780)
Accumulated amortization, end of year	<u>\$ -</u>	<u>\$ 2,002,402</u>	<u>\$ 5,498,915</u>	<u>\$ 14,527,754</u>	<u>\$459,384,168</u>	<u>\$ 7,490,424</u>	<u>\$ 2,312,200</u>	<u>\$ 4,107,595</u>	<u>\$495,323,458</u>
Net carrying amount, end of year	<u>\$ 26,915,390</u>	<u>\$ 3,098,081</u>	<u>\$ 15,854,605</u>	<u>\$ 8,959,749</u>	<u>\$184,016,662</u>	<u>\$ 20,346,575</u>	<u>\$ 25,918,681</u>	<u>\$ 4,566,189</u>	<u>\$289,675,932</u>

The net book value of tangible capital assets not being amortized because they are under construction is \$790,425 (2021 - \$536,257). \$4,258,200 (2021 - \$nil) in contributed assets was recognized in the financial statements during the year.

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**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

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**9. Prepaid Expenses and Inventories of Supplies**

	<u>2022</u>	<u>2021</u>
Crushed gravel	\$ 1,538,109	\$ 1,182,364
Undeveloped gravel pits	4,080,623	4,110,948
Materials and supplies	761,483	718,102
Prepaid expenses	<u>472,416</u>	<u>559,608</u>
	<u>\$ 6,852,631</u>	<u>\$ 6,571,022</u>

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**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**10. Accumulated Surplus**

	2022	2021
Equity in tangible capital assets	\$ 292,941,219	\$ 289,675,932
Equity in other non-financial assets	6,852,631	6,571,022
Unrestricted surplus	523,055	467,832
Restricted surplus (Reserves) - detail below	87,616,938	80,178,917
	<b>387,933,843</b>	<b>376,893,703</b>
 <u>Restricted surplus (Reserves)</u>		
Main Road	16,688,120	18,526,201
Public Works Equipment	14,859,403	15,451,239
Municipal Facilities	4,308,068	2,808,068
Airport Capital	47,184	23,809
Assessment Equipment	26,940	17,960
Planning Equipment	12,450	8,300
Protective Services	4,802,537	4,966,601
Gravel	3,738,377	3,078,039
Subdivision Pavement	4,102,417	3,824,697
Land Development	444,201	444,201
Recreation Capital Assistance	3,077,316	1,980,483
Funds in Lieu of Reserve Land	1,217,897	1,179,349
Development Road	1,610,116	1,600,116
Agriculture Equipment	1,065,313	1,174,797
Peace Officers Equipment	351,480	268,360
Disaster Services	500,000	500,000
Hamlet Street Improvement	425,956	362,886
Tax Rate Stabilization	5,056,774	5,147,000
Shared Fire Funds	305,181	228,971
Lake Access	937,357	937,357
Hamlet of Mirror Utility System	242,851	166,556
Community Resource	5,754,979	3,419,450
Water - Waste Water	3,753,434	1,649,631
New Pavement	1,173,368	373,368
Trails	1,037,573	978,573
Bridge	7,117,913	6,287,065
Shores Water-Sewer	42,406	42,406
Slopes Water-Sewer	53,125	53,125
Operational	4,172,740	4,017,292
Cemetery	366,330	360,220
Lakeview Estates Water	73,628	58,636
Gull Lake Stabilization	251,504	244,161
	<b>87,616,938</b>	<b>80,178,917</b>

The investment in tangible capital assets represents amounts already spent and invested in infrastructure. The investment in other non-financial assets represents amounts already spent and invested in supplies for future use. Reserve funds represent funds set aside by bylaw or council resolution for specific purposes. Included in the Water/Wastewater reserve is (\$7,398,838) owed from offsite levies in Aspelund Industrial and Wildrose Business Parks and Palm Bay.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**11. Change in Accumulated Surplus**

