

FOOTHILLS COUNTY

Consolidated Financial Statements

For the year ended December 31, 2023

FOOTHILLS COUNTY
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For the year ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To: The Mayor and Members of Council of
the Foothills County

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Foothills County as at December 31, 2023, the results of its operations, remeasurement gains and losses, change in its net financial assets (debt) 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 Auditor's 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 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.

Emphasis of Matter

We draw attention to note 2 to the financial statements which describes the amendments made to the prior year's figures as a result of adopting the new accounting standard PS 3280 Asset Retirement Obligations. Our audit opinion is not modified in respect of this matter.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the County's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the County or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional

INDEPENDENT AUDITOR'S REPORT, continued

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 used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 company 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 any significant deficiencies in internal control that we identify during our audit.

Lethbridge, Alberta

April 24, 2024



Chartered Professional Accountants

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Foothills County is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the County's financial position as at December 31, 2023 and the results of its operations for the yearend then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

The County Council carries out its responsibilities for review of the consolidated financial statements principally through the Budget and Policy Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Budget and Policy Committee with and without the presence of management. The County Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Avail LLP Chartered Professional Accountants, the independent external auditors appointed by the County. The accompanying independent Auditor's Report outlines their responsibilities, the scope of the examination and their opinion on the County's consolidated financial statements.

Christine Hummel

Director of Corporate Services

FOOTHILLS COUNTY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2023

	2023	2022 (restated)
Financial assets		
Cash and temporary investments (note 3)	\$ 62,765,181	\$ 38,713,085
Taxes and grants in place of taxes receivable (note 4)	2,726,821	2,599,116
Trade and other receivables (note 5)	6,105,895	16,185,334
Land held for resale	109,126	179,126
Investments (note 6)	457,587	457,568
	72,164,610	58,134,229
Liabilities		
Accounts payable and accrued liabilities	7,991,362	7,000,659
Employee benefit obligations (note 7)	1,151,395	985,611
Deposits	4,355,557	4,309,098
Provision for gravel pit reclamation	1,698,707	857,319
Deferred revenue (note 8)	22,320,728	13,464,221
Long-term debt (note 9)	11,374,839	13,095,230
Asset retirement obligation (note 10)	2,431,387	2,330,774
	51,323,975	42,042,912
Net financial assets	20,840,635	16,091,317
Non-financial assets		
Prepaid expenses (note 6)	538,539	535,709
Inventory for consumption	3,248,014	4,559,584
Tangible capital assets (schedule 2)	236,309,651	239,430,348
	240,096,204	244,525,641
Accumulated surplus (note 11 and schedule 1)		
Accumulated operating surplus	260,936,839	260,616,958
Accumulated remeasurement gains (losses)	-	-
	\$ 260,936,839	\$ 260,616,958

Commitments and contingencies (note 20)

Approved on behalf of Council:

Councilor Delilah Miller

Councilor Rob Siewert

FOOTHILLS COUNTY
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
Revenue			
Net municipal taxes (note 12)	\$ 42,386,775	\$ 42,352,413	\$ 38,733,637
User fees and sales of goods	6,361,352	7,212,508	6,209,103
Government transfers for operating (note 13)	1,537,928	1,505,993	1,183,206
Investment income	1,450,000	2,131,823	927,388
Penalties and costs of taxes	652,226	618,726	610,391
Licenses and permits	1,538,000	1,682,503	1,668,023
Rental	511,700	510,705	436,907
Other	665,500	820,249	691,628
Fines	125,500	74,539	108,896
	55,228,981	56,909,459	50,569,179
Expenses (note 14)			
General government			
Legislative	1,151,904	1,110,305	1,037,290
Administration	8,874,851	7,239,704	7,024,427
Protective services			
Protective services	9,666,114	9,580,055	8,660,482
Ambulance services and first aid	247,940	228,834	211,673
Transportation services			
Roads, streets, walks, lighting	35,220,604	29,242,389	26,992,611
Airport	23,261	23,702	23,974
Environmental use and protection			
Water supply and distribution	6,303,335	5,932,344	5,479,698
Wastewater treatment and disposal	208,117	298,181	319,810
Waste management	365,381	338,681	389,192
Public health and welfare			
Family and community support services	600,025	619,254	567,868
Cemeteries and crematoriums	382,345	306,561	302,379
Planning and development			
Land use planning, zoning and development	2,388,969	2,652,619	2,309,663
Economic and agricultural development	1,227,878	1,021,235	1,042,338
Recreation and culture			
Recreation boards	2,269,500	2,224,960	2,196,312
Parks and recreation	1,869,128	1,780,210	1,725,330
Culture - libraries, museums, halls	557,483	625,499	488,641
	71,356,835	63,224,533	58,771,688
Deficiency of revenue over expenses before capital revenue	(16,127,854)	(6,315,074)	(8,202,509)
Capital revenue			
Government transfers for capital (note 13)	9,844,584	5,855,030	6,441,312
Contributed assets (note 15)	-	779,925	5,171,042
	9,844,584	6,634,955	11,612,354
(Deficiency) excess of revenue over expenses	(6,283,270)	319,881	3,409,845
Accumulated operating surplus, beginning of year	260,616,958	260,616,958	257,207,113
Accumulated operating surplus, end of year	\$ 254,333,688	\$ 260,936,839	\$ 260,616,958

