

MUNICIPAL FINANCIAL INFORMATION RETURN

For the Year Ending December 31, 2015

**Municipality Name:**

Municipal District of Pincher  
Creek No. 9

**CERTIFICATION**

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

  
\_\_\_\_\_  
Signature of Duly Authorized Signing Officer

**Wendy Kay**  
\_\_\_\_\_  
Print Name

**April 12, 2016**  
\_\_\_\_\_  
Date

# Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON MUNICIPAL FINANCIAL INFORMATION RETURN

To the Minister of Alberta Municipal Affairs

We have audited the accompanying municipal financial information return of the Municipal District of Pincher Creek No. 9 for the year ended December 31, 2015.

### *Management's Responsibility for the Financial Information Return*

Management is responsible for the preparation and fair presentation of the financial information return in accordance with the accounting principles presented by the Minister of Alberta Municipal Affairs as provided for in Section 277 of the Municipal Government Act, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on this financial information return 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 this financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information return. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial information, 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 information 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 information.

We believe that the audit evidence we have obtained in our audit 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 Municipal District of Pincher Creek No. 9 as at December 31, 2015, and the results of its operations and the changes in its net financial assets (debt) for the year then ended in accordance with the accounting principles presented by the Minister of Alberta Municipal Affairs as provided for in Section 277 of the Municipal Government Act.

### *Other Matter*

It is understood that this report, as requested by the Minister of Alberta Municipal Affairs, is to be used primarily for statistical purposes. We have issued an audit report dated April 12, 2016 on the financial statements of the Municipal District of Pincher Creek No. 9 for the year ended December 31, 2015 and reference should be made to those audited financial statements for complete information.

Young Parkyn McNab LLP

Lethbridge, Alberta  
April 12, 2016

Chartered Accountants

**FINANCIAL POSITION**

Schedule 9A

**Total**

1

<b>Assets</b>	0010	
Cash and Temporary Investments .....	0020	4,456,353
Taxes and Grants in Place of Taxes Receivable.....	0030	
. Current .....	0040	216,674
. Arrears .....	0050	87,797
. Allowance .....	0060	
Receivable From Other Governments .....	0070	4,401,713
Loans Receivable .....	0080	
Trade and Other Receivables .....	0090	193,345
Debt Charges Recoverable.....	0095	2,394,533
Inventories Held for Resale	0130	
. Land .....	0140	
. Other .....	0150	
Long Term Investments	0170	
. Federal Government .....	0180	
. Provincial Government .....	0190	
. Local Governments .....	0200	
. Other .....	0210	8,003,513
Other Current Assets .....	0230	
Other Long Term Assets .....	0240	

<b>Total Financial Assets</b>	0250	
	0260	19,753,928

<b>Liabilities</b>	0270	
Temporary Loans Payable .....	0280	168,763
Payable To Other Governments .....	0290	
Accounts Payable & Accrued Liabilities .....	0300	433,682
Deposit Liabilities .....	0310	
Deferred Revenue .....	0340	4,157,404
Long Term Debt .....	0350	6,351,174
Other Current Liabilities .....	0360	772,259
Other Long Term Liabilities .....	0370	

<b>Total Liabilities</b>	0380	
	0390	11,883,282

<b>Net Financial Assets (Net Debt)</b>	0395	7,870,646
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<b>Non Financial Assets</b>		
Tangible Capital Assets.....	0400	55,183,001
Inventory for Consumption.....	0410	2,170,552
Prepaid Expenses .....	0420	133,703
Other.....	0430	

<b>Total Non-Financial Assets</b>	0440	57,487,256
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<b>Accumulated Surplus</b>	0450	65,357,902
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**CHANGE IN ACCUMULATED SURPLUS**

