



ANNUAL REPORT 2023

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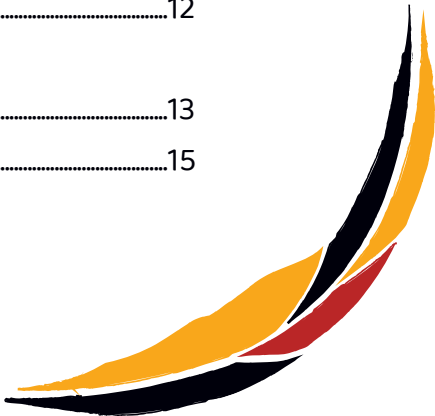
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INTRODUCTION

In 2023, Council sought to build a diverse and competitive economy that celebrates entrepreneurship, provides opportunity, creates jobs, and enhances community attractiveness, while acknowledging and visually promoting local culture.

A Rebrand of the MD of Opportunity (including vision and strategy development, where strategic community and economic development actions were identified to enable the MD to achieve its vision) was conducted to address and answer the following questions via communication of Value Proposition:

- **Why does the MD of Opportunity matter to residents, investors, and visitors in the future?**
- **What makes the MD of Opportunity different or better than other places?**
- **What does the MD of Opportunity want to be known for years from now?**
- **How does the community put its best foot forward to nurture economic opportunities?**
- **What kind of a community do we want to leave behind for our children and grandchildren?**

We happily aren't "The big city". We are a rural community valued for its connectivity to people and the Earth. Home of Cree and Métis traditions and ways of life. A community that generates its economy from the land. An energy, forestry, and tourism diversification investment attraction opportunity in ways that can advance the best interests of our people.

The rebrand initiative provides the MD with an opportunity to have residents look back on 2023 as the year we built a realistic economic roadmap welded to an aspirational brand that effectively communicates—to investment interests, to current and potential new residents, and to potential visitors—our community distinctions or key value propositions, and what we as a community want to achieve.



ADDRESS TO OUR RESIDENTS FROM THE REEVE:

Hello to our residents of the Municipal District of Opportunity No.17. The MD has had an extremely busy year with Capital Projects on a short construction season. The main focus has been to finish projects that have been carried over from previous years as well as finishing residential roads with asphalt on areas where all the services are in the ground.

The MD is going through a rebranding process as well. This includes our new logo, but we will also be seeing new MD boundary signs and community signs as part of our beautification project. We have also added many trees and flowers to our communities as part of this project.

Unfortunately, due to the wave of increased crime our communities have experienced over the past year, the MD and Bigstone Cree Nation have declared a State of Local Emergency and have initiated some initiatives to combat the situation. The MD has purchased RCMP hours to provide additional surveillance in the communities. We have directly hired Peace Officers for support, and we continue to meet with the Province and Bigstone to combine efforts to making our communities safer.

In order to spark the economy, the MD continues to hire local contractors in work with Capital Projects as well as Operational maintenance, such as grass cutting and snow removal. This puts money into local pockets while freeing up additional time for MD employees to job specific duties.

We will continue to try and build up our partnership with Bigstone Cree Nation (our neighbour) as well as with Industry - mainly CNRL and ALPAC as the 2 largest players within our boundaries. Only in working together will we be able to access larger Provincial and Federal Grants and build the facilities and programs necessary to provide the services our people require and deserve.

Thank You and Stay Safe,

Marcel Auger



MEET YOUR REEVE AND COUNCIL

MATTERS OF FACT

To guide Community Direction and Brand Strategy

The MD of Opportunity features the following matters of distinction/value proposition as leverage to help guide Community Direction and Brand Strategy:



WE ARE THE ONLY PREDOMINANTLY INDIGENOUS MD IN ALBERTA

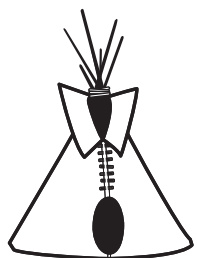
Indigenous Identity:

81%

Md of Opportunity

6.8%

Alberta



OUR INCOME EARNING POTENTIAL IS HIGH AND HOUSING COSTS ARE LOW

Household income higher than 93% of Alberta (stable ratio last 10 years)

Spending > 30% on shelter costs:

8.8%

Md of Opportunity

16%

Alberta

WE ARE A YOUTHFUL POPULATION (YOUNG WORKFORCE)

31.2

Median age

7.2 yrs

below Alberta median

Age 0-14 - 28.1%, 9.1% proportionately greater than Alberta

- Our population is growing.
- Our residents appreciate the value of nature and community social connectivity.
- We hold considerable recreation facility amenity with a strong focus on youth development.
- We have a four-pillar oil and gas, logging, tourism, and government economy, with oil and gas and government dominant, and yet we need to explore economic opportunities of the future to offset industry ebb and flow.
- Indigenous tourism (sharing authentic, memorable and enriching Indigenous experiences) continues to outpace Canadian tourism activity overall.

BRAND PROMISES

The following Brand Promises are an emotive expression of MD of Opportunity unique value propositions, designed to provide clarity and inspire effective communication in response to the questions of **Why does the MD matter, and why should anyone care?**

- **We offer tranquility and exhilaration in simple moments and experiences that truly matter.**
- **We offer affordable housing and costs of living and conducting business.**
- **We will empower and invest in ourselves.**
- **We are a thriving municipality providing a healthy, culturally diverse lifestyle which is sustainable with opportunities for growth and prosperity.**
- **We will leverage today's energy and forestry industries while pursuing Indigenous tourism, entrepreneurialism, craft wood products manufacturing, and the potential for critical minerals harvesting in a new energy future.**
- **Investment in infrastructure, recreation facilities, entrepreneur development programming, and in our youth nurture the foundations of our new ways forward.**
- **For the common good we will strive to live in peace and maintain harmony and balance through mutual respect and pride of place.**
- **We will be good ancestors.**
- **We will band together and work toward legacy building which celebrates and showcases the MD of Opportunity value proposition - not our reserves of oil, nor our lakes and natural beauty, but our cultural significance to the province. And we will do so in the spirit of equality and harmony.**
- **We will become self-reliant AND interdependent. We will forge a deeper, more positive relationship to the land, and to each other. WE are the solution we seek.**
- **While legacy building for the future of our children and grandchildren, we will also honour the past, our Indigenous heritage, and our desire to heal and lay the foundations for a more healthy future. For this, our journey is cyclical in nature, much like the Medicine Wheel, from which our brand visuals derive inspiration...**



ECONOMICALLY...

