

**Beaver County**  
**Consolidated Financial Statements**  
*December 31, 2022*

## Management's Responsibility

To the Reeve and Councillors of Beaver County:

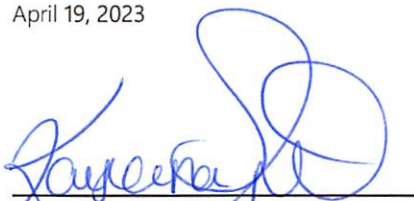
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Council is composed entirely of individuals who are neither management nor employees of the County. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the County's external auditors.

MNP LLP is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

April 19, 2023

A handwritten signature in blue ink, appearing to read "Suzanne H.", is written over a horizontal line.

Chief Administrative Officer

To the Reeve and Councillors of Beaver County:

## Opinion

We have audited the consolidated financial statements of Beaver County (the "County"), which comprise the statement of consolidated financial position as at December 31, 2022, and the consolidated statements of operations, change in net financial assets, cash flows and the related schedules 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 financial position of the County as at December 31, 2022, and the results of its operations, change in its net financial assets 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 Consolidated 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.

## 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 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 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 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 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 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 County to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the County to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### **Report on Other Legal and Regulatory Requirements**

#### ***Debt Limit Regulation***

In accordance with Alberta regulation 255/2000, we confirm that the County is in compliance with the Debt Limit Regulation. A detailed account of the County's debt limit can be found in Note 13.

#### ***Supplementary Accounting Principles and Standards Regulation***

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

Leduc, Alberta

April 19, 2023

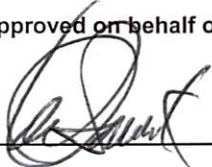
*MNP LLP*

Chartered Professional Accountants

**Beaver County**  
**Statement of Consolidated Financial Position**  
*As at December 31, 2022*

	2022	2021
<b>Financial assets</b>		
Cash and temporary investments <i>(Note 2)</i>	33,839,087	32,955,339
Property taxes receivable <i>(Note 3)</i>	1,212,670	1,284,815
Accounts receivable <i>(Note 4)</i>	593,177	701,998
Due from Beaver Foundation <i>(Note 7)</i>	2,587,681	2,733,956
Investment in Claystone Waste Limited Partnership <i>(Note 16)</i>	2,936,952	1,606,364
<b>Total of financial assets</b>	<b>41,169,567</b>	<b>39,282,472</b>
<b>Liabilities</b>		
Accounts payable and accruals <i>(Note 9)</i>	2,833,194	3,812,828
Deferred revenue <i>(Note 11)</i>	844,599	1,558,642
Deposit liabilities	400	400
Long-term debt <i>(Note 12)</i>	2,587,681	2,733,956
Reclamation liability <i>(Note 10)</i>	588,874	588,874
<b>Total of financial liabilities</b>	<b>6,854,748</b>	<b>8,694,700</b>
<b>Net financial assets</b>	<b>34,314,819</b>	<b>30,587,772</b>
<b>Contingencies</b> <i>(Note 18)</i>		
<b>Commitments</b> <i>(Note 19)</i>		
<b>Non-financial assets</b>		
Land inventory <i>(Note 6)</i>	2,812,001	2,736,227
Tangible capital assets <i>(Schedule 2)</i>	45,930,992	44,880,451
Inventory for consumption <i>(Note 5)</i>	4,379,121	3,594,043
Prepaid expenses	245,889	188,655
<b>Total non-financial assets</b>	<b>53,368,003</b>	<b>51,399,376</b>
<b>Accumulated surplus</b> <i>(Schedule 1)</i>	<b>87,682,822</b>	<b>81,987,148</b>

