

Lacombe County
Consolidated Financial Statements
For the year ended December 31, 2021

Lacombe County
Consolidated Financial Statements
For the year ended December 31, 2021

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 - 31



Tel: 403 342 2500
Fax: 403 343 3070
www.bdo.ca

BDO Canada LLP
179D Leva Avenue
Suite 100
Red Deer County AB T4E 1B9

Independent Auditor's Report

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, 2021, 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, 2021 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.

Independent Auditor's Report - continued

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 28, 2022

Lacombe County
Consolidated Statement of Financial Position

December 31	2021	2020
Financial assets		
Cash and cash equivalents (Note 1)	\$ 63,169,669	\$ 58,480,440
Investments (Note 2)	19,608,197	20,119,068
Taxes receivable (Note 3)	626,231	573,290
Accounts receivable (Note 4)	9,337,864	9,226,702
Inventories for resale (Note 5)	549,515	436,567
	93,291,476	88,836,067
Liabilities		
Accounts payable and accrued liabilities	3,775,874	2,917,447
Employee benefit obligation (Note 6)	1,462,104	1,180,201
Deposit liabilities	1,268,898	1,724,301
Deferred revenue (Note 7)	6,137,851	6,910,252
	12,644,727	12,732,201
Net financial assets	80,646,749	76,103,866
Non-financial assets		
Tangible capital assets (Note 8)	289,675,932	297,432,533
Prepaid expenses and inventories of supplies (Note 9)	6,571,022	6,445,060
	296,246,954	303,877,593
Accumulated surplus (Note 10)	\$ 376,893,703	\$ 379,981,459
Contingencies and commitments (Note 19)		
Liability for contaminated sites (Note 20)		
Funds held in trust (Note 21)		

Lacombe County
Consolidated Statement of Operations

For the year ended December 31	Budget 2021	2021	2020
Revenues			
Taxation - net (Note 12)	\$ 31,725,540	\$ 31,710,900	\$ 31,423,528
Taxation - other (Note 13)	660,000	847,044	989,582
Government transfers (Note 14)	9,303,070	7,432,003	10,076,224
Sales, user charges and costs recovered	2,366,930	2,470,781	2,196,467
Sales to other governments	1,443,890	1,434,858	1,516,541
Permits, licenses, fines, penalties and rentals	627,250	765,416	728,658
Interest, royalties and patronage allocations	1,192,270	1,083,331	1,404,140
Gain on sale of tangible capital assets	-	217,803	929,942
Contributed assets	-	-	498,911
Development levies	1,492,500	14,576	155,194
Other	6,600	58,008	83,057
	<u>48,818,050</u>	<u>46,034,720</u>	<u>50,002,244</u>
Expenditures (Note 15)			
General government	5,775,045	5,240,223	6,037,180
Protective services	3,600,969	3,214,644	2,705,783
Transportation services	29,478,661	28,831,975	29,852,846
Environmental services	2,584,485	2,861,737	3,151,763
Cemetery	72,680	63,294	45,700
Social and family services	386,400	381,203	459,693
Recreation and cultural services	5,140,621	4,545,905	4,374,069
Planning and development	987,450	1,121,278	844,600
Agriculture services	1,258,676	1,206,571	1,139,416
Write-down of tangible capital assets	-	1,591,344	2,671,771
Loss on sale of tangible capital assets	-	64,302	70,218
	<u>49,284,987</u>	<u>49,122,476</u>	<u>51,353,039</u>
Deficiency of revenue over expenditures	<u>(466,937)</u>	<u>(3,087,756)</u>	<u>(1,350,795)</u>
Accumulated surplus, beginning of year	<u>379,981,459</u>	<u>379,981,459</u>	<u>381,332,254</u>
Accumulated surplus, end of year	<u>\$ 379,514,522</u>	<u>\$ 376,893,703</u>	<u>\$ 379,981,459</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