FOOTHILLS COUNTY
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the year ended December 31, 2023

	2023	2022
Accumulated remeasurement gains (losses), beginning of year	\$ -	\$ -
Unrealized gains (losses) attributable to: Equity investments	-	-
Amounts reclassified to statements of operations: Equity investments realized gains	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses), end of year	\$ -	\$ -

FOOTHILLS COUNTY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
(Deficiency) excess of revenue over expenses	\$ (6,283,270)	\$ 319,881	\$ 3,409,845
Acquisition of tangible capital assets	(38,534,584)	(13,519,808)	(14,693,215)
Amortization of tangible capital assets	17,083,239	17,128,794	17,122,917
Contributed tangible capital assets	-	(779,925)	(5,171,042)
Loss on disposal of tangible capital assets	-	268,885	150,442
Proceeds on disposal of tangible capital assets	600,000	22,751	260,708
	(20,851,345)	3,120,697	(2,330,190)
Net change in inventory for consumption	-	1,311,570	(58,938)
Net change in prepaid expense	-	(2,830)	6,899
	-	1,308,740	(52,039)
Change in net financial assets	(27,134,615)	4,749,318	1,027,616
Net financial assets, beginning of year	16,091,317	16,091,317	15,063,701
Net financial assets (debt), end of year	\$ (11,043,298)	\$ 20,840,635	\$ 16,091,317

FOOTHILLS COUNTY
CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended December 31, 2023

	2023	2022 (restated)
Operating transactions		
Excess of revenue over expenses	\$ 319,881	\$ 3,409,845
Adjustments for items which do not affect cash		
Loss on disposal of tangible capital assets	268,885	150,442
Amortization of tangible capital assets	17,128,794	17,122,917
Contributed tangible capital assets	(779,925)	(5,171,042)
Accretion of asset retirement obligation	100,613	90,539
	17,038,248	15,602,701
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	(127,705)	(181,490)
Trade and other receivables	10,079,439	1,717,191
Land held for resale	70,000	-
Investments	(19)	(18)
Inventory for consumption	1,311,570	(58,938)
Prepaid expenses	(2,830)	6,899
Accounts payable and accrued liabilities	990,703	71,577
Employee benefit obligations	165,784	67,209
Deposits	46,459	1,104,255
Deferred revenue	8,856,507	(1,138,160)
Provision for gravel pit reclamation	841,388	(278,047)
	39,269,544	16,913,179
Capital transactions		
Proceeds on disposal of tangible capital assets	22,751	260,708
Acquisition of tangible capital assets	(13,519,808)	(14,693,215)
Asset retirement obligation incurred	-	293,138
	(13,497,057)	(14,139,369)
Financing transactions		
Proceeds of long-term debt	-	3,500,000
Repayment of long-term debt	(1,720,391)	(5,473,949)
	(1,720,391)	(1,973,949)
Increase in cash and temporary investments	24,052,096	799,861
Cash and temporary investments, beginning of year	38,713,085	37,913,224
Cash and temporary investments, end of year	\$ 62,765,181	\$ 38,713,085

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies

The consolidated financial statements of the County are the representations of management prepared in accordance with public sector accounting standards for local government established by the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the County are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses, changes in fund balances and change in financial position of the reporting entity which comprises all of 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.

Taxes levied also includes requisitions for educational, health care, social and other external organizations that are not part of the municipal reporting entity.

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

(b) Basis of accounting

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

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

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(c) Inventories for resale

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

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(d) Investments

Investments in derivatives and equity instruments quoted in an active market are carried at fair value with transactions costs expensed upon initial recognition. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of operations.

Investments in interest bearing securities are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

(e) Debt charges recoverable

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

(f) Deferred revenue

Deferred revenue represent government transfers, donations, and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met. Interest earned on deferred revenues, reserves, and offsite levies are calculated using an average investment earnings monthly.

(g) Long-term debt

Long-term debt is initially recognized net of any premiums, discounts, fees and transactions costs, with interest expense recognized using the effective interest method. Long-term debt is subsequently measured at amortized cost.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(h) Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the County to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the County reviews the carrying amount of the liability. The County recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The County continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(i) Revenue recognition

Revenue from transactions with no performance obligation is recognized at realizable value when the County has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event giving rise to an asset.