Approved on behalf of the Council



Reeve



Deputy Reeve

**Beaver County**  
**Statement of Consolidated Operations**  
*For the year ended December 31, 2022*

	<b>2022 Budget (Note 21)</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>			
Net municipal property taxes (Schedule 3)	13,550,981	<b>14,467,864</b>	13,775,008
Subsidiary operations - Claystone Waste Limited Partnership (Note 16)	-	<b>2,723,095</b>	1,515,633
Interest income	200,000	<b>881,168</b>	382,503
Sales, user charges and costs recovered	1,050,057	<b>664,294</b>	944,143
Government transfers (Schedule 4)	1,371,123	<b>518,214</b>	718,933
Other revenue	410,729	<b>163,458</b>	172,222
Penalties and interest on taxes	150,000	<b>104,489</b>	123,502
Grants revenue	958,868	<b>65,461</b>	98,961
Rental income	32,415	<b>40,879</b>	48,754
Fines	50,000	<b>18,781</b>	30,524
	<b>17,774,173</b>	<b>19,647,703</b>	17,810,183
<b>Program expenses</b>			
Public works	7,676,851	<b>9,835,104</b>	10,496,633
Administrative and legislative	3,564,390	<b>2,472,521</b>	3,897,544
Protective services	1,426,563	<b>1,329,086</b>	1,211,762
Culture, parks and recreation	1,507,712	<b>1,211,919</b>	1,036,180
Agriculture services	857,498	<b>741,915</b>	835,527
Family and community	285,098	<b>277,197</b>	278,854
Planning and development	259,755	<b>250,561</b>	198,148
Wastewater and waste	89,461	<b>127,955</b>	107,532
<b>Total expenditures</b>	<b>15,667,328</b>	<b>16,246,258</b>	18,062,180
<b>Excess (deficiency) of revenue over expense before other</b>	<b>2,106,845</b>	<b>3,401,445</b>	(251,997)
<b>Other</b>			
Government transfers for capital (Schedule 4)	2,643,174	<b>2,289,693</b>	2,916,401
Other capital contributions	-	<b>4,536</b>	4,536
Recovery of reclamation expense	-	-	800,000
	<b>2,643,174</b>	<b>2,294,229</b>	3,720,937
<b>Excess of revenue over expenses</b>	<b>4,750,019</b>	<b>5,695,674</b>	3,468,940
<b>Accumulated surplus, beginning of year</b>	<b>81,987,148</b>	<b>81,987,148</b>	78,518,208
<b>Accumulated surplus, end of year</b>	<b>86,737,167</b>	<b>87,682,822</b>	81,987,148

The accompanying notes are an integral part of these financial statements

**Beaver County**  
**Statement of Consolidated Change in Net Financial Assets**  
*For the year ended December 31, 2022*

	<b>2022 Budget (Note 21)</b>	<b>2022</b>	2021
<b>Excess of revenue over expenses</b>	4,750,019	<b>5,695,674</b>	3,468,940
Acquisition of tangible capital assets	(6,503,785)	<b>(5,181,804)</b>	(3,994,753)
Amortization of tangible capital assets	-	<b>3,613,488</b>	3,326,295
Proceeds on sale of tangible capital assets	646,000	<b>598,888</b>	200,461
Loss (gain) on sale of tangible capital assets	-	<b>(81,112)</b>	464,222
Increase in land inventory	-	<b>(75,775)</b>	(119,632)
Decrease (increase) in prepaid expenses	-	<b>(57,234)</b>	724
Acquisition of inventory for consumption	-	<b>(785,078)</b>	(1,344,715)
<b>Increase (decrease) in net financial assets</b>	(1,107,766)	<b>3,727,047</b>	2,001,542
<b>Net financial assets, beginning of year</b>	34,314,819	<b>30,587,772</b>	28,586,230
<b>Net financial assets, end of year</b>	33,207,053	<b>34,314,819</b>	30,587,772

*The accompanying notes are an integral part of these financial statements*

**Beaver County**  
**Statement of Consolidated Cash Flows**  
*For the year ended December 31, 2022*

	<b>2022</b>	<b>2021</b>
<b>Operating activities</b>		
Excess of revenue over expenses	5,695,674	3,468,940
Non-cash items:		
Amortization	3,613,488	3,326,294
Loss (gain) on disposal of tangible capital assets	(81,112)	464,222
Subsidy operations - Claystone Waste Limited Partnership	(2,723,095)	(1,515,633)
Net change in non-cash operating working capital accounts:		
Increase (decrease) in deferred revenue	(714,043)	987,928
Decrease (increase) in prepaid expenses	(57,234)	725
Increase (decrease) in accounts payable and accrued liabilities	(864,119)	1,274,423
Decrease (increase) in trade and other accounts receivable	108,821	(39,797)
Decrease in property tax receivable	72,145	382,443
Decrease in reclamation liability	-	(1,488,909)
Acquisition of inventory for consumption	(785,078)	(1,344,715)
	4,265,447	5,515,921
<b>Financing activities</b>		
Repayment of long-term debt	(146,275)	(140,226)
<b>Capital activities</b>		
Purchases of tangible capital assets	(4,729,346)	(3,714,211)
Cash proceeds from disposal of tangible capital assets	2,320	35,461
	(4,727,026)	(3,678,750)
<b>Investing activities</b>		
Decrease in due from Beaver Foundation	146,275	140,226
Distribution from Claystone Waste Limited Partnership	1,392,507	1,392,507
Increase in land inventory	(47,180)	(119,632)
	1,491,602	1,413,101
<b>Increase in cash resources</b>	<b>883,748</b>	<b>3,110,046</b>
<b>Cash resources, beginning of year</b>	<b>32,955,339</b>	<b>29,845,293</b>
<b>Cash resources, end of year</b>	<b>33,839,087</b>	<b>32,955,339</b>

*The accompanying notes are an integral part of these financial statements*



**Beaver County**  
**Schedule 1 - Schedule of Consolidated Changes in Accumulated Surplus**  
*For the year ended December 31, 2022*

