

# **MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION**



**ANNUAL GENERAL MEETING**  
**April 22<sup>th</sup>, 2024 – 9:00 AM**

Mountain View County Office



## **A G E N D A**

### **Annual General Meeting**

**9:00 am – Monday April 22<sup>nd</sup>, 2024**

### **Mountain View County Offices**

**1.0 Call to Order - Chair**

**2.0 Agenda**

- Additions or deletions of the agenda
- Adoption of Agenda

**3.0 Business**

**3.1 Presentation of 2023 Financial Statements**

- Jeff Alliston, CPA, CA to review
  - Metrix Group LLP Presentation – Audit Overview
  - 2023 Audited Financial Statements
  - 2023 Audit Findings report
  - Management representation letter

**4.0 Adjournment**



# Mountain View Regional Waste Management Commission

## Request for Decision

**Meeting Date:** April 22<sup>nd</sup>, 2024 AGM

**Reference:** 100/2024.01AGM

**TITLE:** 3.1 – 2023 Audited Financial Statements

**RECOMMENDATION:**

**THAT the MVRWMC Board accept the Audited financial statements for the year ending December 31<sup>st</sup>, 2023, as presented by the Commission's independent auditors.**

### Presentation of 2023 Draft Financial Statements

The draft of the audited financial statements, and audit finding report are attached for the Board's review. These statements are prepared by management and reflect the financial position of the Commission as at December 31<sup>st</sup>, 2023.

Management worked closely with Metrix Group LLP to ensure that the audit team was provided with all necessary information to complete their work. Jeff Alliston, CPA, CA, Partner with Metrix Group LLP will present an overview of the audit findings and financial statements.

Upon review of both the draft audited financial statements, and the 2023 audit findings letter, Administration recommends the board accept the financial statements to be filed with the Municipal Affairs as required by the provisions of the MGA.

### Attachments:

1. Metrix Group LLP – 2023 Financial Audit Overview Presentation
2. Draft Audited Financial Statements as at December 31<sup>st</sup>, 2023.
3. Metrix Group LLP – 2023 Audit Findings Report

Prepared: Michael Wuetherick, P.Eng., Chief Administrative Officer, MVRWMC

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# **MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION**

## **2023 PRESENTATION TO THE BOARD**

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**Jeff Alliston, CPA, CA**  
**Partner**



# AUDIT OVERVIEW

- ENHANCE DEGREE OF CONFIDENCE OF INTENDED USERS
- ACHIEVED BY AUDITOR EXPRESSING OPINION
- WHETHER FS PRESENT FAIRLY, IN ALL MATERIAL RESPECTS
  - WHETHER DUE TO FRAUD OR ERROR
- AUDITOR SEEKING REASONABLE ASSURANCE
  - HIGH LEVEL OF ASSURANCE
  - NOT ABSOLUTE ASSURANCE
  - MOST EVIDENCE PERSUASIVE NOT CONCLUSIVE
- AUDITOR EXERCISES PROFESSIONAL JUDGEMENT
- AUDITOR MAINTAINS PROFESSIONAL SKEPTICISM
  - QUESTIONING MIND
  - ALERT TO CONDITIONS WHICH MAY INDICATE POSSIBLE MISSTATEMENT
  - CRITICAL ASSESSMENT OF AUDIT EVIDENCE

# INDEPENDENT AUDITORS' REPORT

- OUR OPINION
  - PRESENT FAIRLY IN ALL MATERIAL RESPECTS
- BASIS FOR OPINION
  - IN ACCORDANCE WITH CANADIAN GAAS
- RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE
  - PREPARATION AND FAIR PRESENTATION
  - IN ACCORDANCE WITH CANADIAN PSAS
  - RESPONSIBLE FOR ASSESSING ABILITY TO CONTINUE AS A GOING CONCERN
- AUDITORS' RESPONSIBILITIES FOR THE AUDIT
  - OBTAIN REASONABLE ASSURANCE
  - ARE FREE FROM MATERIAL MISSTATEMENT
  - PROCEDURES DEPEND ON AUDITORS' JUDGEMENT
  - CONSIDER RELEVANT INTERNAL CONTROLS
  - EVALUATE ACCOUNTING POLICIES / ESTIMATES

# STATEMENT OF FINANCIAL POSITION

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,906,410	\$ 918,329
Accounts receivable	289,475	539,348
Investments	977,703	894,337
	<b>A</b> 3,173,588	2,352,014
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	237,644	238,583
Obligations under capital lease	485,402	542,306
Long term debt	191,431	265,272
Asset retirement obligations	1,243,735	1,182,033
	<b>B</b> 2,158,212	2,228,194
<b>NET FINANCIAL ASSETS</b>	<b>A - B</b> 1,015,376	123,820
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	5,133,244	5,724,575
Inventory for consumption	1,343	-
Prepaid expenses and deposits	46,655	42,948
	<b>D</b> 5,181,242	5,767,523
<b>ACCUMULATED SURPLUS</b>	<b>C+D</b> \$ 6,196,618	\$ 5,891,343

# LONG TERM DEBT

	2023	2022
Debtures	\$ 191,431	\$ 265,272
Principal repayments required within 12 months	\$ 75,386	\$ 73,841
Principal repayments required beyond 12 months	116,045	191,431
Portion of total liability remaining to be recognized	\$ 191,431	\$ 265,272

# DEBT LIMIT

	2023	2022
Total debt limit		
Total debt	\$ 7,076,046	\$ 6,763,614
Amount of debt limit unused	(676,833)	(807,578)
	6,399,213	5,956,036
Debt servicing limit		
Debt servicing	\$ 1,238,308	\$ 1,183,632
Amount of debt servicing limit unused	(144,000)	(143,999)
	\$ 1,094,308	\$ 1,039,633

# STATEMENT OF FINANCIAL POSITION

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# NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS

	Opening Balance	Restatement	Additions	Amortization	Ending Balance
Land	\$ 618,217	\$ -	\$ -	-	\$ 618,217
Buildings	312,382	85,799	-	(24,566)	373,615
Land Improvements	2,083,156	192,532	-	(181,712)	2,093,976
Vehicles	181,815	-	-	(38,522)	143,293
Machinery & Equipment	2,250,674	-	15,000	(361,531)	1,904,143
	<b>\$ 5,446,244</b>	<b>\$ 278,331</b>	<b>\$ 15,000</b>	<b>\$ (606,331)</b>	<b>\$ 5,133,244</b>

# STATEMENT OF FINANCIAL POSITION

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<b>ACCUMULATED SURPLUS</b>	<b>C+D</b> \$ 6,196,618	\$ 5,891,343



