

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Index to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The consolidated financial statements of Municipal District of Peace No. 135 have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Municipal District of Peace No. 135's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out this responsibility principally through its regular meetings. Council meets periodically with management and the Municipal District's auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, Council approves of the financial statements. Management also considers, for review and approval by Council, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members of council by Sander Rose Bone Grindle LLP, in accordance with Canadian public sector accounting standards.

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Barbara Johnson, CAO  
Berwyn, AB

*Partners*

- \* Ben Sander, B. Comm., FCPA, FCA
- \* Dale J. Rose, CPA, CA
- \* Alan Bone, B. Comm., CPA, CA
- \* Jason Grindle, B. Comm., CPA, CA
- \* Jaron Neufeld, B. Comm., CPA, CA

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council of Municipal District of Peace No. 135

### Opinion

We have audited the consolidated financial statements of Municipal District of Peace No. 135 (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality as at December 31, 2021, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

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

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

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

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

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### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality'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 Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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**Report on Other Legal and Regulatory Requirements**

1. Debt Limit Regulation:

In accordance with Alberta Regulation 255/2000, we confirm that the municipality is in compliance with the Debt Limit Regulation. A detailed account of the Municipality's debt limit can be found in note 16.

2. Supplementary Accounting Principles and Standards Regulation:

In accordance with Alberta Regulation 313/2000, we confirm that the municipality is in compliance with the Supplementary Accounting Principles and Standards Regulation and note the information required can be found in note 14.

Grande Prairie, AB  
April 12, 2022

*Sander Rose Bone Grindle CPA*  
CHARTERED PROFESSIONAL ACCOUNTANTS

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Statement of Financial Position**  
**December 31, 2021**

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments <i>(Note 3)</i>	\$ 2,976,565	\$ 5,969,100
Receivables		
Taxes and grants-in-lieu receivable <i>(Note 5)</i>	687,481	1,017,855
Other governments <i>(Note 6)</i>	1,609,841	678,907
Trade and other receivables	56,095	51,600
Land held for resale	17,194	17,194
Long-term investments <i>(Note 7)</i>	7,606,001	4,643,816
	<b>12,953,177</b>	<b>12,378,472</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities <i>(Note 8)</i>	261,816	69,860
Deposit liabilities	35,000	35,000
Deferred revenue <i>(Note 9)</i>	2,555,844	2,454,369
Employee benefit obligations <i>(Note 10)</i>	112,433	106,144
Provision for landfill closure and post-closure costs <i>(Note 11)</i>	25,000	22,500
	<b>2,990,093</b>	<b>2,687,873</b>
<b>NET FINANCIAL ASSETS</b>	<b>9,963,084</b>	<b>9,690,599</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets <i>(Schedule 2)</i>	14,571,303	13,260,966
Inventory for consumption	663,211	549,526
Prepaid expenses	82,338	78,719
	<b>15,316,852</b>	<b>13,889,211</b>
<b>ACCUMULATED SURPLUS</b> <i>(Schedule 1, Note 12)</i>	<b>\$ 25,279,940</b>	<b>\$ 23,579,811</b>

Commitments and contingencies *(Notes 17, 18)*

Approved by

\_\_\_\_\_ Chief Administrative Officer

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Statement of Operations and Accumulated Surplus**  
**Year Ended December 31, 2021**

	2021 Budget (Unaudited)	2021 Actual	2020 Actual
<b>REVENUES</b>			
Gains on disposal of assets	\$ -	\$ -	\$ 98,600
Government transfers for operating( <i>Schedule 4</i> )	570,915	405,450	287,018
Investment income	154,200	133,581	174,004
Licenses, permits and fines	2,680	2,435	2,710
Net municipal taxes ( <i>Schedule 3</i> )	3,287,212	3,284,886	3,245,987
Other revenues	265,350	129,587	153,908
Penalties and costs on taxes	100,000	122,365	109,628
Rentals	40,500	33,262	40,626
Sales and user charges	98,100	119,613	142,765
Well drilling	-	-	18,816
	4,518,957	4,231,179	4,274,062
<b>EXPENDITURES</b>			
General Government			
Council and other legislative	180,563	165,351	136,842
General administration	1,173,814	768,935	913,220
	1,354,377	934,286	1,050,062
Protective Services			
Bylaws enforcement	4,300	3,864	3,219
Fire fighting and protective services	301,752	291,351	180,350
	306,052	295,215	183,569
Transportation Services			
Airport	35,000	35,000	-
Roads, streets, walks, lighting	2,012,475	2,003,142	2,046,023
	2,047,475	2,038,142	2,046,023
Environmental Services			
Waste management	45,775	36,395	37,189
Water and wastewater	106,570	100,348	124,224
	152,345	136,743	161,413
Recreation & Culture Services			
Culture: libraries, museums, halls	23,358	23,357	23,357
Parks and recreation	446,872	534,289	250,307
	470,230	557,646	273,664
Other			
Agricultural development	513,635	467,988	460,478
Cemeteries	5,500	5,000	12,445
Economic development	32,670	32,670	32,670
Family and community support services	63,000	63,000	63,000
Land use planning, zoning, development	91,875	88,625	88,727
	706,680	657,283	657,320
	5,037,159	4,619,315	4,372,051
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURES - BEFORE OTHER ITEMS</b>	(518,202)	(388,136)	(97,989)
OTHER ITEMS			
Government transfers for capital( <i>Schedule 4</i> )	3,181,400	2,088,265	873,344
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	2,663,198	1,700,129	775,355
ACCUMULATED SURPLUS - BEGINNING OF YEAR	23,579,811	23,579,811	22,804,456
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	\$ 26,243,009	\$ 25,279,940	\$ 23,579,811