**Schedule 9B**

	Unrestricted	Restricted	Equity in TCA	Total
	1	2	3	4
Accumulated Surplus - Beginning of Year	0500 886,913	12,895,293	47,694,514	61,476,720
Net Revenue (Expense)	0505 3,881,182			3,881,182
Funds Designated For Future Use	0511 -1,285,186	1,285,186		
Restricted Funds - Used for Operations	0512 -236,187	236,187		
Restricted Funds - Used for TCA	0513	-1,939,490	1,939,490	
Current Year Funds Used for TCA	0514 -4,564,800		4,564,800	
Donated and Contributed TCA	0516			
Disposals of TCA	0517 210,763		-210,763	
Annual Amortization Expense	0518 3,165,618		-3,165,618	
Long Term Debt - Issued	0519			
Long Term Debt - Repaid	0521 -511,134		511,134	
Capital Debt - Used for TCA	0522			
	0523			
Other Adjustments	0524 107,197		-107,197	
Accumulated Surplus - End of Year	0525 1,654,366	12,477,176	51,226,360	65,357,902

**FINANCIAL ACTIVITIES BY FUNCTION**

**Schedule 9C**

	Revenue 1	Expense 2
<b>Total General</b>	0700 10,156,789	
<b>Function</b>	0710	1150
General Government	0720	1160
Council and Other Legislative .....	0730	1170 225,547
General Administration .....	0740 890,205	1180 1,971,311
Other General Government.....	0750	1190
Protective Services	0760	1200
Police .....	0770	1210
Fire .....	0780 12,000	1220 125,065
Disaster and Emergency Measures .....	0790 107,213	1230 296,212
Ambulance and First Aid .....	0800	1240
Bylaws Enforcement .....	0810 21,774	1250 107,293
Other Protective Services.....	0820	1260
Transportation	0830	1270
Common and Equipment Pool .....	0840	1280
Roads, Streets, Walks, Lighting .....	0850 5,415,895	1290 7,473,016
Airport .....	0860 51,537	1300 848,464
Public Transit .....	0870	1310
Storm Sewers and Drainage .....	0880	1320 39,548
Other Transportation .....	0890	1330
Environmental Use and Protection	0900	1340
Water Supply and Distribution .....	0910 288,527	1350 407,218
Wastewater Treatment and Disposal .....	0920 37,464	1360
Waste Management .....	0930 7,808	1370 352,046
Other Environmental Use and Protection .....	0940	1380
Public Health and Welfare	0950	1390
Family and Community Support .....	0960 95,685	1400 121,094
Day Care .....	0970	1410
Cemeteries and Crematoriums .....	0980	1420 41,687
Other Public Health and Welfare .....	0990	1430
Planning and Development	1000	1440
Land Use Planning, Zoning and Development .....	1010 16,775	1450 267,371
Economic/Agricultural Development .....	1020 256,800	1460 558,898
Subdivision Land and Development .....	1030	1470
Public Housing Operations .....	1040	1480
Land, Housing and Building Rentals .....	1050	1490
Other Planning and Development.....	1060	1500
Recreation and Culture	1070	1510
Recreation Boards .....	1080	1520
Parks and Recreation .....	1090 29,703	1530 401,081
Culture: Libraries, Museums, Halls .....	1100 137,786	1540 408,928
Convention Centres .....	1110	1550
Other Recreation and Culture.....	1120	1560
Other Utilities	1125	1565
Gas .....	1126	1566
Electric .....	1127	1567
Other .....	1130	1570
<b>Total Revenue/Expense</b>	1140 17,525,961	1580 13,644,779
<b>Net Revenue/Expense</b>		1590 3,881,182