For the year ended December 31	Budget 2021	2021	2020
Deficiency of revenue over expenditures	\$ (466,937)	\$ (3,087,756)	\$ (1,350,795)
Acquisition of tangible capital assets	(19,981,430)	(16,137,209)	(27,393,353)
Acquisition of contributed assets	-	-	(498,911)
Amortization of tangible capital assets	22,142,177	22,142,177	23,307,730
Gain on sale of tangible capital assets	-	(217,803)	(929,942)
Loss on sale of tangible capital assets	-	64,302	70,218
Proceeds on sale of tangible capital assets	252,000	313,790	1,259,360
Write-downs of tangible capital assets	-	1,591,344	2,671,771
	1,945,810	4,668,845	(2,863,922)
Change in prepaid expenses and inventory of supplies	25,970	(125,962)	304,209
Net change in net financial assets	1,971,780	4,542,883	(2,559,713)
Net financial assets, beginning of year	76,103,866	76,103,866	78,663,579
Net financial assets, end of year	\$ 78,075,646	\$ 80,646,749	\$ 76,103,866

Lacombe County
Consolidated Statement of Cash Flows

For the year ended December 31	2021	2020
Operating transactions		
Excess (deficiency) of revenue over expenditures	\$ (3,087,756)	\$ (1,350,795)
Items not involving cash		
Contributed assets	-	(498,911)
Amortization	22,142,177	23,307,730
Gain on disposal of tangible capital assets	(217,803)	(929,942)
Write-down of tangible capital asset	1,591,344	2,671,771
Loss on disposal of tangible capital assets	64,302	70,218
Changes in non-cash operating balances		
Taxes receivable	(52,941)	(281,072)
Accounts receivable	(111,162)	(3,557,762)
Inventories for resale	(112,948)	6,838
Prepaid expenses and inventories of supplies	(125,962)	304,209
Accounts payable and accrued liabilities	858,427	509,543
Employee benefit obligation	281,903	14,638
Deposit liabilities	(455,403)	(379,660)
Deferred revenue	(772,401)	(2,707,742)
	20,001,777	17,179,063
Capital transactions		
Acquisition of tangible capital assets	(16,137,209)	(27,393,353)
Proceeds on sale of tangible capital assets	313,790	1,259,360
	(15,823,419)	(26,133,993)
Investing transactions		
Decrease of investments	510,871	3,630,637
Restricted cash balances	1,684,545	6,732,018
	2,195,416	10,362,655
Net change in cash and cash equivalents	6,373,774	1,407,725
Cash and cash equivalents, beginning of year	54,659,269	53,251,544
Cash and cash equivalents, end of year	\$ 61,033,043	\$ 54,659,269
Cash and cash equivalents is comprised of:		
Cash and cash equivalents	\$ 63,169,669	\$ 58,480,440
Less: restricted (Note 1)	(2,136,626)	(3,821,171)
	\$ 61,033,043	\$ 54,659,269

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

Lacombe County
Summary of Significant Accounting Policies

December 31, 2021

**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 Fund	50%
Town of Bentley Shared Fire Fund	60%
Town of Blackfalds Shared Fire Fund	50%
Town of Eckville Shared Fire Fund	60%
Village of Alix Shared Fire Fund	60%
Village of Clive Shared Fire Fund	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.

Lacombe County
Summary of Significant Accounting Policies

December 31, 2021

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

Trust Funds

Trust funds held in trust by the County, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately.

Lacombe County
Summary of Significant Accounting Policies

December 31, 2021

**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.

Lacombe County
Summary of Significant Accounting Policies

December 31, 2021

**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, 2021

1. Cash and Cash Equivalents

	2021	2020
Current account (bank prime less 1.85%)	\$ 27,605,152	\$ 19,203,499
GIC investments with interest rates varying from 0.65% to 3.10% and maturing in 2022	34,344,120	37,593,061
Security deposits	1,220,397	1,683,880
	\$ 63,169,669	\$ 58,480,440

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, 2021 the prime rate was 2.45% (2020 - 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.