	Unrestricted surplus	Equity in other non- financial assets	Restricted surplus	Equity in tangible capital assets	2022	2021
Balance, beginning of year	\$ 467,832	\$ 6,571,022	\$ 80,178,917	\$ 289,675,932	\$ 376,893,703	\$ 379,981,459
Excess (deficiency) of revenue over expenses	11,040,140	-	-	-	11,040,140	(3,087,756)
Operating transfers to restricted surplus	(20,322,425)	-	20,322,425	-	-	-
Operating transfers from restricted surplus	5,687,520	-	(5,687,520)	-	-	-
Capital transfers from restricted surplus	7,196,884	-	(7,196,884)	-	-	-
Acquisition of capital	(21,368,401)	-	-	21,368,401	-	-
Contributed assets	(4,258,200)	-	-	4,258,200	-	-
Disposals and write-down of assets	1,030,433	-	-	(1,030,433)	-	-
Amortization	21,330,881	-	-	(21,330,881)	-	-
Change in non-financial assets	(281,609)	281,609	-	-	-	-
Change in current year accumulated surplus	\$ 55,223	\$ 281,609	\$ 7,438,021	\$ 3,265,287	\$ 11,040,140	\$ (3,087,756)
Balance, end of year	\$ 523,055	\$ 6,852,631	\$ 87,616,938	\$ 292,941,219	\$ 387,933,843	\$ 376,893,703

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**12. Taxation - Net**

	Budget 2022	2022	2021
Real property	\$ 15,249,030	\$ 15,339,226	\$ 14,621,757
Machinery and equipment	166,140	166,130	122,805
Linear property	7,287,080	7,260,894	7,082,379
Government grants in place of property taxes	147,590	159,334	134,099
Designated Industrial Property	23,376,730	22,982,242	22,189,206
	<b>46,226,570</b>	<b>45,907,826</b>	<b>44,150,246</b>
Requisitions			
ASFF/Opted-Out Schools	11,937,760	11,829,436	11,705,249
Lacombe Foundation	406,740	406,740	407,925
Designated Industrial Property	332,790	332,794	326,172
	<b>12,677,290</b>	<b>12,568,970</b>	<b>12,439,346</b>
Available for general municipal purposes	<b>\$ 33,549,280</b>	<b>\$ 33,338,856</b>	<b>\$ 31,710,900</b>

**13. Taxation - other**

	Budget 2022	2022	2021
Community Aggregate Payment Levy	\$ 680,000	\$ 902,635	\$ 847,044

The Community Aggregate Payment Levy is authorized through the Municipal Government Act and established through an approved bylaw. The levy is imposed in respect of all sand and gravel businesses operating in the municipality to raise revenue to be used toward the payment of infrastructure and other costs of the municipality. The amount of revenue generated fluctuates from year to year based upon sand and gravel activity. The levy rate applied is \$0.40 per tonne of sand or gravel hauled.

The Well Drilling Equipment Tax is authorized through the Municipal Government Act and established through an approved bylaw. The revenue generated is based upon the amount of well drilling activity from year to year and rates set by Alberta Regulation. The current rate is \$0.00

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**14. Government Transfers**

	Budget 2022	2022	2021
<b>Operating</b>			
General government	\$ 149,490	\$ 149,492	\$ 341,159
Protective services	61,000	113,491	99,630
Transportation services	523,570	608,221	508,289
Environmental services	60,000	60,000	60,000
Public health and welfare	303,650	303,656	303,656
Planning and development	28,560	27,334	1,059
Agriculture services	123,910	123,907	123,907
	<u>\$ 1,250,180</u>	<u>\$ 1,386,101</u>	<u>\$ 1,437,700</u>
<b>Capital</b>			
Transportation services	6,211,050	6,817,705	5,993,304
Environmental services	-	-	999
	<u>\$ 6,211,050</u>	<u>\$ 6,817,705</u>	<u>\$ 5,994,303</u>
<b>Total government transfers</b>	<u><b>\$ 7,461,230</b></u>	<u><b>\$ 8,203,806</b></u>	<u><b>\$ 7,432,003</b></u>

**15. Expenses by Object**

	Budget 2022	2022	2021
Salaries and wages	\$ 13,364,270	\$ 12,600,051	\$ 11,925,678
Contracted and general services	4,528,140	3,612,461	3,328,577
Goods, materials and supplies	3,252,690	3,281,029	2,693,699
Transfers to other organizations	5,929,890	5,344,586	7,039,472
Purchases from other governments	515,940	366,182	260,741
Cancellations and uncollectible	5,050	684,722	76,486
Amortization	21,330,881	21,330,881	22,142,177
Write-downs and losses on capital	-	822,490	1,655,646
	<u>\$ 48,926,861</u>	<u>\$ 48,042,402</u>	<u>\$ 49,122,476</u>

