

2023 ANNUAL REPORT



**MUNICIPAL DISTRICT OF
WAINWRIGHT NO. 61**



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61

717 – 14 Avenue, Wainwright, Alberta T9W 1B3 (780) 842-4454

2023 REEVE'S REPORT

On behalf of Council, I am pleased to provide you with the 2023 operational highlights of the Municipal District of Wainwright No. 61 (MD).

In 2023, our construction crew improved approximately 7.5 miles of road with construction projects focused primarily within the eastern part of the MD. L.R. 1, northeast of Ribstone, was a challenging project requiring most of our crew's time last year.

Our cementing and oiling crew worked on 9 miles of cement base stabilization on the MD's key local road network. This included 2 new miles that were added making a total of 115 miles of cement within the municipality. We continue to focus on maintaining our cement roads by re-chipping 15 miles of road last year. In addition, we provide a coat of fogging seal the year after the road is re-chipped, which seals the chip and prolongs its life. In 2023, we fogged 14 miles of road. The MD re-oiled approximately 6 miles of rural road. Various dust controls with Calcium and MC-250 were conducted by the MD's oiling crew with the help of divisional graders as well.

The reconstruction of the Greenshields Lagoon was completed in 2023 and is now operational. The MD has received Provincial and Federal Government funding totaling \$804,247 to complete this project.

Regular road maintenance continued as usual, with nearly 101,177 metric tonnes of gravel applied to our gravel roads. We used both private and MD trucks to haul and spread the gravel. We maintain our road maintenance grader fleet at seven graders, with one additional grader being used to supplement divisional graders as needed. This additional grader was busy reclaiming our gravel road tops when it was available. Also, to maintain our stockpiles of gravel, we hired a private contractor to crush 209,575 metric tonnes of gravel.

Riverdale Mini-Park, operated by MD staff, provided a valuable service for campers and golfers at a very reasonable rate. Arm Lake, operated by a contractor, also provided another valuable service for campers, boaters, and beach goers at very competitive rates as well. Both parks experienced increased usage in 2023, as many people chose to stay close to home to enjoy convenient and economical recreational opportunities available right here in the MD. We were incredibly pleased that Kidsport chose to hold its 6th Charity Golf Tournament at Riverdale in 2023. Kidsport has already committed to holding the 2024 Charity Golf Tournament at Riverdale.

The MD Administration team worked hard in planning and organizing these projects to ensure that they were successful. On behalf of Council, I would like to thank them for their dedication to the MD over the course of the year.

The MD continues to work closely with its neighboring municipalities, the Town of Wainwright and the Villages of Irma, Chauvin and Edgerton (ICE). We are also pleased that our close relationship and partnership continues with our local military base, 3rd Canadian Division Support Base Detachment Wainwright.

In closing, I would like to express my sincere gratitude to Council, Administration, and all MD employees for their continued support throughout this last year.

Respectfully Submitted,

Bob Barss
Reeve



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2023 AGRICULTURAL SERVICES DEPARTMENT REPORT

LEGISLATIVE GRANT STREAM SECTION

ADMINISTRATION

In 2023, the Agricultural Services Department (ASD) received grants from Ministry of Agriculture and Irrigation in the following amounts: \$123,907 for the Provincial Agricultural Service Board (ASB) Grant – Legislative Stream, \$39,000 for the Provincial ASB Grant – Resource Management Stream and \$24,000 for the Rat Control Grant. This was the last year of municipal involvement in the Empty Pesticide Container (<23L) Collection Program as it became the responsibility of agricultural retailers as of January 2024. The Municipal District of Wainwright No. 61 (MD) continues to operate three municipal water tankloader facilities for agriculture, shelterbelt and other approved uses. Approximate usage for the tankloaders in 2023 was as follows: Ribstone - 63,162 gallons, Giltedge - 224,422 gallons (volume not accurate as meter was malfunctioning) and Irma - 698,788 gallons.

VEGETATION MANAGEMENT, CROP PEST MONITORING AND VERTEBRATE PEST CONTROL

The year 2023 was the second year in the three-year rotation of our roadside spray program. A seasonal Weed Inspector was utilized to complement our Vegetation Control Program. This was an interesting year for weed growth and we continued to address a variety of prohibited noxious and noxious weeds found within our boundaries. Purple loosestrife control efforts continue under the provisions of a Special Use Approval. Prohibited noxious weeds including nodding thistle, diffuse and spotted knapweed, and hoary alyssum continue to be monitored vigilantly and controlled where found. The ASD continues to partner with the Ministry of Agriculture and Irrigation in their pest surveillance program. Diamondback moths, bertha armyworms, grasshoppers and wheat midge were all surveyed in 2023. Agricultural Services Staff also completed 80 random clubroot inspections with one new clubroot positive field being identified in 2023. In 2023, there were no confirmed rat infestations identified. Staff also removed 20 problem beaver that were affecting municipal roads, bridges, and culvert infrastructure.

