



# M.D. of Opportunity No. 17

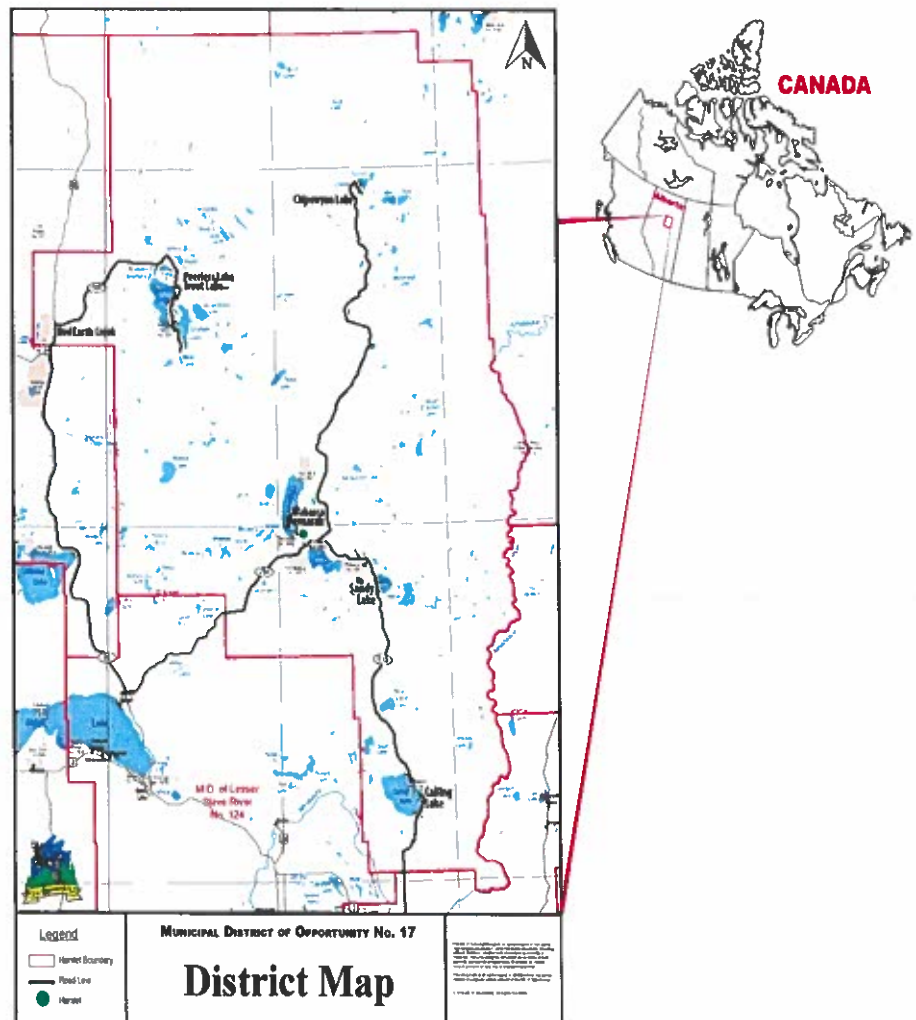
## 2021 Annual Report



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The Municipal District of Opportunity is the third largest municipality in Alberta. The population is comprised predominately of First Nations people, Opportunity offers a variety of benefits to its citizens. All seven communities within the region boast community halls, while three have arenas and a swimming pool in Wabasca. Tourism is another growth industry that takes advantage of the natural beauty to be seen at every turn. Many campgrounds and park areas are the starting points for exploring wilderness areas and walking trails. The MD is in a remote part of northern Alberta. Wabasca welcomes one and all.



Hello Residents of the Municipal District of Opportunity:

This past year has presented our District with many new challenges as we faced the Covid-19 Pandemic. We joined efforts with Alberta Health Services as well as our neighboring Nations (Bigstone, Peerless/Trout, Loon River) in implementing safety precautions to protect residents from the virus. These decisions were by no means easy but put in place for the wellbeing of our population. As we now face a fourth wave of the Pandemic, we as leadership will continue to work with our partners and evaluate our situation on a weekly basis.

In addition to the Pandemic, we have also been operating through an economic recession, the good news is that the Province and our District are on a rebound with Oil Prices continuing to rise and work in the area picking up so there will be better days ahead. We continue to work with the various ministries of the province to get our fair share of Provincial grants and programs.

The priority of our Council will continue to be to make our MD and its departments and capital projects more efficient and cost effective moving forward to balance our yearly budget. This is not an easy task but by working with our administration as well with the province we will find a way to balance revenue with expenditures and still offer the level of service our residents have come to expect.

We will continue to build our partnerships with our neighboring Nations because as a united voice we have a better chance of being heard by both the Provincial and Federal Governments.

Stay Safe and Look After One Another.

Marcel Auger

Reeve

MD of Opportunity

# Municipal District of Opportunity No. 17

## Vision Statement:

Through unified leadership, the M.D. of Opportunity will provide a superior quality of life, unity and equality for our communities while preserving the environment.

## Mission Statement:

Provide opportunity for our communities; unite cultures and provide a broad range of affordable municipal and community services; encourage people to participate in the future of their Communities; understand diverse cultures, environmental consideration while planning economic growth and sustainability.

## Meet Your Reeve & Council



From left to right– Top Row: Councillor Brendan Powell– Ward 6 Red Earth Creek, Councillor Roy Yellowknee– Ward 7 Chip Lake, Reeve Marshall D. Auger– Wabasca, Councillor Darlene Jackson– Ward 1 Wabasca, Deputy Reeve Everett Gottfried– Wabasca, Councillor Kevin Bigstone– Ward 3 Sandy Lake.

From left to right– Bottom Row: Councillor Louis A. Cardinal– Ward 4 Peerless Lake, Councillor Barry Schmidt– Ward 2 Calling Lake, Councillor Victor Gladue– Ward 2 Calling Lake, Councillor Leo Alook– Ward 5 Trout Lake, Councillor Robin Guild– Ward 1 Wabasca

## INDEPENDENT AUDITOR'S REPORT

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

### *Opinion*

We have audited the consolidated financial statements of MD of Opportunity No. 17 (the municipality), which comprise the statement of financial position as at December 31, 2020 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2020, 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*

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

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

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

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

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

(continues)



*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.