See notes to financial statements

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2021**

	Budget (Unaudited) 2021	2021	2020
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	\$ 2,663,198	\$ 1,700,129	\$ 775,355
Acquisition of tangible capital assets	-	(2,158,216)	(1,163,595)
Proceeds on disposal of tangible capital assets	-	-	303,600
Amortization of tangible capital assets	749,500	813,574	745,201
Loss/(Gain) on sale of tangible capital assets	-	34,304	(94,942)
	749,500	(1,310,338)	(209,736)
Acquisition of supplies inventories	-	(663,211)	(549,526)
Acquisition of prepaid assets	-	(82,340)	(78,719)
Use of supplies inventories	-	549,526	721,883
Use of prepaid assets	-	78,719	76,161
	-	(117,306)	169,799
	749,500	(1,427,644)	(39,937)
<b>INCREASE IN NET FINANCIAL ASSETS</b>	3,412,698	272,485	735,418
<b>NET FINANCIAL ASSETS - BEGINNING OF YEAR</b>	9,690,599	9,690,599	8,955,181
<b>NET FINANCIAL ASSETS - END OF YEAR</b>	\$ 13,103,297	\$ 9,963,084	\$ 9,690,599

See notes to financial statements

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2021**

	2021	2020
<b>OPERATING</b>		
Annual surplus	\$ 1,700,129	\$ 775,355
Items not affecting cash:		
Amortization of tangible capital assets	813,574	745,201
Loss/(Gain) on disposal of tangible capital assets	34,304	(94,942)
	<b>2,548,007</b>	<b>1,425,614</b>
Changes in non-cash working capital:		
Decrease/(Increase) in taxes and grants in lieu receivable	330,373	(477,919)
(Increase)/Decrease in receivable from other governments	(930,934)	127,325
(Increase)/Decrease in trade and other receivables	(4,495)	12,889
(Increase)/Decrease in inventory for consumption	(113,685)	172,357
(Increase) in prepaid expenses	(3,619)	(2,558)
Increase/(Decrease) in accounts payable and accrued liabilities	191,956	(242,741)
Increase in employee benefit obligations	6,289	28,446
Increase in deposit liabilities	-	10,000
Increase in provision for landfill closure and post-closure costs	2,500	2,500
Increase in deferred revenues	101,474	808,341
	<b>(420,141)</b>	<b>438,640</b>
Cash flow from operating	<b>2,127,866</b>	<b>1,864,254</b>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(2,158,216)	(1,163,595)
Disposal of tangible capital assets	-	303,600
Cash flow used by capital	<b>(2,158,216)</b>	<b>(859,995)</b>
<b>INVESTING</b>		
Decrease/(Increase) in restricted cash and temporary investments	3,706,003	(1,226,654)
(Increase) in long-term investments	(2,962,185)	(36,212)
Cash flow from (used by) investing	<b>743,818</b>	<b>(1,262,866)</b>
<b>NET CHANGE IN CASH AND TEMPORARY INVESTMENTS DURING THE YEAR</b>	<b>713,468</b>	<b>(258,607)</b>
Cash and temporary investments - beginning of year	688,122	946,729
<b>CASH AND TEMPORARY INVESTMENTS - END OF YEAR</b>	<b>\$ 1,401,590</b>	<b>\$ 688,122</b>
<b>CASH AND TEMPORARY INVESTMENTS CONSISTS OF:</b>		
Cash and temporary investments (Note 3)	\$ 2,976,565	\$ 5,969,100
Less: Restricted and designated cash (Note 4)	(1,574,975)	(5,280,978)
	<b>\$ 1,401,590</b>	<b>\$ 688,122</b>