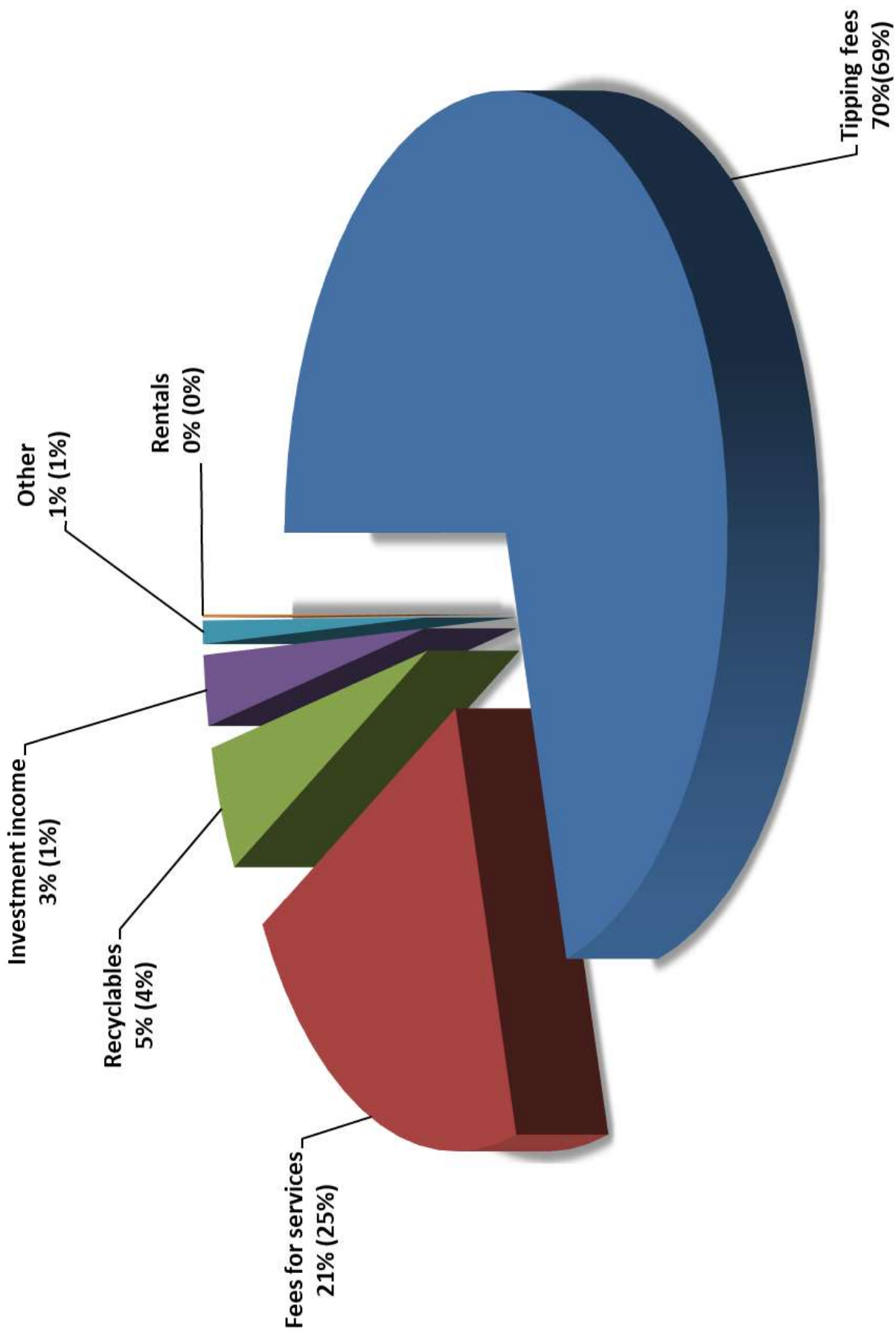
# ACCUMULATED SURPLUS

	2023	2022
Unrestricted surplus	\$ 1,180,166	\$ 645,146
Restricted surplus		
Landfill closure and post closure reserve	904,067	879,067
Recycling reserve	231,656	231,656
Capital reserve	668,053	400,510
Total reserves	1,803,776	1,511,233
Equity in tangible capital assets	3,212,676	3,734,964
<b>BALANCE, END OF YEAR</b>	<b>\$ 6,196,618</b>	<b>\$ 5,891,343</b>

# OPERATING REVENUE

	2023 (Budget)	2023 (Actual)	2022 (Actual)
<b>REVENUE</b>			
Tipping fees	\$ 2,291,569	\$ 2,497,102	\$ 2,321,550
Fees for service	744,152	753,399	855,816
Recyclables	114,507	162,525	139,815
Investment income	4,000	91,081	27,476
Other	18,621	30,116	33,350
Rentals	-	3,800	3,800
	\$ 3,172,849	\$ 3,538,023	\$ 3,381,807

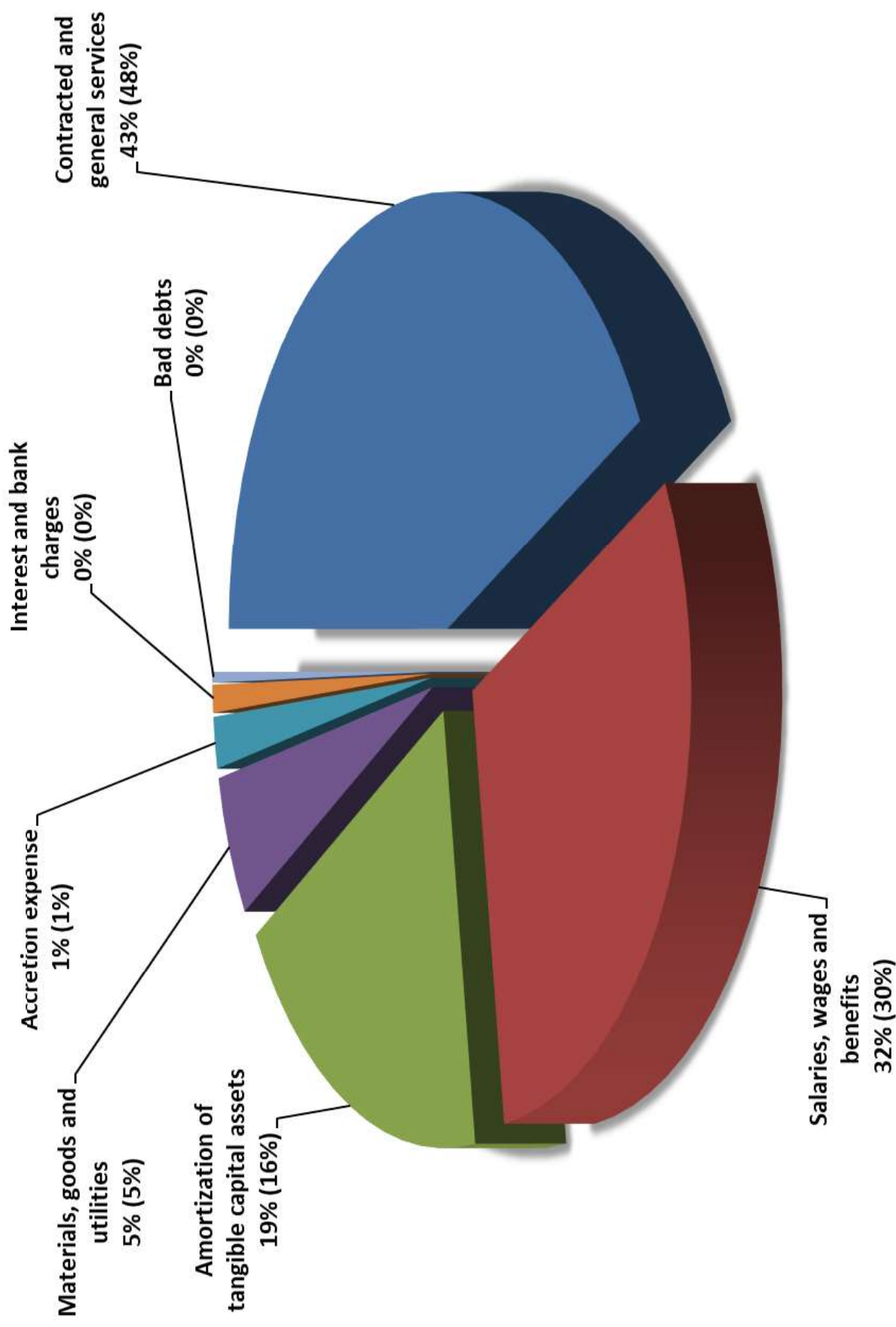
# OPERATING REVENUE



# EXPENSES BY OBJECT

	2023 (Budget)	2023 (Actual)	2022 (Actual)
<b>EXPENSES</b>			
Contracted and general services	\$ 1,512,276	\$ 1,361,392	\$ 1,569,987
Salaries, wages and benefits	915,011	987,902	950,424
Amortization of tangible capital assets	389,423	606,331	522,179
Materials, goods and utilities	199,807	169,233	174,277
Accretion expense	-	61,702	58,641
Interest on long term debt	28,872	33,330	18,873
Interest and bank charges	12,000	12,858	12,111
Bad debts	1,000	-	261
	<u>\$ 3,058,389</u>	<u>\$ 3,232,748</u>	<u>\$ 3,306,753</u>

# EXPENSES BY OBJECT



# OTHER INCOME (EXPENSES)

	2023 (Budget)	2023 (Actual)	2022 (Actual)
<b>ANNUAL SURPLUS BEFORE OTHER INCOME</b>	\$ 114,460	\$ 305,275	\$ 75,054
<b>OTHER INCOME (EXPENSES)</b>			
Landfill closure and post-closure provision	(25,000)	-	-
Loss on disposal of tangible capital assets	-	-	(215,200)
	(25,000)	-	(215,200)
<b>ANNUAL SURPLUS (DEFICIT)</b>	89,460	305,275	(140,146)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>	-	6,231,960	6,253,813
Restatement	-	(340,617)	(222,324)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR RESTATED</b>	5,891,343	5,891,343	6,031,489
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	\$ 5,980,803	\$ 6,196,618	\$ 5,891,343

# SUMMARY

## □ ANNUAL SURPLUS (DEFICIT)

\$305,275 (2022 – (\$140,146))

## □ NET FINANCIAL ASSETS

\$1,015,376 (2022 – \$ 123,820)

## □ AUDIT FINDINGS REPORT TO BOARD (see report)

- RESTATEMENT FOR IMPLEMENTATION OF ASSET RETIREMENT OBLIGATIONS
- NO SIGNIFICANT CONTROL DEFICIENCIES
- NO UNUSUAL ACCOUNTING POLICIES / ESTIMATES
- NO SIGNIFICANT DIFFICULTIES
- UNRECORDED MISSTATEMENTS

## □ THANK YOU TO MANAGEMENT & STAFF

## □ QUESTIONS?

**MOUNTAIN VIEW REGIONAL WASTE  
MANAGEMENT COMMISSION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**



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## INDEPENDENT AUDITORS' REPORT

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To the Members of Mountain View Regional Waste Management Commission

### *Opinion*

We have audited the accompanying financial statements of Mountain View Regional Waste Management Commission (the Commission), which comprise the statement of financial position as at December 31, 2023, the statements of operations and accumulated surplus, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2023, the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

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

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

In preparing the financial statements, management is responsible for assessing the Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

(continues)

*Auditors' Responsibilities for the Audit of the Financial Statements*

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

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

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

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.