Revenue from transactions with performance obligations is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor. User fees are recognized over the period of use, sales of goods are recognized when goods are delivered. Licenses and permits with a single performance obligation at a point in time are recognized as revenue on issuance, those which result in a continued performance obligation over time are recognized over the period of the license or permit as the performance obligation is satisfied.

(j) Tax revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Requisitions operate as a flow through and are excluded from municipal revenue.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(k) Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

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

(l) Requisition over-levy and under-levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

(m) Use of estimates

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

There is measurement uncertainty related to asset retirement obligations and the provision for gravel pit reclamation as these involve estimates in determining settlement amount, discount rates and timing of settlement. Changes to any of these estimates and assumptions may result in change to the obligation.

(n) Valuation of financial assets and liabilities

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

Financial statement component	Measurement
Cash	Cost and amortized cost
Short-term investments	Amortized cost
Trade and other receivables	Lower of cost or net recoverable value
Investments	Fair value and amortized cost
Loans receivable and debt charges recoverable	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Bank indebtedness and long-term debt	Amortized cost

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(o) Non-financial assets

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

(i) Tangible capital assets

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

	Years
Land improvements	25
Buildings	25-40
Engineered structures	5-70
Machinery and equipment	10-20
Vehicles	8-20

Amortization is charged at 50% in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

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

(iii) Leases

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

(iv) Inventories

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

(v) Cultural and historical tangible capital assets

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

(p) Contaminated sites liability

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.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(q) Future change in accounting policy

The following summarizes upcoming changes to Canadian public sector accounting standards. In 2023, the County will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption may vary, certain standards must be adopted concurrently.

a) Revenue

PS3400, Revenue establishes standards on how to account for and report on revenue, specifically in regard to revenue arising from transactions with performance obligations (exchange transactions) and those without performance obligations (non-exchange transactions). This standard is applicable for fiscal years beginning on or after April 1, 2023.

b) Purchased Intangibles

PSG-8, Purchased Intangibles, allows for purchased intangible assets to be recognized as assets in the public sector entity's financial statements. This standard is applicable for fiscal years beginning on or after April 1, 2023.

c) Public Private Partnerships

PS3160, Public Private Partnerships, establishes standards on how to account for certain arrangements between public and private entities. The standard provides guidance on situations where a public entity acquires infrastructure asset past the point where it is ready for use. This standard is applicable for fiscal years beginning on or after April 1, 2023.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

2. Change in accounting policy

Effective January 1, 2023, the County adopted the new accounting standard PS 3280 Asset Retirement Obligations and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

On the effective date of the PS 3280 standard, the County recognized the following to conform to the new standard:

- asset retirement obligations, adjusted for accumulated accretion to the effective date;
- asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- accumulated amortization on the capitalized cost; and
- adjustment to the opening balance of the accumulated surplus/deficit.

Amounts are measured using information, assumptions and discount rates where applicable that are current on the effective date of the standard. The amount recognized as an asset retirement cost is measured as of the date the asset retirement obligation was incurred. Accumulated accretion and amortization are measured for the period from the date the liability would have been recognized had the provisions of this standard been in effect to the date as of which this standard is first applied.

Impact on the prior year's financial statements as a result of the change in accounting policy is as follows:

	2022		
	As previously reported	Adjustment recognized	As restated
Statement of operations			
Revenue	\$ 50,569,179	\$ -	\$ 50,569,179
Expenses	58,641,471	130,217	58,771,688
Capital revenue	11,612,354	-	11,612,354
Excess of revenue over expenses	3,540,062	(130,217)	3,409,845
Accumulated surplus, beginning of year	258,441,412	(1,234,299)	257,207,113
Accumulated surplus, end of year	\$ 261,981,474	\$ (1,364,516)	\$ 260,616,958
Statement of financial position			
Financial assets	\$ 58,134,229	\$ -	\$ 58,134,229
Liabilities	39,712,139	2,330,773	42,042,912
Net financial assets	18,422,090	(2,330,773)	16,091,317
Non-financial assets	243,559,386	966,255	244,525,641
Accumulated surplus, end of year	\$ 261,981,476	\$ (1,364,518)	\$ 260,616,958
Statement of change in net financial assets			
Excess of revenue over expenses	\$ 3,540,062	\$ (130,217)	\$ 3,409,845
Net financial assets, beginning of year	17,010,797	(1,947,096)	15,063,701
Net financial assets, end of year	\$ 18,422,090	\$ (2,330,773)	\$ 16,091,317

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

3. Cash and temporary investments

	2023	2022
Cash	\$ 31,902,984	\$ 12,449,040
Temporary investments	27,394,842	22,796,690
Bonds	3,467,355	3,467,355
	\$ 62,765,181	\$ 38,713,085

The temporary investments are comprised of guaranteed investment certificates and term deposits with interest rates ranging between 4.76% and 6.12% and maturity dates between January and July 2024. The carrying value of these investments approximates fair value.

