

**BRAZEAU COUNTY**  
**Financial Statements**  
**For the Year Ended December 31, 2023**



**METRIX GROUP** LLP

CHARTERED PROFESSIONAL  
ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

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To the Reeve and Council of Brazeau County

### *Opinion*

We have audited the financial statements of Brazeau County (the County), which comprise the statement of financial position as at December 31, 2023 and the statements of operations and accumulated surplus, changes in net financial assets, remeasurement gains and losses and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2023 and the results of its operations, changes in its net financial assets, remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such 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 financial statements, management is responsible for assessing the County's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the County or to cease operations, or has no realistic alternative but to do so.

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

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## *Auditors' Responsibility for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control.
- Evaluate the appropriateness of accounting policies and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**METRIX GROUP LLP**

Chartered Professional Accountants

Edmonton, Alberta  
April 16, 2024

**MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL REPORTING**

To the Reeve and Council of Brazeau County

The integrity, relevance and comparability of the data in the accompanying financial statements are the responsibility of management.

The financial statements are the responsibility of management, prepared in accordance with Canadian public sector accounting standards. They necessarily include some amounts that are based on the best estimates and judgments of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by County Council to express an opinion on the County's financial statements.

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Colin Swap  
Acting Chief Administrative Officer



**BRAZEAU COUNTY**  
**Statement of Financial Position**  
**As at December 31, 2023**

	2023	2022 (Restated) (Note 20)
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 2)	\$ 20,647,033	\$ 25,030,976
Accounts receivable (Note 3)	8,138,645	2,533,557
Land held for resale	14,870	14,870
Investments (Note 4)	22,980,194	22,131,425
	<b>51,780,742</b>	<b>49,710,828</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	3,497,203	4,707,159
Deposit liabilities	73,605	66,955
Deferred revenue (Note 6)	3,048,982	4,731,849
Contaminated sites (Note 7)	804,535	780,217
Asset retirement obligations (Note 8)	479,000	-
Long-term debt (Note 10)	6,741,545	7,881,444
	<b>14,644,870</b>	<b>18,167,624</b>
<b>NET FINANCIAL ASSETS</b>	<b>37,135,872</b>	<b>31,543,204</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 11)	191,588,864	195,806,371
Inventories for consumption (Note 12)	5,134,610	4,584,656
Prepaid expenses	336,930	307,446
	<b>197,060,404</b>	<b>200,698,473</b>
<b>ACCUMULATED SURPLUS (NOTE 13)</b>	<b>\$ 234,196,276</b>	<b>\$ 232,241,677</b>
<b>ACCUMULATED SURPLUS IS COMPRISED OF:</b>		
Accumulated surplus from operations	234,261,631	232,583,089
Accumulated remeasurement losses	(65,355)	(341,412)
	<b>234,196,276</b>	<b>232,241,677</b>

Contingencies (Note 15)

**ON BEHALF OF COUNCIL:**

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**BRAZEAU COUNTY**  
**Statement of Operations and Accumulated Surplus**  
**For the Year Ended December 31, 2023**

	2023 (Budget) (Note 22)	2023 (Actual)	2022 (Actual)
<b>REVENUE</b>			
Net municipal taxes (Schedule 2)	\$ 25,513,234	\$ 25,659,799	\$ 23,392,985
Government transfers for operating (Schedule 3)	745,993	9,062,243	2,254,145
Investment income	770,000	1,673,811	1,080,279
User fees and sale of goods	563,998	538,502	601,775
Licenses, permits, rentals and fines	248,125	275,890	282,963
Sales to other governments	79,428	164,520	175,601
Penalties on taxes	101,000	87,109	88,751
Other	14,636	35,323	78,049
	28,036,414	37,497,197	27,954,548
<b>EXPENSES</b>			
Roads, streets, walks and lighting	5,851,504	13,367,067	12,738,113
Disaster and emergency measures	50,000	8,974,665	29,009
General and administration	3,930,323	4,505,031	3,166,393
Common equipment pool	4,417,067	2,643,309	4,182,841
Parks and recreation	1,659,676	1,910,806	4,176,560
Economic and agricultural development	1,647,190	1,596,104	2,298,162
Policing	1,227,570	1,244,892	1,028,721
Firefighting services	1,252,519	1,128,792	860,226
Water supply and distribution	712,178	1,069,475	970,964
Land use planning, zoning and development	922,341	738,468	1,081,904
Wastewater treatment and disposal	310,412	674,184	689,961
Council	702,474	670,453	809,692
Waste management	471,785	618,252	586,241
Culture - libraries	597,582	508,555	531,513
Family and community support services	316,119	304,108	292,022
Storm	25,438	20,470	36,564
Ambulance and first aid	16,500	16,500	15,542
Cemetaries	20,600	12,613	33,501
	24,131,278	40,003,744	33,527,929
<b>ANNUAL SURPLUS (DEFICIT)</b>			
<b>BEFORE OTHER REVENUE (EXPENSES)</b>	3,905,136	(2,506,547)	(5,573,381)
<b>OTHER REVENUE (EXPENSES)</b>			
Government transfers for capital (Schedule 3)	5,913,719	4,523,751	1,529,725
Other	200,000	173,567	182,246
Cash in lieu of parks	-	35,480	5,292
Loss on disposal of tangible capital assets	-	(547,709)	(80,205)
	6,113,719	4,185,089	1,637,058
<b>ANNUAL SURPLUS (DEFICIT)</b>	10,018,855	1,678,542	(3,936,323)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	232,583,089	232,583,089	236,519,412
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	\$ 242,601,944	\$ 234,261,631	\$ 232,583,089