Chartered Professional Accountants

Edmonton, Alberta  
April 22, 2024

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibility for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The appointed Board of Directors of Mountain View Regional Waste Management Commission are composed entirely of individuals who are neither management nor employees of the Commission. The Board has the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Board is also responsible for the appointment of the Commission's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board to audit the financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Board and management to discuss their audit findings.

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Michael Wuetherick  
Chief Administrative Officer

April 22, 2024

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION****Statement of Financial Position****For the Year Ended December 31, 2023**

	<b><u>2023</u></b>	<b><u>2022</u></b> <b>(Restated)</b> <b>(Note 17)</b>
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 1,906,410	\$ 918,329
Accounts receivable (Note 3)	289,475	539,348
Investments (Note 4)	<u>977,703</u>	<u>894,337</u>
	<u>3,173,588</u>	<u>2,352,014</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	237,644	238,583
Obligations under capital lease (Note 6)	485,402	542,306
Long term debt (Note 7)	191,431	265,272
Asset retirement obligations (Note 8)	<u>1,243,735</u>	<u>1,182,033</u>
	<u>2,158,212</u>	<u>2,228,194</u>
<b>NET FINANCIAL ASSETS</b>	<u>1,015,376</u>	<u>123,820</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	5,133,244	5,724,575
Inventory for consumption	1,343	-
Prepaid expenses and deposits	<u>46,655</u>	<u>42,948</u>
	<u>5,181,242</u>	<u>5,767,523</u>
<b>ACCUMULATED SURPLUS (Note 10)</b>	<u>\$ 6,196,618</u>	<u>\$ 5,891,343</u>

**ON BEHALF OF THE BOARD:**\_\_\_\_\_  
*Director*\_\_\_\_\_  
*Director*

The accompanying notes are an integral part of these financial statements.

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION**  
**Statement of Operations and Accumulated Surplus**  
**For the Year Ended December 31, 2023**

	<u>2023</u> (Budget) (Note 16)	<u>2023</u> (Actual)	<u>2022</u> (Restated) (Note 17)
<b>REVENUE</b>			
Tipping fees	\$ 2,291,569	\$ <b>2,497,102</b>	\$ 2,321,550
Fees for service	744,152	<b>753,399</b>	855,816
Recyclables	114,507	<b>162,525</b>	139,815
Investment income	4,000	<b>91,081</b>	27,476
Other	18,621	<b>30,116</b>	33,350
Rentals	<u>-</u>	<u><b>3,800</b></u>	<u>3,800</u>
	<u>3,172,849</u>	<u><b>3,538,023</b></u>	<u>3,381,807</u>
<b>EXPENSES</b>			
Contracted and general services	1,512,276	<b>1,361,392</b>	1,569,987
Salaries, wages and benefits	915,011	<b>987,902</b>	950,424
Amortization of tangible capital assets	389,423	<b>606,331</b>	522,179
Materials, goods and utilities	199,807	<b>169,233</b>	174,277
Accretion expense	-	<b>61,702</b>	58,641
Interest on long term debt	28,872	<b>33,330</b>	18,873
Interest and bank charges	12,000	<b>12,858</b>	12,111
Bad debts	<u>1,000</u>	<u>-</u>	<u>261</u>
	<u>3,058,389</u>	<u><b>3,232,748</b></u>	<u>3,306,753</u>
<b>ANNUAL SURPLUS BEFORE OTHER INCOME</b>	<u>114,460</u>	<u><b>305,275</b></u>	<u>75,054</u>
<b>OTHER INCOME (EXPENSES)</b>			
Landfill closure and post-closure provision	(25,000)	-	-
Loss on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>(215,200)</u>
	<u>(25,000)</u>	<u>-</u>	<u>(215,200)</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	89,460	<b>305,275</b>	(140,146)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	-	<b>6,231,960</b>	6,253,813
Restatement (Note 17)	<u>-</u>	<u><b>(340,617)</b></u>	<u>(222,324)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS RESTATED</b>	<u>5,891,343</u>	<u><b>5,891,343</b></u>	<u>6,031,489</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 5,980,803</u>	<u><b>\$ 6,196,618</b></u>	<u>\$ 5,891,343</u>

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION**  
**Statement of Changes in Net Financial Assets**  
**For the Year Ended December 31, 2023**

	<u>2023</u> (Budget) (Note 16)	<b>2023</b> (Actual)	<u>2022</u> (Restated) (Note 17)
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ <u>89,460</u>	\$ <b>305,275</b>	\$ <u>(140,146)</u>
Acquisition of tangible capital assets	-	<b>(15,000)</b>	(1,130,042)
Proceeds on disposal of tangible capital assets	-	-	200,000
Amortization of tangible capital assets	389,423	<b>606,331</b>	522,179
Loss on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>215,200</u>
	<u>389,423</u>	<u><b>591,331</b></u>	<u>(192,663)</u>
Use (acquisition) of inventory for consumption	-	<b>(1,343)</b>	4,101
Use (acquisition) of prepaid expenses and deposits	<u>-</u>	<u><b>(3,707)</b></u>	<u>(5,975)</u>
	<u>-</u>	<u><b>(5,050)</b></u>	<u>(1,874)</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<u>478,883</u>	<u><b>891,556</b></u>	<u>(334,683)</u>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>123,820</u>	<u><b>123,820</b></u>	<u>458,503</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ <u><u>602,703</u></u>	\$ <u><u><b>1,015,376</b></u></u>	\$ <u><u>123,820</u></u>

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION****Statement of Cash Flows****For the Year Ended December 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ 305,275	\$ (140,146)
Amortization of tangible capital assets	606,331	522,179
Asset retirement obligations accretion expense	61,702	58,641
Loss on disposal of tangible capital assets	<u>-</u>	<u>215,200</u>
	<u>973,308</u>	<u>655,874</u>
Change in non-cash working capital:		
Accounts receivable	249,873	(11,677)
Accounts payable and accrued liabilities	(939)	16,438
Inventory for consumption	(1,343)	4,101
Prepaid expenses and deposits	<u>(3,707)</u>	<u>(5,975)</u>
	<u>243,884</u>	<u>2,887</u>
	<u>1,217,192</u>	<u>658,761</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(466,631)	(506,665)
Proceeds from disposal of investments	<u>383,265</u>	<u>490,000</u>
	<u>(83,366)</u>	<u>(16,665)</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(15,000)	(1,130,042)
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>200,000</u>
	<u>(15,000)</u>	<u>(930,042)</u>
<b>FINANCING ACTIVITIES</b>		
Repayment of obligations under capital lease	(56,904)	(33,194)
Repayment of long term debt	(73,841)	(72,328)
Proceeds from capital lease	<u>-</u>	<u>575,500</u>
	<u>(130,745)</u>	<u>469,978</u>
<b>INCREASE IN CASH FLOWS</b>	<b>988,081</b>	<b>182,032</b>
<b>CASH, BEGINNING OF YEAR</b>	<u><b>918,329</b></u>	<u><b>736,297</b></u>
<b>CASH, END OF YEAR</b>	<u><b>\$ 1,906,410</b></u>	<u><b>\$ 918,329</b></u>

# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

Schedule 1

## Schedule of Tangible Capital Assets

For the Year Ended December 31, 2023

	Land	Buildings	Land Improvements	Vehicles	Machinery & Equipment	2023	2022 (Restated) (Note 17)
<b>COST:</b>							
Balance, Beginning of Year	\$ 618,217	\$ 577,679	\$ 7,275,346	\$ 258,569	\$ 3,799,807	\$ 12,529,618	\$ 12,094,324
Restatement (Note 17)	-	158,698	329,402	-	-	488,100	488,100
Balance, Beginning of Year, as Restated	618,217	736,377	7,604,748	258,569	3,799,807	13,017,718	12,582,424
Acquisition of tangible capital assets	-	-	-	-	15,000	15,000	1,130,042
Disposal of tangible capital assets	-	-	-	-	-	-	(694,748)
Balance, End of Year	618,217	736,377	7,604,748	258,569	3,814,807	13,032,718	13,017,718
<b>ACCUMULATED AMORTIZATION:</b>							
Balance, Beginning of Year	-	265,297	5,192,190	76,754	1,549,133	7,083,374	6,853,367
Restatement (Note 17)	-	72,899	136,870	-	-	209,769	197,145
Balance, Beginning of Year, as Restated	-	338,196	5,329,060	76,754	1,549,133	7,293,143	7,050,512
Amortization	-	24,566	181,712	38,522	361,531	606,331	522,179
Accumulated amortization on disposals	-	-	-	-	-	-	(279,548)
Balance, End of Year	-	362,762	5,510,772	115,276	1,910,664	7,899,474	7,293,143
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	\$ 618,217	\$ 373,615	\$ 2,093,976	\$ 143,293	\$ 1,904,143	\$ 5,133,244	\$ 5,724,575



# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

## Notes to Financial Statements

Year Ended December 31, 2023

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### PURPOSE OF COMMISSION

The Mountain View Regional Waste Management Commission (the "Commission") was established under the Municipal Government Act in 2001. The Commission is authorized to provide solid waste management services for six member municipalities. The member municipalities are: the Town of Carstairs, the Town of Didsbury, the Town of Olds, the Town of Sundre, the Village of Cremona, and Mountain View County.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenses, and change in financial position of the Commission.

#### (b) Basis of Presentation

These financial statements have been prepared in accordance with Canadian public sector accounting standards.

#### (c) Revenue Recognition

Government transfers are recognized as revenues when the transfer is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made. Government transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria have been met.

Municipal requisitions are based on an agreement where the Commission requests funding as required. The requisition amounts are allocated to each member municipality on a per capita basis.

Tipping fees, recyclables and other fees are recognized as revenue in the period in which the service is delivered or in which the transactions or events occurred that gave rise to the revenue.

Investment income is recognized as revenue in the period earned.

#### (d) Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement tangible capital assets. Asset retirement activities include all activities related to an asset retirement obligation. These may include, but are not limited to:

- Decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- Remediation of contamination of a tangible capital asset created by its normal use;
- Post-retirement activities such as monitoring; and
- Constructing other tangible capital assets to perform post-retirement activities.

Asset retirement obligations are initially measured at the later of the date of acquisition or legislative obligation. When a liability for an asset retirement obligation is recognized, the asset retirement costs are added to the carrying amount of the related tangible capital asset in productive use and are amortized over the estimated useful life of the related tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets or for tangible capital assets no longer in productive use are expensed in the statement of operations.

*(Continues)*

# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

## Notes to Financial Statements

Year Ended December 31, 2023

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (d) Asset Retirement Obligations (Continued)

When the future retirement date is unknown, the asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability. When the future retirement date is known, a present value technique is used to measure the liability. Subsequent to the initial measurement, the asset retirement obligation is adjusted to reflect the passage of time and changes in the estimated future cash flows underlying the obligation and is recognized as an accretion expense in the statement of operations.

#### (e) Pension Expenditure

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

#### (f) Use of Estimates

The preparation of 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 revenues and expenditures during the period. Actual results could differ from those estimates.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. The amounts recorded for valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, future cash flows associated with asset retirement obligations, and accrued liabilities are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the financial statements.

#### (g) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of services. They have useful lives existing 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 change in net debt for the year.

#### I. Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. The Commission provides for amortization using the straight-line method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. Amortization rates are as follows:

Buildings	15 - 50 years
Land improvements	10 - 40 years
Machinery and Equipment	5 - 15 years
Vehicles	5 - 10 years

In the year of acquisition and in the year of disposal, amortization is calculated at one-half the normal rates. Assets under construction are not amortized until the asset is available for productive use.

Included in land improvements are landfill cell development costs which are amortized based on the volume of landfill capacity used.

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# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

## Notes to Financial Statements

Year Ended December 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (g) Non-Financial Assets (Continued)

##### II. Contribution of Tangible Capital Assets

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

##### III. Leases

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

##### IV. Inventory

Inventories of materials and supplies for consumption are valued at the lower of cost and net realizable value with cost determined by the average cost method.

#### (h) Change in Accounting Policies

Effective January 1, 2023, the Commission adopted Canadian public sector accounting standards PS 2601 Foreign Currency Translation, PS 3401 Portfolio Investments, PS 3450 Financial Instruments and PS 1201 Financial Statement Presentation. Adoption of these standards had no effect on the Commission's financial statements.

#### (i) Future Accounting Standard Pronouncements

The following summarizes upcoming changes to *Public Sector Accounting Standards*. The Commission will continue to assess the impact and prepare for the adoption of these standards.

##### i) Public Private Partnerships

PS 3160, Public Private Partnerships, establishes standards on how to account for public private partnership arrangements (recognition of infrastructure assets and the corresponding liability to the private partnership) along with the disclosure and presentation requirements. This standard is applicable to fiscal years beginning on or after April 1, 2023.

##### ii) Revenue

PS 3400, Revenue, establishes standards on how to account for and report revenue differentiating between revenue arising from transactions that include performance obligations and transactions that do not. This standard is applicable to fiscal years beginning on or after April 1, 2023.

##### iii) Purchased Intangible Assets

PSG-8, Purchased Intangible Assets, provides guidance regarding the recognition, measurement, and disclosure of purchased intangible assets in relation to the conceptual framework for financial reporting in the public sector. This guideline is applicable to fiscal years beginning on or after April 1, 2023.

##### iv) Financial Statement Presentation

PS 1202, Financial Statement Presentation, sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement principles are based on the concepts in the Conceptual Framework for Financial Reporting in the Public Sector. This standard is applicable to fiscal years beginning on or after April 1, 2026.

## MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

### Notes to Financial Statements

Year Ended December 31, 2023

#### 2. CASH

The Commission has a policy to restrict cash and investments sufficient to fund the asset retirement obligation. As at December 31, 2023 the asset retirement obligation liability is \$1,243,735 (2022 - \$1,182,033) as described in Note 8. The Commission plans to have sufficient cash and investments on hand to fund the obligation at the time the sites are closed, however in the interim there may be times when cash and investments are less than the asset retirement obligations. Therefore, the Board has restricted additional cash and investments to cover future asset retirement obligations, capital and recycling reserves of \$1,803,776 (2022 - \$1,511,233) Note 10. As at December 31, 2023 the Commission had \$1,906,410 and \$977,703 in cash and investments totaling \$2,884,113 (2022 - \$1,812,666).

The Commission has access to an operating line of credit of \$100,000 bearing interest at prime plus 0.25%. There was no amount withdrawn for 2023 or 2022.

#### 3. ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Trade	\$ 275,721	\$ 237,794
Goods and Services Tax recoverable	<u>13,754</u>	<u>301,554</u>
	<u>\$ 289,475</u>	<u>\$ 539,348</u>

#### 4. INVESTMENTS

	<u>2023</u>	<u>2022</u>
Guaranteed investment certificates	<u>\$ 977,703</u>	<u>\$ 894,337</u>

Guaranteed investment certificates maturing between July 2024 and October 2028 (2022 - September 2023 to September 2025), with interest rates varying between 4.37% and 5.36% (2022 - 1.12% and 4.61%), with an option to convert to cash with monetary penalty. The purpose of this investment is to cover future asset retirement obligations.

#### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
Trade payables	\$ 100,302	\$ 118,849
Wages payable	<u>90,397</u>	<u>77,497</u>
Vacation accrual	<u>46,945</u>	<u>42,237</u>
	<u>\$ 237,644</u>	<u>\$ 238,583</u>

# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

## Notes to Financial Statements

Year Ended December 31, 2023

### 6. OBLIGATIONS UNDER CAPITAL LEASE

	<u>2023</u>	<u>2022</u>
Obligation under capital lease, repayable in \$5,689 blended monthly payments, expires May 2032, secured by the specific leased asset with a net book value of \$914,175 (2022 - \$1,021,725).	<u>\$ 485,402</u>	<u>\$ 542,306</u>

Minimum principal and interest payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 53,413	\$ 11,608	\$ 65,021
2025	54,749	10,272	65,021
2026	56,119	8,902	65,021
2027	57,523	7,498	65,021
2028	58,963	6,058	65,021
Thereafter	<u>204,635</u>	<u>9,338</u>	<u>213,973</u>
	<u>\$ 485,402</u>	<u>\$ 53,676</u>	<u>\$ 539,078</u>

### 7. LONG TERM DEBT

			<u>2023</u>	<u>2022</u>
<b>Debentures</b>	<b>Rate</b>	<b>Maturing</b>		
Province of Alberta	2.081%	March 2026	<u>\$ 191,431</u>	<u>\$ 265,272</u>

Principal and interest payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 75,386	\$ 3,593	\$ 78,979
2025	76,963	2,016	78,979
2026	<u>39,082</u>	<u>407</u>	<u>39,489</u>
	<u>\$ 191,431</u>	<u>\$ 6,016</u>	<u>\$ 197,447</u>

(Continues)

## MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

### Notes to Financial Statements

Year Ended December 31, 2023

#### 7. LONG TERM DEBT (CONTINUED)

Section 3 of Alberta Regulation No. 76/2000 requires that debt and debt limits for the Commission be disclosed as follows:

	<u>2023</u>	<u>2022</u>
Total debt limit	\$ 7,076,046	\$ 6,763,614
Total debt	<u>(676,833)</u>	<u>(807,578)</u>
Total debt limits available	<u>\$ 6,399,213</u>	<u>\$ 5,956,036</u>
Service on debt limit	\$ 1,238,308	\$ 1,183,632
Service on debt	<u>(144,000)</u>	<u>(143,999)</u>
Service on debt limit available	<u>\$ 1,094,308</u>	<u>\$ 1,039,633</u>

The debt limit is calculated at 2 times revenue of the Commission (as defined in Alberta Regulation No. 76/2000) and the debt service limit is calculated at 0.35 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 commissions that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Commission. Rather, the financial statements must be interpreted as a whole.

#### 8. ASSET RETIREMENT OBLIGATIONS

Tangible capital assets with associated retirement obligations include land improvements and buildings.

The Commission has asset retirement obligations to remove various hazardous materials including, asbestos, lead, mercury, and mold from various buildings under its control. Regulations require the Commission to handle and dispose of these materials in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although the timing of the removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the Commission to remove the materials when the asset retirement activities occur.

The Commission has asset retirement obligations pursuant to the *Environmental Enhancement and Protection Act* (Alberta) to fund the closure of its landfill sites and provide for the post-closure care of the facilities. Closure and post-closure activities include the final covering and landscaping, surface and ground water monitoring, leachate control, site inspection, and maintenance. The Commission is required to provide closure care upon closure of the landfill and to provide post-closure care for 25 years subsequent to closure.

The Commission has asset retirement obligations pursuant to the *Environmental Enhancement and Protection Act* (Alberta) to fund the future reclamation of its work sites. Reclamation activities include the final soil cover, landscaping, and visual inspection. Although, the timing of the work site reclamation is conditional on the length of time until the site is expected to be inactive, regulations create an existing obligation for the Commission to reclaim the work site when the asset retirement activity occur.

(Continues)

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION****Notes to Financial Statements****Year Ended December 31, 2023****8. ASSET RETIREMENT OBLIGATIONS (CONTINUED)**

	<u>2023</u>	<u>2022</u>
Balance, Beginning of Year	\$ 1,182,033	\$ 1,123,392
Net Change for the Year		
Accretion expense	<u>61,702</u>	<u>58,641</u>
Balance, End of Year	<u>\$ 1,243,735</u>	<u>\$ 1,182,033</u>

Asset retirement obligations of \$1,243,735 (2022 - \$1,182,033) was measured using a present value technique. The present value was calculated using estimated total undiscounted cash flow amounting to \$1,710,328 (2022 - \$1,710,328), a discount rate of 5.22% (2022 - 5.22%), an annual inflation of 3.65% (2022 - 3.65%), with retirement and reclamation activities expected to be settled between 2032 and 2068.

**9. EQUITY IN TANGIBLE CAPITAL ASSETS**

	<u>2023</u>	<u>2022</u>
Tangible capital assets cost ( <i>Schedule 1</i> )	\$ 13,032,718	\$ 13,017,718
Accumulated amortization ( <i>Schedule 1</i> )	(7,899,474)	(7,293,143)
Obligations under capital lease ( <i>Note 6</i> )	(485,402)	(542,306)
Long-term debt ( <i>Note 7</i> )	(191,431)	(265,272)
Asset retirement obligations ( <i>Note 8</i> )	<u>(1,243,735)</u>	<u>(1,182,033)</u>
	<u>\$ 3,212,676</u>	<u>\$ 3,734,964</u>

**10. ACCUMULATED SURPLUS**

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$ 1,180,166	\$ 645,146
Restricted surplus		
Landfill closure and post closure reserve	904,067	879,067
Recycling reserve	231,656	231,656
Capital reserve	<u>668,053</u>	<u>400,510</u>
Total reserves ( <i>Note 2</i> )	<u>1,803,776</u>	<u>1,511,233</u>
Equity in tangible capital assets	<u>3,212,676</u>	<u>3,734,964</u>
	<u>\$ 6,196,618</u>	<u>\$ 5,891,343</u>



## MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

### Notes to Financial Statements

Year Ended December 31, 2023

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#### 11. RELATED PARTY TRANSACTIONS

During the year, the Commission entered into transactions with related parties. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The related party transactions are summarized as follows:

As at December 31, 2023, included in accounts receivable is \$20,884 (2022 - \$19,333) due from the member municipalities. As at December 31, 2023, included in accounts payable is \$NIL (2022 - \$NIL) due to member municipalities. The amounts owing are unsecured with no specific terms of repayment and bear interest as may be determined from time to time.

In 2023, \$1,072,945 (2022 - \$1,105,696) of the Commission's operating revenue came from the six member municipalities, either from requisitions or for the services provided by the Commission.

In 2023, \$14,497 (2022 - \$12,943) of the Commission's operating expenses were paid to Mountain View County and the Town of Didsbury.

The Commission is economically dependent on the member municipalities, Alberta Environment and its users for funding.

#### 12. LOCAL AUTHORITIES PENSION PLAN

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

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

Total current and past service contributions made by the Commission to LAPP in 2023 were \$42,191 (2022 - \$44,203). Total current and past service contributions made by the employees of the Commission to the LAPP in 2023 were \$37,694 (2022 - \$39,206).

At December 31, 2022, LAPP disclosed an actuarial surplus of \$12.67 billion (2021 - \$11.92 billion).



## MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

### Notes to Financial Statements

Year Ended December 31, 2023

#### 13. SALARIES AND BENEFITS DISCLOSURE

Disclosures of salaries and benefits of Board members is as follows:

	<u>Salary (1)</u>	<u>Benefits (2)</u>	<u>2023 Total</u>	<u>2022 Total</u>
Board members:				
Councillor Warnock	\$ 750	\$ 336	\$ 1,086	\$ 1,061
Councillor Wilcox	825	154	979	683
Councillor Cummings	750	209	959	831
Councillor Thompson	600	272	872	1,063
Councillor Harris	450	224	674	1,455
Councillor Windsor	450	39	489	795
Councillor Miller	300	-	300	-
Councillor Hagen	150	65	215	-
Councillor Moore	150	13	163	-
Councillor McCoy	-	-	-	150
Councillor Ball	-	-	-	174
	<u>\$ 4,425</u>	<u>\$ 1,312</u>	<u>\$ 5,737</u>	<u>\$ 6,212</u>

(1) Salary includes regular base pay, bonuses, overtime, lump sums, gross honoraria, and any other direct cash remuneration.

(2) Mileage paid to councillors and CPP benefits.

#### 14. FINANCIAL INSTRUMENTS

The Commission's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities, obligations under capital lease and long term debt. It is management's opinion that the Commission is not exposed to significant currency, credit, liquidity or market risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

(a) Credit Risk

The Commission is subject to credit risk with respect to its accounts receivable. Credit risk arises from the possibility that entities to which the Commission provides services may not fulfill their obligations. This risk is minimized by the large proportion of accounts receivable from other government entities.

(B) Interest Rate Risk

The Commission is exposed to interest rate risk to the extent that the carrying value of its obligations under capital leases and long term debt are at fixed interest rates.