The budget figure for amortization has been adjusted from the budget approved by council May 12, 2022 (Note 22). Amortization is not funded by the County.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**16. Municipal Employees Pension Plans and Retirement Benefits**

Local Authorities Pension Plan

Certain employees of the County are eligible to be members of the Local Authorities Pension Plan (LAPP), a multi-employer pension plan which is covered by the Public Sector Pension Plans Act. The plan provides defined pension benefits to employees based on their length of service and rates of pay. Contributions for the year were:

	2022	2021
Employer contributions	\$ 742,224	\$ 817,693
Employee contributions	667,111	742,724
	\$ 1,409,335	\$ 1,560,417

As this is a multi-employer pension plan, these contributions are the County's pension benefit expense. No pension liability for this type of plan is included in the County's financial statements. The most recent valuation as at December 31, 2021 indicates a surplus of \$11.922 billion (2020 surplus - \$4.961 billion) for basic pension benefits. The actuary does not attribute portions of the unfunded liability to individual employers.

Alberta Municipalities Apex Supplementary Pension Plan

Certain employees of the County are eligible to be members of the Alberta Municipalities APEX Supplementary Pension Plan (APEX), a multi-employer pension plan. This plan provides defined pension benefits to employees based on their length of service and rates of pay.

	2022	2021
Employer contributions	\$ 33,797	\$ 31,238
Employee contributions	22,911	21,177
	\$ 56,708	\$ 52,415

As this is a multi-employer pension plan, these contributions are the County's pension benefit expense. No pension liability for this type of plan is included in the County's financial statements. The most recent valuation as at December 31 2021 indicates a surplus of \$2.06 million (2020 - 2.62 million deficit) for basic pension benefits. The actuary does not attribute portions of the unfunded liability to individual employers.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**16. Municipal Employees Pension Plans and Retirement Benefits (continued)**

Alberta Municipalities Municipal Supplemental Employee Retirement Plan

The County is a participant in the Alberta Municipalities MuniSERP retirement plan, a multiple-employer defined benefit plan. The County has made this plan available to certain employees to enrol as members. The benefit liability to the County is calculated on an individual member basis. This plan provides a supplemental retirement defined benefit to employees based on their length of service and rates of pay. Contribution fluctuations are the result of market changes.

	2022	2021
Employer contributions	\$ 10,275	\$ 12,571

The accrued benefit liability as at December 31, 2022 was \$133,027 (2021 - \$113,645). The benefit liability as at December 31, 2022 was under funded by \$15,753 (2021 - over funded \$18,136).

**17. Remuneration Disclosure**

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

	Compensation	Benefits & Allowances	Total 2022	Total 2021
<b>Councillors:</b>				
Division 1	\$ 61,050	\$ 15,157	\$ 76,207	\$ 69,437
Division 2	78,544	18,940	97,484	81,680
Division 3- Reeve	75,498	10,801	86,299	67,838
Division 4- Reeve Jan-Oct				64,672
Division 4	60,544	15,130	75,674	15,118
Division 5				48,791
Division 5	66,713	14,833	81,546	15,279
Division 6				45,938
Division 6	57,409	13,853	71,262	14,923
Division 7	72,881	18,347	91,228	72,040
<b>Administration:</b>				
County Manager	262,931	60,065	322,996	318,516
Designated Officer	153,707	12,202	165,909	160,255
Designated Officer	108,235	21,640	129,875	163,801

Council Compensation: includes base pay and per diem.

Council Benefits and Allowances: includes the County's contribution for health, dental and insurance benefits, convention expenses, and mileage paid for attending meetings and other Council functions.

County Manager and Designated Officer Salary: includes regular base pay.

County Manager and Designated Office Benefits and Allowances: includes the County's contribution for Canada Pension Plan, Employment Insurance, health, dental and insurance benefits, pension, professional memberships, tuition and mileage.