See notes to financial statements

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Schedule of Changes in Accumulated Surplus**  
**Year Ended December 31, 2021**

**(Schedule 1)**

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2021	2020
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 1,702,021	\$ 8,616,824	\$ 13,260,966	<b>\$ 23,579,811</b>	\$ 22,804,456
Excess (deficiency) of revenue over expenses	1,700,129	-	-	<b>1,700,129</b>	775,355
Unrestricted funds designated for future use	(397,366)	397,366	-	-	-
Restricted funds used for operations	10,000	(10,000)	-	-	-
Current year funds used for tangible capital assets	(2,158,216)	-	2,158,216	-	-
Disposal of tangible capital assets	34,304	-	(34,304)	-	-
Annual amortization expense	813,574	-	(813,574)	-	-
<b>CHANGE IN ACCUMULATED SURPLUS</b>	2,425	387,366	1,310,338	<b>1,700,129</b>	775,355
<b>BALANCE, END OF YEAR</b>	\$ 1,704,446	\$ 9,004,190	\$ 14,571,304	<b>\$ 25,279,940</b>	\$ 23,579,811

See notes to financial statements

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Schedule of Tangible Capital Assets**  
**Year Ended December 31, 2021**

**(Schedule 2)**

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	Total 2021	Total 2020
<b>COST</b>								
BALANCE, BEGINNING OF YEAR	\$ 444,568	\$ 404,595	\$ 3,538,348	\$ 10,650,116	\$ 4,413,240	\$ 1,477,416	\$ 20,928,283	\$ 20,699,397
Acquisition of tangible capital assets	-	67,504	-	2,032,169	58,543	-	2,158,216	1,029,116
Construction-in-progress	-	-	-	-	-	-	-	134,479
Disposal of tangible capital assets	-	-	-	(215,735)	(52,231)	-	(267,966)	(934,709)
<b>BALANCE, END OF YEAR</b>	<b>\$ 444,568</b>	<b>\$ 472,099</b>	<b>\$ 3,538,348</b>	<b>\$ 12,466,550</b>	<b>\$ 4,419,552</b>	<b>\$ 1,477,416</b>	<b>\$ 22,818,533</b>	<b>\$ 20,928,283</b>
<b>ACCUMULATED AMORTIZATION</b>								
BALANCE, BEGINNING OF YEAR	\$ -	\$ 208,601	\$ 797,893	\$ 4,074,872	\$ 1,830,875	\$ 755,076	\$ 7,667,317	\$ 7,648,168
Annual amortization	-	16,078	72,306	252,043	408,092	65,055	813,574	745,201
Accumulated amortization on disposals	-	-	-	(188,792)	(44,869)	-	(233,661)	(726,052)
<b>BALANCE, END OF YEAR</b>	<b>\$ -</b>	<b>\$ 224,679</b>	<b>\$ 870,199</b>	<b>\$ 4,138,123</b>	<b>\$ 2,194,098</b>	<b>\$ 820,131</b>	<b>\$ 8,247,230</b>	<b>\$ 7,667,317</b>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>								
	\$ 444,568	\$ 247,420	\$ 2,668,149	\$ 8,328,427	\$ 2,225,454	\$ 657,285	\$ 14,571,303	\$ 13,260,966
<b>2020 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>								
	\$ 444,568	\$ 195,994	\$ 2,740,454	\$ 6,575,244	\$ 2,582,364	\$ 722,342	\$ 13,260,966	

See notes to financial statements

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Schedule of Property Taxes Levied**  
**Year Ended December 31, 2021**

**(Schedule 3)**

	Budget (Unaudited) 2021	Total 2021	Total 2020
<b>TAXATION</b>			
Real Property taxes	\$ 2,613,489	\$ 2,610,873	\$ 2,563,601
Linear property taxes	1,183,205	1,183,208	1,161,004
Government grants in place of property taxes	493,048	492,730	499,794
	4,289,742	4,286,811	4,224,399
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	(774,358)	(773,436)	(759,101)
Holy Family Catholic Regional Division No. 37	(83,617)	(83,934)	(82,132)
Designated Industrial Property	(5,357)	(5,357)	(5,134)
North Peace Housing Foundation	(139,198)	(139,198)	(132,045)
	(1,002,530)	(1,001,925)	(978,412)
<b>NET MUNICIPAL PROPERTY TAXES</b>	\$ 3,287,212	\$ 3,284,886	\$ 3,245,987