WE are the answers we seek. We need to invest in ourselves. We are creative...and can produce craft. We are smart and only need a good Internet connection to make our services available to the world. We need to nurture the entrepreneurial in us.

IN SPIRIT...

We are Independent and yet Together. We have to make it our own, and on our own. We are people who are resilient and self-sustaining. We are independent and hearty souls. We will self-empower ourselves - in self-determination and in entrepreneurship. From this foundation we enable our future... **The Story of Us.**

OUR COMMUNITY DEVELOPMENT VISION STATEMENT

Every Person Has An Opportunity Up.

We offer opportunities to those brave and ambitious enough to roll up their sleeves and work to the bone to build a home, a family, and a career here.

A close-up photograph of a woman with dark hair pulled back, wearing glasses and a purple patterned shirt. She is holding a green plant stem near her face, looking down at it with a gentle smile. The background is a soft-focus forest scene with tall trees.

THE STORY OF US...

Our children and the generations to come will whisper in the winds and across the seasons "Rise to our full potential". Nature and community is in our heart. Self-empowerment of an entrepreneurial future is in our soul — in leverage of today's energy and forestry industries while pursuing Indigenous tourism, entrepreneurialism, craft wood products manufacturing, and exploration of potential for critical minerals harvesting in a new energy future. Land is for the making - as sustenance, as economy, and in our role as caretakers of legacy. Investment in infrastructure, recreation facilities, entrepreneur development programming, and in our youth nurture the foundations of our new ways forward.

We are the only Indigenous-majority municipality in Alberta. Proudly. We convey deep beauty and soulful existence that lies in nature that surrounds, and in connection of people to place...and to each other. We are welcoming to all... Making our own way for ourselves and each other in our story to come.

This Opportunity is Ours for the Making.

2023 YEAR IN REVIEW

HIGHLIGHTS

- Community Strategic Direction Development
- Municipal Rebranding (including brand story, messaging platform, and visual identity / logo creation)
- Various Brand visualization, adoption, and implementation marketing materials and merchandise creation
- Communications Strategy development
- Social Media Strategy development
- Community Entrance Signage design and initial development
- Voyent Alert! App implementation for up-to-date and engaged communications with residents when critical incidents occur or community notification is required

2023

KEY INITIATIVES

Wabasca

- Community Stage (outreach events)
- Lions Club Campground Expansion / Improvements
- Arena Siding
- Hall Siding
- New Washroom at Eli Cardinal Park
- Muskwa Cemetery
- Airport Lift Station Upgrade
- North Road / Eagle Drive Paving
- David Starr Road Paving
- Cardinal Point Paving
- Desmarais Road Paving
- Noel Drive Paving
- Gullion & Cardinal Avenue Paving
- Park Improvements
- Christmas Decorations
- FD Radio Communications Upgrade
- IT Hardware Infrastructure
- Marketing / Community Signage

Calling Lake

- Jaybird Arena Addition
- Park Improvements
- Christmas Decorations
- FD Radio Communications Upgrade
- IT Hardware Infrastructure
- Marketing / Community Signage

Sandy Lake

- Fox Dr. Playground
- Park Improvements
- Christmas Decorations
- FD Radio Communications Upgrade
- IT Hardware Infrastructure
- Marketing / Community Signage

Red Earth Creek

- Gazebo
- Transportation Road Grading / Paving
- Park Improvements
- Christmas Decorations
- FD Radio Communications Upgrade
- IT Hardware Infrastructure
- Marketing / Community Signage

A young boy is standing in shallow water, fishing. He is holding a fishing rod with both hands, and the line is taut. The background is a beautiful sunset over a body of water, with the sun low on the horizon and its reflection visible. The sky is a mix of orange, yellow, and blue. The water is calm, and the overall scene is peaceful and serene.

STRATEGIC BRAND OBJECTIVES

The new MD of Opportunity Brand is a workhorse for broader and ambitious strategic objectives, including:

- The growth of population
- The enabling of residents to take pride in—and be happier with and more engaged in—their community (with a host of benefits from volunteerism to business start-ups/expansion)
- The identifying of a viable economic pathway forward
- The enabling of a larger non-residential assessment base that enhances the ability to pay for desired services and amenities
- The ability to re-invest in the enhancing of civic infrastructure (water, sewer, roads, health, education, recreation, facilities, housing) enabled by a greater proportion of non-residential assessment and new investment
- The attraction of entrepreneurs and investment to community
- The nurturing of entrepreneurship among existing residents
- The growth of existing businesses
- The retention of youth
- The enticing of former residents to return “home”

These strategic objectives are reflected in Council's Strategic Plan, which speaks to a desire to build a competitive economy that celebrates entrepreneurship, provides opportunity, creates jobs, and enhances community attractiveness.

COMMUNICATIONS STRATEGY SUMMARY

A Communications Strategy serves as a compass, guiding a community through the complex landscape of internal, public and investor engagement, messaging, and relationship-building. At its core, the communications strategy outlines how the MD of Opportunity should communicate its objectives, values, and initiatives to stakeholders, both internal (eg., existing staff and residents) and external (eg., potential visitors, residents, and investors). It is a roadmap that aligns messaging with our broader community goals; ensuring clarity, consistency, and resonance in every interaction.