	2021	2020
Municipal Sustainability Initiative	791,694	1,882,918
ACP	-	875
FCSS	75,914	25,312
Municipal Operating Support Transfer	-	187,750
Other	120	15
Deposit liabilities	1,268,898	1,724,301
	\$ 2,136,626	\$ 3,821,171

2. Investments

	2021	2020
Stripped coupons, residual bonds and accrual notes purchased at discounts yielding effective annual rates of 0.85% to 3.47% to maturity at cost	\$ 18,555,658	\$ 19,065,976
Estimated accrued interest	920,758	938,983
MuniSERP	131,781	114,109
	\$ 19,608,197	\$ 20,119,068

The market value of the County's marketable securities was \$19,667,572 (2020 - \$20,445,839). Investments are held in compliance of Alberta Regulation 66/2000.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

3. Taxes Receivable

	2021	2020
Current taxes and grants in place	\$ 1,075,860	\$ 1,261,389
Non-current taxes and grants in place	1,144,075	833,152
	<u>2,219,935</u>	<u>2,094,541</u>
Allowance for doubtful accounts	(1,593,704)	(1,521,251)
	<u>\$ 626,231</u>	<u>\$ 573,290</u>

4. Accounts Receivable

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

	2021	2020
Development levies at 5% per year	\$ 355,661	\$ 436,016
Development levy at prime + 1%	1,715,238	1,715,238
Total long-term receivables	<u>\$ 2,070,899</u>	<u>\$ 2,151,254</u>

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

5. Inventories for Resale

	2021	2020
Bridge materials	\$ 548,607	\$ 435,660
Land held for resale	908	907
	<u>\$ 549,515</u>	<u>\$ 436,567</u>

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

6. Employee Benefit Obligation

	2021	2020
Sick leave benefits	\$ 695,000	\$ 500,000
Vacation and overtime	767,104	680,201
	<u>\$ 1,462,104</u>	<u>\$ 1,180,201</u>

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, 2021 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.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

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	5,466,837	4,639,815	14,670	(4,689,813)	5,431,509
FCSS	25,312	354,258	-	(303,656)	75,914
CCBF	-	1,211,049	-	(580,741)	630,308
MOST	187,750	-	-	(187,750)	-
MSP	1,229,463	-	1,577	(1,231,040)	-
City of Lacombe	-	999	-	(999)	-
ACP	875	-	-	(875)	-
Other grants	-	103,731	-	(103,731)	-
Other	15	120	-	(15)	120
	<u>\$ 6,910,252</u>	<u>6,643,371</u>	<u>16,247</u>	<u>(7,432,019)</u>	<u>\$ 6,137,851</u>

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, 2021

8. Tangible Capital Assets - 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>

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

8. Tangible Capital Assets (continued) - 2020

	Land	Land Improvements	Buildings	Equipment	Roads	Bridges	Water, Sewer and other	Vehicles	Total
Cost, beginning of year	\$ 27,406,362	\$ 4,945,376	\$ 21,085,836	\$ 21,585,029	\$644,997,639	\$ 22,975,351	\$ 20,543,993	\$ 8,074,477	\$771,614,063
Additions	84,524	155,107	100,307	3,602,580	13,528,399	2,536,986	7,066,156	818,205	27,892,264
Disposals	-	-	-	(2,384,431)	-	-	-	(823,778)	(3,208,209)
Write-downs	(555,310)	-	-	-	(11,275,421)	(362,444)	-	-	(12,193,175)
Cost, end of year	<u>\$ 26,935,576</u>	<u>\$ 5,100,483</u>	<u>\$ 21,186,143</u>	<u>\$ 22,803,178</u>	<u>\$647,250,617</u>	<u>\$ 25,149,893</u>	<u>\$ 27,610,149</u>	<u>\$ 8,068,904</u>	<u>\$784,104,943</u>
Accumulated amortization, beginning of year	\$ -	\$ 1,488,350	\$ 4,644,086	\$ 10,946,265	\$445,783,117	\$ 7,031,079	\$ 1,747,772	\$ 4,053,988	\$475,694,657
Amortization	-	254,832	425,686	3,023,424	18,356,667	419,970	278,181	548,970	23,307,730
Disposals	-	-	-	(2,228,708)	-	-	-	(579,865)	(2,808,573)
Write-downs	-	-	-	-	(9,239,508)	(281,896)	-	-	(9,521,404)
Accumulated amortization, end of year	<u>\$ -</u>	<u>\$ 1,743,182</u>	<u>\$ 5,069,772</u>	<u>\$ 11,740,981</u>	<u>\$454,900,276</u>	<u>\$ 7,169,153</u>	<u>\$ 2,025,953</u>	<u>\$ 4,023,093</u>	<u>\$486,672,410</u>
Net carrying amount, end of year	<u>\$ 26,935,576</u>	<u>\$ 3,357,301</u>	<u>\$ 16,116,371</u>	<u>\$ 11,062,197</u>	<u>\$192,350,341</u>	<u>\$ 17,980,740</u>	<u>\$ 25,584,196</u>	<u>\$ 4,045,811</u>	<u>\$297,432,533</u>