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Schedule of Government Transfers**  
**Year Ended December 31, 2021**

**(Schedule 4)**

	Budget (Unaudited) 2021	Total 2021	Total 2020
<b>TRANSFERS FOR OPERATIONS</b>			
Federal government	\$ 6,000	\$ 9,360	\$ 7,620
Provincial government - conditional	560,415	391,590	274,898
Local governments	4,500	4,500	4,500
	570,915	405,450	287,018
<b>TRANSFERS FOR CAPITAL</b>			
Provincial government	3,181,400	2,088,265	873,344
<b>TOTAL GOVERNMENT TRANSFERS</b>	<b>\$ 3,752,315</b>	<b>\$ 2,493,715</b>	<b>\$ 1,160,362</b>

See notes to financial statements

**MUNICIPAL DISTRICT OF PEACE NO. 135**

**Consolidated Schedule of Consolidated Expenditures by Object**

**(Schedule 5)**

**Year Ended December 31, 2021**

	Budget (Unaudited) 2021	Actual 2021	Actual 2020
Amortization of tangible capital assets	\$ 749,500	\$ 813,574	\$ 745,201
Bank charges and short term interest	650	528	643
Contracted and general services	1,265,871	1,033,618	943,546
Loss on disposal of capital assets	-	34,304	3,658
Materials, goods, supplies and utilities	679,100	601,034	683,028
Other expenditures	164,175	19,274	15,127
Provision for allowances	-	(112,473)	100,000
Purchases from other governments	1,300	683	1,232
Salaries, wages and benefits	1,501,835	1,467,994	1,457,282
Transfers to individuals and organizations	116,894	120,543	66,918
Transfers to local boards and agencies	44,900	44,899	44,899
Transfers to other governments	512,934	595,337	310,517
	\$ 5,037,159	\$ 4,619,315	\$ 4,372,051

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**1. PURPOSE OF THE ENTITY**

The Municipal District of Peace No. 135 was established on November 15, 1916 and is a local government authority providing municipal services to residents within the boundry of the Municipal District. These include administrative, protective, transportation, environmental, recreational, and other services. The entity is empowered through bylaws and policies approved by Council and pursuant to the Municipal Government Act, a statute of the Province of Alberta.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Municipal District of Peace No. 135 are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the municipality are as follows:

**Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the municipal Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, 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.

**Basis of Presentation**

The Municipal District follows the fund basis of accounting. Funds are segregated for the purpose of carrying on specific activities or attaining certin objectives in accordance with special regulations, restrictions, or limitations. Currently in use are:

1. General Revenue Funds - to account for all financial resources except those required to be accounted for in another fund. The General Revenue Fund is the entity's operating fund including collection of taxation, administering operations related to general government, protective, transportation, environmental, recreation, and other services.
2. Capital Funds - to account for all capital assets of the entity and offset by long term debt and investment in capital assets.
3. Reserve Funds - to account for the activities in reserves established for specific purposes by bylaw or the Municipal Government Act.

*(continues)*

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

**Basis of accounting**

The Municipal District follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are generally recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

**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 expenditure 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.

**Cash and temporary investments**

Cash and cash equivalents consists of cash on hand, balances with banks, deposits and bonds with an original maturity date of three months or less from date of purchase. Because of the short term maturity of these investments, their carrying value approximates fair value.

**Investments**

Investments 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.

**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.

**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.

*(continues)*

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Inventories for resale**

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

**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.

**Prepaid local improvement charges**

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectable from property owners for work performed by the municipality.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue on a straight line basis over the remaining term of the related borrowings.

In the event that the prepaid amounts are applied against the related borrowings, the deferred revenue is amortized to revenue by an amount equal to the debt repayment.

**Landfill closure and post-closure liability**

Pursuant to the Alberta Environment Protection and Enhancement Act, the Municipality is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The requirement is being provided for over the estimated remaining life of the landfill site based on usage.

**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.

**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.

*(continues)*

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 (Debt) for the year.

**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 of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Land improvements	20 years
Buildings	50 years
Engineered structures	
Bridges	variable
Water system	60 years
Wastewater system	60 years
Other engineered structures	30 - 40 years
Machinery & equipment	5 - 20 years
Vehicles	10 - 15 years

Assets under construction are not amortized until the asset is available for productive use.

The municipality regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into 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 and historical artifacts are not recorded as tangible capital assets.

**Prepaid Expenses**

Prepaid expenses consist of amounts paid in the current year for supplies and/or services used in the following year.