The purpose of the Communications Strategy is to outline what we say to whom, and how we say it as a municipality, uniting our voice across various marketing and communications channels. By leveraging these various channels—from traditional media to social platforms—we can cultivate meaningful connections with existing and potential residents, visitors, investors and partners, amplifying our impact and fostering a sense of community ownership and pride. This allows for more effective audience engagement and governance; enabling us to navigate challenges, seize opportunities, and ultimately build a stronger, more resilient MD of Opportunity.

SOCIAL MEDIA STRATEGY SUMMARY

Having a digital presence and engaging with audiences (ie, residents, visitors, and investors) online is crucial for communities / government organizations in today's digital landscape. The MD of Opportunity recognizes the significance of having a robust Social Media Strategy in fostering community connections, promoting economic growth, and amplifying its unique offerings / value propositions. We aim to leverage social media platforms to raise awareness, facilitate meaningful interactions, and to showcase the unique and diverse opportunities and experiences available within the MD.

The comprehensive Social Media Strategy outlines the approach, tactics, and key performance indicators (KPIs) needed to guide the MD in achieving its marketing and municipal objectives (ie, diversification of the economy; developing cultural acknowledgment and visual promotion of culture and brand experiences; the retention of youth with thoughts to move elsewhere outside of the MD; and the enticing of former residents to return "home" to the MD of Opportunity) and in establishing an online presence that resonates with residents, investors/businesses, and visitors through initial focus on brand awareness and engagement.

ANNUAL REPORT TO COUNCIL

The MD has a very ambitious capital program this year. To date we have made substantial progress in numerous capital projects. Carry forward paving in Wabasca has been completed. Paving in Red Earth and Calling Lake also are near completion. Park improvements have occurred in all communities. Cemetery improvements in Wabasca and Sandy Lake have progressed, with additional work set for 2025. Additions to our fleet have been retained to add/replace older equipment, including the acquisition of a new tident pump for our Fire Departments to utilize for wildfire threats to our communities. New signage is progressing with MD entrance signs set to be installed in late fall.

From an operational perspective, the MD continues to provide a very high level of service, including numerous services not typically provided by a Municipal Government. The MD has changed our logo and is progressing with a marketing/ branding initiative to attract tourism and economic development. Long-term financial strategies have also been implemented to ensure financial sustainability.

The MD continues to aggressively seek Provincial and Federal grants for numerous projects. MD Council continues to lobby Provincial Ministers for the needs of our communities.

As we approach the 4th quarter of 2024, the MD is in a strong financial position. The MD has also completed a substantial amount of work on capital projects this year (perhaps one of the largest years ever).

Inflation has posed a significant challenge to the MD, as prices for goods and services have substantially increased over the past few years. The MD has had to find creative ways to continue to provide a high level of service under these constraints.

Asset management has been an area of key focus for the MD recently, as we want to be proactive with existing assets and maximize their lifespan. As we eventually need to replace aging assets (recreation facilities, roads, water & sewer infrastructure), collaboration with BCN, and Provincial & Federal Governments are essential.

Chad Tullis
Chris Administrative Officer

FINANCIAL REPORTS

2023 FINANCIAL STATEMENT SUMMARY

Like all municipalities in Alberta, the MD of Opportunity is required by legislation to prepare audited financial statements annually. The financial statements must be submitted to the Minister of Municipal Affairs and made available to the public by May 1 of the year following the audit. The financial statements are consistent with principles and standards for financial reporting established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The MD of Opportunity has appointed the firm of Wilde & Company in Vegreville, AB as the auditor for the MD. The MD posts the audited financial statements on our website under the "Government" tab, as reproduced in this Annual Report.



INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of MD of Opportunity No. 17

Qualified Opinion

We have audited the consolidated financial statements of MD of Opportunity No. 17 (the "municipality"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of changes in net financial assets, operations and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the **Basis for Qualified Opinion** section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2023, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

The municipality did not record any asset retirement obligations in the statement of financial position. We were unable to obtain sufficient appropriate audit evidence regarding the municipality's asset retirement obligations as of December 31, 2023 as the municipality did not have available information necessary to accurately calculate the fair value of these obligations. Items identified but not addressed include, but are not limited to: landfill, buildings, and infrastructure. Consequently, we were not able to determine whether any adjustments to these amounts were necessary.

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

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

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

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

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

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

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

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

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

Vegreville, Alberta
April 26, 2024

Wilde & Company

Chartered Professional Accountants

MD OF OPPORTUNITY NO. 17
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of December 31, 2023

	2023	2022
Financial Assets		
Cash and temporary investments (Note 3)	71,045,202	64,239,273
Taxes and grants in place of taxes receivable (Note 4)	4,274,654	3,828,679
Due from federal and provincial governments	1,924,796	3,157,039
Trade and other accounts receivable	3,222,106	2,111,088
Loans receivable (Note 5)	298,458	388,671
Land held for resale	969,222	969,222
	81,734,438	74,693,972
Liabilities		
Accounts payable and accrued liabilities (Note 7)	8,109,767	5,022,886
Deposit Liabilities	219,297	185,155
Deferred revenue (Note 8)	3,158,586	3,670,311
Restricted operating reserve fund	5,000	5,000
Unamortized capital contributions related to housing units (Note 9)	733,000	965,500
Long term debt (Note 10)	30,853,333	22,421,980
Capital lease obligations (Note 11)	-	504,362
	43,078,983	32,775,194
Net Financial Assets	38,655,455	41,918,778
Non-financial assets		
Tangible capital assets (Schedule 2)	296,136,803	303,560,111
Inventory for consumption (Note 13)	659,952	500,337
Prepaid expenses	716,590	735,757
	297,513,345	304,796,205
Accumulated Surplus (Schedule 1, Note 16)	336,168,800	346,714,983
Contingencies (Note 17)		
Contingencies (Note 18)		