	<i>Unrestricted Surplus</i>	<i>Restricted Surplus</i>	<i>Equity in Tangible Capital Assets</i>	<b>2022</b>	<b>2021</b>
		<i>(Note 20)</i>			
<b>Balance, beginning of year</b>	<b>5,216,177</b>	31,890,520	44,880,451	81,987,148	78,518,208
Excess of revenue over expenses	<b>5,695,674</b>	-	-	5,695,674	3,468,940
Unrestricted funds designated for future use	<b>(10,069,369)</b>	10,069,369	-	-	-
Restricted funds for operations	<b>2,775,978</b>	(2,775,978)	-	-	-
Restricted funds used for tangible capital assets`	-	(2,655,862)	2,655,862	-	-
Current year funds used for tangible capital assets	<b>(2,525,942)</b>	-	2,525,942	-	-
Disposal of tangible capital assets	<b>517,775</b>	-	(517,775)	-	-
Annual amortization expense	<b>3,613,488</b>	-	(3,613,488)	-	-
<b>Change in accumulated surplus</b>	<b>7,604</b>	4,637,529	1,050,541	5,695,674	3,468,940
<b>Balance, end of year</b>	<b>5,223,781</b>	<b>36,528,049</b>	<b>45,930,992</b>	<b>87,682,822</b>	81,987,148

**Beaver County**  
**Schedule 2 - Schedule of Consolidated Tangible Capital Assets**

*For the year ended December 31, 2022*

	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>	<i>Engineered Structures</i>	<i>Machinery &amp; Equipment</i>	<i>Vehicles</i>	<b>2022</b>	<b>2021</b>
<b>Cost</b>								
Balance, beginning of year	697,763	478,028	5,660,956	94,906,915	11,366,553	3,874,037	116,984,252	114,327,575
Acquisition of tangible capital assets	-	125,232	-	1,492,592	2,319,563	1,244,417	5,181,804	3,994,753
Disposal of tangible capital assets	(29,022)	-	-	-	(1,097,740)	-	(1,126,762)	(1,338,076)
Write down of tangible capital assets	-	-	-	-	(60,000)	(30,000)	(90,000)	-
Balance, end of year	668,741	603,260	5,660,956	96,399,507	12,528,376	5,088,454	120,949,294	116,984,252
<b>Accumulated amortization</b>								
Balance, beginning of year	-	343,788	1,810,558	62,212,811	5,442,946	2,293,698	72,103,801	69,450,900
Annual amortization	-	26,262	112,506	2,237,029	922,764	314,927	3,613,488	3,326,294
Accumulated amortization on disposals	-	-	-	-	(668,987)	(30,000)	(698,987)	(673,393)
Balance, end of year	-	370,050	1,923,064	64,449,840	5,696,723	2,578,625	75,018,302	72,103,801
<b>Net book value of tangible capital assets</b>	<b>668,741</b>	<b>233,210</b>	<b>3,737,892</b>	<b>31,949,667</b>	<b>6,831,653</b>	<b>2,509,829</b>	<b>45,930,992</b>	<b>44,880,451</b>
2021 net book value of tangible capital assets	697,763	134,240	3,850,398	32,694,104	5,923,607	1,580,339	44,880,451	

During the year, tangible capital assets were acquired at an aggregate cost of \$5,181,804 (2021 - \$3,994,753) of which \$568,000 (2021 - \$165,000) was a non-cash trade-in and transfer of equipment, \$nil (2021 - \$115,542) in accounts payable and accrued liabilities and the remaining \$4,729,346 (2021 - \$3,714,211) was acquired by cash. Proceeds on disposal of tangible capital assets is made up of \$2,320 (2021 - \$35,461) of cash, \$28,594 (2021 - \$nil) transfer to land inventory, and \$568,000 (2021 - \$165,000) of direct trade-in and transfer of assets.

**Beaver County**  
**Schedule 3 - Schedule of Consolidated Property Taxes Levied**

*For the year ended December 31, 2022*

	<i>2022 Budget</i>	<i>2022</i>	<i>2021</i>
<b>Taxation</b>			
Real property taxes	13,544,986	<b>10,062,446</b>	9,435,018
Designated industrial property	3,480,938	<b>8,438,918</b>	8,132,714
Special assessments	5,995	<b>5,303</b>	5,303
	17,031,919	<b>18,506,667</b>	17,573,035
<b>Requisitions</b>			
Alberta School Foundation Fund	3,200,000	<b>3,713,734</b>	3,488,333
Beaver Foundation Management Agency	280,938	<b>297,576</b>	280,938
Designated industrial property	-	<b>27,493</b>	28,756
	3,480,938	<b>4,038,803</b>	3,798,027
<b>Net municipal property taxes</b>	13,550,981	<b>14,467,864</b>	13,775,008

**Beaver County**  
**Schedule 4 - Schedule of Consolidated Government Transfers**

*For the year ended December 31, 2022*

	<i>2022 Budget</i>	<i>2022</i>	<i>2021</i>
<b>Operating</b>			
Provincial	1,371,123	<b>518,214</b>	718,933
<b>Capital</b>			
Provincial	2,201,333	<b>1,764,275</b>	2,366,401
Federal	441,841	<b>525,418</b>	550,000
	2,643,174	<b>2,289,693</b>	2,916,401
<b>Total government transfers</b>	4,014,297	<b>2,807,907</b>	3,635,334