RESOURCE MANAGEMENT STREAM SECTION

MUNICIPAL PROJECTS, DEMONSTRATIONS AND EXTENSION ACTIVITIES

The focus of the grant money is to provide information and programs within three priority areas; first, to deliver, promote and manage the Environmental Farm Plan (EFP); second, to deliver, promote and manage the Sustainable Canadian Agriculture Partnership (S-CAP); third, to promote the sustainability of water, soil, air and biodiversity in the MD. The bi-monthly ASD newsletter, the Municipal Connection, continues to be a source of information for our rural ratepayers. The ASD hosted five extension events between February and May, ranging in topic from pest management to equine health, which saw a total of 321 participants.

Respectfully Submitted,

James Schwindt
Agricultural Fieldman



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2023 DIRECTOR OF DEVELOPMENT SERVICES REPORT

Development permit applications saw a subtle decline throughout the Municipal District of Wainwright No. 61 (MD) for the 2023 year. The MD issued 35 permits in 2023 down from 44 permits in 2022. The dollar value of developments however, increased significantly at \$308,489,803 up from \$13,089,260 in 2022. The vast majority of this value is attributed to industrial development – more specifically Solar Energy. Comparatively, in the last 5 years, development permits have averaged 50 per year valuing \$22,602,829.

The 2023 development permits included 8 single family dwellings with garages, 3 substantial additions to existing dwellings, 2 manufactured homes and 10 shops/garages/barns. A total of 4 permits were issued for the Clear Lake area which included new cabins/dwellings and retaining walls/sheds. Three permits were issued for a 200 MW Solar Power Plant. It is noted that these permits were all issued for the same project but issued to each independent landowner. Five additional permits were issued for other or accessory uses and included roof mounted solar panels, sea cans, a perimeter fence for the Wainwright Landfill and a 6-unit residential multiplex.

Applications for subdivisions declined from 13 in 2022 to 6 in 2023. 6 subdivision approvals were issued in 2023, down from 15 in 2022.

After extensive public consultation and engagement, the MD adopted Municipal Development Plan No. 1694 and Land Use Bylaw No. 1695 on June 20, 2023. It should be noted that development permits are not only required for construction, placement, replacement, repair, or addition to a building, but also for demolition. When there is a change in use of land or buildings, including changes in intensity of use of land or buildings, a development permit is necessary. This includes any excavation or stockpiling activities.

Clear Lake residents are reminded that **any** type of development, including grading of your lot, extensive landscaping, and retaining walls, require development permits and may entail an engineered design or geotechnical report. All shoreline modifications must be approved by Alberta Environment: Forestry and Parks.

If you have any questions regarding development, please contact our office at 780-842-4454. Development permit and subdivision applications can be picked up at the MD Administration office or downloaded from our website at www.mdwainwright.ca.

Respectfully submitted,

Dana Smith
Director of Development Services

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023



**MUNICIPAL DISTRICT OF
WAINWRIGHT NO. 61**



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61

717 – 14 Avenue, Wainwright, Alberta T9W 1B3 (780) 842-4454

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Municipal District of Wainwright No. 61 (MD) is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the MD's financial position as at December 31, 2023 and the results of its operations for the year then ended.

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

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

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

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

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

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

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

Kelly Buchinski
Municipal Administrator
March 21, 2024

Tyson Boomhower, CPA, CA
Director of Finance
March 21, 2024

INDEPENDENT AUDITORS' REPORT

To the Reeve and Members of Council of the Municipal District of Wainwright No. 61:

Opinion

We have audited the consolidated financial statements of the Municipal District of Wainwright No. 61 (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2023;
- the consolidated statement of operations and accumulated surplus for the year then ended;
- the consolidated statement of changes in net financial assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- supporting schedules for the year then ended; and
- notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Municipal District of Wainwright No. 61 as at December 31, 2023, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows and supporting schedules for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such 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 financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Financial Statements

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

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion of the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Wainwright, Alberta
March 21, 2024