MD OF OPPORTUNITY NO. 17
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022
Revenue			
Net municipal taxes (Schedule 3)	52,021,751	51,997,845	52,465,058
User fees and sales of goods	3,409,025	3,829,950	3,053,633
Government transfers for operating (Schedule 4)	1,203,949	4,066,909	3,840,839
Rental	2,709,932	2,251,116	2,343,087
Investment income	677,000	3,539,165	1,683,473
Penalties and costs on taxes	655,407	1,165,592	989,054
Well drilling	25,000	32,125	160,625
Licenses, permits and fines	26,600	35,562	70,857
Other	3,631,590	1,338,471	1,914,498
Total Revenue	64,360,254	68,256,735	66,521,124
Expenses			
General government	650,407	1,870,722	(2,194,455)
Council	1,715,942	1,686,395	1,488,964
Administration	9,366,761	6,451,482	6,432,795
Fire protection and safety services	5,001,925	4,786,469	5,848,583
Roads, streets, walks, lighting	14,950,452	15,360,358	16,239,028
Airport	74,100	64,700	26,687
Water supply and distribution	8,066,168	7,933,308	8,122,815
Wastewater treatment and disposal	2,286,792	2,497,379	2,116,882
Waste management	801,678	603,145	739,751
Family and community support	572,851	811,501	708,732
Daycare and out of school care	2,840,502	2,244,396	1,966,722
Public health and welfare	1,993,155	1,895,344	1,862,718
Recreation and culture	15,343,654	13,663,716	13,037,622
Housing operations	12,575,206	10,111,686	8,509,891
Total Expenses	76,239,593	69,980,601	64,906,735
Excess (deficiency) of revenue over expenses - before other	(11,879,339)	(1,723,866)	1,614,389
Other			
Loss on disposal of tangible capital assets	-	(11,214,162)	(2,998,850)
Government transfers for capital (Schedule 4)	-	2,391,845	1,453,806
Excess (deficiency) of revenues over expenses	(11,879,339)	(10,546,183)	69,345
Accumulated surplus - beginning of the year	346,714,983	346,714,983	346,645,638
Accumulated surplus - end of the year	334,835,644	336,168,800	346,714,983

MD OF OPPORTUNITY NO. 17
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31, 2021

	Budget (Unaudited)	2023	2022
Excess (deficiency) of revenues over expenses	(11,879,339)	(10,546,183)	6 9,345
Acquisition of tangible capital assets	(13,527,792)	(18,111,158)	(8,151,413)
Proceeds on disposal of tangible capital assets	-	1,240,824	512,770
Amortization of tangible capital assets	13,301,634	11,214,162	13,539,635
Loss on disposal of tangible capital assets	-	-	2,998,850
	(226,158)	7,423,308	8,899,842
Use (acquisition) of supplies inventories	-	(159,615)	594,081
Use of prepaid assets	-	19,167	847,295
	-	(140,448)	1,441,376
Increase (decrease) in net financial assets	(12,105,497)	(3,263,323)	10,410,563
Net Financial Assets, beginning of year	41,918,778	4 1,918,778	31,508,215
Net Financial Assets, end of year	29,813,281	38,655,455	41,918,778

MD OF OPPORTUNITY NO. 17
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	2023	2022
Operating		
Excess (deficiency) of revenue over expenses	(10,546,183)	69,345
Net changes in non-cash items included in excess of revenues over expenses		
Amortization of tangible capital assets	13,079,480	13,539,634
Loss on disposal of tangible capital assets	11,214,162	2,998,850
Net changes in non-cash charges to operations		
Increase in taxes and grants in lieu receivable	(445,975)	(2,349,215)
Decrease in government receivables	1,232,243	1,238,803
Increase in trade and other receivables	(1,111,018)	(630,315)
Increase in land held for resale	-	(68,940)
Decrease in loans receivable	90,213	86,460
Decrease in prepaid expenses	19,167	847,295
Decrease (increase) in inventory for consumption	(159,615)	594,081
Increase (decrease) in accounts payable and accrued liabilities	3,086,880	(844,333)
Increase in deposit liabilities	34,142	25,894
Decrease in unamortized capital contributions related to housing units	(232,500)	(232,500)
Increase (decrease) in deferred revenues	(511,725)	568,423
Net cash provided by operating transactions	15,749,271	15,843,482
Capital		
Acquisition of tangible capital assets	(18,111,158)	(8,151,413)
Proceeds on disposal of tangible capital assets	1,240,824	512,770
Net cash provided in capital transactions	(16,870,334)	(7,638,643)
Investing		
Increase (decrease) in restricted cash	511,725	(568,423)
Net cash provided in investing transactions	511,725	(568,423)
Financing		
Long term debt advanced	9,438,710	-
Capital lease obligations repaid	(504,362)	(294,722)
Long term debt repaid	(1,007,356)	(843,506)
Net cash provided by (used in) financing transactions	7,926,992	(1,138,228)
Change in cash and cash equivalents during the year	7,317,654	6,498,188
Cash and cash equivalents, beginning of year	60,568,962	54,070,774
Cash and cash equivalents, end of year	67,886,616	60,568,962
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 3)	71,045,202	64,239,273
Less: restricted portion of cash and temporary investments (Note 3)	(3,158,586)	(3,670,311)
	67,886,616	60,568,962
Cash flows supplementary information:		
Interest paid	1,217,566	721,814
Interest received	3,539,165	1,683,473