**BRAZEAU COUNTY**  
**Statement of Changes in Net Financial Assets**  
**For the Year Ended December 31, 2023**

	2023 (Budget)  (Note 22)	2023 (Actual)	2022 (Actual) (Restated) (Note 20)
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 10,018,855	\$ 1,678,542	\$ (3,936,323)
Purchase of tangible capital assets	(8,814,329)	(6,132,125)	(4,910,314)
Proceeds on disposal of tangible capital assets	-	67,644	501,098
Amortization of tangible capital assets	-	9,734,279	9,774,855
Loss on disposal of tangible capital assets	-	547,709	80,205
	(8,814,329)	4,217,507	5,445,844
Use (acquisition) of inventory for consumption	-	(549,954)	387,633
Use (acquisition) of prepaid expenses	-	(29,484)	(62,666)
Increase (decrease) in accumulated remeasurement gains and losses	-	276,057	(335,222)
	-	(303,381)	(10,255)
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	1,204,526	5,592,668	1,499,266
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	31,543,204	31,543,204	30,043,938
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ 32,747,730	\$ 37,135,872	\$ 31,543,204

**BRAZEAU COUNTY**  
**Statement of Remeasurement Gains and Losses**  
**For the Year Ended December 31, 2023**

	2023 (Budget) (Note 22)	2023 (Actual)	2022 (Actual)
<b>ACCUMULATED REMEASUREMENT GAINS (LOSS), BEGINNING OF THE YEAR</b>	\$ -	\$ (341,412)	\$ (6,190)
<b>Unrealized gains (losses) attributable to:</b>			
Derivative investments	-	276,057	(335,222)
<b>ACCUMULATED REMEASUREMENT GAINS (LOSS), END OF YEAR</b>	\$ -	\$ (65,355)	\$ (341,412)



**BRAZEAU COUNTY**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ 1,678,542	\$ (3,936,323)
Non-cash items included in annual surplus		
Loss on disposal of tangible capital assets	547,709	80,205
Amortization of investment premium/discounts	(28,127)	170
Amortization of tangible capital assets	9,734,279	9,774,855
Change in non-cash working capital balances:		
Accounts receivable	(5,605,088)	(848,186)
Prepaid expenses	(29,484)	(62,666)
Accounts payable and accrued liabilities	(1,209,956)	(263,698)
Deferred revenue	(1,682,867)	(577,085)
Inventories for consumption	(549,954)	387,633
Contaminated sites	24,318	46,375
Asset retirement obligations	479,000	-
Deposit liabilities	6,650	3,800
	<b>3,365,022</b>	<b>4,605,080</b>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(6,132,125)	(4,910,314)
Proceeds on disposal of tangible capital assets	67,644	501,098
	<b>(6,064,481)</b>	<b>(4,409,216)</b>
<b>FINANCING ACTIVITIES</b>		
Long-term debt principal repayments	(1,139,899)	(1,317,314)
	<b>(1,139,899)</b>	<b>(1,317,314)</b>
<b>INVESTMENT ACTIVITIES</b>		
Acquisition of investments	(5,620,966)	(9,147,329)
Proceeds on sale of investments	5,076,381	3,889,100
	<b>(544,585)</b>	<b>(5,258,229)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>	<b>(4,383,943)</b>	<b>(6,379,679)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>25,030,976</b>	<b>31,410,655</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 20,647,033</b>	<b>\$ 25,030,976</b>

**BRAZEAU COUNTY**  
**Schedule of Equity in Tangible Capital Assets**  
**For the Year Ended December 31, 2023**

**Schedule 1**

	2023	2022
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$188,904,310</b>	<b>\$193,032,840</b>
Acquisition of tangible capital assets	6,132,125	4,910,314
Cost of tangible capital assets disposed of	(1,367,595)	(1,104,584)
Accumulated amortization of tangible capital assets disposed of	752,242	523,281
Amortization of tangible capital assets	(9,734,279)	(9,774,855)
Asset retirement obligations (Note 8)	(39,000)	-
Long-term capital debt repayments	1,139,899	1,317,314
<b>BALANCE, END OF YEAR</b>	<b>\$185,787,702</b>	<b>\$188,904,310</b>

