

MUNICIPAL FINANCIAL INFORMATION RETURN

For the Year Ending December 31, 2017

Municipality Name: County of Vermilion River

CERTIFICATION

The information contained in this Financial Information Return is presented fairly to the best of my knowledge.



Signature of Duly Authorized Signing Officer

Rhonda King

Print Name

April 24, 2018

Date

Independent Auditors' Report

To the Reeve and Councilors of the County of Vermilion River:

Report on the Municipal Financial Information Return

We have audited the accompanying municipal financial information return of the County of Vermilion River for the year ended December 31, 2017. The financial information return has been prepared by management based on the required presentation and financial reporting provisions of the Municipal Financial Information Return Manual as provided by Alberta Municipal Affairs.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the required presentation and financial reporting provisions of the Municipal Financial Information Return Manual as provided by Alberta Municipal Affairs, and for such internal control as management determines is necessary to enable the preparation of this financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the municipal financial information return. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, this financial information return presents fairly, in all material respects, the financial position of the County of Vermilion River as at December 31, 2017, and the results of its operations for the year then ended in accordance with the required presentation and financial reporting provisions of the Municipal Financial Information Return Manual as provided by Alberta Municipal Affairs.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement was prepared to comply with the reporting requirements of Section 277 of the *Municipal Government Act*. As a result, this compliance audit may not be suitable for another purpose. Our report is intended solely for the County of Vermilion River and the Minister of Alberta Municipal Affairs and should not be distributed to or used by parties other than the County of Vermilion River or the Minister of Alberta Municipal Affairs.

April 24, 2018

Leduc, Alberta

MNP LLP

Chartered Professional Accountants

FINANCIAL POSITION

Schedule 9A

	Total
	1
Assets	0010
Cash and Temporary Investments	0020 37,444,578
Taxes and Grants in Place of Taxes Receivable.....	0030
. Current	0040 883,475
. Arrears	0050 835,469
. Allowance	0060 -392,747
Receivable From Other Governments	0070 3,672,917
Loans Receivable	0080
Trade and Other Receivables	0090 3,721,667
Debt Charges Recoverable.....	0095 3,793,952
Inventories Held for Resale	0130
. Land	0140 30,805
. Other	0150
Long Term Investments	0170
. Federal Government	0180
. Provincial Government	0190
. Local Governments	0200
. Other	0210 5,407,786
Other Current Assets	0230
Other Long Term Assets	0240
.....	
Total Financial Assets	0250
	0260 55,397,902
.....	
Liabilities	0270
Temporary Loans Payable	0280
Payable To Other Governments	0290 87,675
Accounts Payable & Accrued Liabilities	0300 3,718,690
Deposit Liabilities	0310 251,567
Deferred Revenue	0340 1,078,889
Long Term Debt	0350 5,128,719
Other Current Liabilities	0360 267,605
Other Long Term Liabilities	0370 1,322,130
.....	
Total Liabilities	0380
	0390 11,855,275
.....	
Net Financial Assets (Net Debt)	0395 43,542,627
.....	
Non Financial Assets	0400
Tangible Capital Assets.....	0400 229,769,530
Inventory for Consumption.....	0410 5,962,047
Prepaid Expenses	0420 2,993,819
Other.....	0430 1,984,921
.....	
Total Non-Financial Assets	0440 240,710,317
.....	
Accumulated Surplus	0450 284,252,944