The bond portfolio has interest rates in the range of 2.75% to 3.22% with maturity dates from 2027 to 2029. The market value of the bonds as at December 31, 2023 was \$3,369,487.

Under its credit facility with TD Canada Trust, the County holds a line of credit to a maximum of \$500,000. The line of credit is due on demand and bears interest at the prime rate less 0.25%. As at December 31, 2023 the line of credit was undrawn.

4. Taxes and grants in place of taxes receivables

	2023	2022
Taxes and grants in place of taxes receivable	\$ 2,158,301	\$ 2,110,019
Arrears	752,821	754,526
	2,911,122	2,864,545
Allowance for doubtful accounts	(184,301)	(265,429)
	\$ 2,726,821	\$ 2,599,116

5. Trade and other receivables

	2023	2022
Due from provincial government	\$ 3,227,727	\$ 12,507,738
Other receivables	1,052,456	1,675,163
Utilities	668,227	344,293
Trade receivables	656,245	1,048,413
Goods and Services Tax (GST)	379,378	413,666
Due from local government	137,942	207,941
Allowance for doubtful accounts	(16,080)	(11,880)
	\$ 6,105,895	\$ 16,185,334

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

6. Investments

	2023	2022
Sheep River Regional Utility Corp.	\$ 457,293	\$ 457,293
Portfolio investments	294	275
	\$ 457,587	\$ 457,568

The County purchased 10 class A common shares in Sheep River Regional Utility Corp. (SRRUC) for 10% ownership in the amount of \$1.

SRRUC was formed in partnership with the Town of Diamond Valley, the Foothills County and the Village of Longview. SRRUC is responsible for distribution of water to its partnering municipalities.

Effective July 27, 2016, the County advanced a shareholder loan to SRRUC in the amount of \$457,294 to contribute to the purchase of a water system asset. The loan is non-interest bearing and has no specific terms of repayment. The loan is secured by a general security agreement, land mortgage over SRRUC's assets, and other security, resolutions, and certificates.

7. Employee benefit obligations

	2023	2022
Vacation	\$ 566,588	\$ 552,167
Post employment benefits	571,189	419,451
Overtime	13,618	13,993
	\$ 1,151,395	\$ 985,611

Vacation

The vacation liability is comprised of the vacation that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year.

Post-employment benefits

The County provides a service recognition benefit for its employees. Retiring employees over the age of 55 with over 10 years of service to the County are eligible to receive 1% of salary for each year of employment. Councilors who have served more than two terms (six years) receive 1% of salary for each year served.

Overtime

The overtime liability is comprised of overtime hours that employees have earned and are entitled to within the next budgetary year.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

8. Deferred revenue

	2023	2022
Lower Highwood Flood Mitigation	\$ 10,020,294	\$ 305,744
Municipal Sustainability Initiative	6,021,345	7,873,705
Canada Community Building Fund	4,450,562	3,408,664
Flood Recovery Erosion Control	1,616,535	1,599,169
Hoeh Dike Reinforcement Grants	99,590	94,098
Bridge Grants	85,881	85,881
Millarville Racing and Ag Society	12,000	12,000
Fire Services Training Grant	8,853	-
Alberta Health Services	4,500	4,500
Flood Donations	1,168	1,168
SSA Ice Time	-	2,381
Municipal Sponsorship Program	-	76,911
	\$ 22,320,728	\$ 13,464,221

Funding in the amount of \$14,801,213 (2022 - \$5,129,680) was received in the current year from various provincial grant programs. The use of these funds is restricted to eligible projects under the various programs.

9. Long-term debt

	2023	2022
Aldersyde Water License	\$ 3,701,567	\$ 4,130,647
Road debenture	3,224,156	3,409,598
Heritage Pointe Fire Hall	2,535,337	2,684,359
Aldersyde shop	816,920	1,064,892
Equipment purchase	586,718	876,175
Fire Hall Land	510,141	674,242
Wind Walk Water License	-	255,317
	\$ 11,374,839	\$ 13,095,230
Current portion	\$ 1,500,613	\$ 1,720,391

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2024	\$ 1,500,613	\$ 294,002	\$ 1,794,615
2025	1,537,274	257,341	1,794,615
2026	1,277,790	220,180	1,497,970
2027	839,388	188,061	1,027,449
2028	859,634	167,816	1,027,450
Thereafter	5,360,140	812,132	6,172,272
	\$ 11,374,839	\$ 1,939,532	\$ 13,314,371

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

9. Long-term debt, continued

Debenture debt is repayable to Alberta Capital Finance Authority and is issued on the credit and security of the County at large. The average annual interest rate is 2.61% for 2023 (2022 - 2.72%).