*Wilde & Company*

Vegreville, AB  
April 28, 2021

Chartered Professional Accountants

**MD OF OPPORTUNITY NO. 17**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2020**

	2020 \$	2019 \$
<b>Financial Assets</b>		
Cash and temporary investments (Note 3)	51,622,427	45,874,324
Taxes and grants in place of taxes receivable (Note 4)	2,796,697	2,134,817
Due from federal and provincial governments	9,311,570	4,603,269
Trade and other receivables	1,026,458	3,266,408
Loans receivable (Note 5)	597,033	689,779
Land held for resale	900,282	900,282
	<b>66,254,467</b>	<b>57,468,879</b>
<b>Liabilities</b>		
Municipal revolving loan (Note 6)	1,945,283	-
Accounts payable and accrued liabilities (Note 7)	8,766,084	6,871,502
Deposit liabilities	216,042	212,366
Deferred revenue (Note 8)	3,183,754	3,241,495
Unamortized capital contributions related to housing units (Note 9)	1,430,500	1,663,000
Long term debt (Note 10)	24,083,928	24,878,061
Capital lease obligations (Note 11)	1,121,062	1,452,102
	<b>40,746,653</b>	<b>38,318,526</b>
<b>Net Financial Assets</b>	<b>25,507,814</b>	<b>19,150,353</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule 2)	317,181,918	322,398,523
Inventory for consumption (Note 13)	434,909	938,229
Prepaid expenses	491,351	730,160
	<b>318,108,178</b>	<b>324,066,912</b>
<b>Accumulated Surplus (Schedule 1, Note 16)</b>	<b>343,615,992</b>	<b>343,217,265</b>
<i>Contingencies (Note 17)</i>		
<i>Commitments (Note 18)</i>		

**MD OF OPPORTUNITY NO. 17**  
**Consolidated Statement of Operations**  
**Year Ended December 31, 2020**

	<b>Budget \$ (Unaudited)</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Revenue</b>			
Net municipal taxes ( <i>Schedule 3</i> )	49,545,206	51,247,228	50,121,210
User fees and sales of goods	3,601,120	2,962,018	4,175,394
Government transfers for operating ( <i>Schedule 4</i> )	1,435,956	7,354,064	4,239,416
Rental	1,632,859	1,444,380	1,116,643
Investment income	1,005,000	522,748	1,325,764
Penalties and costs on taxes	212,000	840,516	391,121
Gain (loss) on disposal of tangible capital assets	-	(413,569)	181,260
Well drilling	25,000	71,883	132,259
Licenses, permits and fines	22,500	20,037	25,896
Other	17,000	(333,335)	362,992
<b>Total revenue</b>	<b>57,496,641</b>	<b>63,715,970</b>	<b>62,071,955</b>
<b>Expenses</b>			
Council	1,628,793	1,282,874	1,651,585
Administration	9,632,793	12,490,607	8,171,016
Engineering	669,504	269,785	514,669
Fire protection and safety services	5,314,882	4,326,681	11,241,531
Roads, streets, walks, lighting	16,875,312	15,465,279	19,988,426
Airport	137,016	36,535	117,206
Water supply and distribution	6,899,448	6,967,557	6,323,811
Wastewater treatment and disposal	2,031,185	2,206,061	2,645,543
Waste management	764,053	685,160	656,381
Family and community support	572,772	201,140	285,322
Daycare and out of school care	3,850,273	1,851,200	3,418,850
Public health and welfare	3,921,807	2,663,256	2,928,970
Land use, planning, zoning, and development	117,080	57,223	
Economic development and tourism	434,702	99,763	515,108
Recreation and culture	14,287,922	10,693,341	14,325,344
Housing operations	2,730,614	6,821,350	1,987,234
<b>Total expenses</b>	<b>69,868,156</b>	<b>66,117,812</b>	<b>74,770,996</b>
<b>Deficiency of revenue over expenses - before other</b>	<b>(12,371,515)</b>	<b>(2,401,842)</b>	<b>(12,699,041)</b>
<b>Other</b>			
Government transfers for capital ( <i>Schedule 4</i> )	232,500	2,800,569	1,895,052
<b>Excess (deficiency) of revenues over expenses</b>	<b>(12,139,015)</b>	<b>398,727</b>	<b>(10,803,989)</b>
<b>Accumulated surplus - beginning of the year</b>	<b>343,217,265</b>	<b>343,217,265</b>	<b>354,021,254</b>
<b>Accumulated surplus - end of the year</b>	<b>331,078,250</b>	<b>343,615,992</b>	<b>343,217,265</b>



**MD OF OPPORTUNITY NO. 17**  
**Consolidated Statement of Change in Net Financial Assets**  
**Year Ended December 31, 2020**

	<b>Budget \$ (Unaudited)</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(12,139,015)</b>	<b>398,727</b>	<b>(10,803,989)</b>
Acquisition of tangible capital assets	(13,283,274)	(8,795,305)	(25,301,647)
Proceeds on disposal of tangible capital assets	-	16,622	1,337,525
Amortization of tangible capital assets	15,000,000	13,581,719	15,534,144
Loss (gain) on sale of tangible capital assets	-	413,569	(181,260)
	<b>1,716,726</b>	<b>5,216,605</b>	<b>(8,611,238)</b>
Use (acquisition) of supplies inventories	-	503,320	(203,802)
Use (acquisition) of prepaid assets	-	238,809	(322,191)
	-	<b>742,129</b>	<b>(525,993)</b>
<b>Increase in net debt</b>	<b>(10,422,289)</b>	<b>6,357,461</b>	<b>(19,941,220)</b>
<b>Net Financial Assets, beginning of year</b>	<b>19,150,353</b>	<b>19,150,353</b>	<b>39,091,573</b>
<b>Net Financial Assets, end of year</b>	<b>8,728,064</b>	<b>25,507,814</b>	<b>19,150,353</b>