CHANGE IN ACCUMULATED SURPLUS

Schedule 9B

		Unrestricted	Restricted	Equity in TCA	Total
		1	2	3	4
Accumulated Surplus - Beginning of Year	0500	2,998,043	46,411,272	236,053,042	285,462,357
Net Revenue (Expense)	0505	-1,209,413			-1,209,413
Funds Designated For Future Use.....	0511	-8,711,888	8,711,888		
Restricted Funds - Used for Operations.....	0512	1,090,851	-1,090,851		
Restricted Funds - Used for TCA.....	0513		-1,212,170	1,212,170	
Current Year Funds Used for TCA	0514	-7,185,567		7,185,567	
Donated and Contributed TCA.....	0516				
Disposals of TCA.....	0517	391,251		-391,251	
Annual Amortization Expense.....	0518	16,059,806		-16,059,806	
Long Term Debt - Issued.....	0519				
Long Term Debt - Repaid.....	0521	-435,041		435,041	
Capital Debt - Used for TCA.....	0522				
	0523				
Other Adjustments.....	0524				
Accumulated Surplus - End of Year.....	0525	2,998,042	52,820,139	228,434,763	284,252,944

FINANCIAL ACTIVITIES BY FUNCTION

Schedule 9C

	Revenue	Expense
	1	2
Total General	0700 23,743,809	
Function	0710	1150
General Government	0720	1160
Council and Other Legislative	0730	1170 506,750
General Administration	0740 267,113	1180 2,743,495
Other General Government.....	0750	1190
Protective Services	0760	1200
Police	0770 1,145,603	1210 401,474
Fire	0780 177,764	1220 790,703
Disaster and Emergency Measures	0790 169,150	1230 165,630
Ambulance and First Aid	0800	1240
Bylaws Enforcement	0810 127,570	1250 147,463
Other Protective Services.....	0820	1260
Transportation	0830	1270
Common and Equipment Pool	0840	1280
Roads, Streets, Walks, Lighting	0850 4,652,888	1290 26,757,557
Airport	0860	1300
Public Transit	0870	1310
Storm Sewers and Drainage	0880	1320
Other Transportation	0890	1330
Environmental Use and Protection	0900	1340
Water Supply and Distribution	0910 798,139	1350 563,841
Wastewater Treatment and Disposal	0920 34,247	1360 37,228
Waste Management	0930 347,677	1370 571,391
Other Environmental Use and Protection	0940	1380
Public Health and Welfare	0950	1390
Family and Community Support	0960 232,316	1400 282,836
Day Care	0970	1410
Cemeteries and Crematoriums	0980	1420
Other Public Health and Welfare	0990	1430
Planning and Development	1000	1440
Land Use Planning, Zoning and Development	1010 443,057	1450 842,044
Economic/Agricultural Development	1020 659,140	1460 1,160,066
Subdivision Land and Development	1030 132,621	1470
Public Housing Operations	1040	1480
Land, Housing and Building Rentals	1050	1490
Other Planning and Development.....	1060	1500 138,201
Recreation and Culture	1070	1510
Recreation Boards	1080	1520
Parks and Recreation	1090 918,253	1530 785,806
Culture: Libraries, Museums, Halls	1100 4,141	1540 91,796
Convention Centres	1110	1550
Other Recreation and Culture.....	1120	1560
Other Utilities	1125	1565
Gas	1126 10,385,254	1566 9,461,874
Electric	1127	1567
Other	1130	1570
Total Revenue/Expense	1140 44,238,742	1580 45,448,155
Net Revenue/Expense		1590 -1,209,413