Isamand Chopel LLP

Chartered Professional Accountants



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	\$ 35,789,945	\$ 16,042,452
Receivables		
Taxes and grants in lieu of taxes (Note 3)	2,135,395	3,443,759
Trade and other receivables (Note 4)	2,080,990	535,413
Inventory for resale (Note 5)	3,251	442
Investments (Note 6)	25,013,824	37,513,522
	65,023,405	57,535,588
LIABILITIES		
Accounts payable and accrued liabilities	1,676,147	1,285,890
Accrued wages and benefits	80,424	83,018
Deferred revenue (Note 7)	22,002	182,794
Employee benefit obligations (Note 8)	588,921	571,947
Reclamation liabilities (Note 9)	2,373,506	-
Trust funds (Note 10)	114,219	105,476
	4,855,219	2,229,125
NET FINANCIAL ASSETS	60,168,186	55,306,463
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	255,936,345	251,775,670
Inventory for consumption (Note 11)	11,421,841	8,389,413
Prepaid expenses	124,089	143,459
	267,482,275	260,308,542
ACCUMULATED SURPLUS (Schedule 1, Note 14)	\$ 327,650,461	\$ 315,615,005

APPROVED ON BEHALF OF COUNCIL:


 _____ Reeve


 _____ Deputy Reeve



The accompanying notes are an integral part of these financial statements

MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2023

	Budget	2023	2022 (Restated)
REVENUE			
Net municipal property taxes (Schedule 3)	\$ 27,691,883	\$ 27,715,270	\$ 24,882,874
User fees and sales of goods	832,072	1,285,753	1,051,821
Government transfers for operating (Schedule 4)	536,199	601,290	649,173
Investment income	1,750,000	2,413,330	1,071,275
Penalties on taxes and utilities	50,000	618,135	328,450
Licenses, permits and fees	-	-	100
Other	40,641	698,011	69,303
Total Revenue	30,900,795	33,331,789	28,052,996
EXPENSES			
Council and administration			
Council and other legislative	583,685	517,141	522,877
General Administration	5,484,909	3,457,399	2,371,594
Protective services			
Fire & other emergency management	382,315	581,238	324,007
Police	496,591	479,844	373,844
Transportation services	29,383,103	20,358,768	26,928,038
Planning and development	165,000	162,207	114,325
Recreation, parks and culture	1,006,326	969,919	928,057
Environmental Use and Protection			
Water supply and distribution	154,713.00	130,985	196,824
Wastewater treatment and disposal	84,287	90,928	62,564
Waste management	388,527	400,466	275,336
Other			
Agricultural services board	1,179,343	1,057,546	861,094
Community services	54,429	54,429	44,429
Safety	156,155	148,646	135,192
Total Expenses	39,519,383	28,409,516	33,138,181
SHORTFALL OF REVENUE OVER EXPENSES - BEFORE CAPITAL REVENUE	(8,618,588)	4,922,273	(5,085,185)
CAPITAL REVENUE			
Cost recovery of roads	-	4,980,246	4,101,084
Government transfers for capital (Schedule 4)	2,133,225	2,132,937	1,211,442
TOTAL CAPITAL REVENUE	2,133,225	7,113,183	5,312,526
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(6,485,363)	12,035,456	227,341
ACCUMULATED SURPLUS, BEGINNING OF YEAR	315,615,005	315,615,005	315,387,664
ACCUMULATED SURPLUS, END OF YEAR	\$ 309,129,642	\$ 327,650,461	\$ 315,615,005

The accompanying notes are an integral part of these financial statements



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2023

	Budget	2023	2022
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ (6,485,363)	\$ 12,035,456	\$ 227,341
Acquisition of tangible capital assets	(10,309,773)	(14,652,992)	(9,556,833)
Proceeds on disposal of tangible capital assets	694,500	798,660	373,423
Amortization of tangible capital assets	16,642,045	9,692,872	16,625,684
Net loss on disposal of tangible capital assets	-	784	67,689
	<u>7,026,772</u>	<u>(4,160,676)</u>	<u>7,509,963</u>
Acquisition of supplies inventories	-	(4,246,166)	(1,319,490)
Acquisition of prepaid assets	-	(124,089)	(137,759)
Use of supplies inventories	-	1,213,739	799,766
Use of prepaid assets	-	143,459	221,500
	<u>-</u>	<u>(3,013,057)</u>	<u>(435,983)</u>
INCREASE IN NET FINANCIAL ASSETS	541,409	4,861,723	7,301,321
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>55,306,463</u>	<u>55,306,463</u>	<u>48,005,142</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 55,847,872</u>	<u>\$ 60,168,186</u>	<u>\$ 55,306,463</u>