**MD OF OPPORTUNITY NO. 17**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2020**

	2020 \$	2019 \$
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	398,727	(10,803,989)
Net changes in non-cash items included in excess (deficiency) of revenues over expenses		
Amortization of tangible capital assets	13,581,717	15,534,144
Loss (gain) on disposal of tangible capital assets	413,569	(181,260)
Net changes in non-cash charges to operations		
Increase in taxes and grants in lieu receivable	(661,880)	(358,375)
Decrease (increase) in government receivables	(4,708,301)	3,727,539
Increase in trade and other receivables	2,239,950	(1,298,470)
Decrease in loans receivable	92,746	277,605
Decrease in land held for resale	-	1,665,967
Decrease (increase) in prepaid expenses	238,809	(322,191)
Decrease (increase) in inventory for consumption	503,320	(203,802)
Increase (decrease) in accounts payable and accrued liabilities	1,894,584	(831,778)
Increase (decrease) in deposit liabilities	3,676	(3,668)
Decrease in unamortized capital contributions related to housing units	(232,500)	(232,500)
Increase (decrease) in deferred revenues	(57,741)	116,777
<i>Net cash provided by operating transactions</i>	<b>13,706,676</b>	<b>7,085,999</b>
<b>Capital</b>		
Acquisition of tangible capital assets	(8,795,305)	(25,301,647)
Proceeds on disposal of tangible capital assets	16,622	1,337,525
<i>Net cash used in capital transactions</i>	<b>(8,778,683)</b>	<b>(23,964,122)</b>
<b>Investing</b>		
Proceeds on disposal of short term investments	-	506,066
Increase in restricted cash	57,741	(116,777)
<i>Net cash provided by (used in) investing transactions</i>	<b>57,741</b>	<b>389,289</b>
<b>Financing</b>		
Revolving loan advanced	1,945,283	-
Capital lease obligations repaid	(331,040)	(636,621)
Long term debt repaid	(794,133)	(778,947)
<i>Net cash used in financing transactions</i>	<b>820,110</b>	<b>(1,415,568)</b>
<b>Change in cash and cash equivalents during the year</b>	<b>5,805,844</b>	<b>(17,904,402)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>42,632,829</b>	<b>60,537,231</b>
<b>Cash and cash equivalents, end of year</b>	<b>48,438,673</b>	<b>42,632,829</b>
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 4)	51,622,427	45,874,324
Less: restricted portion of cash and temporary investments (Note 4)	(3,183,754)	(3,241,495)
	<b>48,438,673</b>	<b>42,632,829</b>
Cash flows supplementary information:		
Interest paid	743,363	785,227
Interest received	522,748	1,325,764

**MD OF OPPORTUNITY NO. 17**  
**Schedule of Changes in Accumulated Surplus**  
**Year Ended December 31, 2020**

**(Schedule 1)**

	<b>Unrestricted Surplus</b>	<b>Restricted Capital Reserves</b>	<b>Equity in Capital Assets</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Balance, beginning of year</b>	24,969,327	23,842,570	294,405,368	343,217,265	354,021,254
Annual surplus (deficit)	398,727			398,727	(10,803,989)
Amortization of tangible capital assets	13,581,719		(13,581,719)	-	-
Disposal of tangible capital assets	393,299		(393,299)	-	-
Writedown of tangible capital assets	36,900		(36,900)	-	-
Current year funds used for tangible capital assets	(6,311,793)	(2,483,512)	8,795,305	-	-
Recognition of unamortized capital contributions related to housing units	(232,500)		232,500	-	-
Capital lease obligations repaid	(331,040)		331,040	-	-
Long term debt repaid	(794,133)		794,133	-	-
<b>Change in accumulated surplus</b>	6,741,179	(2,483,512)	(3,858,940)	398,727	(10,803,989)
<b>Balance, end of year</b>	31,710,506	21,359,058	290,546,428	343,615,992	343,217,265

MD OF OPPORTUNITY NO. 17  
Schedule of Tangible Capital Assets  
Year Ended December 31, 2020

(Schedule 2)

	Land	Work in Progress	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	Land Improvements	2020 \$	2019 \$
<b>Cost</b>									
Balance, beginning of year	4,708,660	35,244,608	101,974,082	349,988,628	24,268,646	15,325,874	3,604,571	535,091,069	513,358,790
Acquisition of tangible capital assets	-	5,441,604	35,841	2,947,803	198,519	32,000	141,538	8,795,305	25,301,647
Writedown of tangible capital assets	-	(36,900)	-	-	-	-	-	(36,900)	-
Transfer of completed projects	-	(37,155,525)	27,458,431	6,777,572	2,517,101	-	402,421	-	-
Disposal of tangible capital assets	-	-	(537,650)	(52,488)	(120,376)	(452,976)	-	(1,183,470)	(3,567,366)
Balance, end of year	4,708,660	3,493,787	128,930,704	359,641,535	26,858,890	14,904,898	4,148,530	542,686,004	635,091,071
<b>Accumulated amortization</b>									
Balance, beginning of year	-	-	23,617,305	167,983,585	12,357,302	8,677,271	77,081	212,692,544	199,569,504
Annual amortization	-	-	2,313,421	7,935,554	1,802,280	1,148,410	382,072	13,581,717	15,534,144
Accumulated amortization on disposals	-	-	(287,750)	(43,319)	(97,103)	(342,003)	-	(770,175)	(2,411,100)
Balance, end of year	-	-	25,642,976	175,855,820	14,062,459	9,483,678	459,153	225,504,086	212,692,548
2020 net book value of tangible capital assets	4,708,660	3,493,787	103,287,728	183,785,715	12,797,431	5,421,220	3,689,377	317,181,918	322,398,523
2019 net book value of tangible capital assets	4,708,660	35,244,608	78,358,778	182,005,038	11,909,347	6,648,602	3,627,480	-	322,398,523

Included in Machinery and Equipment are capital leased assets with a cost of \$1,845,565 (2019 - \$1,845,565) and accumulated amortization of \$409,705 (2019 - \$223,218). Amortization expense incurred on capital leased assets is \$186,487 (2019 - \$186,487) for the year.

**MD OF OPPORTUNITY NO. 17**  
**Schedule of Property and Other Taxes**  
**Year Ended December 31, 2020**

**(Schedule 3)**

	<b>Budget</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(Unaudited)</b>		
<b>Taxation</b>			
Real property taxes	24,837,555	24,496,132	16,112,035
Linear property	35,621,596	35,621,596	42,794,681
Government grants in place of property taxes	-	196,264	167,407
	60,459,151	60,313,992	59,074,123
<b>Requisitions</b>			
Alberta School Foundation Fund	8,568,759	8,721,729	8,568,540
Designated Industrial Property	185,907	185,756	193,258
Seniors Lodge	159,279	159,279	191,115
	10,913,945	9,066,764	8,952,913
<b>Net Municipal Taxes</b>	49,545,206	51,247,228	50,121,210