The net book value of tangible capital assets not being amortized because they are under construction is \$536,257 (2020 - \$8,882,821). \$Nil (2020 - \$498,911) in contributed assets was recognized in the financial statements during the year.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

9. Prepaid Expenses and Inventories of Supplies

	<u>2021</u>	<u>2020</u>
Crushed gravel	\$ 1,182,364	\$ 1,276,174
Undeveloped gravel pits	4,110,948	4,136,366
Materials and supplies	718,102	680,177
Prepaid expenses	<u>559,608</u>	<u>352,343</u>
	<u>\$ 6,571,022</u>	<u>\$ 6,445,060</u>

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

10. Accumulated Surplus

	2021	2020
Equity in tangible capital assets	\$ 289,675,932	\$ 297,432,533
Equity in other non-financial assets	6,571,022	6,445,060
Unrestricted surplus	467,832	427,878
Restricted surplus (Reserves) - detail below	80,178,917	75,675,988
	376,893,703	379,981,459
 <u>Restricted surplus (Reserves)</u>		
Main Road	18,526,201	20,900,264
Public Works Equipment	15,451,239	13,347,291
Municipal Facilities	2,808,068	2,287,501
Airport Capital	23,809	37,657
Assessment Equipment	17,960	8,980
Planning Equipment	8,300	4,150
Protective Services	4,966,601	4,779,179
Gravel	3,078,039	2,878,039
Subdivision Pavement	3,824,697	4,243,411
Land Development	444,201	444,201
Recreation Capital Assistance	1,980,483	2,730,712
Funds in Lieu of Reserve Land	1,179,349	1,157,826
Development Road	1,600,116	1,900,116
Agriculture Equipment	1,174,797	996,601
Peace Officers Equipment	268,360	192,255
Disaster Services	500,000	500,000
Hamlet Street Improvement	362,886	298,936
Tax Rate Stabilization	5,147,000	4,147,000
Shared Fire Funds	228,971	165,081
Lake Access	937,357	937,357
Hamlet of Mirror Utility System	166,556	261,721
Community Resource	3,419,450	2,768,387
Water - Waste Water	1,649,631	1,754,641
New Pavement	373,368	373,368
Trails	978,573	424,573
Bridge	6,287,065	3,667,876
Shores Water-Sewer	42,406	42,406
Slopes Water-Sewer	53,125	53,125
Operational	4,017,292	3,800,131
Cemetery	360,220	344,360
Lakeview Estates Water	58,636	53,430
Gull Lake Stabilization	244,161	175,413
	80,178,917	75,675,988

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.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