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MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023

	2023	2022
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING TRANSACTIONS:		
OPERATING		
Excess of revenue over expenses	12,035,456	\$ 227,341
Non-cash items included in excess of revenue over expenses:		
Amortization of tangible capital assets	9,692,872	16,625,684
Net loss on disposal of tangible capital assets	784	67,689
Non-cash charges to operations (net change):		
Decrease in taxes and grants in lieu of taxes receivable	1,308,364	377,450
Increase in trade and other receivables	(1,545,577)	(226,525)
Increase in inventory for resale	(2,809)	(123)
Increase in inventory for consumption	(3,032,428)	(519,724)
Decrease in prepaid expenses	19,370	83,741
Increase in accounts payable and accrued liabilities	390,258	413,171
(Decrease) increase in accrued wages and benefits	(2,594)	4,852
Increase in reclamation liabilities	2,373,506	-
(Decrease) increase in deferred revenue	(160,792)	114,391
Increase in employee benefit obligations	16,974	29,327
Increase in trust funds	8,743	3,400
Cash provided by operating transactions	21,102,127	17,200,674
CAPITAL		
Acquisition of tangible capital assets	(14,652,992)	(9,556,833)
Proceeds on disposal of tangible capital assets	798,660	373,423
Cash applied to capital transactions	(13,854,332)	(9,183,410)
INVESTING		
(Increase) decrease in restricted cash or cash equivalents	(19,817,235)	30,584,799
Decrease (increase) in investments	12,499,698	(37,500,059)
Cash applied to investing transactions	(7,317,537)	(6,915,260)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(69,742)	1,102,004
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,857,644	1,755,640
CASH AND CASH EQUIVALENTS, END OF YEAR	2,787,902	2,857,644
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 2)	35,789,945	16,042,452
Less: restricted portion of cash and temporary investments (Note 2)	(33,002,043)	(13,184,808)
	2,787,902	\$ 2,857,644

The accompanying notes are an integral part of these financial statements



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
For the Year Ended December 31, 2023

	Unrestricted Surplus	Restricted Reserves	Equity in Tangible Capital Assets	2023	2022
BALANCE, BEGINNING OF YEAR	\$ 13,442,797	\$ 50,396,538	\$ 251,775,670	\$ 315,615,005	\$ 315,387,664
Excess of revenue over expenses	12,035,456	-	-	12,035,456	227,341
Unrestricted funds designated for future use	(9,081,943)	9,081,943	-	-	-
Restricted funds used for operations	1,330,624	(1,330,624)	-	-	-
Restricted funds used for tangible capital assets	-	(282,035)	282,035	-	-
Current year funds used for tangible capital assets	(14,370,957)	-	14,370,957	-	-
Disposal of tangible capital assets	799,445	-	(799,445)	-	-
Annual amortization expense	9,692,872	-	(9,692,872)	-	-
Change in accumulated surplus	405,497	7,469,284	4,160,675	12,035,456	227,341
BALANCE, END OF YEAR	\$ 13,848,294	\$ 57,865,822	\$ 255,936,345	\$ 327,650,461	\$ 315,615,005



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2023

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	2023	2022
COST								
BALANCE, BEGINNING OF YEAR	\$ 3,294,747	\$ 1,923,664	\$ 3,359,612	\$ 531,123,010	\$ 19,745,180	\$ 6,676,131	\$ 566,122,344	\$ 558,793,261
Acquisition of tangible capital assets	-	140,397	-	11,086,223	1,920,808	828,882	13,976,310	9,093,963
Construction-in-progress	-	-	-	676,682	-	-	676,682	462,870
Disposal of tangible capital assets	-	-	-	(2,231,428)	(1,447,820)	(131,628)	(3,810,876)	(2,227,750)
BALANCE, END OF YEAR	3,294,747	2,064,061	3,359,612	540,654,487	20,218,168	7,373,385	576,964,460	566,122,344
ACCUMULATED AMORTIZATION								
BALANCE, BEGINNING OF YEAR	-	1,033,642	1,455,245	300,495,603	7,713,148	3,649,036	314,346,674	299,507,628
Annual amortization	-	84,059	67,192	7,387,263	1,740,380	413,978	9,692,872	16,625,684
Accumulated amortization on disposals	-	-	-	(2,148,073)	(740,942)	(122,416)	(3,011,431)	(1,786,638)
BALANCE, END OF YEAR	-	1,117,701	1,522,437	305,734,793	8,712,586	3,940,598	321,028,115	314,346,674
TOTAL NET BOOK VALUE	3,294,747	946,360	1,837,175	234,919,694	11,505,582	3,432,787	255,936,345	251,775,670
2022 NET BOOK VALUE	\$ 3,294,747	\$ 890,022	\$ 1,904,367	\$ 230,627,407	\$ 12,032,032	\$ 3,027,095	\$ 251,775,670	