FINANCIAL ACTIVITIES BY TYPE / OBJECT

Schedule 9D

		Total
		1
Revenues	1700	
Taxation and Grants in Place	1710	
Property (Net Municipal) .....	1720	10,156,790
Business .....	1730	
Business Revitalization Zone .....	1740	
Special .....	1750	
Well Drilling .....	1760	
Local Improvement .....	1770	
Sales To Other Governments .....	1790	
Sales and User Charges .....	1800	461,384
Penalties and Costs on Taxes .....	1810	62,447
Licenses and Permits .....	1820	16,746
Fines .....	1830	
Franchise and Concession Contracts .....	1840	
Returns on Investments .....	1850	801,332
Rentals .....	1860	402,121
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	357,366
Provincial Government Unconditional Transfers .....	1910	
Provincial Government Conditional Transfers .....	1920	5,002,168
Local Government Transfers .....	1930	137,785
Transfers From Local Boards and Agencies .....	1940	
Developer Agreements and Levies .....	1960	
Other Revenues .....	1970	127,822
<b>Total Revenue</b> .....	1980	<b>17,525,961</b>
Expenses	1990	
Salaries, Wages, and Benefits .....	2000	3,862,204
Contracted and General Services .....	2010	3,847,074
Purchases from Other Governments .....	2020	
Materials, Goods, Supplies, and Utilities .....	2030	1,548,437
Provision For Allowances .....	2040	
Transfers to Other Governments .....	2050	
Transfers to Local Boards and Agencies .....	2060	
Transfers to Individuals and Organizations .....	2070	927,303
Bank Charges and Short Term Interest .....	2080	29,473
Interest on Operating Long Term Debt .....	2090	
Interest on Capital Long Term Debt .....	2100	204,205
Amortization of Tangible Capital Assets .....	2110	3,165,618
Net Loss on Sale of Tangible Capital Assets .....	2125	
Write Down of Tangible Capital Assets .....	2127	
Other Expenditures .....	2130	60,465
<b>Total Expenses</b> .....	2140	<b>13,644,779</b>
<b>Net Revenue (Expense)</b> .....	2150	<b>3,881,182</b>

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	17,687		221,046	
Other General Government.....	2230				
Protective Services	2240				
Police .....	2250				
Fire .....	2260	12,000		42,946	
Disaster and Emergency Measures .....	2270		107,214		
Ambulance and First Aid .....	2280				
Bylaws Enforcement .....	2290	21,774			
Other Protective Services.....	2300				
Transportation	2310				
Common and Equipment Pool .....	2320				
Roads, Streets, Walks, Lighting .....	2330	167,897	4,025,207	2,087,701	107,902
Airport .....	2340			777,034	
Public Transit .....	2350				
Storm Sewers and Drainage .....	2360				10,811
Other Transportation .....	2370				
Environmental Use and Protection	2380				
Water Supply and Distribution .....	2390	154,329	134,197		85,492
Wastewater Treatment and Disposal .....	2400	37,465			
Waste Management .....	2410	7,808			
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				
Economic/Agricultural Development .....	2500	42,424		36,891	
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				
Electric .....	2607				
Other .....	2610				
<b>Total</b>	2620	461,384	4,266,618	3,165,618	204,205



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	197,921			
Other General Government.....	2730				
Protective Services	2740				
Police .....	2750				
Fire .....	2760	46,409			
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	6,158,555			142,929
Airport .....	2840				
Public Transit .....	2850				
Storm Sewers and Drainage .....	2860				60,826
Other Transportation .....	2870				
Environmental Use and Protection	2880				
Water Supply and Distribution .....	2890				307,378
Wastewater Treatment and Disposal .....	2900				
Waste Management .....	2910				
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	101,404			
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				
Electric .....	3107				
Other .....	3110				
<b>Total</b>	<b>3120</b>	<b>6,504,289</b>			<b>511,133</b>

CHANGE IN TANGIBLE CAPITAL ASSETS

Schedule 9G

		Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
<b>Tangible Capital Assets - Cost</b>					
Engineered Structures	3200				
Roadway Systems.....	3201	162,391,500	4,344,272	-722,094	167,457,866
Light Rail Transit Systems.....	3202				
Water Systems.....	3203	9,642,765	34,597		9,677,362
Wastewater Systems.....	3204	1,748,869			1,748,869
Storm Systems.....	3205				
Fibre Optics.....	3206				
Electricity Systems.....	3207				
Gas Distribution Systems.....	3208				
Total Engineered Structures .....	3210	173,783,134	4,378,869	-722,094	178,884,097
Construction In Progress.....	3219	219,842	947,315	775,364	391,793
Buildings .....	3220	7,705,713		10,487	7,695,226
Machinery and Equipment .....	3230	8,972,439	720,948	357,854	9,335,533
Land .....	3240	3,249,136		137,274	3,111,862
Land Improvements.....	3245	60,768			60,768
Vehicles .....	3250	2,249,422	457,157	233,610	2,472,969
<b>Total Capital Property Cost</b>	3260	196,240,454	6,504,289	792,495	201,952,248
<b>Accumulated Amortization</b>					
Engineered Structures	3270				
Roadway Systems	3271	135,076,669	1,717,153	1,698	136,792,124
Light Rail Transit Systems	3272				
Water Systems	3273	927,962	411,730		1,339,692
Wastewater Systems	3274	678,867	53,800		732,667
Storm Systems	3275				
Fibre Optics	3276				
Electricity Systems	3277				
Gas Distribution Systems	3278				
Engineered Structures .....	3280	136,683,498	2,182,683	1,698	138,864,483
Buildings .....	3290	1,060,546	160,804	5,649	1,215,701
Machinery and Equipment .....	3300	4,878,294	682,122	353,925	5,206,491
Land .....	3310				
Land Improvements.....	3315	48,903	1,519		50,422
Vehicles .....	3320	1,514,121	138,488	220,459	1,432,150
<b>Total Accumulated Amortization</b>	3330	144,185,362	3,165,616	581,731	146,769,247
<b>Net Book Value of Capital Property</b>	3340	52,055,092			55,183,001
<b>Capital Long Term Debt (Net)</b>	3350	4,360,578			3,956,641
<b>Equity in Tangible Capital Assets</b>	3400	47,694,514			51,226,360