Equity in Tangible Capital Assets is Comprised of the Following:

Tangible capital assets net book value	\$191,588,864	\$195,806,371
Asset retirement obligations (Note 8)	(39,000)	-
Long-term debt used for tangible capital assets	(5,762,162)	(6,902,061)
	<b>\$185,787,702</b>	<b>\$188,904,310</b>

**BRAZEAU COUNTY**  
**Schedule of Property and Other Taxes**  
**For the Year Ended December 31, 2023**

**Schedule 2**

	2023 (Budget) (Note 22)	2023 (Actual)	2022 (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 13,638,445	\$ <b>13,686,352</b>	\$ 12,951,325
Linear property taxes	21,785,672	<b>21,809,238</b>	20,536,830
Government grants in lieu of property taxes	9,121	<b>9,121</b>	8,608
	<b>35,433,238</b>	<b>35,504,711</b>	33,496,763
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	(9,128,032)	<b>(9,128,823)</b>	(9,360,944)
Brazeau Seniors Foundation	(762,515)	<b>(762,515)</b>	(759,425)
Designated industrial property	(189,457)	<b>(188,730)</b>	(178,546)
	<b>(10,080,004)</b>	<b>(10,080,068)</b>	(10,298,915)
<b>OTHER TAXES</b>			
Community aggregate levy	160,000	<b>235,156</b>	195,137
<b>NET MUNICIPAL TAXES</b>	<b>\$ 25,513,234</b>	<b>\$ 25,659,799</b>	\$ 23,392,985

**BRAZEAU COUNTY**  
**Schedule of Government Transfers**  
**For the Year Ended December 31, 2023**

**Schedule 3**

	2023 (Budget) (Note 22)	2023 (Actual)	2022 (Actual)
<b>TRANSFERS FOR OPERATING</b>			
Provincial government	\$ 739,344	\$ 9,058,329	\$ 2,141,429
Local governments	6,649	3,914	112,716
	745,993	9,062,243	2,254,145
<b>TRANSFERS FOR CAPITAL</b>			
Provincial government	5,913,719	4,341,135	1,529,725
Federal government	-	182,616	-
Local governments	-	-	-
	5,913,719	4,523,751	1,529,725
<b>TOTAL GOVERNMENT TRANSFERS</b>	\$ 6,659,712	\$ 13,585,994	\$ 3,783,870



**BRAZEAU COUNTY**  
**Schedule of Segmented Information**  
**For the Year Ended December 31, 2023**

**Schedule 4**

	General Administration	Recreation and Culture	Protective Services	Public Works and Transportation Services	Utilities	All Other	Total
<b>REVENUE</b>							
Net municipal taxes	\$ 1,854,343	\$ 1,849,594	\$ 2,686,465	\$ 7,741,158	\$ 1,441,993	\$ 10,086,246	\$ 25,659,799
Government transfers	-	238,026	8,171,116	-	-	653,101	9,062,243
Investment income	1,673,811	-	-	-	-	-	1,673,811
User fees and sales of goods	13,606	96,774	2,105	183,648	221,762	20,607	538,502
All other	105,791	-	141,613	37,501	-	2,047	286,952
Licenses, permits, rentals and fines	-	-	95,531	64,755	-	115,604	275,890
	3,647,551	2,184,394	11,096,830	8,027,062	1,663,755	10,877,605	37,497,197
<b>EXPENSES</b>							
Contract and general services	1,146,365	162,855	8,612,315	683,264	692,136	697,301	11,994,236
Salaries, wages and benefits	2,231,672	342,520	454,227	3,987,355	593,676	1,984,020	9,593,470
Materials, goods and supplies	213,924	19,320	656,449	3,607,200	141,851	54,798	4,693,542
Transfers to other governments	-	1,464,533	651,086	64,684	-	254,142	2,434,445
Other expenses	23,663	-	701,130	5,757	163,969	26,876	921,395
Transfers to boards, agencies and organizations	-	195,166	21,500	-	-	192,736	409,402
Interest on long-term debt	1,569	-	123	118,802	72,537	-	193,031
Bad debts (recovery)	30,358	-	-	-	(414)	-	29,944
	3,647,551	2,184,394	11,096,830	8,467,062	1,663,755	3,209,873	30,269,465
<b>NET REVENUE (DEFICIT) BEFORE AMORTIZATION</b>	-	-	-	(440,000)	-	7,667,732	7,227,732
Amortization of tangible capital assets	857,480	234,967	268,019	7,563,784	698,156	111,873	9,734,279
<b>NET REVENUE (DEFICIT)</b>	\$ (857,480)	\$ (234,967)	\$ (268,019)	\$ (8,003,784)	\$ (698,156)	\$ 7,555,859	\$ (2,506,547)