The accompanying notes are an integral part of these financial statements



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED SCHEDULE OF PROPERTY TAXES
For the Year Ended December 31, 2023

	Budget	2023	2022
TAXATION			
Real property taxes	\$ 10,229,169	\$ 10,233,889	\$ 9,938,629
Linear property taxes	19,600,191	19,600,191	19,326,915
Government grants in place of property taxes	5,527,738	5,527,738	2,889,668
	<u>35,357,098</u>	<u>35,361,818</u>	<u>32,155,212</u>
REQUISITIONS AND TRANSFERS			
Alberta School Foundation Fund	5,867,172	5,867,583	5,577,812
East Central Alberta Catholic Separate Schools	183,071	183,055	182,894
Battle River Foundation	353,768	353,768	298,527
Designated Industrial Properties	86,507	85,507	78,408
East Central 911	22,335	22,335	22,395
Rural fire	493,657	475,595	442,106
Rural recreation	658,705	658,705	670,196
	<u>7,665,215</u>	<u>7,646,548</u>	<u>7,272,338</u>
NET MUNICIPAL TAXES	<u>\$ 27,691,883</u>	<u>\$ 27,715,270</u>	<u>\$ 24,882,874</u>



The accompanying notes are an integral part of these financial statements

MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS
For the Year Ended December 31, 2023

	Budget	2023	2022
TRANSFERS FOR OPERATING			
Provincial government	\$ 526,735	\$ 521,284	\$ 358,821
Federal government	9,464	80,006	290,352
	<u>536,199</u>	<u>601,290</u>	<u>649,173</u>
TRANSFERS FOR CAPITAL			
Provincial government	1,467,093	1,467,093	1,190,294
Federal government	666,132	665,844	21,148
	<u>2,133,225</u>	<u>2,132,937</u>	<u>1,211,442</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 2,669,424</u>	<u>\$ 2,734,227</u>	<u>\$ 1,860,615</u>

The accompanying notes are an integral part of these financial statements



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT
For the Year Ended December 31, 2023

	Budget	2023	2022
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	\$ 6,869,387	7,037,564	\$ 6,346,703
Contracted and general services	6,997,235	5,555,724	5,020,102
Materials, goods and utilities	5,072,991	3,958,303	4,083,400
Provision for allowances	3,095,991	1,305,534	297,488
Transfers to local boards and agencies	840,234	855,899	695,932
Bank charges and short-term interest	1,500	1,181	1,183
Amortization of tangible capital assets	16,642,045	9,692,872	16,625,684
Loss on disposal of tangible capital assets	-	2,439	67,689
	\$ 39,519,383	\$ 28,409,516	\$ 33,138,181



The accompanying notes are an integral part of these financial statements

MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE

For the Year Ended December 31, 2023

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	2023 Total
REVENUE								
Net municipal taxes	27,715,270	-	-	-	-	-	-	27,715,270
Operating government transfers	45,006	146,615	35,000	-	141,160	-	233,509	601,290
User fees and sales of goods	220,258	12,445	506,828	28,949	443,443	68,461	5,369	1,285,753
Investment income	2,413,330	-	-	-	-	-	-	2,413,330
Penalties on taxes and utilities	618,135	-	-	-	-	-	-	618,135
Other revenue	4,660	678,394	4,980,246	-	-	-	14,957	5,678,257
	31,016,659	837,454	5,522,074	28,949	584,603	68,461	253,835	38,312,035
EXPENSES								
Contracted and general services	727,041	624,531	3,430,569	59,022	92,045	424,471	198,045	5,555,724
Salaries, wages and benefits	1,446,492	241,568	4,508,825	102,239	190,832	41,134	506,474	7,037,564
Materials, goods and utilities	121,145	9,923	3,232,565	946	205,605	35,094	353,025	3,958,303
Transfers to local boards and agencies	340,370	-	-	-	371,100	-	144,429	855,899
Other expenses	1,306,715	-	4	-	-	2,435	-	1,309,154
	3,941,763	876,022	11,171,963	162,207	859,582	503,134	1,201,973	18,716,644
NET REVENUE (EXPENSE), BEFORE AMORTIZATION AND OTHER								
	27,074,896	(38,568)	(5,649,889)	(133,258)	(274,979)	(434,673)	(948,138)	19,595,391
Capital government transfers	-	-	1,426,313	-	-	706,624	-	2,132,937
Amortization expense	(32,777)	(185,060)	(9,186,805)	-	(110,337)	(119,245)	(58,648)	(9,692,872)
NET REVENUE (EXPENSE)	27,042,119	(223,628)	(13,410,381)	(133,258)	(385,316)	152,706	(1,006,786)	12,035,456