Interest on long-term debt amounted to \$324,181 (2022 - \$438,483).

The County's total cash payments for interest in 2023 were \$468,969 (2022 - \$454,059).

10. Asset retirement obligation

Asbestos abatement

The County owns buildings which contain asbestos and, therefore, the County is legally required to perform abatement activities upon renovation or demolition of these buildings. Abatement activities include handling and disposal of the asbestos in a prescribed manner when it is disturbed.

Engineering Structures

The County owns and operates wastewater treatment plants and sewage lagoons where there is a legal obligation for decommissioning and land reclamation upon the permanent retirement of such assets from services. Retirement costs include decommissioning of the infrastructure, reclamation of land surface, revegetation, and work around water considerations according to the method the retirement obligation is likely to be fulfilled.

Machinery and equipment

The County owns fuel and oil tanks where there is a legal obligation under an environmental code of practice to dispose of the assets in a prescribed manner at the end of its useful life.

At December 31, 2023, the undiscounted amount (2022 - discounted) of estimated future cash flows required to settle these obligations are \$2,431,387 (2022 - \$2,330,774). The accretion rate used was 4.65%.

The County has not designated assets for settling the abatement and retirement activities.

Asset retirement obligations are expected to be settled over the next 2015 to 2058 years.

	2023	2022 (restated - see Note 2)
Balance, beginning of year	\$ 2,330,774	\$ 1,947,097
Liabilities incurred	-	293,138
Liabilities settled	-	-
Change in estimated cash flows	-	-
Accretion expenses	100,613	90,539
Balance, end of year	\$ 2,431,387	\$ 2,330,774

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

11. Accumulated operating surplus

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

	2023	2022 (restated)
Unrestricted surplus	\$ 7,228,240	\$ 6,324,122
Internally restricted reserves (note 16)	31,205,174	30,288,492
Equity in tangible capital assets (note 17)	222,503,425	224,004,344
	\$ 260,936,839	\$ 260,616,958

12. Net municipal property taxes

	Budget (Unaudited)	2023	2022
Net municipal taxes (after requisitions)			
Real property taxes	\$ 29,696,391	\$ 29,630,233	\$ 23,661,493
Commercial/industrial property taxes	7,611,884	7,614,219	10,226,662
Farmland property taxes	1,488,854	1,518,315	1,413,589
Power, pipe, cable t.v. and railway	3,544,994	3,544,994	3,391,145
Federal grants in place of property taxes	32,544	32,544	28,696
Provincial grants in place of property taxes	768	768	712
Local improvement levy	11,340	11,340	11,340
	\$ 42,386,775	\$ 42,352,413	\$ 38,733,637
Requisitions			
Alberta School Foundation Fund	\$ 20,464,276	\$ 20,453,061	\$ 19,740,858
Separate School Board	1,976,215	1,987,429	1,900,330
Seniors' Foundation	988,481	988,481	983,043
Designated Industrial Property	42,160	42,229	41,067
	\$ 23,471,132	\$ 23,471,200	\$ 22,665,298

13. Government transfers

	Budget (Unaudited)	2023	2022
Transfers for operating:			
Provincial government	\$ 1,537,928	\$ 1,194,784	\$ 860,691
Local government	-	311,209	322,515
	1,537,928	1,505,993	1,183,206
Transfers for capital:			
Provincial government	9,844,584	5,855,030	6,441,312
	\$ 11,382,512	\$ 7,361,023	\$ 7,624,518

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

14. Expenses by object

	Budget (Unaudited)	2023	2022 (restated)
Salaries, wages and benefits	\$ 22,525,448	\$ 20,595,417	\$ 19,151,723
Contracted and general services	9,109,324	6,373,401	4,488,238
Materials, goods and utilities	11,806,468	8,849,816	7,758,564
Bank charges and short-term interest	60,000	85,853	71,616
Interest on long-term debt	474,349	324,181	438,483
Other expenditures	1,769,000	1,700,814	1,817,938
Transfers to local boards and agencies	5,419,807	5,254,299	5,106,124
Purchases from other governments	3,109,200	2,542,460	2,575,104
Amortization of tangible capital assets	17,083,239	17,128,794	17,122,917
Accretion of asset retirement obligation	-	100,613	90,539
Loss on disposal of tangible capital assets	-	268,885	150,442
	\$ 71,356,835	\$ 63,224,533	\$ 58,771,688

15. Contributed assets

During the year, the County assumed control of various roads. The transactions have been recorded at the fair market value at the date of assumption and the contribution has been recognized as revenue during the year.