#### 15. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board and Management on April 22, 2024.

# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

## Notes to Financial Statements

Year Ended December 31, 2023

### 16. BUDGET FIGURES

The 2023 budget figures which appear in these financial statements were approved by the Board on September 26, 2022. The budget prepared by the Commission reflects all activities including capital projects and reserves for future use. The reconciliation below is provided to encompass these items and is provided for information purposes only.

	<u>2023</u> (Budget)	<u>2023</u> (Actual)	<u>2022</u> (Actual)
Annual surplus	\$ 89,460	\$ 305,275	\$ (140,146)
Add back (deduct):			
Net transfers (to) from reserves	52,562	(292,543)	(275,168)
Proceeds on disposal of tangible capital assets	-	-	200,000
Proceeds from capital lease	-	-	575,500
Principal debt repayments	(73,841)	(73,841)	(72,328)
Obligations under capital lease	-	(56,904)	(33,194)
Acquisition of tangible capital assets	-	(15,000)	(1,130,042)
Annual Surplus (deficit)	\$ <u>68,181</u>	\$ <u>(133,013)</u>	\$ <u>(816,737)</u>

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION****Notes to Financial Statements****Year Ended December 31, 2023****17. RESTATEMENT - PS 3280 ASSET RETIREMENT OBLIGATION STANDARD ADOPTION**

Effective January 1, 2023, the Commission adopted Canadian public sector accounting standard 3280, *Asset Retirement Obligations*, and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

On January 1, 2022, the effective date of public sector accounting standard 3280, the Commission recognized the following to conform to the new standard:

- Asset retirement obligation, adjusted for accumulated accretion to the effective date;
- Asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- Accumulated amortization on the capitalized cost; and
- Adjustment to the opening balance of accumulated surplus.

Comparative figures have been restated as follows.

	<u>As Previously Stated</u>	<u>Restatement</u>	<u>As Restated</u>
<b>Statement of financial position</b>			
<b>Assets</b>			
Cash	\$ 918,329	\$ -	\$ 918,329
Accounts receivable	539,348	-	539,348
Investments	894,337	-	894,337
	<u>2,352,014</u>	<u>-</u>	<u>2,352,014</u>
<b>Liabilities</b>			
Accounts payable and other accrued liabilities	238,583	-	238,583
Obligations under capital lease	542,306	-	542,306
Long term debt	265,272	-	265,272
Landfill closure and post-closure liability	563,085	(563,085)	-
Asset retirement obligation	-	1,182,033	1,182,033
	<u>1,609,246</u>	<u>618,948</u>	<u>2,228,194</u>
<b>Net financial assets (debt)</b>	<u>742,768</u>	<u>(618,948)</u>	<u>123,820</u>
<b>Non-financial assets</b>			
Tangible capital assets	5,446,244	278,331	5,724,575
Prepaid expense and deposits	42,948	-	42,948
	<u>5,489,192</u>	<u>278,331</u>	<u>5,767,523</u>

(Continues)

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION**

**Notes to Financial Statements**

**Year Ended December 31, 2023**

**17. RESTATEMENT - PS 3280 ASSET RETIREMENT OBLIGATION STANDARD ADOPTION  
(CONTINUED)**

**Statement of operations and accumulated surplus**

**Revenues**

Tipping fees	\$ 2,321,550	\$ -	\$ 2,321,550
Fees for service	855,816	-	855,816
Recyclables	139,815	-	139,815
Other	33,350	-	33,350
Investment income	27,476	-	27,476
Rentals	3,800	-	3,800
	<u>3,381,807</u>	<u>-</u>	<u>3,381,807</u>

**Expenses**

Contracted and general services	1,569,987	-	1,569,987
Salaries, wages and benefits	950,424	-	950,424
Amortization of tangible capital assets	509,555	12,624	522,179
Materials, goods and utilities	174,277	-	174,277
Accretion expense	-	58,641	58,641
Interest on long term debt	18,873	-	18,873
Interest and bank charges	12,111	-	12,111
Bad debts	261	-	261
	<u>3,235,488</u>	<u>71,265</u>	<u>3,306,753</u>

<b>Annual surplus before other income</b>	146,319	(71,265)	<b>75,054</b>
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**Other income (expense)**

Landfill closure and post-closure provision	47,028	(47,028)	-
Loss on disposal of tangible capital assets	<u>(215,200)</u>	<u>-</u>	<u>(215,200)</u>
	<u>(168,172)</u>	<u>(47,028)</u>	<u>(215,200)</u>

<b>Annual surplus (deficit)</b>	(21,853)	(118,293)	<b>(140,146)</b>
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**Accumulated surplus**

Accumulated surplus - Beginning of year	6,253,813	(222,324)	<b>6,031,489</b>
Accumulated surplus - End of year	6,231,960	(340,617)	<b>5,891,343</b>



# MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION

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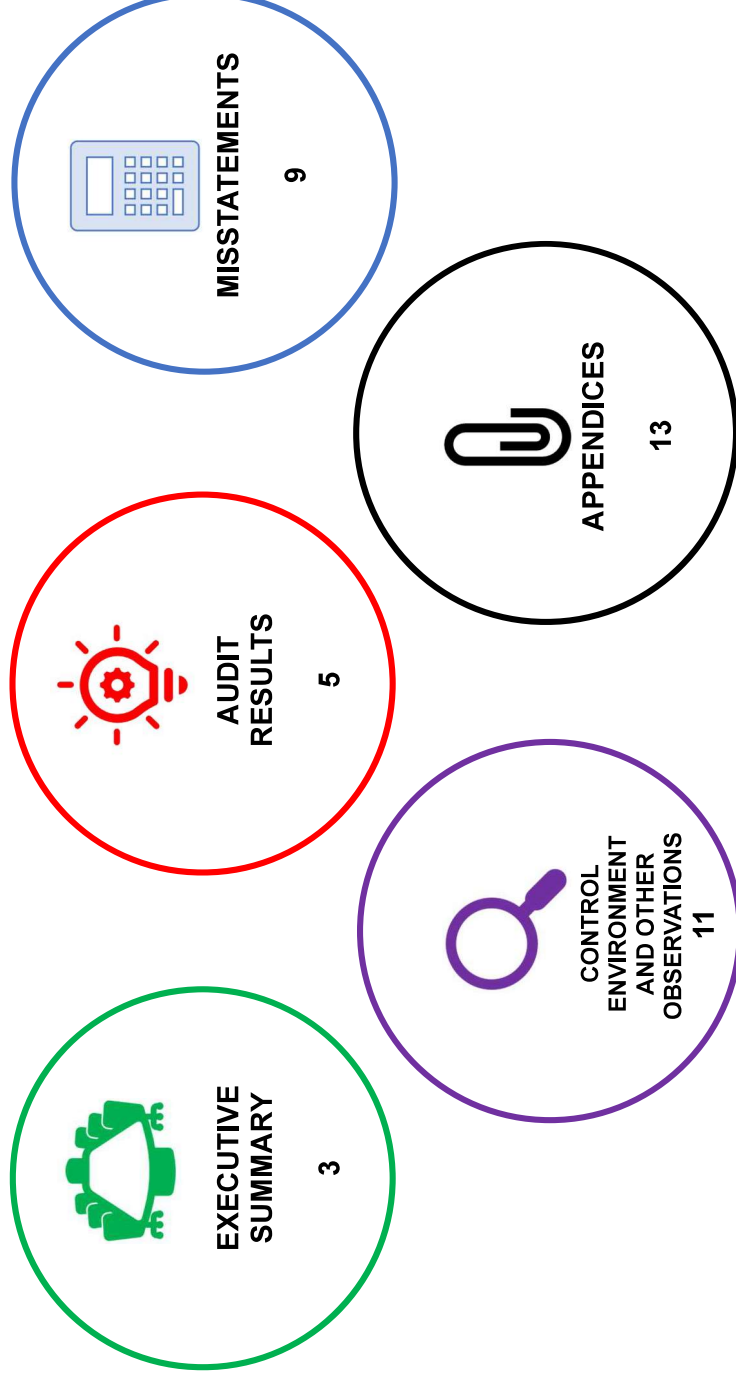
## Audit Findings Report

For the year ended December 31, 2023

April 22, 2024

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This Audit Findings Report should not be used for any other purpose or by anyone other than the Commission or the Board. Metrix shall have no responsibility or liability for loss, damages, or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, any third party or for any other purpose.



# EXECUTIVE SUMMARY

## Purpose of this report

The purpose of this report is to communicate clearly with you the findings of our audit of the Mountain View Regional Waste Management Commission (the "Commission") for the year ended December 31, 2023. This communication is to summarize the result of our procedures and provide comments on any significant matters, including misstatements accounting policies, estimates, and other matters, that we have identified.