The accompanying notes are an integral part of these financial statements



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipal District of Wainwright No. 61 (the Municipality) 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 Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Municipality are as follows:

a) Reporting Entity

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

The schedule of property taxes 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.

b) Basis of Accounting

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

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

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

Revenue is recognized in the period when the related expenses are incurred, services performed or

c) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 these estimates.

d) Investments

Investments are recorded at cost. 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.



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES - continued

e) 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.

f) 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.

g) Asset Retirement and Reclamation Liabilities

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

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

At each financial reporting date, the Municipality reviews the carrying amount of the liability. The Municipality recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The Municipality 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.



h) Revenue Recognition

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.

i) 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.

j) 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 revenue over expenses, provides the consolidated Change in Net Financial Assets for the year.



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES - continued

i. Tangible Capital Assets

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

	<u>Years</u>
Land improvements	10-45
Buildings	25-50
Engineered structures	
Water systems	30-75
Wastewater systems	30-75
Roadway systems	10-75
Machinery and equipment	5-20
Vehicles	10-20

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

After this year's budget, the estimated useful life for some road bases and surfaces were adjusted to better reflect their actual useful life.

ii. Contributions of Tangible Capital Assets

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

iii. Leases

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

iv. Inventories

Inventories held for consumption or resale are recorded at the lower of cost and net realizable value.

k) Financial Instruments

The Municipality initially measures all its financial assets and liabilities at fair value.

The Municipality subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets measured at amortized cost include receivables.

Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities.



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES - continued

k) Financial Instruments - continued

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of reversal is recognized in the excess of revenue over expenses.

2. CASH AND TEMPORARY INVESTMENTS

	2023	2022
Cash	35,789,945	16,042,452

Cash includes cash on hand and balances with financial institutions.

Included in cash and temporary investments is \$33,002,043 (2022 - \$13,184,808) of funds internally restricted in use.

3. TAXES AND GRANTS IN LIEU OF TAXES RECEIVABLES

	2023	2022
Current taxes and grants in lieu of taxes	1,393,629	1,397,785
Arrears taxes and grants in lieu of taxes	3,298,288	4,285,402
	4,691,917	5,683,187
Less: Allowance for doubtful accounts	(2,556,522)	(2,239,428)
	2,135,395	3,443,759

4. TRADE AND OTHER RECEIVABLES

	2023	2022
Due from federal government	277,760	96,755
Due from provincial government	1,651,785	354,036
Due from local government	15,565	46,228
All other receivables	135,880	38,394
	2,080,990	535,413

5. INVENTORY FOR RESALE

	2023	2022
Bundles of firewood	3,251	442



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

6. INVESTMENTS

	2023 Cost	2023 Market Value	2022 Cost	2022 Market Value
Short-term				
ATB Guaranteed Investment Certificates	5,000,000	5,000,000	12,500,000	12,500,000
Long-term				
ATB Guaranteed Investment Certificates	20,000,000	20,000,000	25,000,000	25,000,000
Equity in Cornerstone Co-operative	8,802	8,802	8,500	8,500
Equity in Irma Co-op Association Ltd.	5,000	5,000	5,000	5,000
Vision Credit Union common shares	22	22	22	22
Total long-term investments	20,013,824	20,013,824	25,013,522	25,013,522
Total investments	25,013,824	25,013,824	37,513,522	37,513,522

Investments mature at various dates between November 29, 2024 and November 29, 2027 and have an average effective annual yield of 5.39% (2022 - 5.38%).

Included in investments is \$25,000,000 (2022 - \$37,500,000) of funds internally restricted in use.