**BRAZEAU COUNTY**  
**Schedule of Segmented Information**  
**For The Year Ended December 31, 2022**

**Schedule 5**

	General Administration	Recreation and Culture	Protective Services	Public Works and Transportation Services	Utilities	All Other	Total
<b>REVENUE</b>							
Net municipal taxes	\$ 1,131,096	\$ 2,733,652	\$ 1,418,718	\$ 8,918,110	\$ 1,360,382	\$ 7,831,027	\$ 23,392,985
Government transfers	-	1,567,338	-	-	-	686,807	2,254,145
Investment income	1,080,279	-	-	-	-	-	1,080,279
User fees and sales of goods	10,610	113,203	76	282,922	191,794	3,170	601,775
All other	92,954	-	151,033	67,489	-	30,925	342,401
Oil well drilling taxes	-	-	-	-	-	-	-
Licenses, permits, rentals and fines	-	-	102,650	75,597	-	104,716	282,963
	2,314,939	4,414,193	1,672,477	9,344,118	1,552,176	8,656,645	27,954,548
<b>EXPENSES</b>							
Salaries, wages and benefits	1,242,166	302,122	338,773	4,251,339	548,081	2,412,472	9,094,953
Transfers to other governments	-	3,756,811	545,857	68,000	-	423,652	4,794,320
Contract and general services	912,393	155,967	182,763	1,199,245	586,052	1,281,338	4,317,758
Materials, goods and supplies	143,597	15,740	65,577	3,688,686	171,689	123,498	4,208,787
Other expenses (recovery)	14,838	6,651	519,831	6,667	146,538	48,792	743,317
Transfers to boards, agencies and organizations	-	232,556	19,542	-	-	109,765	361,863
Interest on long-term debt	1,706	-	134	130,181	99,816	-	231,837
Bad debts	239	-	-	-	-	-	239
	2,314,939	4,469,847	1,672,477	9,344,118	1,552,176	4,399,517	23,753,074
<b>NET REVENUE (DEFICIT) BEFORE AMORTIZATION</b>							
	-	(55,654)	-	-	-	4,257,128	4,201,474
Amortization of tangible capital assets	851,454	238,226	261,021	7,613,400	694,990	115,764	9,774,855
<b>NET REVENUE (DEFICIT)</b>	<b>\$ (851,454)</b>	<b>\$ (293,880)</b>	<b>\$ (261,021)</b>	<b>\$ (7,613,400)</b>	<b>\$ (694,990)</b>	<b>\$ 4,141,364</b>	<b>\$ (5,573,381)</b>

## **1. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are the representations of Brazeau County (the "County") management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the County are as follows:

### *(a) Reporting Entity*

These financial statements include the assets, liabilities, revenue and expenses and changes in equity balances and in financial position of the County. This entity is comprised of all the organizations that are owned or controlled by the County and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The schedule of taxes levied includes requisitions for education and senior foundations that are not part of the municipal reporting entity.

### *(b) Basis of Accounting*

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

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

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

Expenses are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

### *(c) Use of Estimates*

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

The County has used estimates to determine an allowance for doubtful accounts, accrued liabilities, post employment benefits, contaminated sites, asset retirement obligations and the useful lives of tangible capital assets.

### *(d) Valuation of financial assets and liabilities*

The County's financial assets and liabilities are measured as follows:

Cash	Cost and amortized cost
Accounts receivables	Lower of cost or net recoverable value
Investments	Fair value and amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Asset retirement obligations	Cost or present value
Long-term debt	Amortized cost
Derivatives	Fair value

(CONT'D)



**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*(d) Valuation of financial assets and liabilities (cont'd)*

For financial assets and liabilities measured at amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial assets and liabilities that are measured at cost or amortized cost and expensed when measured at fair value.

*(e) Cash and Cash Equivalents*

Cash and cash equivalents include items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of three months or less at acquisition.

*(f) Investments*

The County holds derivatives in the form of principal protected notes which are recorded at fair value in the statement of financial position. Unrealized gains and losses from changes in the fair value of derivatives are recognized in the statement of remeasurement gains and losses. Upon settlement, the realized gains and losses are reclassified as revenue or expense in the statement of operations.

*(g) Excess Collections and Under-levies*

Excess collections and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned. If the actual levy exceeds the requisition, the excess collection is accrued as a liability.

In situations where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable.

*(h) Tax Revenue*

Property tax revenue is based on market value of assessments determined in accordance with the *Municipal Government Act*. Tax rates are established annually. Taxation revenues are recorded at the time tax notices are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property tax assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the County and are recognized as revenue in the year they are levied.

*(i) Post Employment Benefits*

Upon full retirement, after the age of fifty-five (55), County employees are entitled to be paid out between twenty-five (25%) and fifty percent (50%) of their remaining accumulated sick leave days proportionate their length of service. The cost of this post employment benefit is recognized as an expense as the employees provide service.



## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Asset retirement obligations

During 2023, the County adopted *PS 3280 Asset Retirement Obligations* prospectively which provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation including, but not limited to, decommissioning or dismantling, remediation of contamination, post-retirement activities such as monitoring, and constructing other tangible capital assets to perform post-retirement activities.

A liability for asset retirement obligation is recognized when there is a legal obligation to incur retirement costs, the past transaction or event giving rise to the liability as occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying value of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognised tangible capital assets and those not in productive use are expensed.

(k) Contaminated Sites

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

(l) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

i) Tangible Capital Assets

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

Land improvements	15 - 30 years
Buildings	20 - 50 years
Engineered structures	
Roadways	
Gravel	20 years
Top	20 years
Base	30 years
Bridges and culverts	30 - 142 years
Wastewater systems	20 - 75 years
Water systems	35 - 75 years
Machinery and equipment	10 - 20 years
Vehicles	10 - 20 years

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*i) Tangible Capital Assets (cont'd)*

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

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

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

*ii) Leases*

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

*iii) Inventories for Consumption*

Inventories are valued at the lower of cost and net realizable value with cost determined by the average cost method.

Land held for resale is recorded at the lower of cost or net realizable value on a specific item basis. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and levelling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks, and street lighting are recorded as property and equipment under their respective function.

*(m) New Accounting Standards not yet Adopted*

Effective for fiscal years beginning on or after April 1, 2023, *PS 3400 Revenue* provides guidance on how to account for and report revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions

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**BRAZEAU COUNTY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2023**

**2. CASH AND CASH EQUIVALENTS**

	2023	2022
Operating bank accounts	\$ 10,161,978	\$ 10,325,663
Temporary investments	10,482,124	14,394,702
Savings bank accounts	2,931	310,611
	<b>\$ 20,647,033</b>	<b>\$ 25,030,976</b>

Temporary investments consist of 31-90 day notice on amount accounts and Short-term Investment Certificates. The Short-term Investment Certificates bear interest at rates ranging between 5.66% - 5.89% and maturing in February and March 2024.

**3. ACCOUNTS RECEIVABLE**

	2023	2022
Receivables from other governments	\$ 6,987,879	\$ 1,623,223
Trade and other	581,967	540,252
Taxes and grants in place of taxes	568,799	370,082
	<b>\$ 8,138,645</b>	<b>\$ 2,533,557</b>
Taxes and grants in place of taxes consist of the following:		
Current taxes	207,692	(17,321)
Tax arrears	578,523	604,819
	<b>786,215</b>	<b>587,498</b>
Less: Allowance for doubtful taxes	<b>(217,416)</b>	<b>(217,416)</b>
	<b>\$ 568,799</b>	<b>\$ 370,082</b>

Taxes are considered past due when the property owner has not made a payment by the outlined due date. The table that follows presents the carrying value of tax arrears at year-end that are past due but not included in the allowance for doubtful taxes because they are fully secured by the value of the property and collection efforts are reasonably expected to result in repayment.

	One year	Two years	Three years and greater	2023 Total
Tax arrears	\$ 84,255	\$ 51,441	\$ 225,411	<b>\$ 361,107</b>
	One year	Two years	Three years and greater	2022 Total
Tax arrears	\$ 115,021	\$ 83,355	\$ 189,027	<b>\$ 387,403</b>



**BRAZEAU COUNTY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2023**

**4. INVESTMENTS**

	2023		2022	
	Carrying Value	Market Value	Carrying Value	Market Value
Corporate bonds - amortized cost	\$ 16,351,950	\$ 15,832,271	\$ 16,965,437	\$ 15,978,506
Principal-protected notes (b)	5,763,544	5,763,544	4,301,288	4,301,288
Principle at risk notes (b)	864,700	864,700	864,700	864,700
	<b>\$ 22,980,194</b>	<b>\$ 22,460,515</b>	<b>\$ 22,131,425</b>	<b>\$ 21,144,494</b>

Corporate bonds have coupon interest rates between 1.610% to 6.034% (2022 - 1.610% - 4.859%) with maturity dates from June 2024 to September 2033.

Derivative investments have maturity dates from January 2029 to April 2032 and are carried at fair market value in which the measurements are derived from:

- a) Level 1 - Quoted prices in active markets for identical assets.
- b) Level 2 - Inputs other than quoted prices included within level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2023	2022
Trade and other accounts payable	\$ 2,907,167	\$ 4,155,632
Accrued vacation pay	394,805	359,659
Post-employment benefits (Note 1 (i))	159,635	149,858
Accrued interest on long-term debt	35,596	42,010
	<b>\$ 3,497,203</b>	<b>\$ 4,707,159</b>

**6. DEFERRED REVENUE**

Deferred revenue is comprised of the following amounts which have been received from third parties for a specified purpose. Additions are comprised of both contributions and interest earned during the year. These amounts are recognized as revenue in the period in which the related costs are incurred.