**MD OF OPPORTUNITY NO. 17**  
**Schedule of Government Transfers**  
**Year Ended December 31, 2020**

*(Schedule 4)*

	<b>Budget</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(Unaudited)</b>		
<b>Transfers for operating</b>			
Provincial Government	1,435,956	7,354,064	4,239,416
	1,435,956	7,354,064	4,239,416
<b>Transfers for capital</b>			
Provincial Government	232,500	2,800,569	1,895,052
	232,500	2,800,569	1,895,052
<b>Total Government Transfers</b>	<b>1,668,456</b>	<b>10,154,633</b>	<b>6,134,468</b>

**MD OF OPPORTUNITY NO. 17**  
**Schedule of Consolidated Expenses by Object**  
**Year Ended December 31, 2020**

**(Schedule 5)**

	<b>Budget</b> <b>\$</b> <b>(Unaudited)</b>	<b>2020</b> <b>\$</b>	<b>2019</b> <b>\$</b>
<b>Consolidated expenses by object</b>			
Salaries, wages and benefits	35,002,107	27,247,972	30,242,463
Contracted and general services	13,304,430	12,770,092	13,132,058
Purchases from other governments	142,000	-	-
Materials, goods, supplies and utilities	6,996,088	5,453,470	6,607,383
Provision for allowances	-	4,073,026	1,062,272
Transfers to individuals and organizations	1,458,057	936,941	946,274
Bank charges and short term interest	154,512	115,977	97,587
Interest on long term debt	1,524,680	786,850	828,714
Amortization of tangible capital assets	15,000,000	13,581,719	15,534,144
Other	1,350,000	1,151,765	6,320,101
	<b>74,931,874</b>	<b>66,117,812</b>	<b>74,770,996</b>



**MD OF OPPORTUNITY NO. 17**  
**Schedule of Segmented Disclosure**  
**Year Ended December 31, 2020**

(Schedule 6)

	General Government	Protective Services	Transportation Services	Environmental Services	Planning & Development	Public Health	Recreation & Culture	Public Housing	Total \$
<b>Revenue</b>									
Net municipal taxes	51,247,228	-	-	-	-	-	-	-	51,247,228
Well drilling	71,883	-	-	-	-	-	-	-	71,883
Sale of goods and services	2,013	100,575	102,787	1,946,007	110	696,465	114,061	-	2,882,018
Penalties/costs	832,378	-	-	8,138	-	-	-	-	840,516
Licenses and permits	-	20,037	-	-	-	-	-	-	20,037
Return on investment	504,263	-	-	-	-	-	-	18,485	522,748
Rental revenues	53,087	294,248	-	-	-	24,000	236,718	836,327	1,444,380
Gain (loss) on disposal of assets	(413,569)	-	-	-	-	-	-	-	(413,569)
Government transfers	3,119,034	3,515,463	1,292,951	116,587	-	501,768	1,242,089	366,761	10,164,633
Other revenues	(417,884)	2,080	-	-	-	49,052	6,243	27,174	(333,335)
	<b>54,998,433</b>	<b>3,932,403</b>	<b>1,395,738</b>	<b>2,070,732</b>	<b>110</b>	<b>1,271,285</b>	<b>1,599,091</b>	<b>1,248,747</b>	<b>66,518,639</b>
<b>Expenses</b>									
Salaries, wages and benefits	4,497,917	1,853,712	5,238,946	3,371,246	262,255	2,290,032	6,088,506	3,845,358	27,247,972
Contracted and general services	2,931,011	1,970,622	1,769,251	2,387,218	75,909	1,885,533	812,138	1,138,410	12,770,092
Materials, goods, supplies and utilities	164,507	169,062	1,884,279	1,192,517	18,254	111,054	1,329,457	584,340	5,453,470
Transfers to individuals and organizations	457,435	12,000	66,511	150,504	2,815	134,151	5,875	107,850	936,941
Bank charges and interest	35,488	127	75,990	367	-	402	164	3,459	115,977
Interest on long term debt	-	-	-	-	54,408	-	-	732,442	786,850
Provision for bad debts	4,072,251	-	-	-	-	-	-	775	4,073,026
Other expenses	1,151,765	-	-	-	-	-	-	-	1,151,765
	<b>13,310,354</b>	<b>3,805,523</b>	<b>9,034,977</b>	<b>7,101,852</b>	<b>413,641</b>	<b>4,421,172</b>	<b>8,035,940</b>	<b>6,412,634</b>	<b>52,536,093</b>
<b>Net revenue (expense) before amortization</b>	<b>41,688,079</b>	<b>126,880</b>	<b>(7,639,239)</b>	<b>(5,031,120)</b>	<b>(413,531)</b>	<b>(3,149,887)</b>	<b>(6,438,849)</b>	<b>(5,163,887)</b>	<b>13,980,446</b>
<b>Amortization of tangible capital assets</b>	<b>463,127</b>	<b>521,158</b>	<b>6,466,828</b>	<b>2,756,926</b>	<b>13,130</b>	<b>294,424</b>	<b>2,657,401</b>	<b>408,725</b>	<b>13,581,719</b>
<b>2020 net revenue (expense)</b>	<b>41,224,952</b>	<b>(394,278)</b>	<b>(14,106,067)</b>	<b>(7,788,046)</b>	<b>(426,661)</b>	<b>(3,444,311)</b>	<b>(9,094,250)</b>	<b>(5,572,612)</b>	<b>398,727</b>
<b>2019 net revenue (expense)</b>	<b>44,338,822</b>	<b>(7,049,528)</b>	<b>(19,307,715)</b>	<b>(7,351,768)</b>	<b>(1,028,104)</b>	<b>(4,923,479)</b>	<b>(13,114,072)</b>	<b>(2,368,145)</b>	<b>(10,803,989)</b>