11. Change in Accumulated Surplus

	Unrestricted surplus	Equity in other non- financial assets	Restricted surplus	Equity in tangible capital assets	2021	2020
Balance, beginning of year	\$ 427,878	\$ 6,445,060	\$ 75,675,988	\$ 297,432,533	\$ 379,981,459	\$ 381,332,254
Excess (deficiency) of revenue over expenses	(3,087,756)	-	-	-	(3,087,756)	(1,350,795)
Operating transfers to restricted surplus	(15,236,025)	-	15,236,025	-	-	-
Operating transfers from restricted surplus	5,673,698	-	(5,673,698)	-	-	-
Capital transfers from restricted surplus	5,059,398	-	(5,059,398)	-	-	-
Acquisition of capital	(16,137,209)	-	-	16,137,209	-	-
Contributed assets	-	-	-	-	-	-
Disposals and write-down of assets	1,751,633	-	-	(1,751,633)	-	-
Amortization	22,142,177	-	-	(22,142,177)	-	-
Change in non-financial assets	(125,962)	125,962	-	-	-	-
Change in current year accumulated surplus	\$ 39,954	\$ 125,962	\$ 4,502,929	\$ (7,756,601)	\$ (3,087,756)	\$ (1,350,795)
Balance, end of year	\$ 467,832	\$ 6,571,022	\$ 80,178,917	\$ 289,675,932	\$ 376,893,703	\$ 379,981,459

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

12. Taxation - Net

	Budget 2021	2021	2020
Real property	\$ 14,654,880	\$ 14,621,757	\$ 14,829,033
Machinery and equipment	122,810	122,805	107,389
Linear property	7,082,380	7,082,379	7,166,161
Government grants in place of property taxes	137,670	134,099	130,467
Designated Industrial Property	22,188,650	22,189,206	21,790,596
	<u>44,186,390</u>	<u>44,150,246</u>	<u>44,023,646</u>
Requisitions			
ASFF/Opted-Out Schools	11,726,100	11,705,249	11,868,603
Lacombe Foundation	408,580	407,925	408,239
Designated Industrial Property	326,170	326,172	323,276
	<u>12,460,850</u>	<u>12,439,346</u>	<u>12,600,118</u>
Available for general municipal purposes	<u>\$ 31,725,540</u>	<u>\$ 31,710,900</u>	<u>\$ 31,423,528</u>

13. Taxation - other

	Budget 2021	2021	2020
Community Aggregate Payment Levy	\$ 660,000	\$ 847,044	\$ 718,520
Well Drilling Tax	-	-	271,062
	<u>660,000</u>	<u>847,044</u>	<u>989,582</u>

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, 2021

14. Government Transfers

	Budget 2021	2021	2020
Operating			
General government	\$ 384,990	\$ 341,159	\$ 1,012,577
Protective services	58,640	99,630	49,941
Transportation services	523,566	508,289	472,473
Environmental services	60,000	60,000	60,000
Public health and welfare	303,650	303,656	367,628
Planning and development	-	1,059	40,491
Agriculture services	123,910	123,907	123,907
	<u>\$ 1,454,756</u>	<u>\$ 1,437,700</u>	<u>\$ 2,127,017</u>
Capital			
Transportation services	7,848,314	5,993,304	7,829,166
Environmental services	-	999	120,041
	<u>\$ 7,848,314</u>	<u>\$ 5,994,303</u>	<u>\$ 7,949,207</u>
Total government transfers	<u>\$ 9,303,070</u>	<u>\$ 7,432,003</u>	<u>\$ 10,076,224</u>

15. Expenses by Object

	Budget 2021	2021	2020
Salaries and wages	\$ 12,826,800	\$ 11,925,678	\$ 11,744,533
Contracted and general services	3,510,410	3,328,577	2,725,747
Goods, materials and supplies	3,253,510	2,693,699	2,653,393
Transfers to other organizations	7,287,240	7,039,472	6,962,448
Purchases from other governments	259,000	260,741	239,530
Cancellations and uncollectible	5,850	76,486	977,669
Amortization	22,142,177	22,142,177	23,307,730
Write-downs and losses on capital	-	1,655,646	2,741,989
	<u>\$ 49,284,987</u>	<u>\$ 49,122,476</u>	<u>\$ 51,353,039</u>

The budget figure for amortization has been adjusted from the budget approved by council May 27, 2021 (Note 22). Amortization is not funded by the County.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

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:

	2021	2020
Employer contributions	\$ 817,693	\$ 800,871
Employee contributions	742,724	728,086
	\$ 1,560,417	\$ 1,528,957

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, 2020 indicates a surplus of \$4.961 billion (2019 surplus - \$7.913 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.