**Inventory**

Inventories held for consumption are recorded at the lower of cost and replacement on a first-in first-out basis for office supplies, fuel, parts and pesticides. Gravel is costed out using historical cost identified by pit location and stockpile.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**3. CASH AND TEMPORARY INVESTMENTS**

	2021	2020
Cash on hand	\$ 600	\$ 600
Current bank accounts	7,546	172,119
Savings - recreation reserve	299,177	295,172
Temporary investments	2,669,242	5,501,209
	<b>\$ 2,976,565</b>	<b>\$ 5,969,100</b>

Temporary investments are short-term deposits with original maturities of three months or less.

**4. RESTRICTED AND DESIGNATED CASH**

The entity has received cash that is subject to restrictions in accordance with an agreement or statute of the Province of Alberta. The entity also has cash which Council has designated for a specific purpose. A portion of the designated cash has been invested in long-term deposits and marketable bonds.

	2021	2020
Restricted for provincial government projects (Note 9)	\$ 480,499	\$ 1,570,027
Restricted for public recreation land reserve (Note 12)	299,177	295,172
Total restricted cash	779,676	1,865,199
Designated for capital asset replacement reserves (Note 12)	8,171,100	7,796,100
Less: Amount provided by long-term investments (Note 7)	(7,375,801)	(4,380,321)
Total designated cash	795,299	3,415,779
	<b>\$ 1,574,975</b>	<b>\$ 5,280,978</b>

**5. TAXES AND GRANTS-IN-LIEU RECEIVABLE**

	2021	2020
Current	\$ 277,629	\$ 829,830
Arrears	418,159	342,422
	695,788	1,172,252
Less: Allowance for doubtful accounts	(8,307)	(154,397)
	<b>\$ 687,481</b>	<b>\$ 1,017,855</b>

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**6. RECEIVABLES FROM OTHER GOVERNMENTS**

	2021	2020
Government of Canada - G.S.T. Public Service Bodies Rebate	\$ 116,023	\$ 35,649
Government of Canada - Payroll account recovery	-	11,117
Province of Alberta - Municipal Sustainability Initiative	1,075,527	628,578
Province of Alberta - Strategic Transport Infrastructure Program	212,737	2,563
Province of Alberta - Federal Gas Tax Fund	204,554	-
Other	1,000	1,000
	<b>\$ 1,609,841</b>	<b>\$ 678,907</b>

**7. LONG-TERM INVESTMENTS**

	2021 Cost	2021 Market value	2020 Cost	2020 Market value
Loan to North Peace Housing Foundation	\$ 225,000	\$ 225,000	\$ 258,333	\$ 258,333
Equity in U.F.A.	5,200	5,200	5,162	5,162
Long-term deposits	649,500	649,500	2,424,998	2,424,998
Investment in marketable bonds	6,726,301	6,458,400	1,955,323	1,893,400
	<b>\$ 7,606,001</b>	<b>\$ 7,338,100</b>	<b>\$ 4,643,816</b>	<b>\$ 4,581,893</b>

Long-term deposits have effective interest rates ranging from 1.03% to 2.45% with maturity dates ranging from October 2021 to November 2023.

Loan to North Peace Housing Foundation had an effective variable interest rate of 2.95% in 2021. The loan is repayable in quarterly payments of \$8,333 of principal plus variable interest with last payment receivable in October 2028.

Investments in marketable bonds have effective interest rates of 2.10% to 3.23% with maturity dates ranging from July 2024 to December 2028.

Council has designated funds of up to \$7,375,801 (2020 - \$4,380,321), included in the above long-term deposits and investment in marketable bonds, for future capital asset projects (Note 4).

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2021	2020
Construction holdback payables	\$ 140,124	\$ -
Province of Alberta	57,497	38,304
Regional governments	60,000	4,076
Trade and other payables	4,195	27,480
	<b>\$ 261,816</b>	<b>\$ 69,860</b>

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**9. DEFERRED REVENUE**

	2021	2020
Provincial government transfers		
Federal Gas Tax Fund	\$ 571,091	\$ 476,218
Municipal Sustainability Initiative	1,402,226	999,013
Strategic Transport Infrastructure Program	-	548,316
Municipal Stimulus Program	-	177,621
	<b>1,973,317</b>	2,201,168
Prepaid land leases and grant funding	16,293	152,462
Prepaid property taxes and utilities	112,689	98,939
Other	453,545	1,800
	<b>\$ 2,555,844</b>	<b>\$ 2,454,369</b>

Funding from the province and interest earned on these conditional transfers in the amount of \$1,973,317 (2020 - \$2,201,168) remains unspent at year-end. The use of these funds is restricted to eligible projects, as approved under the funding agreement. Unexpended funds related to these advances are supported by receivables from other governments of \$1,492,818 (2020 - \$631,141) and cash and temporary investments of \$480,499 (2020 - \$1,570,027) held exclusively for these projects (Note 4).