16. Reserves

Council has set up reserves for various purposes. These reserves are either required by legislation or set up at the discretion of Council to provide funding for future expenses.

Public reserve

Funds in this reserve are acquired through sale of public reserve land or through cash in lieu of land payments. Under the Municipal Government Act, certain subdivisions are required to contribute land for school and recreational purposes.

Public transportation

This reserve consists of unexpended public transportation grant funds. These funds are intended to assist in the provision of transportation of seniors and disabled residents.

Fire operating

This reserve is the result of a surplus in the fire operating account. This reserve can be used at the discretion of Council to offset future deficits in the fire operations or for any other fire related purpose.

Family and Community Support Services (FCSS) reserve

This reserve is the result of unexpended grant funds that will be used at the discretion of Council under the recommendation of the FCSS board to fund future Family and Community Support Services projects.

Blackie water and sewer

This reserve was transferred from the Village of Blackie and will be used to fund future water and sewer improvements in the former Village.

16. Reserves, continued

Cayley water system

This reserve consists of off site levies and profit from the development and sale of lots in Cayley. Funds will be used for future water supply upgrades.

Provincial 75th Anniversary grant

In 1980 the Province of Alberta gave each municipality a grant as part of the Provincial 75th anniversary celebration. Council at that time set up funds as a reserve. The funds from this grant are used to fund operations during the year and reduce the requirement for borrowing until taxes are collected. Excess funds are invested and the interest income is recorded as general revenue.

Blackie cemetery

In 2002, a donation that is to be used for improvements and maintenance at the Blackie cemetery was received from a Blackie business.

Aldersyde water system

These funds are being set aside for future upgrades as required to the Aldersyde water system.

Calgary annexation compensation

Funds in this reserve came from the compensation paid by the City of Calgary for lost revenue from land annexed into the City of Calgary in 2005. These funds will be used to fund future projects as determined by Council.

Foothills cemetery

In 2010, Foothills County assumed responsibility for the operations of the Foothills cemetery. The reserves include provisions for future operating expenditures, future capital construction, perpetual maintenance and columbarium construction. These reserves can only be used for the Foothills cemetery upon approval of the cemetery Board.

Reserve for future expenses

A reserve has been set up to fund future capital projects. These funds can be used at the discretion of council.

Flood projects

A reserve has been set up from insurance proceeds that were received for the Wallace building and Hogg park. These funds will be used once the project progresses.

Gladys Union and Pine Creek cemetery

In 2018 Foothills County assumed responsibility for the operations of the Pine Creek Cemetery and the Gladys Union Cemetery. These reserves are the result of these Societies dissolving and turning over the balance in their bank accounts to the County. These reserves can be used at the discretion of Council to enhance these cemeteries.

Cayley cemetery

This reserve is a result from donations and transfers that is to be used for improvements and maintenance at the Cayley cemetery.

Blackie Community Hall

This reserve is a result from a donation that is to be used for improvements and maintenance at the Blackie Community Hall.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

16. Reserves, continued

Recreation

This reserve is the result of donations received to be used for various recreation items including the West Foothills Recreation Facility and the Fieldhouse.

Davisburg cemetery

This reserve is a result from donations and transfers that is to be used for improvements and maintenance at the Davisburg cemetery.

Hawk's Landing water system

These funds are to be used to maintain the water, sewer, and irrigation system at Hawk's Landing.

	2023	2022
Public reserve	\$ 1,366,466	\$ 1,032,656
Public transportation	30,254	29,240
Fire operating	13,067	13,067
FCSS reserve	6,985	6,985
Blackie water and sewer	11,000	11,000
Cayley water system	368,612	368,612
Provincial 75th Anniversary grant	3,111,430	3,111,430
Blackie cemetery	5,068	5,068
Aldersyde water system	10,506,735	10,006,735
Calgary annexation compensation reserve	850,293	1,150,098
Foothills cemetery	861,998	705,526
Reserve for future expenses	12,820,428	12,820,428
Flood projects	474,663	474,663
Gladys Union cemetery	10,117	10,117
Pine Creek cemetery	17,735	17,735
Cayley cemetery	22,390	22,240
Blackie Community Hall	7,976	7,976
Recreation	467,968	459,324
Davisburg cemetery	35,592	35,592
Hawk's landing water system	216,397	-
	\$ 31,205,174	\$ 30,288,492

17. Equity in tangible capital assets

	2023	2022 (restated)
Tangible capital assets (schedule 2)	\$ 532,150,739	\$ 520,006,310
Accumulated amortization (schedule 2)	(295,841,088)	(280,575,962)
Asset retirement obligation (note 10)	(2,431,387)	(2,330,774)
Long-term debt (note 9)	(11,374,839)	(13,095,230)
	\$ 222,503,425	\$ 224,004,344

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

18. Debt limits and debt servicing limit

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	\$ 85,392,176	\$ 75,853,767
Total debt	11,374,839	13,095,230
	\$ 74,017,337	\$ 62,758,537
Debt servicing limit	\$ 14,232,029	\$ 12,642,295
Debt servicing	1,794,615	2,055,075
	\$ 12,437,414	\$ 10,587,220

The debt limit is calculated at 1.5 times revenue of the municipality (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. Local authorities pension plan

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

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

The 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.