	2022	Additions	Revenue Recognized	2023
Canada Community-Building Fund	\$ 488,627	\$ 521,460	\$ -	\$ 1,010,087
Alberta Municipal Water/Wastewater Partnership	593,395	311,860	-	905,255
Municipal Sustainability Initiative - capital	3,538,814	1,414,857	(4,110,140)	843,531
Strategic Transportation Infrastructure Program	-	135,601	(13,438)	122,163
Government of Canada	-	102,390	-	102,390
Other	60,746	89,583	(92,384)	57,945
Brazeau Slowpitch Society	-	181,178	(173,567)	7,611
Family and Community Support Services	50,267	-	(50,267)	-
	<b>\$ 4,731,849</b>	<b>\$ 2,756,929</b>	<b>\$ (4,439,796)</b>	<b>\$ 3,048,982</b>



## **7. CONTAMINATED SITES**

Contaminated sites are a result of contamination being introduced into the air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard.

Based on an external consultant's report, the County has ascertained liabilities for two contaminated sites due to soil contamination. The County has accepted responsibility to perform remediation work on the two parcels of land for soil contamination. The remediation will result in the removal of an estimated 5,750 cubic meters of soil from both sites. Currently, there is no time frame as to when the remediation will be completed. This estimated liability is based on an estimated 5,750 cubic meters of soil being excavated and disposed off-lease.

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## **8. ASSET RETIREMENT OBLIGATION**

### *Gravel sites*

The County has asset retirement obligations pursuant to the *Environmental Enhancement and Protection Act* (Alberta) to fund the future reclamation of its work sites. Reclamation activities include the final soil cover, landscaping, and visual inspection. Although, the timing of the work site\ reclamation is conditional on the length of time until the site is expected to be inactive, regulations create an existing obligation for the County to reclaim the work site when the asset retirement activity occurs. The obligations are measured at the current cost due to the uncertainty about when the retirement and reclamation activities are expected to occur.

### *Buildings*

The County has asset retirement obligations to remove various hazardous materials including, asbestos, lead, mercury, and mold from buildings under its control. Regulations require the County to handle and dispose of these materials in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although the timing of the removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the County to remove the materials when the asset retirement activities occur.

	<b>2023</b>	<b>2022</b>
Balance, beginning of year	\$ -	\$ -
Net Change for the year:		
Initial adoption	<b>479,000</b>	-
Balance, end of year	<b>\$ 479,000</b>	\$ -

The obligations of \$479,000 (2022 - \$NIL) are measured at the current cost due to the uncertainty about when the retirement and reclamation activities are expected to occur.

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## **9. CREDIT FACILITY**

The County has a demand revolving operating credit facility to a maximum of \$2,000,000 bearing interest at prime less 0.75% per annum. The credit facility was not drawn upon as of December 31, 2023 or 2022.

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**BRAZEAU COUNTY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2023**

**10. LONG-TERM DEBT**

	2023	2022
Alberta Capital Financing Authority debentures bearing interest at fixed rates ranging from 2.30% to 5.75% per annum maturing between 2023 and 2034.	<b>\$ 6,576,555</b>	\$ 7,700,019
Obligation under capital leases for solar panels, bearing interest and a rate of 1.57%, maturing 2032.	<b>164,990</b>	181,425
	<b>\$ 6,741,545</b>	\$ 7,881,444
Tax supported debt	<b>\$ 6,741,545</b>	\$ 7,876,309
Self supported debt	-	5,135
	<b>\$ 6,741,545</b>	\$ 7,881,444

Principal and interest payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 950,564	\$ 171,753	\$ 1,122,317
2025	975,864	146,319	1,122,183
2026	1,001,850	120,199	1,122,049
2027	1,028,542	93,375	1,121,917
2028	421,001	70,038	491,039
Thereafter	2,363,724	178,725	2,542,449
	<b>\$ 6,741,545</b>	<b>\$ 780,409</b>	<b>\$ 7,521,954</b>

Interest on long-term debt amounted to \$193,031 (2022 - \$231,837).

The County's total cash payments for interest in 2023 were \$199,424 (2022 - \$234,128).