### Finalizing the audit

As of April 22, 2024, we have substantially completed the audit of the Commission's financial statement with the exception of:

- Completing our subsequent events procedures.
- Obtaining the signed management representation letter.
- Completing our required communication to the Board.
- Obtaining evidence of the Board's approval of the financial statements.

We will update the Board on significant matters, if any, arising from the completion of the audit, including the completion of the procedures above.

### Changes from the audit plan

There have been no other significant changes to our audit plan from what was communicated in our Audit Planning Report previously presented to you.

### Materiality

The auditors' determination of materiality is a matter of professional judgement and is affected by the auditors' perception of the financial information needs of users of the financial statements.

Materiality for the 2023 audit was set at \$130,000 (4% of operating expenses) with a trivial threshold of \$6,500. We anticipate that management will record any adjustments that we propose that are of a non-trivial nature. Please refer to summary of adjusted and uncorrected misstatements for misstatements identified.

### Significant difficulties encountered during the audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Board.

## Engagement team

Team member	Role	Experience
<b>Jeff Alliston, CPA, CA</b> Engagement Partner	<p>As the engagement partner, Jeff will have the responsibility of leading the audit and will be responsible for the quality and timeliness of the audit.</p> <p>Jeff will also be available throughout the audit process and will attend the Board meeting with management and present the financial statements.</p>	<p>Jeff holds over 15 years of public sector auditing experience working with municipalities of all types and sizes.</p> <p>He has also delivered many presentations on public sector topics and is also a member of the Emerging Issues Task Force as administered by the Government Finance Officers Association – Alberta Chapter.</p>
<b>Craig Poeter, CPA</b> Senior Manager	<p>Craig joined the Commission audit in 2017 and will lead the team as the engagement manager.</p> <p>Craig will be responsible for planning, executing, and reporting the audit.</p>	<p>Craig holds over seven years of providing assurance services to clients and will work closely with Jeff.</p> <p>Craig has in-depth knowledge of the Commission's processes, transactions, and requirements.</p>





## AUDIT RESULTS

The following is a summary of our audit focus including risks identified, our procedures performed in response, and our findings.

Management override of controls		
Risk	Our Response	Findings
Management is in a unique position to perpetrate financial statement fraud through the manipulation of accounting records. Under Canadian assurance standards, there is a presumed fraud risk related to management's ability to override internal controls. This risk is not rebuttable.	Using data analytics, we have identified journal entries that exhibit characteristics which may be indicative of possible control override. We have assessed the business rationale of the transactions taking into consideration estimates applied, application of accounting policies, evidence of potential management bias.	No significant findings have been identified.
Tipping fees		
Risk	Our Response	Findings
Tipping fees are calculated incorrectly.	<ul style="list-style-type: none"><li>- We performed a substantive analytical procedure to ensure tipping fees are not materially misstated.</li><li>- We have agreed the tipping fees rates to the rates approved in the Board meeting minutes.</li></ul>	No significant findings have been identified.
Fees for service		
Risk	Our Response	Findings
Fees for service are calculated incorrectly.	<ul style="list-style-type: none"><li>- We have agreed the municipality populations to the census population listing.</li><li>- We agreed the requisition rates to the approved rates in the Board meeting minutes.</li></ul>	No significant findings have been identified.

Operating expenses (including accounts payable and accrued liabilities)		
Risk	Our Response	Findings
Expenses have not been recorded in the correct reporting period, either due to premature recognition or missing accruals, or do not exist.	<ul style="list-style-type: none"> <li>- We have updated our understanding of the processes and controls in place over procurement and payment.</li> <li>- We have inquired with management and review subsequent Board minutes for significant transactions not recorded.</li> <li>- We have tested a sample of expenses recorded, including significant transactions.</li> <li>- We have performed a search for unrecorded liabilities.</li> <li>- We have examined accrued liabilities for accuracy and cut-off.</li> </ul>	No significant findings have been identified.
Salaries, wages and benefits (including employee benefit obligations)		
Risk	Our Response	Findings
Employees have been paid at a rate inconsistent with their employee contract.	<ul style="list-style-type: none"> <li>- We have updated our understanding over the processes and controls in place over payroll.</li> <li>- We have performed tests of controls over significant payroll controls.</li> <li>- We have performed substantive analytical procedures over salaries, wages and benefits.</li> </ul>	No significant findings have been identified.

Cash and Investments (including investment income)		
Risk	Our Response	Findings
There is an inherent risk related to cash and investments.	<ul style="list-style-type: none"> <li>- We have updated our understanding of processes and controls surrounding cash and investment activities.</li> <li>- We have obtained third party evidence over the Commission's bank balances.</li> <li>- We have tested significant reconciling items in the bank reconciliation.</li> <li>- We have assessed the classification of financial instruments recorded as cash equivalent.</li> </ul>	No significant findings have been identified.
Receivable balances (including due from Commission members)		
Risk	Our Response	Findings
Receivable balances are significantly aged or overstated and the amounts recorded will not be recorded.	<ul style="list-style-type: none"> <li>- We have updated our understanding of the Commission's policies regarding collections and provisions.</li> <li>- We have tested the subsequent receipt of receivable balances outstanding at year-end.</li> <li>- Where required, we have performed additional substantive procedures to obtain appropriate audit evidence.</li> </ul>	No significant findings have been identified.

Tangible capital assets		
Risk	Our Response	Findings
There exists the risk that TCA has been expensed rather than capitalized or has been recorded incorrectly. Conversely, there exists the risk that expenditures that are not capital in nature have been capitalized.  The valuation of TCA is subject to management's estimate which may be complex and subject to change.	<ul style="list-style-type: none"> <li>- We have reviewed the amortization policy.</li> <li>- We have inquired with management regarding any indicators of impairment.</li> <li>- We have performed substantive tests of details over additions and disposals.</li> <li>- We have re-calculated amortization expense and gains / losses on the disposal of TCA.</li> <li>- We have coordinated with procedures performed over deferred revenue.</li> </ul>	No significant findings have been identified.
Long-term debt (including interest expense)		
Risk	Our Response	Findings
Long-term debt is inaccurate or incomplete. Additionally, there is the risk that debt limits are not in compliance.	<ul style="list-style-type: none"> <li>- We have obtained third-party evidence to support balances outstanding at year-end.</li> <li>- We have re-calculated interest expense incurred throughout the year and any interest payable outstanding at year-end.</li> <li>- We have assessed compliance with the allowable debit limits under MGA 276(2).</li> </ul>	No significant findings have been identified.
Asset retirement obligations		
Risk	Our Response	Findings
PS 3280, Asset Retirement Obligations, is being implemented for the first year with AROs being estimates subject to management bias.	<ul style="list-style-type: none"> <li>- We have assessed the completeness of assets identified with an asset retirement obligation.</li> <li>- We have assessed the reasonability of inputs used in calculating the estimate.</li> <li>- We have verified the mathematical accuracy of the liability calculated.</li> </ul>	This balance was restated in the year as part of the implementation of PS 3280 – Asset Retirement Obligations. See Restatement section below.



# MISSTATEMENTS

## ADJUSTED MISSTATEMENTS

Audit adjustments have been recorded in order for the Commission to comply with reporting requirements under Canadian public sector accounting standards.

Increase (decrease) from opening balances				
Differences noted	Assets	Liabilities	Accumulated Surplus	Annual Surplus
4 audit adjustments (2022 – 5 adjustments).	\$ 274,160	\$ 680,651	\$ (341,119)	\$ (65,372)
Total Adjusted Differences (Income Effect)				\$ (65,372)

## UNCORRECTED MISSTATEMENTS

In accordance with Canadian auditing standards, we are required to request that all uncorrected misstatements be corrected. We have requested this of management.

Management has decided not to correct certain misstatements and has provided representation that the uncorrected misstatements, individually and in aggregate, are not material to the financial statements – please refer to **Appendix 2** for the management representation letter.

The total unrecorded misstatements noted during the audit amounted to a \$20,360 understatement of the Commission’s surplus for the year ended December 31, 2023.

Amount of over (under) misstatement				
Description	Assets	Liabilities	Surplus	Accumulated Surplus
To remove prior year amortization recorded in 2023	\$ -	\$ -	\$ (28,542)	\$ -
To adjust capital lease to expected balance	-	(8,182)	8,182	8,182
<b>Total unrecorded misstatements</b>	<b>\$ -</b>	<b>\$ (8,182)</b>	<b>\$ (20,360)</b>	<b>\$ 8,182</b>

After considering both quantitative and qualitative factors with respect to the uncorrected misstatements accumulated during the audit, we agree with management that the uncorrected misstatements are not material to the financial statements. Accordingly, our auditors’ opinion has not been modified with respect to the uncorrected misstatements presented.