**10. EMPLOYEE BENEFIT OBLIGATIONS**

	2021	2020
Sick pay benefits obligation	\$ 19,838	\$ 19,057
Vacation and overtime	92,595	87,087
	<b>\$ 112,433</b>	<b>\$ 106,144</b>

The sick pay benefits liability is comprised of sick pay that accumulates but does not vest and is paid only upon an illness or injury-related absence. The extent to which accumulated sick days are expected to be used by the employees has been considered in measuring this obligation.

The vacation and overtime liability is comprised of the vacation and overtime 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.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**11. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY**

Alberta environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance.

The accrued liability for closure and post-closure of the Municipality's landfill is recognized, using management's estimated costs for closure and post-closure care. Management is unable to estimate how many years that post-closure care could be required.

At the current rate of usage, the landfill is expected to reach capacity in the year 2022. An annual amount of \$2,500 will be accrued over the expected remaining two years of usage.

The Municipality has not designated assets for setting closure and post-closure liabilities. The following summarizes the total estimated costs of closure and post-closure care:

	<b>2021</b>		2020
Estimated closure costs	\$ 10,000	\$	10,000
Estimated post-closure costs	<b>15,000</b>		15,000
Estimated total costs	<b>25,000</b>		25,000
Provision for landfill closure and post-closure costs	<b>25,000</b>		22,500

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**12. ACCUMULATED SURPLUS**

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

	<b>2021</b>	2020
Unrestricted surplus	<b>\$ 1,704,446</b>	\$ 1,702,021
Restricted surplus - operating		
Tax Rate Stabilization	<b>415,600</b>	415,600
Fire Services	<b>50,000</b>	50,000
Brownvale water & sewer	<b>18,313</b>	9,952
Economic Development	<b>50,000</b>	50,000
	<b>533,913</b>	525,552
Restricted surplus - Capital		
Administration	<b>180,000</b>	80,000
Fire Services	<b>710,000</b>	610,000
Public Works	<b>4,529,600</b>	4,434,600
Hamlet of Brownvale	<b>874,000</b>	874,000
Environment	<b>250,000</b>	250,000
Garbage	<b>440,000</b>	350,000
Ag. Service Board - Deferred Revenue	<b>700,000</b>	710,000
Recreation - public reserve	<b>299,177</b>	295,172
Recreation - other	<b>487,500</b>	487,500
	<b>8,470,277</b>	8,091,272
Equity in tangible capital assets	<b>14,571,304</b>	13,260,966
	<b>\$ 25,279,940</b>	\$ 23,579,811

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**13. TRUST FUNDS**

The Municipal District of Peace No. 135 administers the following trusts:

	2021	2020
<b>Tax Sale Surplus</b>		
Balance, beginning of year	\$ 10,989	\$ 17,927
Add: Interest	56	378
Less: Payments to property owners	-	-
Less: Appropriated by M.D. of Peace	-	(7,316)
Balance, end of year	<b>11,045</b>	10,989
<b>Northern Alberta Elected Leaders (NAEL)</b>		
Balance, beginning of year	17,045	28,369
Less: Disbursement for expenditures	-	(11,324)
Balance, end of year	<b>17,045</b>	17,045
	<b>\$ 28,090</b>	<b>\$ 28,034</b>

**Tax Sale Surplus**

Pursuant to Division 8 of the Municipal Government Act (Alberta), a municipality may attempt to recover taxes owed in arrears by way of sale of landowner property. Funds from the sale of these properties, less any incurred expenses, must be retained and accounted for separately for a period of 10 years from the sale date of each property. The trust balance represents the sale funds awaiting the 10 year maturity date before the funds are transferred to the Municipal District of Peace No. 135.