MD OF OPPORTUNITY NO. 17
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS

For the year ended December 31, 2023

	Unrestricted Surplus	Restricted Capital Surplus	Equity in Tangible Capital Assets	2023	2022
Balance, beginning of year	42,658,010	24,388,704	279,668,269	346,714,983	346,645,638
Annual surplus	(10,546,183)	-	-	(10,546,183)	69,345
Amortization of tangible capital assets	13,079,480	-	(13,079,480)	-	-
Transfer to restricted capital reserves	(69,345)	69,345	-	-	-
Disposal of tangible capital assets	12,454,986	-	(12,454,986)	-	-
Current year funds used for tangible capital assets	(18,111,158)	-	18,111,158	-	-
Recognition of unamortized capital contributions related to housing units	(232,500)	-	232,500	-	-
Long term debt advanced	9,438,710	-	(9,438,710)	-	-
Capital lease obligations repaid	(504,362)	-	504,362	-	-
Long term debt repaid	(1,007,356)	-	1,007,356	-	-
Change in accumulated surplus	4,502,272	69,345	(15,117,800)	(10,546,183)	69,345
Balance, end of year	47,160,282	24,458,049	264,550,469	336,168,800	346,714,983

MD OF OPPORTUNITY NO. 17
SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2023

	Land	Work in Progress	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	Land Improvements	2023	2022
Cost:									
Balance, beginning of year	5,383,199	10,548,131	126,393,225	362,268,504	27,878,240	16,032,487	4,571,802	553,075,588	549,701,415
Acquisition of tangible capital assets	-	4,815,540	4,520,883	4,671,305	2,293,240	521,606	288,584	18,111,158	8,151,413
Disposal of tangible capital assets	-	(9,739)	(3,704,250)	(27,904,463)	(23,378)	(2,569,334)	(114,516)	(34,325,680)	(4,777,240)
Balance, end of year	5,383,199	15,353,932	127,209,858	339,035,346	30,148,102	13,984,759	5,745,870	536,861,066	553,075,588
Accumulated amortization:									
Balance, beginning of year	-	-	29,515,318	190,713,034	17,019,684	11,413,907	8 53,534	249,515,477	237,241,462
Annual amortization	-	-	2,747,702	7,371,623	1,737,184	1,019,860	2 03,111	13,079,480	13,539,634
Accumulated amortization on disposals	-	-	(1,391,591)	(18,083,947)	(8,182)	(2,272,458)	(114,516)	(21,870,694)	(1,265,619)
Balance, end of year	-	-	30,871,429	180,000,710	18,748,686	10,161,309	9 42,129	240,724,263	249,515,477
2023 net book value of tangible capital assets	5,383,199	15,353,932	96,338,429	159,034,636	11,399,416	3,823,450	4,803,741	296,136,803	303,560,111
2022 net book value of tangible capital assets	5,383,199	10,548,131	96,877,907	171,555,470	10,858,556	4,618,580	3,718,268		303,560,111

Included in Machinery and Equipment are capital leased assets with a cost of \$1,653,576 (2022 - \$1,653,576) and accumulated amortization of \$825,738 (2022 - \$660,590). Amortization expense incurred on capital leased assets is \$165,148 (2022 - \$165,148) for the year.

	Budget (Unaudited)	2023	2022
Taxation			
Real property taxes	1 5,698,825	14,753,505	15,892,349
Linear property	45,803,364	45,803,364	44,618,046
Government grants in place of property taxes	203,033	203,033	242,885
	61,705,222	60,759,902	60,753,280
Requisitions			
Alberta School Foundation Fund	9,263,369	8,349,689	7,891,518
Designated Industrial Property	1 94,112	186,378	183,670
Seniors Lodge	225,990	225,990	213,034
	9,683,471	8,762,057	8,288,222
Net municipal property taxes	52,021,751	51,997,845	52,465,058

	Budget (Unaudited)	2023	2022
Transfers for operating			
Provincial Government	1,203,949	4,066,909	3,827,321
Federal Government	-	-	1,650
Other Local Government	-	-	11,868
	1,203,949	4,066,909	3,840,839
Transfers for capital			
Provincial Government	-	1,716,399	1,453,806
Federal Government	-	675,446	-
	-	2,391,845	1,453,806
Total Government Transfers	1,203,949	6,458,754	5,294,645

MD OF OPPORTUNITY NO. 17
SCHEDULE OF CONSOLIDATED EXPENSES BY OBJECT

For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022
Consolidated expenses by object			
Salaries, wages and benefits	3 1,721,982	28,632,862	27,038,318
Contracted and general services	17,321,054	15,875,006	16,267,129
Materials, goods, supplies and utilities	8,309,229	7,729,842	8,374,381
Provision (recovery) of allowances	1,837,457	1,870,722	(2,194,455)
Transfers to individuals and organizations	2,267,701	1,458,228	1,049,686
Bank charges and short term interest	7 3,802	59,328	111,962
Interest on long term debt	1,406,734	1,275,133	720,079
Amortization of tangible capital assets	13,301,634	13,079,480	13,539,635
	76,239,593	69,980,601	64,906,735