**Beaver County**  
**Schedule 5 - Schedule of Consolidated Expenses by Object**

*For the year ended December 31, 2022*

	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Budget</b>		
Salaries, wages and benefits	5,573,313	<b>5,087,916</b>	5,039,077
Contracted and general services	4,959,812	<b>3,804,230</b>	4,992,468
Amortization	-	<b>3,613,488</b>	3,326,295
Materials, goods and utilities	2,010,534	<b>2,378,552</b>	1,634,190
Grant to other governments	2,477,169	<b>2,160,422</b>	2,042,402
Interest on long-term debt	127,000	<b>115,144</b>	121,193
Bank charges	19,500	<b>11,098</b>	20,029
Loss (gain) on sale of tangible capital assets	-	<b>(81,112)</b>	464,222
Provision (recovery) for allowances	500,000	<b>(843,480)</b>	422,304
	<b>15,667,328</b>	<b>16,246,258</b>	<b>18,062,180</b>

**Beaver County**  
**Schedule 6 - Schedule of Consolidated Segmented Disclosure**

*For the year ended December 31, 2022*

	General government	Administrative and legislative	Public works	Wastewater and waste	Protective services	Agriculture services	Family and community	Planning and development	Culture, parks and recreation	Claystone Waste LP	2022
<b>Revenue</b>											
Net municipal property taxes	14,467,864	-	-	-	-	-	-	-	-	-	14,467,864
Subsidy operations - Claystone Waste LP.	-	-	-	-	-	-	-	-	-	2,723,095	2,723,095
Capital government transfers	-	-	2,289,693	-	-	-	-	-	-	-	2,289,693
Interest income	-	881,168	-	-	-	-	-	-	-	-	881,168
Sales, user charges and sales of goods	-	23,472	156,008	106,531	19,108	10,583	250	124,840	223,502	-	664,294
Operating government transfers	-	234,719	-	-	-	143,907	139,588	-	-	-	518,214
Other revenue	-	163,458	-	-	-	-	-	-	-	-	163,458
Penalties and interest on taxes	104,489	-	-	-	-	-	-	-	-	-	104,489
Rental income	-	3,120	900	-	-	-	-	36,859	-	-	40,879
Grants revenue	-	45,961	17,000	-	-	2,500	-	-	-	-	65,461
Fines	-	-	-	-	18,781	-	-	-	-	-	18,781
Other capital contributions	-	4,536	-	-	-	-	-	-	-	-	4,536
	14,572,353	1,356,434	2,463,601	106,531	37,889	156,990	139,838	161,699	223,502	2,723,095	21,941,932
<b>Expenses</b>											
Salaries, wages and benefits	-	1,530,978	2,787,602	32,402	188,460	303,018	100,274	74,688	70,495	-	5,087,917
Contracted and general services	-	920,043	2,038,350	39,015	291,775	148,111	31,973	173,034	161,929	-	3,804,230
Materials, goods and utilities	-	108,347	1,995,436	9,652	22,241	154,116	9,174	2,839	76,746	-	2,378,551
Grant to other governments	-	302,016	-	-	807,807	45,890	135,776	-	868,933	-	2,160,422
Interest on long-term debt	-	115,144	-	-	-	-	-	-	-	-	115,144
Bank charges	-	5,406	-	-	-	-	-	-	5,692	-	11,098
Gain on sale of fixed assets	-	-	(81,112)	-	-	-	-	-	-	-	(81,112)
Recovery of allowances	-	(843,480)	-	-	-	-	-	-	-	-	(843,480)
	-	2,138,454	6,740,276	81,069	1,310,283	651,135	277,197	250,561	1,183,795	-	12,632,770
<b>Net revenue, before amortization</b>	14,572,353	(782,020)	(4,276,675)	25,462	(1,272,394)	(494,145)	(137,359)	(88,862)	(960,293)	2,723,095	9,309,162
Amortization	-	334,067	3,094,828	46,886	18,803	90,780	-	-	28,124	-	3,613,488
<b>Excess (deficiency) of revenue over expenses</b>	14,572,353	(1,116,087)	(7,371,503)	(21,424)	(1,291,197)	(584,925)	(137,359)	(88,862)	(988,417)	2,723,095	5,695,674

**1. Significant accounting policies**

The consolidated financial statements of Beaver County (the "County") are the representations of management prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the County are as follows:

***Reporting entity***

The consolidated financial statements reflect the financial activities of the reporting entity. This entity is comprised of the County operations plus all organizations that are owned or controlled by the County and are, therefore, accountable to Council for the administration of their financial affairs and resources, including the Beaver Regional Industrial Services Corporation and Community Adult Learning.