**LONG TERM DEBT SUPPORT**

**Schedule 9H**

		Operating Purposes 1	Capital Purposes 2	Total 3
<b>Long Term Debt Support</b>	3405			
Supported by General Tax Levies .....	3410		6,351,174	6,351,174
Supported by Special Levies .....	3420			
Supported by Utility Rates .....	3430			
Other .....	3440			
<b>Total Long Term Debt Principal Balance</b>	3450		6,351,174	6,351,174

**LONG TERM DEBT SOURCES**

**Schedule 9I**

		Operating Purposes 1	Capital Purposes 2	Total 3
Alberta Capital Finance Authority.....	3500		5,343,174	5,343,174
Canada Mortgage and Housing Corporation .....	3520			
Mortgage Borrowing .....	3600			
Other .....	3610		1,008,000	1,008,000
<b>Total Long Term Debt Principal Balance</b>	3620		6,351,174	6,351,174

**FUTURE LONG TERM DEBT REPAYMENTS**

**Schedule 9J**

		Operating Purposes 1	Capital Purposes 2	Total 3
<b>Principal Repayments by Year</b>	3700			
Current + 1 .....	3710		523,565	523,565
Current + 2 .....	3720		536,402	536,402
Current + 3 .....	3730		549,655	549,655
Current + 4 .....	3740		563,340	563,340
Current + 5 .....	3750		361,791	361,791
Thereafter .....	3760		3,816,421	3,816,421
<b>Total Principal</b>	3770		6,351,174	6,351,174
<b>Interest by Year</b>	3780			
Current + 1 .....	3790		188,066	188,066
Current + 2 .....	3800		171,523	171,523
Current + 3 .....	3810		154,563	154,563
Current + 4 .....	3820		137,171	137,171
Current + 5 .....	3830		126,677	126,677
Thereafter .....	3840		1,362,238	1,362,238
<b>Total Interest</b>	3850		2,140,238	2,140,238

**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	6,824,102	6,824,102
Non-Residential	3920		
Land and Improvements (Excluding M & E).....	3935	762,177	762,177
Machinery and Equipment .....	3950	1,670,245	1,670,245
Linear Property .....	3960	3,203,926	3,203,926
Railway .....	3970	74,028	74,028
Farm Land .....	3980	511,004	511,004
Adjustments to Property Taxes .....	3990		
 Total Property Taxes and Grants In Place	4000	13,045,482	13,045,482
Requisition Transfers		4010	
Education			
Residential/Farm Land .....		4031	1,351,009
Non-Residential .....		4035	1,208,689
Seniors Lodges .....		4090	328,994
Other .....		4100	
Adjustments to Requisition Transfers .....		4110	
 Total Requisition Transfers		4120	2,888,692
 Net Municipal Property Taxes and Grants In Place		4130	10,156,790

**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	19,352,964
Total Debt .....	5710	6,351,174
Debt Service Limit .....	5720	3,225,494
Total Debt Service Costs .....	5730	711,632

Enter Prior year's Line 3450 Column 2 balance here:

6,862,307
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