	General Government	Protective Services	Transportation Services	Environmental Services	Planning & Development	Public Health	Recreation & Culture	Public Housing	Total
Revenue									
Net municipal taxes	51,997,845	-	-	-	-	-	-	-	51,997,845
Well drilling	32,125	-	-	-	-	-	-	-	32,125
Sale of goods & services	3,153	1,031,274	145,652	2,280,536	-	273,517	9 5,818	-	3,829,950
Penalties/costs	1,159,350	-	-	6,242	-	-	-	-	1,165,592
Licenses and permits	-	35,562	-	-	-	-	-	-	35,562
Return on investment	3,539,165	-	-	-	-	-	-	-	3,539,165
Rental revenues	39,196	317,384	-	-	-	-	6 47,204	1,247,332	2,251,116
Government transfers	168,932	341,844	199,136	930,590	-	1,305,391	1,058,082	2,454,779	6,458,754
Other revenues	642,555	-	-	-	-	55,878	118,116	521,922	1,338,471
	57,582,321	1,726,064	344,788	3,217,368	-	1,634,786	1,919,220	4,224,033	70,648,580
Expenses									
Salaries, wages, and benefits	3,979,881	2,278,832	4,643,670	3,471,335	-	2,014,928	6,759,613	5,484,603	28,632,862
Contracted and general services	3,013,035	1,362,422	2,043,424	2,906,547	-	2,091,850	1,779,659	2,678,069	15,875,006
Materials, goods, supplies and utilities	199,290	640,620	2,485,722	1,342,079	-	326,329	2,435,459	300,343	7,729,842
Transfers to individuals and organizations	700,817	9,000	119,000	184,645	-	197,290	2 6,988	220,488	1,458,228
Bank charges and interest	33,452	114	14,607	216	-	174	5,358	5,407	59,328
Interest on long term debt	34,439	-	605,799	-	-	-	-	634,895	1,275,133
Provision for bad debts	1,870,722	-	-	-	-	-	-	-	1,870,722
	9,831,636	4,290,988	9,912,222	7,904,822	-	4,630,571	11,007,077	9,323,805	56,901,121
Net revenue (expense) before amortization and loss on disposal of assets	47,750,685	(2,564,924)	(9,567,434)	(4,687,454)	-	(2,995,785)	(9,087,857)	(5,099,772)	13,747,459
Loss on disposal of assets	(11,214,162)	-	-	-	-	-	-	-	(11,214,162)
Amortization of tangible capital assets	176,963	495,481	5,512,836	3,129,010	-	320,670	2,656,639	787,881	13,079,480
2023 net revenue (expense)	36,359,560	(3,060,405)	(15,080,270)	(7,816,464)	-	(3,316,455)	(11,744,496)	(5,887,653)	(10,546,183)
2022 net revenue (expense)	48,430,719	(4,124,768)	(15,906,743)	(8,828,973)	(13,130)	(3,354,215)	(11,072,451)	(5,061,094)	69,345

For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022
Revenue			
Net municipal taxes	48,587,794	48,537,547	49,021,883
User fees and sales of goods	3,409,025	3,842,910	3,059,033
Government transfers for operating (Schedule 4)	967,885	1,844,630	2,058,657
Rental	1,341,450	1,384,174	1,378,521
Investment income	677,000	3,539,165	1,682,765
Penalties and costs on taxes	655,407	1,165,592	989,054
Well drilling	25,000	32,125	160,625
Licenses, permits and fines	26,600	35,562	70,857
Other	1,631,590	816,549	2,835,362
Total Revenue	57,321,751	61,198,254	61,256,757
Expenses			
General government	650,407	1,870,722	(2,194,455)
Council	1,715,942	1,686,395	1,488,964
Administration	9,366,761	6,451,482	6,432,795
Fire protection and safety services	5,001,925	4,786,469	5,848,583
Roads, streets, walks, lighting	14,950,452	15,360,358	16,239,028
Airport	74,100	64,700	26,687
Water supply and distribution	8,066,168	7,933,308	8,122,815
Wastewater treatment and disposal	2,286,792	2,497,379	2,116,882
Waste management	801,678	603,145	739,751
Family and community support	572,851	811,501	708,732
Daycare and out of school care	2,840,502	2,244,396	1,966,722
Public health and welfare	1,993,155	1,895,344	1,862,718
Recreation and culture	15,343,654	13,663,716	13,037,622
Housing operations	2,823,376	2,841,917	1,999,533
Total Expenses	66,487,762	62,710,832	58,396,377
Excess (deficiency) of revenue over expenses - before other	(9,166,011)	(1,512,578)	2,860,380
Other			
Loss on disposal of tangible capital assets	-	(11,214,162)	(2,998,850)
Government transfers for capital (Schedule 4)	-	2,391,845	1,221,306
Excess (deficiency) of revenues over expenses	(9,166,011)	(10,546,183)	1,082,836
Accumulated surplus - beginning of the year	334,158,347	346,714,983	333,075,511
Accumulated surplus - end of the year	324,992,336	336,168,800	334,158,347

1. Significant accounting policies

Basis of presentation

The consolidated financial statements of 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 Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the municipality are as follows:

Reporting entity

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

Wabasca/Desmarais Housing Authority

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

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

Basis of accounting

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

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

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

Use of estimates

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

Significant estimates include:

- Amortization of tangible capital assets
- Estimated useful life of tangible capital assets
- Allowance for doubtful accounts

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

1. Significant accounting policies (continued)

Loans receivable

Loans receivable are recorded at book value. Loans that are more than six months in arrears, without legal action, are classified as non-performing. Allowance for doubtful accounts has been provided and there has been a write-down of loans receivable to their net realizable value in the account.

Debt charges recoverable

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

Requisition over-levy and under-levy

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

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

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

Inventories for resale

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

Tax revenue

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

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

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.

Landfill closure and post-closure liability

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

1. Significant accounting policies (continued)

Non-financial assets

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

a. 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:

Buildings	25-50 years
Engineered structures:	
Water system	45-75 years
Wastewater system	45-75 years
Other engineered structures	10-65 years
Machinery and equipment	10-40 years
Land improvements	25-50 years
Vehicles	10-40 years

b. Contributions of tangible capital assets

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

c. 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.

1. Significant accounting policies

d) Inventories for consumption

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

e) Cultural and historical tangible capital assets

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

2. Recent accounting pronouncements published but not yet adopted

The following accounting standards have been issued by the Chartered Professional Accountants of Canada (CPAC) but are not yet effective. The municipality is currently evaluating the effect of adopting these standards on their financial statements.

Section 3400 - Revenue

This new Section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. This Section applies to fiscal years beginning on or after April 1, 2023.

Guideline PSG-8 – Purchased Intangibles

This new guideline explains the scope of intangibles allowed to be recognized in financial statements given the removal of the recognition prohibition relating to purchased intangibles in section PS 1000. This new guideline is effective for fiscal periods beginning on or after April 1, 2023.