Claystone Waste Limited Partnership, a subsidiary partnership of the County, is accounted for on a modified equity basis, consistent with the public sector accounting treatment for a government business partnership. Under the modified equity basis, the government business partnership's accounting principles are not adjusted to conform with those of the County, and inter-organizational transactions and balances are not eliminated. Other comprehensive income (loss) due to fair value adjustments is reported on the consolidated statement of operations and accumulated surplus as an adjustment to accumulated surplus.

The schedule of property taxes levied also includes requisitions for education and other external organizations that are not part of the County reporting entity.

The consolidated financial statements exclude trust assets that are administered for the benefit of external parties. Inter-departmental and organizational transactions and balances are eliminated.

***Basis of presentation***

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

***Measurement uncertainty (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 amounts 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 expenses during the reporting period.

Accounts receivable, and amounts due from related County entities and departments, are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Accrued sick time for employees is based on historical utilization applied to the total sick bank. Gravel inventory includes estimated rates for internal hauling.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. Tax receivables are reduced by an allowance for doubtful accounts of \$587,790 (2021 - \$1,424,314). Management's estimate of the allowance is based upon their assessment of the ultimate collectability of tax receivables.

Pursuant to the *Environmental Enhancement and Protection Act (Alberta)*, the County is required to fund the future reclamation of a gravel pit. Closure activities include the final top soil cover, landscaping, and visual inspection. The requirement is being provided for based on the estimated costs and length of time until the site is expected to be inactive. Reclamation liability is valued using calculations which have significant estimates for future reclamation costs, inflation rate and the risk-free rate. The reclamation liability is an estimated cost to bring the gravel pit site back to its original condition.

1. **Significant accounting policies** *(Continued from previous page)*

**Measurement uncertainty (Use of estimates)** *(Continued from previous page)*

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the year in which they become known.

**Cash and cash equivalents**

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less.

**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.

**Property tax requisition over-levy and under-levy**

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

If the actual levy exceeds the requisition, the 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.

**Liability for contaminated site**

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the County is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2022.

At each financial reporting date, the County reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. 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.

**Revenue recognition**

**Government transfers**

The County recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the County recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

**Interest income, rental and other revenue**

Other sources of revenue are recorded when received or receivable.

**Tax revenue**

The County recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the County evaluates the tax receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.



1. **Significant accounting policies** (Continued from previous page)

**Revenue recognition** (Continued from previous page)

**Fines and penalties**

Traffic fine revenue is recorded as cash is received, which is not materially different than recording revenue on an accrual basis.

**Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, prepaid expenses, land inventory and inventories of supplies.

**Tangible capital assets**

Tangible capital assets are initially recorded at cost based which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible assets are recorded at their fair value at the date of contribution.

When conditions indicate that a tangible capital asset no longer contributes to the County's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the County reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

**Amortization**

Amortization is charged in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<b>Years</b>
Land improvements	10-30 years
Buildings	10-50 years
Engineered structures, roads and bridges	5-75 years
Machinery and equipment	5-40 years
Vehicles	5-25 years

**Inventory**

Inventory for consumption is valued at the lower of cost and net realizable value. Cost of inventories of items that are segregated for specific projects is assigned by using specific identification of their individual costs.

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

Land Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to December 31, 2022, the County has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the County can reasonably be expected within one year.

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

1. **Significant accounting policies** (Continued from previous page)

**Segments**

The County conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the County's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

**Pensions**

The County participates in a multi-employer defined benefit pension plan. The plan is accounted for as a defined contribution plan as the plan is administered independently from the County.

**Future accounting standards**

**Effective on or after April 1, 2022:**

**PS 3450 Financial Instruments**, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives.

**PS 3280 Asset Retirement Obligations**, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of a liability for retirement of a tangible capital asset. As this standard includes solid waste landfill sites active and post-closing obligations upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

The extent of the impact on adoption of these future standards is not known at this time.

2. **Cash and temporary investments**

	2022	2021
Cash	307,741	875,239
Guaranteed investment certificates	33,531,346	32,080,100
	33,839,087	32,955,339

3. **Property tax receivable**

	2022	2021
Current taxes	687,001	1,618,116
Arrears taxes	1,113,459	1,091,013
	1,800,460	2,709,129
Less: allowance for doubtful accounts	(587,790)	(1,424,314)
	1,212,670	1,284,815

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

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**4. Trade and other accounts receivable**

	<b>2022</b>	2021
Trade and other receivables	<b>333,616</b>	206,649
Due from governments	<b>259,561</b>	495,349
	<b>593,177</b>	701,998

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**5. Inventory for consumption**

	<b>2022</b>	2021
Gravel inventory	<b>3,944,272</b>	3,302,708
Shop inventory	<b>434,849</b>	291,335
	<b>4,379,121</b>	3,594,043

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**6. Land inventory**

Land inventory includes acquisition costs of the land and the improvements to prepare the land for sale or servicing. Related development costs incurred to provide infrastructure are recorded as tangible capital assets under their respective function.