**Northern Alberta Elected Leaders**

These are funds held on behalf of the Northern Alberta Elected Leaders, a group of northwestern municipal leaders who gather to share current practices and seek opportunities to collaborate. The Municipal District of Peace No. 135 is a member of this group and administers expenditures of the group to be paid out of membership fees paid previously.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**14. 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:

	Salary (1)	Benefits & Allowances (2)	2021	2020
Reeve:				
WILLING, Robert	\$ 34,654	\$ 3,216	\$ 37,870	\$ 32,857
Councillors:				
EASTMAN, Sandra	30,294	2,825	33,119	28,996
HERLINVEAUX, Ken	21,876	2,113	23,989	24,100
JOHNSON, Theresa	26,976	2,627	29,603	27,624
KINNEE, Lori	5,970	513	6,483	-
REYDA, Janice	19,407	1,970	21,377	23,256
	139,177	13,264	152,441	136,833
Chief Administrative Officer:				
JOHNSON, Barbara	113,765	19,023	132,788	133,872
	\$ 252,942	\$ 32,287	\$ 285,229	\$ 270,705

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, retiring allowances, gross honoraria and any other direct cash remuneration.
2. For reeve and councillors, benefits and allowances consists of travel and general non-accountable expense allowances. For chief administrative officer, benefits and allowances consists of employer's share of Canada pension plan, unemployment insurance contributions, pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long term disability plan, tuition, travel and automobile allowances.
3. The designated officer for the position of municipal assessor is KCL Consulting Inc. Contracted services of \$47,417 (2020 - \$47,317) were paid to KCL Consulting Incorporated.

**15. LOCAL AUTHORITIES PENSION PLAN**

Employees of the Municipal District of Peace No. 135 participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Public Sector Pensions Plans Act. The LAPP is financed by 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 Municipal District of Peace No. 135 is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the years maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount. Employees of the municipality are required to make current service contributions of 8.39% of pensionable salary up to the year's maximum pensionable salary and 12.84% on pensionable salary above this amount.

Total current service contributions by the Municipal District of Peace No. 135 to the Local Authorities Pension Plan in 2021 were \$93,645 (2020 - \$93,790). Total current service contributions by the employees of the Municipal District of Peace No. 135 to the Local Authorities Pension Plan in 2021 were \$84,605 (2020 - \$84,865).

At December 31, 2021, the Plan disclosed an actuarial surplus of \$4.96 billion.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

**16. DEBT LIMITS**

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Regulation 255/00 for the Municipal District of Peace No. 135 be disclosed as follows:

	2021	2020
Total debt limit	\$ 6,346,769	\$ 6,411,093
Total debt	-	-
Amount of total debt unused	\$ 6,346,769	\$ 6,411,093
Debt servicing limit	\$ 1,057,795	\$ 1,068,516
Debt servicing	-	-
Amount of debt servicing limit unused	\$ 1,057,795	\$ 1,068,516

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.

**17. COMMITMENTS**

The Municipal District of Peace No. 135 signed a new inter-municipal cooperation agreement in late 2021 with the Town of Peace River. During 2021, an amount of \$288,967 (2020 - \$79,015) was paid to the Town of Peace River for cost sharing of F.C.S.S. and recreation programs and services per this agreement. The agreement is effective April 1, 2021 for 5 years (to March 31, 2026) with a possible automatic renewal for subsequent 3 year terms. Future payments will be calculated using a formula with an initial base amount of \$358,942 for the year period of April 1 2021 to March 31 2022.

The Municipal District of Peace No. 135 signed an inter-municipal cooperation agreement on December 18, 2018 with the Town of Grimshaw. During 2021, an amount of \$61,666 (2020 - \$58,806) was paid to the Town of Grimshaw for cost sharing of F.C.S.S., recreation programs and services, and cemetery maintenance per a previous similar agreement. The agreement is effective to December 31, 2022.

The Municipal District of Peace No. 135 signed an inter-municipal cooperation agreement on March 12, 2019 with the Village of Berwyn. During 2021, an amount of \$121,618 (2020 - \$120,073) was paid to the Village of Berwyn for cost sharing of F.C.S.S., recreation programs and services, fire services and recycling program costs per a previous similar agreement. The agreement is effective to December 31, 2022.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**18. CONTINGENT LIABILITY**

The Municipal District of Peace No. 135 is a member of the Genesis Reciprocal Insurance Exchange. Under the terms of the membership, the Municipal District of Peace No. 135 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.

**19. FINANCIAL INSTRUMENTS**

The municipality's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the municipality is not exposed to significant interest, or currency risks arising from these financial instruments.

Credit risk

The municipality 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 municipality provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk. However, the Municipal District has a higher credit risk exposure on the linear assessment properties which are much harder to recover than taxes receivable on land and improvements. Management has established an allowance for doubtful accounts in regards to the estimated uncollectible linear tax assessments, which is reflected in the amount of taxes receivable (Note 5).

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

**20. EXCEPTIONAL ITEM**

On March 11, 2020 the World Health Organization declared a Global Pandemic for the spread of Covid-19. Management continues to assess the actual and potential impact this global event may have on the operations of Municipal District of Peace No. 135.