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**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

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**18. Debt Limits**

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

	2022	2021
Total debt limit	<b>\$ 69,212,678</b>	\$ 57,113,207
Total debt	-	-
Total debt limit available	<b>69,212,678</b>	57,113,207
Debt servicing limit	<b>11,535,446</b>	9,518,868
Debt servicing	-	-
Total debt servicing limit available	<b>11,535,446</b>	9,518,868

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

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**19. Contingencies and Commitments**

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

The County has entered into an agreement with the Town of Blackfalds to purchase water and wastewater services from the Town of Blackfalds to serve the Joint Economic Area. Rates are set on an annual basis. The agreement will expire in 2054 with an option for renewal. Either party may terminate this agreement with three years written notice.

The County has entered into an agreement with the City of Lacombe to purchase water and wastewater services from the City of Lacombe to serve the Joint Economic Area. Rates are set on an annual basis. The agreement will expire in 2057 with an option for renewal. Either party may terminate this agreement with three years written notice.

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**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

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**20. Liability for Contaminated Sites**

Effective for years beginning on or after April 1, 2014, municipalities and other public sector entities were required to account for and report liabilities related to the remediation of contaminated sites (Section PS 3260).

In 2015, County management undertook steps to identify sites that would fall under this accounting standard including a comprehensive review of all properties owned and controlled by the County. No sites were identified that would fall under this standard.

Management reviewed the prior year analysis and 2022 activity in the County and determined that no sites met the criteria to be reported as a liability.

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**21. Funds Held in Trust**

Certain assets have been conveyed or assigned to the County to be administered as directed by agreement or statute. The County holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries. The following trust funds and assets are excluded from the County's financial statements:

	<u>2022</u>		<u>2021</u>
Tax Sale Surplus	\$ 33,062	\$	32,483
Scholarships	36,916		37,672
Mirror Cemetery Perpetual Care Fund	17,855		17,515
Drainage Maintenance Funds	57,283		56,250
Lacombe Regional Waste Services Commission	21,232		(2,890)
Shared Fire Equipment Funds	193,509		116,720
	<u>\$ 359,857</u>	\$	<u>257,750</u>

The Shared Fire Equipment Funds consist of various agreements between the Municipality and municipalities within Lacombe County who have agreed to share the costs of operating jointly owned fire equipment.

The County holds land in lieu of cash as a security deposit. The County has agreed to not sell lots titled to the County unless the developer defaults on the development agreement.

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**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**22. Budget**

The budget adopted by Council on May 12, 2022 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis.

The modifications from full accrual basis are as follows:

The County does not budget for amortization. The actual amortization expense for the year is included in the budget presentation to provide comparability between budgeted and actual results.

The County budgets for capital expenditures and proceeds from the disposition of capital in a separate capital budget (Note 23).

The County budgets for transfers to and from reserves for both operations and capital (Note 23).

The County budgets for the purchase and use of inventory (Note 23).

As a result, the budget figures presented in the statements of operations and change in net financial assets represent the budget adopted by Council on May 12, 2022 with adjustments as follows:

	Budget	Amortization Allocation	Budget per Financial Statements	Actual per Financial Statements
Total Revenues	\$ 51,446,550	-	51,446,550	\$ 59,082,542
General government	5,527,190	281,435	5,808,625	6,139,077
Protective services	3,570,470	366,337	3,936,807	3,566,451
Transportation services	9,628,000	19,834,109	29,462,109	28,981,864
Environmental services	2,799,520	517,860	3,317,380	2,985,437
Cemetery	58,240	-	58,240	68,424
Social and family services	390,380	-	390,380	386,621
Recreation and cultural services	3,278,700	224,252	3,502,952	2,933,955
Planning and development	1,137,820	2,070	1,139,890	1,032,110
Agriculture services	1,205,660	104,818	1,310,478	1,125,972
Write-down of capital assets	-	-	-	793,469
Loss on sale of capital assets	-	-	-	29,022
Total Expenditures	27,595,980	21,330,881	48,926,861	48,042,402
Excess of revenues over expenditures	23,850,570	(21,330,881)	2,519,689	11,040,140

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**23. Reconciliation of Operating Results to Budget**