	2021	2020
Employer contributions	\$ 31,238	\$ 29,762
Employee contributions	21,177	20,177
	\$ 52,415	\$ 49,939

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 2020 indicates a deficit of \$2.62 million (2019 - 0.61 million) 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, 2021

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.

	2021	2020
Employer contributions	\$ 12,571	\$ 39,853

The accrued benefit liability as at December 31, 2021 was \$113,645 (2020 - \$90,963). The benefit liability as at December 31, 2021 was over funded by \$18,136 (2020 - over funded \$23,146).

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 2021	Total 2020
Councillors:				
Division 1	\$ 56,357	\$ 13,080	\$ 69,437	\$ 64,999
Division 2	69,342	12,338	81,680	78,913
Division 3- Reeve Nov-Dec	59,853	7,985	67,838	59,051
Division 4- Reeve Jan-Oct	55,767	8,905	64,672	76,820
Division 4	12,228	2,890	15,118	
Division 5	44,119	4,672	48,791	65,493
Division 5	12,818	2,461	15,279	
Division 6	40,775	5,163	45,938	57,655
Division 6	12,228	2,695	14,923	
Division 7	59,308	12,732	72,040	66,992
Administration:				
County Manager	254,696	63,820	318,516	315,992
Designated Officer	149,595	10,659	160,254	159,443
Designated Officer	137,037	26,764	163,801	159,845

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.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

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:

	2021	2020
Total debt limit	\$ 57,113,207	\$ 61,615,935
Total debt	-	-
Total debt limit available	<u>57,113,207</u>	<u>61,615,935</u>
Debt servicing limit	9,518,868	10,269,323
Debt servicing	-	-
Total debt servicing limit available	<u>9,518,868</u>	<u>10,269,323</u>

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.

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.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

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 2021 activity in the County and determined that no sites met the criteria to be reported as a liability.

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:

	2021	2020
Tax Sale Surplus	\$ 32,483	\$ 32,333
Scholarships	37,672	37,672
Mirror Cemetery Perpetual Care Fund	17,515	17,215
Drainage Maintenance Funds	56,250	45,974
Lacombe Regional Waste Services Commission	(2,890)	(190)
Shared Fire Equipment Funds	116,720	120,512
	<u>\$ 257,750</u>	<u>\$ 253,516</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.

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

22. Budget

The budget adopted by Council on May 27, 2021 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 27, 2021 with adjustments as follows:

	Budget	Amortization Allocation	Budget per Financial Statements	Actual per Financial Statements
Total Revenues	\$ 48,818,050	-	48,818,050	\$ 46,034,720
General government	5,489,190	285,855	5,775,045	5,240,223
Protective services	3,232,430	368,539	3,600,969	3,214,644
Transportation services	8,734,540	20,744,121	29,478,661	28,831,975
Environmental services	2,225,540	358,945	2,584,485	2,861,737
Cemetery	72,680	-	72,680	63,294
Social and family services	386,400	-	386,400	381,203
Recreation and cultural services	4,914,160	226,461	5,140,621	4,545,905
Planning and development	985,380	2,070	987,450	1,121,278
Agriculture services	1,102,490	156,186	1,258,676	1,206,571
Write-down of capital assets	-	-	-	1,591,344
Loss on sale of capital assets	-	-	-	64,302
Total Expenditures	27,142,810	22,142,177	49,284,987	49,122,476
Excess of revenues over expenditures	21,675,240	(22,142,177)	(466,937)	(3,087,756)