Total current service contributions by the County to the LAPP in 2023 were \$1,298,663 (2022 - \$1,215,986). Total current service contributions by the employees of the County to the LAPP in 2023 were \$1,161,886 (2022 - \$1,088,671).

At December 31, 2022, the LAPP disclosed an actuarial surplus of \$12.67 billion.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

20. Commitments and contingencies

The County is a member of the Alberta Municipal Insurance Exchange (MUNIX) which provides liability insurance. The investment in this program is not reflected as an asset in the accompanying financial statements.

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.

In 2007 the County entered into an agreement with Lafarge Canada Inc. Under this agreement Lafarge Canada Inc. will have unrestricted use (subject to bans and speed limits imposed) of a designated haul road and the County will be responsible for the road's upkeep. In consideration of the cost involved to maintain the road, Lafarge Canada Inc. has agreed to pay through gravel the equivalent of \$1,300,000 or 1 million tonnes of gravel, over 25 years.

21. Salary and benefits disclosure

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

	(1) Salary	(2) Benefits & allowances	2023	2022
Council				
Division 1	\$ 88,397	\$ 9,417	\$ 97,814	\$ 100,889
Division 2	99,600	5,784	105,384	100,366
Division 3	77,155	5,538	82,693	89,619
Division 4	86,023	9,625	95,648	93,982
Division 5	77,076	9,293	86,369	79,035
Division 6	78,242	9,085	87,327	79,981
Division 7	73,595	9,256	82,851	83,727
Chief Administrative Officer - 1.0	249,300	34,610	283,910	265,654
Designated Officers - 6.0	\$ 923,939	\$ 143,604	\$ 1,067,543	\$ 1,004,629

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

(2) Benefits and allowances include the 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.

22. Contaminated sites liability

The County has adopted PS3260 liability for contaminated sites. The County did not identify any financial liabilities in 2023 (2022 - nil) as a result of this standard.

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

23. Financial instruments

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

The County is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the County provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

24. Budget amounts

The 2023 budget for the County was approved by Council on December 7, 2022 and has been reported, including any subsequent amendments, in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers, capital additions and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

	Budgeted deficit per financial statements	\$ (6,283,270)
Less:	Capital expenditures	(38,534,584)
	Long-term debt repayments	(1,855,190)
Add:	Amortization of tangible capital assets	17,083,239
	Transfers from reserves	3,989,805
	Proceeds on disposal of tangible capital assets	600,000
	Proceeds on long-term debt acquired	25,000,000
Equals:	Balanced budget	\$ -

25. Segmented disclosure

The County provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Refer to the schedule of segmented disclosure (schedule 3).

FOOTHILLS COUNTY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

26. Approval of financial statements

These financial statements were approved by Council and Management.

27. Comparative figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

FOOTHILLS COUNTY
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

Schedule of changes in accumulated operating surplus
Schedule 1

	Unrestricted	Restricted reserves	Equity in tangible capital assets	2023	2022 (restated)
Balance, beginning of year	\$ 6,324,122	\$ 30,288,492	\$ 224,004,344	\$ 260,616,958	\$ 257,207,113
Excess of revenue over expenses	319,881	-	-	319,881	3,409,845
Unrestricted funds designated for future use	(916,682)	916,682	-	-	-
Current year funds used for tangible capital assets	(13,226,670)	-	13,226,670	-	-
Contributed tangible capital assets	(779,925)	-	779,925	-	-
Disposal of tangible capital assets	291,636	-	(291,636)	-	-
Amortization of tangible capital assets	17,128,794	-	(17,128,794)	-	-
Asset retirement obligation accretion expense	100,613	-	(100,613)	-	-
Asset retirement obligation incurred	(293,138)	-	293,138	-	-
Long-term debt related to tangible capital assets repaid	(1,720,391)	-	1,720,391	-	-
Change in accumulated surplus	904,118	916,682	(1,500,919)	319,881	3,409,845
Balance, end of year	\$ 7,228,240	\$ 31,205,174	\$ 222,503,425	\$ 260,936,839	\$ 260,616,958