Section PS 3160 – Public Private Partnerships

This new section establishes standards on how to account for public private partnership arrangements. This new section is effective for fiscal periods beginning on or after April 1, 2023. Earlier adoption is permitted.

MD OF OPPORTUNITY NO. 17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

3. Cash and temporary investments

	2023	2022
Cash	\$17,999,662	\$64,090,667
Temporary investments	53,045,540	148,606
	\$71,045,202	\$64,239,273

Temporary investments are short term deposits with original maturities of three months or less. Council has designated funds of \$24,458,049 (2022 - \$24,388,704) included in the above amounts for equipment replacement. Included in cash and temporary investments is a restricted amount of \$3,158,586 (2022 - \$3,670,311) comprised of deferred revenue not expended (Note 8).

4. Taxes and grants in place of taxes receivable

	2023	2022
Current taxes and grants in place of taxes	\$3,101,844	\$2,749,514
Arrears taxes	11,433,377	10,415,469
	14,535,221	13,164,983
Less allowance for doubtful accounts	(10,260,567)	(9,336,304)
	\$4,274,654	\$3,828,679

5. Loans receivable

	2023	2022
Non-interest bearing mortgage loan agreements receivable, repayable in monthly payments of \$1,400. The loans mature between 2025 and 2028 and are secured by claims against the housing units sold.	\$ 1,675,092	\$ 1,765,305
Non-interest bearing loan receivable with no set repayment terms and is secured by a claim against the housing unit owned by the borrower.	4,761	4,761
	1,679,853	1,770,066
Allowance for doubtful loans receivable	(1,381,395)	(1,381,395)
	\$298,458	\$ 388,671

6. Municipal revolving loan

The municipality has a credit facility with ATB Financial, which includes an approved Municipal revolving loan that can be drawn upon to a maximum of \$11,800,000 which bears interest at prime plus 1% and is secured by a general security agreement. At the consolidated statement of financial position date, the amount owing, which is due on demand, was \$nil (2022: \$nil). Prime rate is 7.2% at December 31, 2023.

MD OF OPPORTUNITY NO. 17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

7. Accounts payable and accrued liabilities

	2023	2022
Trade accounts payable and accrued liabilities	\$6,083,838	\$4,036,005
Vacation and overtime accruals	617,471	562,412
Government payables	491,496	424,469
Overlevy	916,962	-
	\$8,109,767	\$5,022,886

8. Deferred revenue

	2023	2022
Operating	\$292,164	\$203,317
Deposit liabilities and prepaid rent	8,844	-
Alberta Municipal Water/Wastewater Partnership	2,820,729	2,820,729
Strategic Transportation Infrastructure Program	-	450,000
Alberta Community Partnership	-	150,000
Tax sale surplus	36,849	46,265
	\$3,158,586	\$3,670,311

Alberta Municipal Water/Wastewater Partnership

Funding in the amount of \$6,251,193 was received in a previous year from Alberta Municipal Water/Wastewater Partnership. The use of these funds is restricted to the Sandy Lake water treatment plant project as approved under the funding agreement. This project was completed however the funds are not required to be repaid. The municipality is working with the Alberta Municipal Water/Wastewater Partnership to approve a new project to use these funds. Unexpended funds related to the advance are supported by temporary investments of \$2,820,729 held exclusively for these projects (Note 3).

9. Unamortized capital contributions related to housing units

The Housing Authority received provincial funding to build affordable housing units which are sold to qualified applicants. The terms of the funding require that the revenue associated with these grants be recognized over 20 years. The funding was received under the Sustainable Remote Housing Initiative Grant.

	2023	2022
2004 - 2005 Alberta Government Grant for 18 units	\$67,500	\$135,000
2006 - 2008 Alberta Government Grant for 30 units	665,500	830,500
	\$733,000	\$965,500

MD OF OPPORTUNITY NO. 17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

10. Long-term debt

	2023	2022
Long term care facility debenture	\$20,576,890	\$21,370,088
Developer agreement debenture	975,760	1,051,892
Wabasca paving project debenture	9,300,683	-
	\$30,853,333	\$22,421,980

The current portion of the long-term debt amounts to \$1,182,712 (2022 - \$869,329)

Principal and interest repayments are as follows:

	Principal	Interest	Total
2024	\$1,182,712	\$ 1,118,001	2,300,713
2025	1,225,047	1,075,666	2,300,713
2026	1,268,996	1,031,717	2,300,713
2027	1,314,626	986,087	2,300,713
2028	1,362,007	938,706	2,300,713
Thereafter	24,499,945	7,143,985	31,643,930
	\$30,853,333	\$12,294,162	\$12,294,162

Debenture debt is repayable to the Alberta Capital Finance Authority and bears interest at rates ranging from 3.004% to 5.13% per annum and matures in periods 2034 through 2044. The average annual interest rate is 3.8465% for 2023 (2022 - 3.205%).

Debenture debt is issued on the credit and security of the municipality at large.

Interest on long-term debt amounted to \$1,275,133 (2022 - \$720,079).

The municipality's total cash payments for interest were \$1,217,566 (2022 - \$721,814).

11. Obligations under capital lease

	2023	2022
Caterpillar Finance capital lease repaid during the year.	\$ -	\$223,183
Caterpillar Finance capital lease repaid during the year.	-	223,183
Caterpillar Finance capital lease repaid during the year.	-	57,996
	\$ -	\$504,362

12. Debt limits

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

	2023	2022
Total debt limit	\$ 102,385,103	\$ 99,781,686
Total debt	30,853,333	22,421,980
Amount of debt limit unused	\$71,531,770	\$ 77,359,706
Debt servicing limit	\$ 17,064,184	\$ 16,630,281
Debt servicing	2,300,713	1,540,452
Amount of debt servicing limit unused	\$14,763,471	15,089,829

The debt limit is calculated at 1.5 times revenue of the municipality excluding transfers from the governments of Alberta and Canada for the purposes of capital property (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities 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.