**BRAZEAU COUNTY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2023**

**11. TANGIBLE CAPITAL ASSETS**

	2023	2022
	Net Book Value	
<b>Engineered Structures</b>		
Roadways	\$ 125,663,768	\$ 126,820,449
Wastewater systems	16,789,331	17,166,824
Water systems	12,789,567	13,078,557
Storm systems	1,000,330	1,017,108
	<b>156,242,996</b>	<b>158,082,938</b>
Buildings	13,028,699	13,925,645
Land	6,533,051	6,488,238
Machinery and equipment	5,202,725	6,201,681
Land improvements	4,588,156	4,801,404
Vehicles	2,718,869	2,454,500
Construction in progress	3,274,368	3,851,965
	<b>\$ 191,588,864</b>	<b>\$ 195,806,371</b>

	Cost Beginning of Year	Additions	Disposals	Transfers	Cost End of Year
<b>Engineering Structures</b>					
Roadways	\$ 372,872,325	\$ 1,646,581	\$ (507,061)	\$ 3,503,258	\$ 377,515,103
Wastewater systems	21,666,999	-	-	-	21,666,999
Water systems	16,046,337	-	-	-	16,046,337
Storm systems	1,263,612	-	-	-	1,263,612
	411,849,273	1,646,581	(507,061)	3,503,258	416,492,051
Machinery and equipment	17,101,688	107,953	(39,736)	15,343	17,185,248
Vehicles	6,561,791	76,055	(289,353)	650,833	6,999,326
Buildings	25,019,623	39,000	-	-	25,058,623
Land	6,488,238	44,813	-	-	6,533,051
Land improvements	8,566,052	-	-	94,441	8,660,493
Construction in progress	3,851,965	4,217,723	(531,445)	(4,263,875)	3,274,368
	<b>\$ 479,438,630</b>	<b>\$ 6,132,125</b>	<b>\$ (1,367,595)</b>	<b>\$ -</b>	<b>\$ 484,203,160</b>

	Accumulated Amortization Beginning of Year	Current Amortization	Disposals	Transfers	Accumulated Amortization End of Year
<b>Engineered Structures</b>					
Roadways	\$ 246,051,876	\$ 6,293,093	\$ (493,634)	\$ -	\$ 251,851,335
Wastewater systems	4,500,175	377,493	-	-	4,877,668
Water systems	2,967,780	288,990	-	-	3,256,770
Storm systems	246,504	16,778	-	-	263,282
	253,766,335	6,976,354	(493,634)	-	260,249,055
Machinery, equipment, and furnishings	10,900,007	1,116,298	(33,782)	-	11,982,523
Vehicles	4,107,291	397,992	(224,826)	-	4,280,457
Buildings	11,093,978	935,946	-	-	12,029,924
Land improvements	3,764,648	307,689	-	-	4,072,337
	<b>\$ 283,632,259</b>	<b>\$ 9,734,279</b>	<b>\$ (752,242)</b>	<b>\$ -</b>	<b>\$ 292,614,296</b>

**BRAZEAU COUNTY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2023**

**12. INVENTORIES FOR CONSUMPTION**

	2023	2022
Sand and gravel	\$ 4,746,025	\$ 4,252,750
Parts, chemicals, and other	388,585	331,906
	<b>\$ 5,134,610</b>	<b>\$ 4,584,656</b>

**13. ACCUMULATED SURPLUS**

	2023	2022
Unrestricted surplus	\$ 25,377,201	\$ 23,493,597
Restricted surplus		
Operating restricted surplus ( <i>Note 14</i> )	920,194	848,773
Capital restricted surplus ( <i>Note 14</i> )	21,835,122	19,330,219
Equity in tangible capital assets ( <i>Schedule 1</i> )	185,787,702	188,904,310
Change in accumulated remeasurements gains (losses)	276,057	(335,222)
	<b>\$ 234,196,276</b>	<b>\$ 232,241,677</b>

**14. RESTRICTED SURPLUS**

	2023	2022
<b>OPERATING RESTRICTED SURPLUS</b>		
General operating	\$ 920,194	\$ 848,773
<b>CAPITAL RESTRICTED SURPLUS</b>		
Deferred capital projects	\$ 4,639,513	\$ 2,754,849
Major facility capital investment	4,393,224	4,723,275
Engineering structures	3,154,825	2,909,949
Equipment replacement	1,660,007	439,125
Roads	1,437,421	2,651,106
Fire equipment	1,028,215	1,387,686
Deferred projects	1,012,175	1,618,716
Recreation facilities (Willey West)	723,212	376,241
Buildings	698,048	218,865
Sewer capital replacement	663,680	573,800
Cultural facilities	426,247	343,408
Water capital replacement	387,473	341,045
Parks-cash in lieu	359,944	287,882
Committed funds	298,841	275,645
Utility servicing	261,121	-
Off-site levies	242,570	47,588
Alternate land use services	187,128	120,814
Alternate energy program	150,535	157,893
Alberta water and wastewater	66,626	61,455
Land surplus	41,907	38,654
Cemetery - perpetual care fund	2,410	2,223
	<b>\$ 21,835,122</b>	<b>\$ 19,330,219</b>



**15. CONTINGENCIES**

The County is a member of the Alberta Municipal 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 is a defendant in various lawsuits as at December 31, 2023. Where the outcome of a claim against the County is considered likely to result in a loss and the amount of the loss can be reasonably estimated, accrued liabilities have been recorded. Where the resulting potential losses, if any, cannot be determined or the occurrence of future events is unknown, accrued liabilities have not been established.