	Budget 2022	2022	2021
Excess (deficiency) of revenue over expenditures, per financial statements	\$ 2,519,689	\$ 11,040,140	\$ (3,087,756)
Add back:			
Amortization expense	21,330,881	21,330,881	22,142,177
Proceeds on disposal of capital assets	2,259,260	2,830,692	313,790
Loss on sale of capital assets	-	29,022	64,302
Write-downs of capital assets	-	793,469	1,591,344
Net transfers (to) from reserves	(1,402,030)	(7,438,021)	(4,502,929)
Use (purchase) of inventory	(520,600)	(281,609)	(125,962)
Deduct:			
Tangible capital asset purchases	(24,187,200)	(21,368,402)	(16,137,209)
(Gain) loss on disposal of capital assets	-	(2,622,749)	(217,803)
Contributed assets	-	(4,258,200)	-
Results of operations	\$ -	\$ 55,223	\$ 39,954

The budget figure for amortization has been adjusted from the budget approved by Council May 12, 2022 (Note 22). Amortization is not funded by the County.

December 31, 2022

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**24. Segmented Information**

The County is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

**General government**

Provides legislative and administrative oversight for the entire County.

**Protective services**

Provides fire, ambulance, safety, community peace officer, and bylaw services for the entire County.

**Transportation services**

Manages the County's fleet of equipment as well as maintain and improve the County's infrastructure.

**Environmental services**

Provides water, wastewater, solid waste and recycling services.

**Cemetery**

Provides support and funding for various cemetery groups in the County.

**Social and family services**

Provides family and community support services.

**Recreation and cultural services**

Provides funding to recreation groups including other local municipalities within the County.

**Planning and development**

Provides services related to all property development plans through its application process.

**Agriculture services**

Provides services for weed and pest control as well as horticulture and soil conservation.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. In measuring and reporting segment revenue from transactions with other segments, inter-segment transfers have been eliminated. The revenues and expenses that are directly attributable to a particular segment are allocated to that segment. Taxation revenue is revenue of the County as a whole and has not been allocated to individual segments. It has been allocated in its entirety to general government.

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**24. Segmented Information (continued) - 2022**

For the year ended December 31	General government	Protective services	Transportation services	Environmental services	Cemetery	Social and family services	Recreation and cultural service	Planning and development	Agriculture services	2022 Total
<b>Revenue</b>										
Taxation	\$ 34,241,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,241,492
Government transfers	149,492	113,491	7,425,926	-	-	303,656	-	27,334	183,907	8,203,806
User fees and service charges	38,976	140,698	1,142,639	941,517	1,800	-	91,037	40,410	11,753	2,408,830
Sales to other governments	275,175	485,611	202,627	488,686	-	-	21,381	-	32,228	1,505,708
Permits, licenses, fines and rentals	683,048	142,968	86,616	-	-	-	-	45,000	1,800	959,432
Investment income	2,273,537	-	-	-	-	-	-	-	-	2,273,537
Gain on sale of assets	-	-	2,316,749	-	-	-	-	-	306,000	2,622,749
Contributed assets	-	-	-	258,200	-	-	4,000,000	-	-	4,258,200
Other	2,597,003	5,000	196	-	-	-	3,339	-	3,250	2,608,788
	<u>40,258,723</u>	<u>887,768</u>	<u>11,174,753</u>	<u>1,688,403</u>	<u>1,800</u>	<u>303,656</u>	<u>4,115,757</u>	<u>112,744</u>	<u>538,938</u>	<u>59,082,542</u>
<b>Expenses</b>										
Salaries and wages	3,403,405	1,469,714	5,396,956	732,780	-	15,951	-	892,478	688,767	12,600,051
Contracted and general services	941,008	349,740	1,331,589	293,153	10,629	-	450,645	129,484	106,213	3,612,461
Goods, materials and supplies	222,811	261,970	2,417,656	111,760	-	-	41,950	6,108	218,774	3,281,029
Transfers to other organizations	607,697	1,118,690	1,554	961,703	57,795	370,670	2,217,108	1,969	7,400	5,344,586
Cancellations and uncollectible	682,722	-	-	2,000	-	-	-	-	-	684,722
Purchases from other gov't	-	-	-	366,182	-	-	-	-	-	366,182
Amortization	281,435	366,337	19,834,109	517,860	-	-	224,252	2,070	104,818	21,330,881
Loss on sale of capital assets	-	2,408	820,082	-	-	-	-	-	-	822,490
	<u>6,139,078</u>	<u>3,568,859</u>	<u>29,801,946</u>	<u>2,985,438</u>	<u>68,424</u>	<u>386,621</u>	<u>2,933,955</u>	<u>1,032,109</u>	<u>1,125,972</u>	<u>48,042,402</u>
<b>Net surplus (deficit)</b>	<b>\$ 34,119,645</b>	<b>\$ (2,681,091)</b>	<b>\$ (18,627,193)</b>	<b>\$ (1,297,035)</b>	<b>\$ (66,624)</b>	<b>\$ (82,965)</b>	<b>\$ 1,181,802</b>	<b>\$ (919,365)</b>	<b>\$ (587,034)</b>	<b>\$ 11,040,140</b>