13. Inventory for consumption

	2023	2022
Gravel	\$ 320,752	\$ 309,161
Fuel	231,773	75,873
Eagle Point golf course merchandise	107,427	115,303
	\$659,952	\$500,337

14. Landfill closure and post-closure liability

For the year ended December 31, 2023 the municipality was required to, but did not, adopt Section PS 3280 - Asset Retirement Obligations. Please see Qualified Audit Opinion for further details.

Alberta environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance. The estimated total liability is based on the sum of discounted future cash flows for closure and postclosure activities for 25 years after closure using a discount rate of 6% and assuming annual inflation of 2.31%.

The accrued liability portion is based on the cumulative capacity used at year end compared to the estimated total landfill capacity. The total capacity of the site is estimated at 232,999 tonnes. The estimated remaining capacity of the landfill site is 165,178 tonnes (2022 – 172,560 tonnes). The existing landfill site is expected to reach capacity in approximately the year 2034. The municipality has not designated assets for settling closure and post-closure liabilities.

MD OF OPPORTUNITY NO. 17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

14. Landfill closure and post-closure liability (continued)

	2023	2022
Estimated closure costs	\$1,274,670	\$1,274,670
Estimated post-closure costs	2,700,000	2,700,000
Total estimated costs	3,974,670	3,974,670
Liability accrued to December 31, 2023	(1,078,397)	(1,078,397)
Estimated balance to accrue	\$2,896,273	\$2,896,273

15. Equity in tangible capital assets

	2023	2022
Tangible capital assets (Schedule 2)	\$536,861,066	\$553,075,588
Less: Accumulated amortization (Schedule 2)	240,724,263	249,515,477
Less: Long-term debt (Note 10)	3,085,334	22,421,980
Less: Capital lease obligations (Note 11)	-	504,362
Estimated balance to accrue	733,000	965,500
Less: Deferred contributions related to housing units (Note 9)	\$292,318,469	\$279,668,269

16. Accumulated surplus

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

	2023	2022
Unrestricted surplus	\$47,160,282	\$42,658,010
Restricted surplus		
General capital	15,739,114	15,669,769
Water	8,718,935	8,718,935
Equity in tangible capital assets	264,550,469	279,668,269
	\$336,168,800	\$346,714,983

17. Contingencies

Optrics Inc. filed a Statement of Claim on October 17, 2017, seeking damages of \$1,634,032 plus interest and costs. The municipality has filed a Statement of Defence and Notice to Co-Defendants on December 15, 2017. An amended Statement of Defence was filed on December 6, 2018, on behalf of TekTeam Consulting Inc. and Mihai Lupescu. Further information will be required to properly address the full extent of the claim against the Municipality. Legal counsel is of the opinion that the Municipality should not be found liable for breach of contract. The municipality paid \$140,000 in 2023 with respect to the unpaid services claim. Legal counsel is of the opinion that the unpaid services claim is now satisfied by Optrics.

18. Commitments

The municipality is committed to completion of the Sandy Lake lagoon project. As of December 31, 2023, the municipality has incurred \$913,547 in project-related costs. The balance of costs committed to complete the project is \$4,102,687.

The municipality is committed to completion of the Sandy Lake water and sewer South End phase project. As of December 31, 2023, the municipality has incurred \$109,25 in project-related costs. The balance of costs committed to complete the project is \$2,203,077.

The municipality is committed to completion of the Wabasca north bridge project. As of December 31, 2023, the municipality has incurred \$45,656 in project-related costs. The balance of costs committed to complete the project is \$2,336,122.

The municipality is committed to completion of the Wabasca paving project. As of December 31, 2023, the municipality has incurred \$8,277,837 in project-related costs. The balance of costs committed to complete the project is \$2,105,303.

19. Segmented disclosure

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

Refer to the Schedule of Segmented Disclosure (Schedule 6).

20. 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:

	Salary (1)	Benefits & Allowances (2)	2023	2022
Councillors:				
Marcel D. Auger (Reeve)	\$ 100,677	\$ 7,030	\$ 107,707	\$ 105,211
Brendan Powell (Deputy Reeve)	93,158	6,436	99,594	99,767
Leo Alook	89,865	5,550	95,415	94,475
Larry Cardinal	86,624	1,008	87,632	85,954
Louis Cardinal	90,816	5,951	96,767	96,237
Cheri Courtorielle	96,757	6,842	103,599	97,359
Robin Guild	90,050	5,722	95,772	95,227
Darlene Davis-Jackson	97,551	6,835	104,386	93,294
Gerald Johnson	96,016	6,450	102,466	95,343
Tahirih Wiebe	93,478	4,062	97,540	91,402
Roy Yellowknee	91,552	6,737	98,289	96,715
Chief Administrative Officer	251,736	6,160	257,896	252,430
Subdivision and Appeal Board Clerk	112,257	5,451	117,708	37,955

20. Salary and benefits disclosure (continued)

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, 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, long and short term disability plans, professional memberships and tuition.
3. An automobile is provided and no amount is included in the benefits and allowances figure.
4. Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial and retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

21. 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% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 12.23% on pensionable earnings above this amount. Total current service contributions by the municipality to the LAPP in 2023 were \$1,246,574 (2022 - \$1,212,728). Total current service contributions by the employees of the municipality to the Local Authorities Pension Plan in 2023 were \$1,112,110 (2022 - \$1,082,983).

At December 31, 2022, the LAPP disclosed an accounting surplus of \$12.7 billion.

22. Financial instruments

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

The municipality is subject to credit risk with respect to taxes and grants in place of taxes receivable 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. Approval of financial statements

Council and Management have approved these financial statements.

24. Budget amounts

Budget amounts are included for information purposes only and are not audited.



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