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**16. FINANCIAL INSTRUMENTS**

The County is exposed to the following risks in respect of its financial instruments at December 31, 2023.

*Credit risk*

The County is exposed to credit risk with respect to receivables. Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their obligations. The County is exposed to the credit risk associated with fluctuations in the oil and gas industry as a significant portion of the property taxes outstanding at December 31, 2023 relate to linear property and are receivable from companies in the oil and gas industry. The large number and diversity of customers minimizes the County's credit risk.

*Marker price risk*

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities.

*Liquidity risk*

Liquidity risk is the risk that the County will encounter difficulty in meeting obligations associated with its financial liabilities. The County maintains cash balances to ensure that funds are available to meet current and forecasted financial requirements. Management continues to monitor the County's liquidity position on a regular basis.

*Interest rate risk*

Interest rate risk is the risk that the County's annual surplus will be affected by the fluctuation and degree of volatility in interest rates. Interest rate risk on the County's long-term debt is managed through fixed rate debentures with the Province of Alberta (*Note 10*).

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**17. SEGMENTED INFORMATION**

The County provides a wide range of services to its citizens. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1. For additional information see the Schedule of Segment Disclosure (Schedule 4).

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## 18. REMUNERATION AND BENEFITS DISCLOSURE

Disclosure of remuneration and benefits for elected municipal officials, the County Manager and designated officers as required by Alberta Regulation 313/2000 is as follows:

			2023	2022
	Remuneration	Benefits and Allowances	Total	Total
Reeve and Councillors				
B. Guyon (Reeve)	\$ 74,120	\$ 22,548	\$ 96,668	\$ 90,973
D. Wiltse	46,229	19,500	65,729	66,137
K. Westerlund	46,048	19,584	65,632	60,438
D. Ekstrom	40,625	18,521	59,146	61,463
C. Brooks	38,887	13,209	52,096	55,050
A. Heinrich	39,159	7,470	46,629	45,618
G. Gunderson	26,000	11,921	37,921	-
R. Swap	2,050	1,103	3,153	68,842
	\$ 313,118	\$ 113,856	\$ 426,974	\$ 448,521
Chief Administrative Officer (1)	\$ 172,820	\$ 40,219	\$ 213,039	\$ 75,024
Designated Officers (6)	\$ 750,264	\$ 173,088	\$ 923,352	\$ 907,087

- 1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration including per diem amounts.
- 2) Employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition.
- 3) Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, and the employer's share of the costs of any additional taxable benefits.

## 19. LOCAL AUTHORITIES PENSION PLAN

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

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

The County is required to make current service contributions to the LAPP of 8.45% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 12.23% on pensionable earnings above this amount. Employees of the County are required to make current service contributions of 7.45% of pensionable earnings up to the year's maximum pensionable earnings and 11.23% on pensionable earnings above this amount.

Total current service contributions by the County to the LAPP in 2023 were \$240,737 (2022 - \$234,006). Total current service contributions by the employees of the County to the LAPP in 2023 were \$214,331 (2022 - \$208,576).

At December 31, 2022 the Plan disclosed an actuarial surplus of \$12.67 billion (2021 \$11.92 billion).

**BRAZEAU COUNTY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2023**

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**20. RESTATEMENT**

Effective January 1, 2023, the County adopted *PS 3450 Financial Instruments* retroactively and comparative figures have been restated.

The effect of these changes on the comparative figures have resulted in decreases in investments, accumulated remeasurement losses, and accumulated surplus in the amount of \$341,412.

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**21. DEBT LIMITS**

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

	2023	2022
Total debt limit	\$ 56,245,796	\$ 41,931,822
Total debt	(6,741,545)	(7,881,444)
Amount of debt limit unused	\$ 49,504,251	\$ 34,050,378
Service on debt limit	\$ 9,374,299	\$ 6,988,637
Service on debt	(1,122,317)	(1,339,334)
Amount of debt servicing limit unused	\$ 8,251,982	\$ 5,649,303

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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 limits 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 County. Rather, the financial statements must be interpreted as a whole.

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**22. BUDGET FIGURES**

The budget figures presented in these financial statements are based on the budget approved by Council on April 12, 2023.

The table below reconciles the approved budget figures reported in these financial statements.

<b>Annual surplus (deficit)</b>	\$ 10,018,855
Deduct:	
Purchase of tangible capital assets	(8,814,329)
Add back:	
Transfers from operating reserves	458,562
Transfers from capital reserves	2,750,610
	<b>\$ 4,413,698</b>

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**23. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

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**24. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by Council.

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