7. DEFERRED REVENUE

	2023	2022
Alberta Community Partnership	9,713	15,168
Alberta Municipal Wastewater Partnership Program	-	155,626
Subdivision Road Construction and Oiling	12,000	12,000
Education Requisition Over-Levy	289	-
	22,002	182,794

Alberta Community Partnership

Funding in the amount of \$50,000 was received in 2021 from the Alberta Community Partnership to deliver a regional service emergency management plan in conjunction with the Villages of Chauvin, Edgerton and Irma and the Town of Wainwright. \$40,287 (2022 - \$34,832) has been spent up to December 31, 2023. The project is to be completed in 2024.

Alberta Municipal Wastewater Partnership Program

This project was substantially completed in 2023 with all remaining grant revenue recognized in 2023.

Subdivision Road Construction and Oiling

This funding has been collected for the future construction and oiling of roads within rural subdivisions. The road construction and oiling will take place once residences are first built in each subdivision.

Education Requisition Over-Levy

Due to residential and non-residential assessment changes subsequent to the release of the 2023 tax notices, the 2023 total over-levy of education taxes was \$289 and will be adjusted for during the calculation of the 2024 education mill rates.



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

8. EMPLOYEE BENEFIT OBLIGATIONS

	2023	2022
Vacation	102,572	130,897
Sick time	486,349	441,050
	588,921	571,947

The vacation liability is comprised of the vacation that employees have earned and are deferring to the following year, in accordance with Municipal District of Wainwright No. 61 Policy 1.1.8. The sick time liability is a grant to eligible employees for accumulated sick time upon leaving employment, in accordance with Municipal District of Wainwright No. 61 Policy 1.1.7.

9. RECLAMATION LIABILITIES

The Municipality is responsible for reclamation costs, under the Alberta Environmental Protection and Enhancement Act, RSA 2000, c.E-12, related to gravel pits it mines within and outside of Municipal boundaries. These costs are accrued over the life of the pit and recognized as the gravel is utilized.

Significant estimates and assumptions were made to determine the total amount of the reclamation liability, including, but not limited to, gravel remaining to be crushed, gravel utilization, size of disturbed area and overburden volume. Third party engineering estimates were used for a number of these estimates.

	2023	2022
Balance, beginning of year	-	-
Liabilities incurred	2,173,710	-
Liabilities settled	-	-
Change in estimated cash flows	-	-
Accretion expense	199,796	-
Estimated total liability	2,373,506	-

10. TRUST FUNDS

A summary of trust fund activities by the Municipality is as follows:

	2023			2022
	Increases	Decreases	Balance	Balance
Tax sale surplus trust	-	-	329	329
Reserve trust	8,866	123	113,890	105,147
	8,866	123	114,219	105,476



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

11. INVENTORY FOR CONSUMPTION

	2023	2022
Blades, bits and ripper teeth	117,610	141,925
Culverts and couplers	205,912	138,122
Gravel and sand	11,013,419	8,002,417
Fence posts and wire	51,968	74,017
Tires	32,932	32,932
	11,421,841	8,389,413

12. BANK INDEBTEDNESS

The Municipality has arranged \$15,000,000 in bank credit facilities bearing interest at prime rate plus 1.00%. The effective rate at year end 2023 was 8.20% (2022 - 7.45%). The credit facilities are secured by the taxes levied by the Municipality and Borrowing Bylaw No. 1690. The credit facilities were not used during 2023 or 2022.

13. EQUITY IN TANGIBLE CAPITAL ASSETS

	2023	2022
Tangible capital assets (<i>Schedule 2</i>)	576,964,460	566,122,344
Accumulated amortization (<i>Schedule 2</i>)	(321,028,115)	(314,346,674)
	255,936,345	251,775,670

14. ACCUMULATED SURPLUS

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

	2023	2022
Unrestricted surplus	13,848,294	13,442,797
Restricted surplus (<i>Note 14</i>)	57,865,822	50,396,538
Equity in tangible capital assets (<i>Note 12</i>)	255,936,345	251,775,670
	327,650,461	315,615,005



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

15. RESTRICTED SURPLUS

Restricted surplus activities changed as follows:

	2023			2022
	Increases	Decreases	Balance	Balance
General	-	-	998,438	998,438
Fire – Edgerton	185,958	81,933	529,359	425,334
Fire – Irma	230,037	109,771	491,136	370,870
Fire – Chauvin	151,069	101,135	345,572	295,638
Fire – Wainwright	1,151,383	994,742	450,602	293,961
Transportation	7,000,000	-	51,172,718	44,172,718
Water well	-	-	192,678	192,678
Wastewater	-	-	2,000,000	2,000,000
Recreation	363,496	325,078	372,816	334,398
Debt reduction	-	-	1,000,000	1,000,000
Agricultural Service Board	-	-	207,599	207,599
Development	-	-	104,904	104,904
	9,081,943	1,612,659	57,865,822	50,396,538

16. DEBT LIMITS

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

	2023	2022
Total debt limit	49,997,684	42,079,494
Total debt	-	-
Amount of debt limit unused	49,997,684	42,079,494
Debt servicing limit	8,332,947	7,013,249
Debt servicing	-	-
Amount of debt servicing limit unused	8,332,947	7,013,249

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 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 that 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.



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

17. LOCAL AUTHORITIES PENSION PLAN

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

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

The Municipality is required to make current service contributions to the LAPP of 8.45% (2022 – 8.45%) of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 12.23% (2022 – 12.80%) on pensionable earnings above this amount. Employees of the Municipality are required to make current service contributions of 7.45% (2022 – 7.45%) of pensionable salary up to the year's maximum pensionable earnings and 11.23% (2022 – 11.80%) on pensionable earnings above this amount.

Total current service contributions by the Municipality to the LAPP in 2023 were \$306,840 (2022 - \$278,079). Total current service contributions by the employees of the Municipality to the LAPP in 2023 were \$274,167 (2022 - \$248,685).

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

For further information of the amount of LAPP surplus see: www.lapp.ca/page/annual-reports

18. SALARY AND BENEFITS DISCLOSURE

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

	2023			2022
	Salary ¹ / Contract	Benefits & Allowances ²	Total	Total
Reeve				
Bob Barss	82,137	12,786	94,923	98,669
Councillors				
Oscar Buck	53,972	10,768	64,740	67,447
Bruce Cummins	52,671	5,878	58,549	60,947
William Lawson	50,954	10,465	61,419	65,768
Robin Leighton	55,415	10,996	66,411	65,730
Richard Waddell	45,841	9,802	55,643	54,826
Michael Wildeboer	47,731	9,985	57,716	57,636
Municipal Administrator				
Kelly Buchinski	234,078	32,666	266,744	255,858
Designated Officers (3)	367,200	42,279 ³	409,479	388,704

¹ Salary includes regular pay, gross honoraria, and any other direct cash remuneration.

² Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, and long-term disability plans.

³ An automobile is provided and a taxable benefit has been included in the benefits and allowances figure.



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

19. SEGMENTED DISCLOSURE

The Municipality provides a range of services to its ratepayers. 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. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in *Note 1*.

20. CONTINGENCIES

The Municipality is a member of the Genesis Reciprocal Insurance Exchange. Under the terms of the membership, the Municipality 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.

21. COMMITMENTS

As at December 31, 2023 the Municipality has committed funds on various operating and capital projects in progress and capital assets. The funds committed by contract and the estimated costs to complete those projects are as follows:

	Funds Committed	Estimated Cost to Complete
Operating		
Federation of Canadian Municipalities Oil Sands Tour Sponsorship	5,000	5,000
SE 13-46-4 W4M Gravel Pit Erosion Control & Activities Plan	23,843	13,602
Wainwright Airport Extension Feasibility Study (50% Sh	19,384	13,516
Arm Lake & Riverdale Mini-Park Security Systems	6,881	6,881
	55,108	38,999
Infrastructure		
Riverdale Mini-Park Multi-Use Recreation Court	69,540	40,940
	69,540	40,940
Equipment & Vehicles		
Protective Services - Rapid Response Unit	100,000	100,000
Protective Services - Command Unit SUV (50% Share)	43,000	43,000
Transportation Services - 627K Scrapers (2)	3,650,000	3,650,000
Transportation Services - 772GP Grader	659,000	659,000
Transportation Services - 3500 HD Trucks (2)	173,490	173,490
Transportation Services - HV608 SBA	429,530	429,530
	5,055,020	5,055,020
	5,179,668	5,134,959



MUNICIPAL DISTRICT OF WAINWRIGHT NO. 61
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

22. FINANCIAL INSTRUMENTS

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

The Municipality is subject to credit risk with respect to the taxes and grants in lieu 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.

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

23. COMPARATIVE FIGURES

Some of the comparative figures may have been reclassified to conform to the current year's presentation.

24. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.