FOOTHILLS COUNTY
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

Schedule of tangible capital assets	Schedule 2						
	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	2022 (restated)
Cost:							
Balance, beginning of year	\$ 22,357,213	\$ 3,453,273	\$ 45,879,509	\$ 398,666,456	\$ 30,019,964	\$ 19,629,894	\$ 504,602,333
Acquisitions	5,143	60,153	188,417	5,692,440	3,130,854	1,575,123	20,847,600
Work-in-progress	-	(2,706)	-	3,650,550	-	-	(970,202)
Disposals	-	-	(7,220)	(1,779,909)	(147,125)	(221,292)	(4,473,421)
Balance, end of year	22,362,356	3,510,720	46,060,706	406,229,537	33,003,693	20,983,725	520,006,310
Accumulated amortization:							
Balance, beginning of year	-	1,230,798	13,843,257	238,739,750	15,892,921	10,869,236	267,502,175
Annual amortization	-	144,540	1,210,984	12,254,198	2,092,009	1,427,063	17,122,917
Disposals	-	-	(7,220)	(1,580,839)	(59,550)	(216,059)	(4,049,130)
Balance, end of year	-	1,375,338	15,047,021	249,413,109	17,925,380	12,080,240	280,575,962
Net book value	\$ 22,362,356	\$ 2,135,382	\$ 31,013,685	\$ 156,816,428	\$ 15,078,313	\$ 8,903,485	\$ 239,430,348
2022 net book value (restated)	\$ 22,357,213	\$ 2,222,475	\$ 32,036,253	\$ 159,926,706	\$ 14,127,043	\$ 8,760,658	\$ 239,430,348

Engineered structures and machinery and equipment of \$779,925 (2022 - \$5,171,042) were acquired as contributed tangible capital assets.

FOOTHILLS COUNTY
SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

Schedule of segmented disclosure

Schedule 3

	General government	Protective services	Transportation services	Environmental services	Public health services	Planning and development	Recreation and culture	Total
Revenue								
Net municipal taxes	\$ 42,352,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,352,413
User fees and sales of goods	289,440	253,920	943,142	5,353,370	115,154	110,753	146,729	7,212,508
Government transfers for operating	705,705	9,472	-	529	624,040	166,247	-	1,505,993
Investment income	2,131,823	-	-	-	-	-	-	2,131,823
Penalties and costs of taxes	618,726	-	-	-	-	-	-	618,726
Licenses and permits	-	-	-	-	-	1,682,503	-	1,682,503
Rental	127,989	-	-	-	-	714	382,002	510,705
Other	167,366	-	265,447	-	-	334,240	53,196	820,249
Fines	-	74,539	-	-	-	-	-	74,539
	46,393,462	337,931	1,208,589	5,353,899	739,194	2,294,457	581,927	56,909,459
Expenses								
Salaries, wages and benefits	4,719,243	3,922,851	7,105,668	1,119,681	176,120	3,089,376	462,478	20,595,417
Contracted and general services	1,464,809	463,928	2,743,924	987,885	139,520	453,324	120,011	6,373,401
Materials, goods and utilities	153,950	2,574,906	5,177,079	494,225	24,160	103,737	321,759	8,849,816
Bank charges and short-term interest	85,853	-	-	-	-	-	-	85,853
Interest on long-term debt	-	92,693	163,333	68,155	-	-	-	324,181
Other expenditures	1,696,615	4,199	-	-	-	-	-	1,700,814
Transfers to local boards and agencies	-	1,755,551	-	107,716	535,574	5,000	2,850,458	5,254,299
Purchases from other governments	1,260	91,179	-	2,441,999	-	8,022	-	2,542,460
Amortization of tangible capital assets	228,280	903,582	13,785,012	1,271,122	50,441	14,395	875,962	17,128,794
Loss on disposal of tangible capital assets	-	-	268,885	-	-	-	-	268,885
Accretion of asset retirement obligation	-	-	22,190	78,423	-	-	-	100,613
	8,350,010	9,808,889	29,266,091	6,569,206	925,815	3,673,854	4,630,668	63,224,533
Excess (deficiency) of revenue over expenses before capital revenue	38,043,452	(9,470,958)	(28,057,502)	(1,215,307)	(186,621)	(1,379,397)	(4,048,741)	(6,315,074)
Other								
Government transfers for capital	-	1,050,125	3,368,675	1,436,230	-	-	-	5,855,030
Contributed assets	-	-	779,925	-	-	-	-	779,925
	-	1,050,125	4,148,600	1,436,230	-	-	-	6,634,955
Excess (deficiency) of revenue over expenses	\$ 38,043,452	\$ (8,420,833)	\$ (23,908,902)	\$ 220,923	\$ (186,621)	\$ (1,379,397)	\$ (4,048,741)	\$ 319,881