FINANCIAL ACTIVITIES BY TYPE / OBJECT

Schedule 9D

		Total
		1
Revenues	1700	
Taxation and Grants in Place	1710	
. Property (Net Municipal)	1720	22,104,229
. Business	1730	
. Business Revitalization Zone	1740	
. Special	1750	2,504,423
. Well Drilling	1760	
. Local Improvement	1770	
Sales To Other Governments	1790	53,299
Sales and User Charges	1800	10,785,971
Penalties and Costs on Taxes	1810	251,096
Licenses and Permits	1820	
Fines	1830	324,440
Franchise and Concession Contracts	1840	
Returns on Investments	1850	1,008,281
Rentals	1860	48,788
Insurance Proceeds	1870	
Net Gain on Sale of Tangible Capital Assets	1880	
Contributed and Donated Assets	1885	
Federal Government Unconditional Transfers	1890	
Federal Government Conditional Transfers	1900	438,987
Provincial Government Unconditional Transfers	1910	2,034,031
Provincial Government Conditional Transfers	1920	2,430,944
Local Government Transfers	1930	
Transfers From Local Boards and Agencies	1940	
Developer Agreements and Levies	1960	
Other Revenues	1970	2,254,253
..... Total Revenue	1980	44,238,742
Expenses	1990	
Salaries, Wages, and Benefits	2000	9,213,226
Contracted and General Services	2010	8,094,195
Purchases from Other Governments	2020	
Materials, Goods, Supplies, and Utilities	2030	9,662,917
Provision For Allowances	2040	254,943
Transfers to Other Governments	2050	1,127,213
Transfers to Local Boards and Agencies	2060	528,106
Transfers to Individuals and Organizations	2070	364,546
Bank Charges and Short Term Interest	2080	4,653
Interest on Operating Long Term Debt	2090	116,000
Interest on Capital Long Term Debt	2100	19,543
Amortization of Tangible Capital Assets	2110	16,059,806
Net Loss on Sale of Tangible Capital Assets	2125	3,007
Write Down of Tangible Capital Assets	2127	
Other Expenditures	2130	
..... Total Expenses	2140	45,448,155
..... Net Revenue (Expense)	2150	-1,209,413

REVENUE AND EXPENSE SUPPLEMENTARY DETAIL

Schedule 9E

		Revenue		Expenses	
		Sales and User Charges	Provincial Capital Transfers	Annual Amortization Expense	Capital Long Term Debt Interest Expense
		1	2	3	4
General Government	2200				
Council and Other Legislative	2210				
General Administration	2220	16,305		153,765	
Other General Government.....	2230				
Protective Services	2240				
Police	2250	82,387		206,726	
Fire	2260	177,692		23,418	
Disaster and Emergency Measures	2270				
Ambulance and First Aid	2280				
Bylaws Enforcement	2290				
Other Protective Services.....	2300				
Transportation	2310				
Common and Equipment Pool	2320				
Roads, Streets, Walks, Lighting	2330	944,630	2,430,944	14,168,484	
Airport	2340				
Public Transit	2350				
Storm Sewers and Drainage	2360				
Other Transportation	2370				
Environmental Use and Protection	2380				
Water Supply and Distribution	2390	136,313		168,531	
Wastewater Treatment and Disposal	2400	31,471			
Waste Management	2410	346,878			19,543
Other Environmental Use and Protection	2420				
Public Health and Welfare	2430				
Family and Community Support	2440				
Day Care	2450				
Cemeteries and Crematoriums	2460				
Other Public Health and Welfare	2470				
Planning and Development	2480				
Land Use Planning, Zoning and Development	2490	70,354			
Economic/Agricultural Development	2500	42,114		75,523	
Subdivision Land and Development	2510				
Public Housing Operations	2520				
Land, Housing and Building Rentals	2530				
Other Planning and Development.....	2540				
Recreation and Culture	2550				
Recreation Boards	2560				
Parks and Recreation	2570				
Culture: Libraries, Museums, Halls	2580				
Convention Centres	2590				
Other Recreation and Culture.....	2600				
Other Utilities	2605				
Gas	2606	8,937,827		1,263,359	
Electric	2607				
Other	2610				
Total	2620	10,785,971	2,430,944	16,059,806	19,543