**MD OF OPPORTUNITY NO. 17**  
**Non-consolidated Statement of Operations**  
**Year Ended December 31, 2020**

**(Schedule 7)**

	<b>Budget \$ (Unaudited)</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Revenue</b>			
Net municipal taxes	49,858,476	49,357,922	50,181,528
User fees and sales of goods	3,608,120	2,968,188	4,187,717
Government transfers for operating	1,435,956	7,219,803	4,149,255
Rental	755,040	608,053	702,723
Investment income	1,005,000	504,263	1,307,657
Penalties and costs on taxes	212,000	840,516	391,121
Gain (loss) on disposal of tangible capital assets	-	(413,569)	553,679
Well drilling	25,000	71,883	132,259
Licenses, permits and fines	22,500	20,037	25,896
Other	17,000	(360,509)	362,628
<b>Total revenue</b>	<b>56,739,092</b>	<b>60,816,587</b>	<b>61,994,463</b>
<b>Expenses</b>			
Council	1,628,793	1,282,874	1,651,585
Administration	9,632,793	12,490,617	7,083,729
Engineering	669,504	269,785	514,669
Fire protection and safety services	5,314,882	4,326,681	11,241,531
Roads, streets, walks, lighting	16,875,312	15,465,279	19,988,426
Airport	137,016	36,535	117,206
Water supply and distribution	6,899,448	6,967,557	6,323,811
Wastewater treatment and disposal	2,031,185	2,206,061	2,645,543
Waste management	764,053	685,160	656,381
Family and community support	572,772	201,140	285,322
Daycare and out of school care	3,850,273	1,851,200	3,418,850
Public health and welfare	3,921,807	2,663,256	2,928,970
Land use planning, zoning, and development	117,080	57,223	
Economic development and tourism	434,702	99,763	515,108
Recreation and culture	14,287,922	10,693,341	13,552,918
Housing operations	1,894,448	895,275	1,645,774
<b>Total expenses</b>	<b>69,031,990</b>	<b>60,191,747</b>	<b>72,569,823</b>
<b>Deficiency of revenue over expenses - before other</b>	<b>(12,292,898)</b>	<b>624,840</b>	<b>(10,575,360)</b>
<b>Other</b>			
Government transfers for capital	-	2,568,069	1,662,552
<b>Excess (deficiency) of revenues over expenses</b>	<b>(12,292,898)</b>	<b>3,192,909</b>	<b>(8,912,808)</b>
<b>Accumulated surplus - beginning of the year</b>	<b>324,209,736</b>	<b>324,209,736</b>	<b>333,122,544</b>
<b>Accumulated surplus - end of the year</b>	<b>311,916,838</b>	<b>327,402,645</b>	<b>324,209,736</b>

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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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

MD of Opportunity No. 17 Housing and Development Corporation

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.

*(continues)*

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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1. Significant accounting policies (*continued*)

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
- Accrued liabilities

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.

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.

(*continues*)

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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1. Significant accounting policies (*continued*)

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.

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.

Government transfers

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

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

(*continues*)

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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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:

	<b>YEARS</b>
Buildings	25-50
Engineered structures	
Water system	45-75
Wastewater system	45-75
Other engineered structures	10-65
Machinery and equipment	10-40
Land improvements	25-50
Vehicles	10-40

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.

d) Inventory for consumption

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

e) Cultural and historical tangible capital assets

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

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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 PS 3450 - Financial Instruments

The new Section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. In conjunction with this new Section, Section PS1201, Section PS 2601 and Section 3041 have been amended as a consequence of the introduction of new financial instruments standards. These amendments were required to present the associated gains and losses with financial instruments recognized under the new Section. The new Section and the related amendments are effective for fiscal periods beginning on or after April 1, 2021.

Section PS 3280 - Asset Retirement Obligations

This new Section establishes standards on how to account for and report a liability for asset retirement obligations. This Section applies to fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted. As a consequence of the issuance of Section PS3280, Solid Waste Landfill Closure and Post-Closure Liability, Section PS3270, has been withdrawn. Section PS3270 will remain in effect until the adoption of Section PS3280.

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, 2022.

3. Cash and temporary investments

	2020	2019
Cash	\$ 2,487,079	\$ 19,857,630
Temporary investments	49,135,348	26,016,694
	<b>\$ 51,622,427</b>	<b>\$ 45,874,324</b>

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

Council has designated funds of \$21,359,058 (2019 - \$23,842,570) included in the above amounts for equipment replacement.

Included in cash and temporary investments is a restricted amount of \$3,183,754 (2019 - \$3,241,495) comprised of deferred revenue not expended (Note 8).



**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

**4. Taxes and grants in place of taxes receivable**

	2020	2019
Current taxes and grants in place of taxes	\$ 4,096,827	\$ 2,371,152
Arrears taxes	7,569,434	6,200,890
	11,666,261	8,572,042
Less: allowance for doubtful accounts	(8,869,564)	(6,437,225)
	\$ 2,796,697	\$ 2,134,817

**5. Loans receivable**

	2020	2019
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.	\$ 1,973,667	\$ 2,058,613
Non-interest bearing loan receivable, repayable in monthly payments of \$500. The loan matures in January 2022 and secured by a claim against the housing unit owned by the borrower.	4,761	12,561
	1,978,428	2,071,174
Allowance for doubtful loans receivable	(1,381,395)	(1,381,395)
	\$ 597,033	\$ 689,779

**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 \$1,945,283 (2019: \$nil).

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

**7. Accounts payable and accrued liabilities**

	<b>2020</b>	<b>2019</b>
Trade accounts payable and accrued liabilities	\$ 7,968,577	\$ 6,297,513
Vacation and overtime accruals	618,020	537,211
Government payables	179,487	36,778
	<b>\$ 8,766,084</b>	<b>\$ 6,871,502</b>

**8. Deferred revenue**

	<b>2020</b>	<b>2019</b>
Deferred revenue - operating	\$ 195,638	\$ 230,982
Deposit liabilities and prepaid rent	32,908	20,406
Alberta Municipal Water/Wastewater Partnership	2,820,729	2,853,778
Tax sale surplus	134,479	136,329
	<b>\$ 3,183,754</b>	<b>\$ 3,241,495</b>

**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. Expended deferred capital revenues 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.

	<b>2020</b>	<b>2019</b>
2004 - 2005 Alberta Government Grant for 18 units	\$ 270,000	\$ 337,500
2006 - 2008 Alberta Government Grant for 30 units	1,160,500	1,325,500
	<b>\$ 1,430,500</b>	<b>\$ 1,663,000</b>

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

10. Long-term debt

	2020	2019
Long term care facility debenture	\$ 22,887,275	\$ 23,612,612
Developer agreement debenture	1,196,653	1,265,449
	<u>\$ 24,083,928</u>	<u>\$ 24,878,061</u>

The current portion of the long-term debt amounts to \$794,123 (2018 - \$778,947)

Principal and interest repayments are as follows:

	Principal	Interest	Total
2021	\$ 818,445	\$ 722,008	\$ 1,540,453
2022	843,503	696,950	1,540,453
2023	869,329	671,124	1,540,453
2024	895,946	644,506	1,540,452
2025	923,380	617,073	1,540,453
Thereafter	<u>19,733,325</u>	<u>5,508,184</u>	<u>25,241,509</u>
	<u>\$ 24,083,928</u>	<u>\$ 8,859,845</u>	<u>\$ 32,943,773</u>

Debenture debt is repayable to the Alberta Capital Finance Authority and bears interest at rates ranging from 3.004% to 3.406% per annum and matures in periods 2034 through 2043. The average annual interest rate is 3.205% for 2020 (3.205% for 2019).