	<b>2022</b>	2021
Viking Beaver Business Park	<b>199,994</b>	171,400
Equity Industrial Park	<b>2,612,007</b>	2,564,827
	<b>2,812,001</b>	2,736,227

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**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

**7. Due from Beaver Foundation**

	<b>2022</b>	2021
Debt charges recoverable	<b>152,585</b>	146,275
Non-current debt charges recoverable	<b>2,435,096</b>	2,587,681
	<b>2,587,681</b>	2,733,956

The County had undertaken a joint project to assist the Beaver Foundation to build a new senior's lodge in Tofield. As at December 31, 2022, \$2,587,681 (2021 - \$2,733,956) plus interest at 4.268% is recoverable from the Beaver Foundation with respect to this financing. Amounts are recoverable in semi-annual blended instalments of \$130,710, and mature December 15, 2035:

	Principal	Interest	Total
2023	152,585	108,835	261,420
2024	159,167	102,253	261,420
2025	166,033	95,387	261,420
2026	173,195	88,225	261,420
2027	180,666	80,754	261,420
To maturity	1,756,035	335,318	2,091,353
	2,587,681	810,772	3,398,453

**8. Bank indebtedness**

At December 31, 2022, the County had a line of credit totaling \$590,000 (2021 – \$590,000), none of which were drawn. Interest accrues monthly on the outstanding balance at a rate of prime. The line of credit arrangement is reviewed annually by the bank with the most recent review date being September 12, 2019. As at December 31, 2022, the prime rate was 6.45% (2021 - 2.45%).

**9. Accounts payable and accruals**

	<b>2022</b>	2021
Accounts payable and accrued liabilities	<b>1,875,554</b>	2,658,297
Payables to governments	<b>513,891</b>	483,586
Vacation and overtime accruals	<b>333,005</b>	370,153
Holdbacks payable	<b>16,243</b>	200,292
Retirement allowance	<b>94,500</b>	100,500
	<b>2,833,193</b>	3,812,828

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

**10. Reclamation liability**

Under Provincial legislation, the County is required to reclaim certain land used for the extraction of aggregate material. Reclamation requirements have been defined in accordance with industry standards and include re-vegetation of sites upon closure. The County owns and operates an aggregate extraction site. The aggregate is used for road maintenance and construction projects within the County. An amount of \$588,874 (2021 - \$588,874) has been accrued. During the year, the County incurred costs to reclaim the aggregate extraction site and a recovery of reclamation expense in the amount of \$nil (2021 - \$688,909) and \$nil (2021 - \$800,000), respectively.

The reported liabilities are based on estimates and assumptions using the best information available at the end of the reporting period. Future events, such as changes to regulatory requirements, may result in significant changes to the estimated total liabilities and will be recognized prospectively, as a change in estimate, when applicable.

**11. Deferred revenue**

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Recognized as revenue</i>	<i>Balance, end of year</i>
Municipal Sustainability Initiative - Capital	1,274,427	1,085,155	1,764,275	595,307
Community Adult Learning Program	114,253	144,772	139,588	119,437
Safety code inspection permits	60,653	34,920	28,130	67,443
Watershed Resiliency and Restoration Program	46,450	-	-	46,450
MCS Net	15,498	-	4,536	10,962
Alberta Community Partnership	47,361	-	42,361	5,000
Canada Community-Building Fund	-	525,418	525,418	-
Municipal Stimulus Program	-	205,329	205,329	-
Agriculture Service Boards Program	-	146,407	146,407	-
	<b>1,558,642</b>	<b>2,142,001</b>	<b>2,856,044</b>	<b>844,599</b>

Included in the County's deferred revenue are government transfers and grant revenue which are restricted to eligible projects as approved under the funding agreements. Also included are amounts received in advance for safety code inspection permits and non-government funded capital projects.

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

**12. Long-term debt**

	<b>2022</b>	2021
Self-suported debentures	<b>2,587,681</b>	2,733,956

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	Principal	Interest	Total
2023	152,585	108,835	261,420
2024	159,167	102,253	261,420
2025	166,033	95,387	261,420
2026	173,195	88,225	261,420
2027	180,666	80,754	261,420
To maturity	1,756,035	335,318	2,091,353
	2,587,681	810,772	3,398,453

Debenture debt is repayable to the Province of Alberta and bears interest at 4.268% per annum and matures on December 15, 2035. Debenture debt is issued on the credit and security of the County at large.

The County had undertaken a joint project to assist the Beaver Foundation to build a new senior's lodge in Tofield. As at December 31, 2022, \$2,587,681 (2021 - \$2,733,956) plus interest at 4.268% is recoverable from the Beaver Foundation with respect to this financing. Amounts are recoverable in semi-annual blended instalments of \$130,710, and mature December 15, 2035.