TANGIBLE CAPITAL ASSETS SUPPLEMENTARY DETAIL

Schedule 9F

		Tangible Capital Assets		Capital Long Term Debt	
		Purchased	Donated or Contributed	Principal Additions	Principal Reductions
		1	2	3	4
General Government	2700				
Council and Other Legislative	2710				
General Administration	2720	39,621			
Other General Government.....	2730				
Protective Services	2740				
Police	2750	80,757			
Fire	2760				
Disaster and Emergency Measures	2770				
Ambulance and First Aid	2780				
Bylaws Enforcement	2790				
Other Protective Services.....	2800				
Transportation	2810				
Common and Equipment Pool	2820				
Roads, Streets, Walks, Lighting	2830	6,773,561			
Airport	2840				
Public Transit	2850				
Storm Sewers and Drainage	2860				
Other Transportation	2870				
Environmental Use and Protection	2880				
Water Supply and Distribution	2890				
Wastewater Treatment and Disposal	2900				
Waste Management	2910				435,041
Other Environmental Use and Protection	2920				
Public Health and Welfare	2930				
Family and Community Support	2940				
Day Care	2950				
Cemeteries and Crematoriums	2960				
Other Public Health and Welfare	2970				
Planning and Development	2980				
Land Use Planning, Zoning and Development	2990				
Economic/Agricultural Development	3000	59,425			
Subdivision Land and Development	3010				
Public Housing Operations	3020				
Land, Housing and Building Rentals	3030				
Other Planning and Development.....	3040				
Recreation and Culture	3050				
Recreation Boards	3060				
Parks and Recreation	3070				
Culture: Libraries, Museums, Halls	3080				
Convention Centres	3090				
Other Recreation and Culture.....	3100				
Other Utilities	3105				
Gas	3106	1,444,373			
Electric	3107				
Other	3110				
Total	3120	8,397,737			435,041

CHANGE IN TANGIBLE CAPITAL ASSETS

Schedule 9G

		Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
Tangible Capital Assets - Cost					
Engineered Structures	3200				
Roadway Systems.....	3201	442,148,950	7,412,685	-13,939,692	463,501,327
Light Rail Transit Systems.....	3202				
Water Systems.....	3203	9,585,431			9,585,431
Wastewater Systems.....	3204				
Storm Systems.....	3205				
Fibre Optics.....	3206	708,188			708,188
Electricity Systems.....	3207				
Gas Distribution Systems.....	3208	44,873,287			44,873,287
Total Engineered Structures	3210	497,315,856	7,412,685	-13,939,692	518,668,233
Construction In Progress.....	3219	13,939,692	27,603	13,939,692	27,603
Buildings	3220	6,606,735			6,606,735
Machinery and Equipment	3230	26,911,448	498,918	532,626	26,877,740
Land	3240	5,316,977			5,316,977
Land Improvements.....	3245	90,251			90,251
Vehicles	3250	7,563,754	458,531	238,496	7,783,789
Total Capital Property Cost	3260	557,744,713	8,397,737	771,122	565,371,328
Accumulated Amortization					
Engineered Structures	3270				
Roadway Systems	3271	284,136,805	12,129,585		296,266,390
Light Rail Transit Systems	3272				
Water Systems	3273	1,859,214	158,046		2,017,260
Wastewater Systems	3274				
Storm Systems	3275				
Fibre Optics	3276	258,324			258,324
Electricity Systems	3277				
Gas Distribution Systems	3278	18,519,904	897,813		19,417,717
Engineered Structures	3280	304,774,247	13,185,444		317,959,691
Buildings	3290	2,031,722	135,605		2,167,327
Machinery and Equipment	3300	9,652,576	2,165,162	184,847	11,632,891
Land	3310				
Land Improvements.....	3315	17,950	3,753		21,703
Vehicles	3320	3,445,369	569,842	195,025	3,820,186
Total Accumulated Amortization	3330	319,921,864	16,059,806	379,872	335,601,798
Net Book Value of Capital Property	3340	237,822,849			229,769,530
Capital Long Term Debt (Net)	3350	1,769,807			1,334,767
Equity in Tangible Capital Assets	3400	236,053,042			228,434,763