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

23. Reconciliation of Operating Results to Budget

	Budget 2021	2021	2020
Excess (deficiency) of revenue over expenditures, per financial statements	\$ (466,937)	\$ (3,087,756)	\$ (1,350,795)
Add back:			
Amortization expense	22,142,177	22,142,177	23,307,730
Proceeds on disposal of capital assets	252,000	313,790	1,259,360
Loss on sale of capital assets	-	64,302	70,218
Write-downs of capital assets	-	1,591,344	2,671,771
Net transfers (to) from reserves	(1,971,780)	(4,502,929)	2,559,987
Use (purchase) of inventory	25,970	(125,962)	304,209
Deduct:			
Tangible capital asset purchases	(19,981,430)	(16,137,209)	(27,393,353)
(Gain) loss on disposal of capital assets	-	(217,803)	(929,942)
Contributed assets	-	-	(498,911)
Results of operations	\$ -	\$ 39,954	\$ 274

The budget figure for amortization has been adjusted from the budget approved by Council May 27, 2021 (Note 22). Amortization is not funded by the County.

December 31, 2021

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, 2021

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
Revenue										
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 and 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>
Expenses										
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
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>
Net surplus (deficit)	\$ 29,606,902	\$ (2,458,698)	\$ (22,173,451)	\$ (1,471,473)	\$ (61,694)	\$ (77,547)	\$ (4,468,433)	\$ (1,007,029)	\$ (976,333)	\$ (3,087,756)

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

24. Segmented Information (continued) - 2020

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	2020 Total
Revenue										
Taxation	\$ 32,413,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,413,111
Government transfers	1,012,578	49,941	8,301,639	120,041	-	367,628	-	40,491	183,907	10,076,225
User fees and service charges	25,483	35,351	1,199,808	860,211	1,860	-	-	42,196	31,559	2,196,468
Sales to other governments	273,195	377,584	423,269	390,216	-	-	35,870	-	16,407	1,516,541
Permits, licenses, fines, rentals	461,283	134,910	88,512	-	-	-	-	42,250	1,700	728,655
Investment income	1,404,140	-	-	-	-	-	-	-	-	1,404,140
Gain on sale of assets	-	29,512	872,680	-	-	-	-	-	27,750	929,942
Contributed assets	-	204,441	99,000	29,250	-	-	166,220	-	-	498,911
Other	221,954	-	2,950	-	-	-	2,057	-	11,290	238,251
	<u>35,811,744</u>	<u>831,739</u>	<u>10,987,858</u>	<u>1,399,718</u>	<u>1,860</u>	<u>367,628</u>	<u>204,147</u>	<u>124,937</u>	<u>272,613</u>	<u>50,002,244</u>
Expenses										
Salaries and wages	3,376,659	1,214,305	5,091,579	613,776	-	14,334	-	741,222	692,658	11,744,533
Contracted and general services	685,241	284,262	930,490	231,654	17,988	-	409,605	91,361	75,146	2,725,747
Goods, materials and supplies	168,449	216,326	1,882,151	93,378	759	-	97,543	6,902	187,885	2,653,393
Transfers to other organizations	546,722	631,612	2,351	1,625,273	26,953	445,359	3,646,353	3,045	34,780	6,962,448
Cancellations and uncollectible	975,669	-	-	2,000	-	-	-	-	-	977,669
Purchases from other gov't	-	-	-	239,530	-	-	-	-	-	239,530
Amortization	284,440	359,278	21,946,275	346,152	-	-	220,569	2,070	148,946	23,307,730
Write-down of capital assets	-	-	-	-	-	-	-	-	-	-
Loss on sale of capital assets	3,212	-	2,737,717	-	-	-	-	-	1,060	2,741,989
	<u>6,040,392</u>	<u>2,705,783</u>	<u>32,590,563</u>	<u>3,151,763</u>	<u>45,700</u>	<u>459,693</u>	<u>4,374,070</u>	<u>844,600</u>	<u>1,140,475</u>	<u>51,353,039</u>
Net surplus (deficit)	\$ 29,771,352	\$ (1,874,044)	\$ (21,602,705)	\$ (1,752,045)	\$ (43,840)	\$ (92,065)	\$ (4,169,923)	\$ (719,663)	\$ (867,862)	\$ (1,350,795)

Lacombe County
Notes to Consolidated Financial Statements

December 31, 2021

25. Comparative Figures

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

26. Approval of Financial Statements

Council and Management approved these financial statements.