**13. Debt limits**

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits defined by Alberta Regulation 255/2000 for the County be disclosed as follows:

	<b>2022</b>	2021
Total debt limit	<b>29,478,359</b>	26,722,079
Total debt	<b>2,587,681</b>	2,733,956
Amount of debt limit unused	<b>26,890,678</b>	23,988,123
Service on debt limit	<b>4,913,060</b>	4,453,680
Service on debt	<b>261,420</b>	261,420
Amount of debt servicing limit unused	<b>4,651,640</b>	4,192,260

The debt limit is calculated as 1.5 times revenue of the County (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated as 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 alone does not represent the financial stability of the County. Rather, the financial statements must be interpreted as a whole.

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

**14. Salaries and benefits disclosure**

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

	<i>Salary/ remuneration</i>	<i>Benefits &amp; allowances</i>	<i>2022</i>	<i>2021</i>
K. Smook, Reeve - Division 1	<b>50,247</b>	<b>5,862</b>	<b>56,109</b>	46,291
L. Williams - Division 2	<b>37,810</b>	<b>9,189</b>	<b>46,999</b>	8,862
G. Hrabec, Deputy Reeve - Division 3	<b>44,421</b>	<b>9,737</b>	<b>54,158</b>	43,475
B. Bruce, Councilor - Division 4	<b>32,960</b>	<b>7,799</b>	<b>40,759</b>	34,446
D. Pederson, Councilor - Division 5	<b>29,774</b>	<b>6,883</b>	<b>36,657</b>	26,632
J. Kallal, Former Reeve - Division 2	-	-	-	42,228
K. Spiess, CAO	<b>114,705</b>	<b>19,527</b>	<b>134,232</b>	-
J.R. McDonald & Associates - Interim CAO	<b>82,045</b>	<b>199</b>	<b>82,244</b>	-
R. Beck, Former CAO	-	-	-	536,576
M. Jones, Former Interim CAO	-	-	-	58,464

Salary/remuneration includes regular base pay, overtime, lump sum payments, gross honoraria and any other direct cash remuneration. Total salary/remuneration for R. Beck, former CAO, includes severance pay of \$363,820 and \$43,455 for vacation accruals unused at the time of retirement.

Benefits and allowances includes 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, dismemberment insurance, long and short-term disability plans, professional memberships and tuition.

**15. 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 Pension Plans Act*. The LAPP serves about 281,764 members and 435 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

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

The County is required to make current service contributions to the LAPP of 8.45% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 12.80% on pensionable earnings above this amount. Employees of the County are required to make current service contributions of 7.45% of pensionable salary up to the year's maximum pensionable salary and 11.80% on pensionable salary above this amount.

Total current service contributions by the County to the LAPP in 2022 were \$269,532 (2021 - \$311,670). Total current service contributions by the employees of the County to the Local Authorities Pension Plan in 2022 were \$241,249 (2021 - \$282,326).

At December 31, 2021, the date of the most recent actuarial valuation, the LAPP disclosed an actuarial surplus of \$11,922,000,000 (2020 - \$4,961,337,000).

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

**16. Subsidiary operations - Claystone Waste Limited Partnership**

Claystone Waste Limited Partnership was formed on August 20, 2020 under the laws of Alberta. The Limited Partnership was formed for the purpose of providing waste management services to partner municipalities and others. The General Partner of the Limited Partnership is Claystone Waste Ltd. and the Limited Partners are Beaver County, Village of Holden, Village of Ryley, Town of Tofield and Town of Viking.

	<b>2022</b>	<b>2021</b>
<b>Investment in limited partnership:</b>		
Investment, beginning of year	<b>1,606,364</b>	1,483,238
Distribution received	<b>(1,392,507)</b>	(1,392,507)
Share of net income from partnership operations	<b>2,723,095</b>	1,515,633
	<b>2,936,952</b>	1,606,364

Beaver County owns 46.56% of the partnership interest of Claystone Waste Limited Partnership.

Summary financial information of Claystone Waste Limited Partnership, accounted for using the modified equity method, for the year ended December 31, 2022, is as follows:

	<b>2022</b>	<b>2021</b>
<b>Financial Position:</b>		
Current assets	<b>32,178,650</b>	29,340,452
Property and equipment	<b>34,618,381</b>	34,526,583
Other assets	<b>10,569,427</b>	10,058,934
<b>Total assets</b>	<b>77,366,458</b>	73,925,969
Current liabilities	<b>1,844,109</b>	1,389,185
Non-current liabilities	<b>16,327,280</b>	16,190,484
<b>Total liabilities</b>	<b>18,171,389</b>	17,579,669
<b>Partnership equity</b>	<b>59,195,069</b>	56,346,300
<b>Total liabilities and partnership equity</b>	<b>77,366,458</b>	73,925,969
<b>Results of operations:</b>		
Revenue	<b>25,500,328</b>	21,581,362
Expenses	<b>(19,663,008)</b>	(18,381,311)
Gain on disposal of property and equipment	<b>11,249</b>	55,171
<b>Net and comprehensive income</b>	<b>5,848,569</b>	3,255,222
<b>Changes in partnership equity</b>		
Partnership equity - opening	<b>56,346,300</b>	56,090,878
Distributions	<b>(2,999,800)</b>	(2,999,800)
Net income for the period	<b>5,848,569</b>	3,255,222
<b>Partnership equity - ending</b>	<b>59,195,069</b>	56,346,300

During the year, Beaver County incurred \$23,197 (2021 - \$25,006) in waste collection and disposal fees payable to Claystone Waste Limited Partnership. During the year, Claystone Waste Limited Partnership incurred \$556,148 (2021 - \$523,032) in property taxes and grants payable to Beaver County. All transactions are in the normal course of operations and are recorded at the exchange value based on normal commercial rates.