LONG TERM DEBT SUPPORT

Schedule 9H

		Operating Purposes	Capital Purposes	Total
		1	2	3
Long Term Debt Support	3405			
Supported by General Tax Levies	3410		1,334,767	1,334,767
Supported by Special Levies	3420	2,471,258		2,471,258
Supported by Utility Rates	3430			
Other	3440	1,322,694		1,322,694
Total Long Term Debt Principal Balance	3450	3,793,952	1,334,767	5,128,719

LONG TERM DEBT SOURCES

Schedule 9I

		Operating Purposes	Capital Purposes	Total
		1	2	3
Alberta Capital Finance Authority.....	3500	3,793,952	1,334,767	5,128,719
Canada Mortgage and Housing Corporation	3520			
Mortgage Borrowing	3600			
Other	3610			
Total Long Term Debt Principal Balance	3620	3,793,952	1,334,767	5,128,719

FUTURE LONG TERM DEBT REPAYMENTS

Schedule 9J

		Operating Purposes	Capital Purposes	Total
		1	2	3
Principal Repayments by Year	3700			
Current + 1	3710	360,777	439,945	800,722
Current + 2	3720	308,528	444,904	753,432
Current + 3	3730	251,484	449,918	701,402
Current + 4	3740	258,604		258,604
Current + 5	3750	265,931		265,931
Thereafter	3760	2,348,628		2,348,628
Total Principal	3770	3,793,952	1,334,767	5,128,719
Interest by Year	3780			
Current + 1	3790	105,326	13,770	119,096
Current + 2	3800	91,890	8,811	100,701
Current + 3	3810	83,248	3,796	87,044
Current + 4	3820	76,128		76,128
Current + 5	3830	68,802		68,802
Thereafter	3840	325,171		325,171
Total Interest	3850	750,565	26,377	776,942

PROPERTY TAXES AND GRANTS IN PLACE

Schedule 9K

	Property Taxes 1	Grants - in Place 2	Total 3
Property Taxes	3900		
Residential Land and Improvements	3910	7,603,153	7,603,153
Non-Residential	3920		
Land and Improvements (Excluding M & E).....	3935	5,174,977	5,174,977
Machinery and Equipment	3950	4,180,325	4,180,325
Linear Property	3960	12,960,572	12,960,572
Railway	3970		
Farm Land	3980	2,690,599	2,690,599
Adjustments to Property Taxes	3990		
 Total Property Taxes and Grants In Place	4000	32,609,626	32,609,626
 Requisition Transfers		4010	
Education			
Residential/Farm Land		4031	3,109,518
Non-Residential		4035	4,891,456
Seniors Lodges		4090	
Other		4100	2,504,423
Adjustments to Requisition Transfers		4110	
 Total Requisition Transfers		4120	10,505,397
 Net Municipal Property Taxes and Grants In Place		4130	22,104,229

GRANTS IN PLACE OF TAXES

Schedule 9L

	Property Taxes 1	Business Taxes 2	Other Taxes 3	Total 4
Federal Government	4200			
Provincial Government	4210			
Local Government	4220			
Other	4230			
 Total	4240			

DEBT LIMIT

Schedule 9AA

1

Debt Limit	5700	60,054,674
Total Debt	5710	5,128,719
Debt Service Limit	5720	10,009,112
Total Debt Service Costs	5730	919,818

Enter prior year Line 3450 Column 2 balance here:

1,769,808

County of Vermilion River
Notes to the Financial Information Return
For the year ended December 31, 2017

1. Basis of accounting

This municipal financial information return has been prepared using the required presentation and financial reporting provisions of the Municipal Financial Information Return Manual as provided by Alberta Municipal Affairs, which do not require all of the same disclosure and presentation that would be required under Canadian public sector accounting standards. The amounts presented in this financial information return are based on the consolidated financial statements of the County of Vermilion River for the year ended December 31, 2017 which have been prepared in accordance with Canadian public sector accounting standards, and on which an audit report dated April 24, 2018 was issued. Reference should be made to those audited consolidated financial statements for complete information.