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

Interest on long-term debt amounted to \$786,850 (2019 - \$828,714).

The municipality's total cash payments for interest were \$746,319 (2018 - \$828,714).

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

**11. Capital lease obligations**

	<b>2020</b>	<b>2019</b>
Caterpillar Financial capital lease	\$ -	\$ 26,382
Caterpillar Financial capital lease	<b>72,682</b>	127,990
Caterpillar Financial capital lease	<b>388,422</b>	464,830
Caterpillar Financial capital lease	<b>388,422</b>	464,830
Caterpillar Financial capital lease	<b>271,536</b>	368,070
	<b>\$ 1,121,062</b>	<b>\$ 1,452,102</b>

Future minimum capital lease payments are approximately:

2021	\$ 375,700
2022	331,816
2023	517,709
Total minimum lease payments	1,225,225
Less: amount representing interest at various rates	104,163
Present value of minimum lease payments	1,121,062
Less: current portion	321,978
	<b>\$ 799,084</b>

Capital lease obligations bear interest at rates ranging from 4.45% to 6.7% per annum and mature in years 2022 through 2023. The average annual rate is 5.2% (2019 - 5.2%). The capital lease obligations are secured by machinery and equipment with a combined carrying value of \$1,435,861 (2019 - \$1,622,347).

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

**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:

	2020	2019
Total debt limit	\$ 95,757,312	\$ 93,107,933
Total debt	(24,083,928)	24,878,061
Amount of debt limit unused	\$119,841,240	\$ 68,229,872
Debt servicing limit	\$ 15,959,552	\$ 15,517,989
Debt servicing	(1,194,145)	1,540,443
Amount of debt servicing limit unused	\$ 17,153,697	\$ 13,977,546

The debt limit is calculated at 1.5 times revenue of the municipality (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**

	2020	2019
Gravel	\$ 224,649	\$ 762,577
Fuel	104,264	69,655
Eagle Point golf course merchandise	105,996	105,997
	\$ 434,909	\$ 938,229

**MD OF OPPORTUNITY NO. 17****Notes to Consolidated Financial Statements****Year Ended December 31, 2020****14. Landfill closure and post-closure liability**

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

The estimated total liability is based on the sum of discounted future cash flows for closure and post-closure 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 186,108 tonnes (2019 – 192,329 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.

	2020	2019
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, 2020	(750,745)	(631,890)
Estimated balance to accrue	\$ 3,223,925	\$ 3,342,780

**15. Equity in tangible capital assets**

	2020	2019
Tangible capital assets (Schedule 2)	\$542,686,004	\$535,091,075
Accumulated amortization (Schedule 2)	225,504,086	212,692,544
Long-term debt (Note 9)	(24,083,928)	(24,878,061)
Less: Capital lease obligations (Note 10)	(1,121,062)	(1,452,102)
Less: Deferred contributions related to housing units	(1,430,500)	(1,663,000)
	\$290,546,428	\$294,405,368

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

**16. Accumulated surplus**

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

	2020	2019
Unrestricted surplus	\$ 31,710,506	\$ 24,969,327
Restricted surplus		
General capital	12,640,123	12,640,123
Long term care facility	-	2,483,512
Water	8,718,935	8,718,935
Equity in tangible capital assets	290,546,428	294,405,368
	<b>\$343,615,992</b>	<b>\$343,217,265</b>

**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 or unpaid services.

The Municipality is in dispute with the OML Construction Services Ltd. regarding the Wabasca Long Term Care Health Care facility project. OML Construction Services Ltd. has cancelled their contract with the Municipality due to non-payment of a holdback which was held back due to deficiencies. OML Construction Services Ltd. has registered a lien against the property of \$1,951,756. Management is of the opinion that OML Construction Services Ltd. will perform the required work to clear the deficiencies and the Municipality will pay release all holdbacks.

**18. Commitments**

The municipality is committed to completion of the Eagle Point Golf Course expansion project. As of December 31, 2020, the municipality has incurred \$2,754,988 in project-related costs. The balance of costs committed to complete the project is \$421,152.



**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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**19. Pandemic risk**

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the municipality's operations as at the date of these financial statements.

**20. 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).

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

**21. 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:

			2020	2019
	Salary (1)	Benefits & allowances (2)		Total
Councillors:			\$	
Marshall D. Auger (Reeve)	93,100	7,385	100,485	114,315
Everett Gottfried (Deputy Reeve)	89,300	12,185	101,485	101,790
Leo Alook	86,450	6,185	92,635	97,590
Kevin Bigstone	86,450	7,385	93,835	98,790
Louis Cardinal	86,450	7,385	93,835	97,590
Victor Gladue	86,450	312	86,762	92,300
Robin Guild	86,450	5,112	91,562	96,579
Darlene Davis-Jackson	86,450	4,985	91,435	103,840
Brendan Powell	86,450	7,385	93,835	98,790
Barry Schmidt	86,450	4,985	91,435	96,390
Roy Yellowknee	86,450	7,385	93,835	38,790
William Kostiw (previous CAO)	288,327	-	288,327	298,969
Chad Tullis (CAO)	70,350	4,216	74,566	-
Subdivision and Appeal Board Clerk	17,675	2,146	19,821	91,009
Development Officer	91,473	7,475	98,948	92,373

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.

**22. 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 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount.

Total current service contributions by the municipality to the LAPP in 2020 were \$1,666,998 (2019 - \$1,793,366). Total current service contributions by the employees of the municipality to the Local Authorities Pension Plan in 2020 were \$1,507,031 (2019 - \$1,622,064).

At December 31, 2019, the LAPP disclosed an actuarial surplus of \$7.913 billion.

**MD OF OPPORTUNITY NO. 17**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2020**

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**23. 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.

**24. Approval of financial statements**

Council and Management have approved these financial statements.