**17. Segments**

The County provides a range of services to its ratepayers. For each reported segment, the revenue 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 Schedule 6 - Schedule of Segmented Disclosure.

**18. Contingencies**

The County is a member of the Genesis Reciprocal Insurance Exchange ("GENESIS"). 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 GENESIS. Any liability incurred would be accounted for as a current transaction in the years the losses are determined.

In the normal course of business there may be pending claims by and against the County. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information provided by its legal counsel, final determination of these litigations will not materially affect the County's financial position or results of operations.

Within Claystone Waste Limited Partnership, there are contingencies disclosed as follows:

Under the Technology Innovation and Emissions Reduction Regulation, a landfill site can become a registered and regulated facility when the estimated equivalent carbon dioxide emissions exceed 100,000 tonnes based on the regulation's prescribed method. The prescribed method calculated that the landfill site had emissions in excess of the threshold. Field tests completed using emission detection equipment measured carbon dioxide below the 100,000 tonne threshold and therefore a request was submitted to have the landfill site removed from the registry of regulated facilities and to have payments made returned. The request was successful. The landfill site will continue to be monitored to ensure the threshold is not reached.

Should the partnership be added to the registry in the future, annual payments would be required based partially on emissions for waste accepted at the landfill site up to December 31, 2022. An estimate of the total of these annual payments or the likelihood of becoming registered in the future cannot be made and therefore an estimate of its financial effect cannot be measured.

**19. Commitments**

The County has entered into gravel crushing and reclamation, equipment purchase, computer software and other general operating agreements. The commitments over the next five years are as follows:

2023	4,079,285
2024	4,126,909
2025	40,440
2026	30,000
2027	30,000

Within Claystone Waste Limited Partnership, there is a commitment disclosed as follows:

The Limited Partnership has entered into a commitment to purchase equipment for cash consideration of \$1,601,497 of which no amount was paid or payable at December 31, 2022.

**Beaver County**  
**Notes to the Consolidated Financial Statements**  
*For the year ended December 31, 2022*

**20. Restricted surplus**

The County has restricted certain amounts of the accumulated surplus in order to fund future operations. This restricted surplus is not fully funded in cash as this would tie up too much of the operational cash needed to run the day to day operations of the County. The restricted surplus total is available over time and on an as needed basis. Surplus restricted for operating and capital activities changed as follows:

	2021	Increases	Decreases	2022
Contingency	15,735,405	1,450,693	-	<b>17,186,098</b>
Public works	9,772,955	6,206,579	4,623,010	<b>11,356,524</b>
Administration	3,721,988	1,582,752	760,820	<b>4,543,920</b>
Planning and economic development	1,003,304	318,621	48,009	<b>1,273,916</b>
Water and sewer system	703,604	417,392	-	<b>1,120,996</b>
Parks and recreation	441,939	-	-	<b>441,939</b>
Agriculture	304,283	75,000	-	<b>379,283</b>
Legislated	207,042	18,331	-	<b>225,373</b>
	<b>31,890,520</b>	<b>10,069,368</b>	<b>5,431,839</b>	<b>36,528,049</b>

**21. Budget information**

The disclosed budget information has been approved by Council. The following is a reconciliation between the budget approved and that showing in the financial statements:

	<i>Budget 2022</i>
Approved budgeted operating surplus	1
Property tax revenue used for capital	1,251,393
Operating draw from reserve	(4,182,835)
Operating transfer to reserve	5,038,286
<b>Excess of revenue over expenses before other (Statement of Operations)</b>	<b>2,106,845</b>
Capital reserve transfer	(2,359,159)
Property tax revenue, budgeted for in operating	1,251,393
<b>Decrease in net financial assets (Statement of change in Net Financial Assets)</b>	<b>(1,107,766)</b>

**22. Comparative figures**

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

**23. Significant event**

On March 11, 2020, the World Health Organization declared a global outbreak of COVID-19, which has had a significant impact on municipal government operations through the restrictions put in place by the Canadian and provincial governments as well as municipal governments regarding travel, isolation/quarantine orders, closures of County facilities, cancellation/postponement of programs and tax and utility deferral programs. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the County as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the virus, and the duration of the outbreak, including the duration of County facility closures, program and service disruptions, and isolation/quarantine measures that are currently, or may be put, in place by Canada and other countries to fight the virus.