**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

**24. Segmented Information (continued) - 2021**

For the year ended December 31	General government	Protective services	Transportation services	Environmental services	Cemetery	Social and family services	Recreation and cultural service	Planning and development	Agriculture services	2021 Total
<b>Revenue</b>										
Taxation	\$ 32,557,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,557,944
Government transfers	341,159	99,630	6,501,593	999	-	303,656	-	1,059	183,907	7,432,003
User fees and service charges	36,897	156,956	1,183,766	1,003,610	1,600	-	-	65,440	22,512	2,470,781
Sales to other governments	330,512	411,309	212,679	385,655	-	-	74,377	-	20,326	1,434,858
Permits, licenses, fines, rentals	479,706	125,880	109,787	-	-	-	-	47,750	2,293	765,416
Investment income	1,083,331	-	-	-	-	-	-	-	-	1,083,331
Gain on sale of assets	-	-	217,803	-	-	-	-	-	-	217,803
Other	17,576	-	50,713	-	-	-	3,095	-	1,200	72,584
	<u>34,847,125</u>	<u>793,775</u>	<u>8,276,341</u>	<u>1,390,264</u>	<u>1,600</u>	<u>303,656</u>	<u>77,472</u>	<u>114,249</u>	<u>230,238</u>	<u>46,034,720</u>
<b>Expenses</b>										
Salaries and wages	3,248,364	1,428,273	5,091,869	654,617	-	17,189	-	760,650	724,716	11,925,678
Contracted and general services	819,974	325,949	1,116,050	411,628	9,778	-	487,318	49,564	108,316	3,328,577
Goods, materials and supplies	217,840	222,789	1,879,155	110,443	621	-	47,146	5,952	209,753	2,693,699
Transfers to other organizations	593,704	869,093	781	1,063,363	52,895	364,014	3,784,980	303,042	7,600	7,039,472
Cancellations and uncollectible	74,486	-	-	2,000	-	-	-	-	-	76,486
Purchases from other gov't	-	-	-	260,741	-	-	-	-	-	260,741
Amortization	285,855	368,539	20,744,121	358,945	-	-	226,461	2,070	156,186	22,142,177
Write-down of capital assets	-	-	-	-	-	-	-	-	-	-
Loss on sale of capital assets	-	37,830	1,617,816	-	-	-	-	-	-	1,655,646
	<u>5,240,223</u>	<u>3,252,473</u>	<u>30,449,792</u>	<u>2,861,737</u>	<u>63,294</u>	<u>381,203</u>	<u>4,545,905</u>	<u>1,121,278</u>	<u>1,206,571</u>	<u>49,122,476</u>
<b>Net surplus (deficit)</b>	<b>\$ 29,606,902</b>	<b>\$ (2,458,698)</b>	<b>\$ (22,173,451)</b>	<b>\$ (1,471,473)</b>	<b>\$ (61,694)</b>	<b>\$ (77,547)</b>	<b>\$ (4,468,433)</b>	<b>\$ (1,007,029)</b>	<b>\$ (976,333)</b>	<b>\$ (3,087,756)</b>

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**Lacombe County**  
**Notes to Consolidated Financial Statements**

December 31, 2022

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**25. Comparative Figures**

Wherever necessary, comparative figures have been reclassified to conform with current year financial statement presentation.

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**26. Approval of Financial Statements**

Council and Management approved these financial statements.

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