**25. Budget amounts**

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



THE MUNICIPAL DISTRICT OF OPPORTUNITY NO. 17, Alberta  
BYLAW 2021 – 12

*A Bylaw to authorize the taxation rates to be levied against assessable property within the Municipal District of Opportunity No. 17 for the 2021 taxation year*

WHEREAS, the Municipal District of Opportunity No. 17 (hereafter named the MD) has prepared and adopted detailed estimates of the municipal revenues and expenditures as required, at the Council meeting held on May 6, 2021; and

WHEREAS, the estimated municipal expenditures and transfers (operating) set out in the MD's 2021 annual budget stand at \$78,330,252 and

WHEREAS, the estimated municipal revenues and transfers from all sources other than property taxation is estimated at \$10,050,383 and whereas, an amount of \$46,990,039 (amount excludes school, seniors, housing, and Designated Industrial Assessment) is to be generated by general municipal taxation, and

WHEREAS, the Council authorized under the provision of Section 359.3 of the New Municipal Government Act, to set the same tax rate to pay for requisitions to recover the costs associated with the assessment of designated industrial property, and any other matters related to the Provincial assessor's operations, confirms that the tax rate set by the Minister of Municipal Affairs is \$0.0766 per dollar per Ministerial Order No. MAG 010/21, and,

WHEREAS, the Council is authorized under the provision of Section 359(1) of the *Municipal Government Act*, that if in any year the property tax imposed to pay the requisitions results in too much or too little revenue being raised for that purpose, the Council must accordingly reduce or increase the amount of revenue to be raised for that purpose in the next year; and,

WHEREAS, the requisitions are:

<b>AB School Foundation Fund (ASFF)</b>		
Residential/Farmland		\$ 732,259
Non-residential		\$ 7,958,135
<b>Total School</b>		<b>\$ 8,690,396</b>
<b>Seniors Lodges</b>		<b>\$ 3,266,495</b>
<b>Designated Industrial Assessment</b>		<b>\$178,240</b>
<b>Total Requisitions</b>		<b><u>\$ 12,135,129</u></b>

WHEREAS, the Council of the MD is required each year to levy on the assessed value of all property, tax rates sufficient to meet the estimated expenditures and the requisitions; and

WHEREAS, the Council is authorized to classify property assessment, and to establish different rates of taxation in respect to each class of property, subject to the *Municipal Government Act*, Chapter M-26, Revised Statutes of Alberta, 2000; and

WHEREAS, the assessed value of all taxable property in the MD as shown on the assessment roll is:

Class	Assessment Type	Assessment
Class I:	Residential	\$ 255,269,540
Class II:	Non-Residential	\$ 1,993,507,590
	Non-Residential – Small Business	61,614,720
Class III:	Farmland	\$ 348,330
Class IV:	Machinery & Equipment	<u>\$ 394,489,450</u>
	<b>Total</b>	<b><u>\$ 2,705,229,630</u></b>

NOW THEREFORE, under the authority of the *Municipal Government Act*, the Council of the MD, in the Province of Alberta, enacts as follows:

1. That the Chief Administrative Officer is hereby authorized to levy the following rates of taxation on the assessed value of all property as shown on the assessment roll of the MD:

<u>General Municipal</u>		<u>Tax Levy</u>		<u>Assessment</u>	<u>Tax Rate</u>
Residential	\$	842,389	\$	255,269,540	3.3000
Non-Residential		37,791,920		1,993,507,590	18.9575
- Small Business Sub-class		876,044		61,614,720	14,2181
Farmland		1,201		348,330	3.4468
Machinery & Equipment		7,478,534		394,489,450	18.9575
<b>Total</b>	<b>\$</b>	<b>46,990,088</b>	<b>\$</b>	<b>2,705,229,630</b>	

<u>School (ASFF)</u>		<u>Tax Levy</u>		<u>Assessment</u>	<u>Tax Rate</u>
Residential & Farmland	\$	732,256	\$	253,507,270	2.8885
Non-residential		7,958,146		2,048,587,120	3.8847
<b>Total</b>	<b>\$</b>	<b>8,690,402</b>	<b>\$</b>	<b>2,302,094,390</b>	

<u>Seniors Lodges</u>		<u>Tax Levy</u>		<u>Assessment</u>	<u>Tax Rate</u>
All Classes	\$	3,266,603	\$	2,698,333,810	1.2106

<u>Designated Ind Property</u>		<u>Tax Levy</u>		<u>Assessment</u>	<u>Tax Rate</u>
Designated Industrial Assessment		179,007		2,336,905,800	0.0766
<b>LEVY GRAND TOTAL</b>	<b>\$</b>	<b>59,126,100</b>			

2. Under the provision of section 357(1) of the Municipal Government Act, that despite what the assessment times the tax rate, the minimum amount of \$400 per tax roll parcel is payable as a property tax for municipal purposes on the titled vacant residential and non-residential properties; and that farmland assessments are excluded from the minimum amount payable, and,

3. That this bylaw shall take effect on the date of the third and final reading.

Read a first time this 6<sup>th</sup> day of May, 2021.

Read a second time this 6<sup>th</sup> day of May, 2021.

Read a third time and passed this 6<sup>th</sup> day of May, 2021.

  
REEVE

  
CHIEF ADMINISTRATIVE OFFICER

**CHIEF ADMINISTRATIVE OFFICER**

**ANNUAL REPORT TO COUNCIL**

**SEPTEMBER 2021**

The past year certainly provided us with challenges and unexpected circumstances. The MD of Opportunity navigated service provision through a global pandemic while adhering to Provincial restrictions along with our own measures to help keep our communities safe. I would personally like to thank all of the Staff and Council who worked tirelessly to help protect the residents of the municipality during these unprecedented times. I would also like to acknowledge the efforts our communities all took to help protect our most vulnerable, the efforts we all made over this last year and a half may be difficult to quantify, but the precautions taken by all may have helped to save lives.

The downturn in the economy seems to be finally shifting, as we are starting to see growth in 2021. The financial position of the municipality remains strong. The uncertainty of proposed provincial assessment legislation along with the effects of the pandemic on the economy have now subsided, and the MD remains focused on providing quality service provision in a cost-effective manner.

Our annual MD/BCN fundraising golf tournament was put on hold in 2020 due to Covid-19, but we recently held our second annual tournament on August 19, 2021. This year's fundraising initiative was for mental health, and the tournament raised approximately \$60,000, which will be split between Peekiskwetan "Let's Talk Society" and Bigstone Health Commission to further support the mental health of our communities.

As we move forward, the MD will continue to prioritize; community engagement, buying/hiring local, lobbying Provincial government for regional needs, and providing residents with a high level of municipal service provision.