**21. APPROVAL OF FINANCIAL STATEMENTS**

Council and management have approved these financial statements.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2021**

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**22. SEGMENTED INFORMATION (SCHEDULE 6)**

Segmented information has been identified based upon lines of services provided by the Municipal District. District services are provided by departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of services that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

- a) General Government Services  
This category of functions is used to report activities for the overall operations of the Municipal District, which is common to, or affect all of the services provided by the Municipal District, including Council and legalstive, general administration and finance expenses.
- b) Protective Services  
This category of functions is used to report activities provided of emergency management, fire department, bylaw services, building inspection, and regulatory services.
- c) Transportation Services  
The category of functions is used to report activities related to the delivery of municipal public works services related to the planning, development, and maintenance of streets and roads, bridges, and drainage systems as well as maintenance of workshops, yards, and other buildings.
- d) Environmental Services  
This function is used to report activities related to acquiring, supplying, treating, and distributing water to the Municipal District as well as the collection of garbage and other waste material
- e) Recreation Services  
This function is used to report activities related to providing recreational and cultural opportunities for the community.
- f) Other  
This function is used to report activities related to the Agricultural Service Board, cemetary operations, economic development, family and community support services, and land use, planning, zoning, and development.

**MUNICIPAL DISTRICT OF PEACE NO. 135**  
**Consolidated Schedule of Segmented Disclosure**  
**Year Ended December 31, 2021**

(Schedule 6)

	General Government	Protective Services	Transportation Services	Environmental Services	Recreation Services	Other	Total 2021	Total 2020
<b>REVENUE</b>								
Gain on disposal of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,600
Government transfers for operating	154,804	1,000	-	-	3,500	246,146	405,450	287,018
Investment income	130,278	-	-	90	3,213	-	133,581	174,004
Licenses and permits	-	60	-	-	-	2,375	2,435	2,710
Net municipal taxes	3,284,886	-	-	-	-	-	3,284,886	3,245,987
Other revenue	9,457	-	111,220	2,491	4,397	2,022	129,587	153,908
Penalties and costs on taxes	122,365	-	-	-	-	-	122,365	109,628
Rentals	24,463	-	8,169	-	-	630	33,262	40,626
User fees and sales of goods	7,826	47,809	1,748	56,741	-	5,489	119,613	142,765
Well drilling charges	-	-	-	-	-	-	-	18,816
	3,734,079	48,869	121,137	59,322	11,110	256,662	4,231,179	4,274,062
<b>EXPENSES</b>								
Bank charges and short-term interest	528	-	-	-	-	-	528	643
Contracted and general services	316,442	144,331	350,455	57,701	42,370	122,319	1,033,618	943,546
Loss on disposal of capital assets	-	-	34,304	-	-	-	34,304	3,658
Materials, goods and utilities	51,611	9,629	438,560	19,880	16,603	64,751	601,034	683,028
Other expenditures	16,509	-	-	2,765	-	-	19,274	15,127
Provision for allowance	(112,473)	-	-	-	-	-	(112,473)	100,000
Purchases from other governments	683	-	-	-	-	-	683	1,232
Salaries, wages and benefits	489,746	8,549	630,378	8,598	53,824	276,899	1,467,994	1,457,282
Transfers to individuals and organizations	30,518	2,000	-	2,000	57,800	28,225	120,543	66,918
Transfers to local boards and agencies	-	-	-	-	12,229	32,670	44,899	44,899
Transfers to other governments	68,585	77,296	35,000	11,867	337,089	65,500	595,337	310,517
	862,149	241,805	1,488,697	102,811	519,915	590,364	3,805,741	3,626,850
<b>NET REVENUE BEFORE AMORTIZATION AND TRANSFERS FOR CAPITAL</b>								
	2,871,930	(192,936)	(1,367,560)	(43,489)	(508,805)	(333,702)	425,438	647,212
Amortization	(72,137)	(53,410)	(549,445)	(33,932)	(37,731)	(66,919)	(813,574)	(745,201)
Contributed assets	-	-	-	-	-	-	-	-
Government transfers for capital	-	-	2,025,078	-	63,187	-	2,088,265	873,344
	(72,137)	(53,410)	1,475,633	(33,932)	25,456	(66,919)	1,274,691	128,143
<b>NET REVENUE</b>	\$ 2,799,793	\$ (246,346)	\$ 108,073	\$ (77,421)	\$ (483,349)	\$ (400,621)	\$ 1,700,129	\$ 775,355

See notes to financial statements