Some key Capital projects moving forward in 2021 include: Red Earth Creek Community Hall, Paving/Concrete work, Calling Lake Senior Complex, Wabasca Community Hall Renovations, and Red Earth Creek/Wabasca Fireguards.

As 2021 is a Municipal election year, I wanted to Thank all of Council for their last 4 years of service.

CHAD TULLIS

CHIEF ADMINISTRATIVE OFFICER

**MD Of Opportunity**  
**Operating by Department Summary Report**  
**For the Twelve Months Ending December 31, 2021**

<b>Account Description</b>	<b>Budget 2020</b>	<b>Actual 2020</b>	<b>Budget 2021</b>
<b>REVENUE</b>			
Finance - General - Revenue	61,702,421.	64,275,374.	60,107,045.
Finance - Operations - Revenue	127,200.	209,721.	41,797.
Administration - Revenue	19,987.	104,366.	19,987.
Economic Development & Tourism - Revenue	500.	110.	500.
Regulatory Services - Revenue	1,315,500.	3,932,403.	1,055,200.
Transportation - Revenue	151,500.	102,787.	28,900.
Water - Revenue	1,172,400.	1,295,328.	1,352,050.
Sewer - Revenue	427,200.	412,028.	321,000.
Landfill/Transfer Site - Revenue	267,700.	336,496.	311,200.
FCSS - Revenue	159,098.	322,633.	148,873.
Child Care - Revenue	1,098,090.	455,022.	1,120,052.
Keyanow Medical Clinic - Revenue	682,000.	493,631.	348,500.
Keekenow Senior Facility - Revenue	1,333,700.	2,258,657.	2,673,000.
WDHA - Revenue	0.	331,494.	919,910.
M.D Housing Corporation - Revenue	0.	132,145.	0.
Recreation & Culture - Revenue	529,440.	357,021.	784,420.
<b>Total Revenue</b>	<b>68,986,737.</b>	<b>75,019,217.</b>	<b>69,232,434.</b>
<b>EXPENDITURES</b>			
Finance - General - Expenditures	29,627,697.	16,301,889.	17,089,312.
Council - Expenditures	1,628,793.	1,282,875.	1,963,142.
Finance - Operations - Expenditures	4,400,947.	5,454,063.	3,012,842.
Management - Expenditures	1,619,122.	786,774.	1,524,979.
Administration - Expenditures	1,629,484.	2,279,898.	2,631,948.
Engineering - Expenditures	669,504.	269,785.	157,968.
Economic Development & Tourism - Expenditures	374,702.	99,762.	733,549.
Regulatory Services - Expenditures	4,696,910.	4,326,682.	4,174,759.
Transportation - Expenditures	9,569,267.	15,398,768.	13,664,993.
Airport - Expenditures	127,150.	36,535.	100,900.
Water - Expenditures	3,738,203.	6,817,053.	6,898,646.
Sewer - Expenditures	2,031,185.	2,206,060.	2,185,288.
Landfill/Transfer Site - Expenditures	746,836.	685,160.	622,257.
FCSS - Expenditures	178,222.	201,140.	222,743.
Child Care - Expenditures	3,641,174.	1,830,769.	1,955,279.
Keyanow Medical Clinic - Expenditures	3,796,041.	2,663,256.	3,159,610.
Child Care - OSC - Wabasca - Expenditures	1,000.	20,430.	0.
Keekenow Senior Facility - Expenditures	5,063,718.	4,405,522.	7,114,390.
WDHA - Expenditures	0.	494,942.	919,916.
M.D Housing Corporation - Expenditures	0.	(79,154.)	0.
Recreation & Culture - Expenditures	10,970,145.	10,687,665.	10,197,732.
<b>Total Expenditures</b>	<b>84,510,101.</b>	<b>76,169,875.</b>	<b>78,330,252.</b>
<b>Total Net Income - Surplus / (Deficit)</b>	<b>(15,523,365.)</b>	<b>(1,150,658.)</b>	<b>(9,097,818.)</b>



**MD OF OPPORTUNITY**  
**Capital Report**  
**As at December 31, 2021**

**Budget  
2021**

1	All - Hardware Infrastructure - 2016	60,000.
2	CL - Senior Complex	3,420,068.
3	WB-Agriculture Fire Guard	51,838.
4	RE-Agriculture Fire Guard	32,165.
5	CL-Agriculture Fire Guard	30,289.
6	CL Cellular Tower	240,600.
7	CL Generator	50,000.
8	WB - Fire Department - Concrete Pad	60,000.
9	All - Street Lights	80,000.
10	All Fleet - Machinery & Equipment Purchases	815,000.
11	All Fleet - Vehicle Purchases	469,000.
12	WB - Overlay Mistassiniy Road South - 2020	2,136,181.
13	WB - North Bridge - BF77255	1,221,000.
14	RE Grassy Way - Paving	295,213.
15	RE - Hwy 88 Service Roads	37,558.
16	CL Wellsite Pit - Gravel Crushing	1,650,000.
17	All Regional Water - SCADA	60,000.
18	SL W&S South End Phase	98,385.
19	WB- Desmarais WTP Microfiltration Replacements	104,560.
20	CL WTP Upgrade	200,000.
21	WB - Hwy 813 Lift Station Grit Sump	100,000.
22	SL - Lagoon	4,721,000.
23	Keekenow Senior Facility	122,500.
24	WB - Arena - Roof Top Unit	25,000.
25	WB - Arena - Scoreboard, Sound System, Seating	155,000.
26	RE - Arena - Concrete Apron Replacement/Concrete	35,000.
27	CL - Arena - Concrete at Zamboni Entrance	15,000.
28	WB - Main Office - Renovation	180,500.
29	WB - Eagle Point Golf Course Expansion - 2018	434,185.
30	WB - Hall - Concrete & Wall Replacement	85,000.
31	WB - Hall Renovations - 2020	103,000.
32	WB - Hall Boiler for Heated Sidewalk	20,000.
33	RE - Community Hall - Upgrade	3,000,000.
34	WB - WWW&FC Upgrades	60,000.
35	WB - Portable Shower	120,000.
36	CL Playground poured in place	12,953.
37	WB - Public Wrks Shop - Concrete Apron/Sidewalks	128,000.

**Total Capital Expenditures**

**20,428,995.**

**Questions? Contact M. D. of Opportunity Staff**

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Earl Gullion—780-891-8230

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William Auger—780-891-8199

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Angela Lightning—780-909-8203

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