# CONTROL ENVIRONMENT AND OTHER OBSERVATIONS

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Our objective is to communicate appropriately to the Board any significant deficiencies in internal control that we have identified during the audit and that, in our professional judgement, are of sufficient importance to merit being reported to those charged with governance.

The audit findings contained in this report did not have a material effect on the Commission's financial statements, and as such, our audit report is without reservation with respect to these matters.

## Significant Deficiencies of Internal Controls

We have not identified any control deficiencies that we have determined to be significant to internal controls over financial reporting.

## Significant Qualitative Aspects of Accounting Policies

Management is responsible for determining significant accounting policies. The choice of different accounting policy alternatives can have a significant effect on the financial position and results of the Commission. The application of those policies often involved significant estimates and judgements by management.

### *PS 3280 – Asset Retirement Obligations Implementation*

In 2023, the Commission implemented PS 3280 Asset Retirement Obligations. Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. Effective January 1, 2023, the Commission recognized the following to conform to the new standard:

- Asset retirement obligations where the event giving rise to the obligation (i.e. acquisition, construction, development or normal use) occurred on or after January 1, 2023;
- Asset retirement obligations where the event giving rise to the obligation arose prior to January 1, 2023 and the obligation has not been previously recognized; and
- Asset retirement obligations where the event giving rise to the obligation arose prior to January 1, 2023 and the previously recognized obligation requires adjustment in applying the standard.

The Commission has applied the standard using the modified retroactive approach with restatement of prior year comparative information. Note 17 in the financial statements describes the adoption of the new accounting standard for the year ended December 31, 2023. See the Restatement section for information about the impact on the prior period.

There have been no other initial selections of, or changes to, significant accounting policies and practices that we would like to bring to your attention.

We are of the opinion that the significant accounting policies and the financial disclosures made by management do not materially misstate the financial statements taken as a whole.

### **Significant Qualitative Aspects of Accounting Estimates**

Management is required to disclose the assumptions it makes about the future, and other major sources of measurement uncertainty, that have a significant risk of resulting in a material misstatement to the financial statements.

Significant estimates relate to the allowance for doubtful accounts, valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, asset retirement obligations, and contingent liabilities.

Overall, we are satisfied with the reasonability of accounting estimates.





## APPENDICES

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- Appendix 1 – Required communications
- Appendix 2 – Management representation letter
- Appendix 3 – New and revised accounting standards

# Appendix 1 – Required communications

## Independence

We have been engaged to audit the financial statement of the Commission for the year ending December 31, 2023.

We believe that it is important that we communicate at least annually with you regarding all relationships between the Commission and our firm that, in our professional judgement, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the Chartered Professional Accountants of Alberta and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client.
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the audit engagement.

We are not aware of any relationships between the Commission and ourselves that, in our professional judgement, may reasonably be thought to bear on our independence that have occurred from January 1, 2023 to April 22, 2024.

## Management representation

Management's representations are integral to the audit evidence we will gather. Prior to the release of our independent auditors' report, we will require management's representations in writing to support the content of our report. Please refer to **Appendix 2**.

## **Appendix 2 – Management representation letter**

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April 22, 2024

Metrix Group LLP  
12840 St. Albert Trail  
Edmonton Alberta T5L 4H6

Attention: Jeff Alliston, CPA, CA

Dear Sir:

**Re: Management representations letter**

This representation letter is provided in connection with your audit of the financial statements of Mountain View Regional Waste Management Commission for the year ended December 31, 2023, for the purpose of you expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

**1. Financial Statements**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated February 5, 2024 for:

- Preparing and fairly presenting the financial statements in accordance with Canadian public sector accounting standards;
- Providing you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:
    - A. Accounting records, supporting data and other relevant documentation,
    - B. Minutes of meetings (such as shareholders, board of directors and audit committees) or summaries of actions taken for which minutes have not yet been prepared, and
    - C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
- Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

## **2. Fraud and Non Compliance**

We have disclosed to you:

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:
  - i. Management;
  - ii. Employees who have significant roles in internal control; or
  - iii. Others where the fraud could have a material effect on the financial statements;
- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the financial statements.

## **3. Related Parties**

We have disclosed to you the identity of all of the Commission's related-party relationships and transactions of which we are aware. This includes sales, purchases, loans, transfers of assets, liabilities and services, leasing agreements, guarantees, non-monetary transactions, and transactions for no consideration for the period ended as well as related balances due to or from such parties at the period end.

All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

## **4. Estimates**

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm the methods, the data, and the significant assumptions used in making accounting estimates (including the useful lives of tangible capital assets and the corresponding rates of amortization, recoverability of accounts receivable, inventory valuation, the costs to retire assets, and the amount of accrued liabilities) and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of Canadian public sector accounting standards

## **5. Subsequent Events**

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed

## **6. Commitments and Contingencies**

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

## **7. Adjustments**

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

## **8. Accounting policies**

All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.

## **9. Contractual compliance**

We have complied with the terms and conditions of all contractual agreements that could have a material effect, in the event of non-compliance, on the financial statements.

## **10. Direct liabilities**

We have recorded in the accounts all known liabilities of our Commission as at December 31, 2023 except for trivial amounts.

## **11. Future plans**

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

## **12. Liabilities and contingencies**

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

## **13. None of the directors were in debt to the Commission**

None of the directors were in debt to the Commission, other than in the ordinary course of business at the period-end or at any time during the period.

## **14. Carrying value**

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

## **15. Litigation**

We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.

## **16. Contractual agreements**

We have disclosed to you, and the Commission has complied with, all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

## **17. Unrecorded assets**

There are no material unrecorded assets or contingent assets (such as claims relating to patent infringements or unfulfilled contracts whose value depends on satisfying conditions regarded as uncertain), that have not been disclosed to you.

Acknowledged and agreed on behalf of Mountain View Regional Waste Management Commission by:

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Mr. Michael Wuetherick  
Chief Administrative Officer

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April 22, 2024

Date signed

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Ron Cameron  
Chief Financial Officer

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April 22, 2024

Date signed

**Mountain View Regional Waste Management Commission**  
**Year End: December 31, 2023**  
**Schedule of unadjusted differences**

Refno	Description	Assets	Liabilities	Equity	Income	Expenses
<b>Unrecorded - factual</b>						
SUD1	To remove prior year amortization	28,542.07	0.00	0.00	(28,542.07 )	0.00
SUD2	Adjustment of Capital lease to	(8,181.98 )	0.00	0.00	8,181.98	0.00
		<u>20,360.09</u>	<u>0.00</u>	<u>0.00</u>	<u>(20,360.09)</u>	<u>0.00</u>
	<b>Understated/(Overstated)</b>	<u><b>20,360.09</b></u>	<u><b>0.00</b></u>	<u><b>0.00</b></u>	<u><b>(20,360.09)</b></u>	<u><b>0.00</b></u>

Prepared by	Reviewed by	Reviewed by
<div>CRP</div> <div>4/13/2024</div>	<div>JBA</div> <div>4/14/2024</div>	

Mountain View Regional Waste Management Commission

Year End: December 31, 2023

Unrecorded journal entries

Date: 1/1/2023 To 12/31/2023

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
SUD1	12/31/2023	ADMIN - COMP. EQUIP AMORT	2-1500-00-802	U10		28,542.07		
SUD1	12/31/2023	ACCUMULATED SURPLUS/DEFICIT	4-0000-00-900	U10	28,542.07			
		To remove prior year amortization recorded in 2023						
SUD2	12/31/2023	LANDFILL - INTEREST ON LEASE	2-4000-00-831	47-1	8,181.98			
SUD2	12/31/2023	Cap Lease - RBC MLA 67519	4-0000-00-320	47-1		8,181.98		
		Adjustment of Capital lease to auditors schedule						
					36,724.05	36,724.05		
Net Income (Loss)			325,634.67					

Prepared by	Reviewed by	Reviewed by
CRP 4/13/2024	JBA 4/14/2024	



## Appendix 3 – New and revised accounting standards

Standard	Summary	Effective Date
<b>PS 3160 Public Private Partnerships</b>	This section will establish standards on how to account for public private partnership agreements, specifically recognition and measurement of infrastructure assets and the corresponding financial liability.	Fiscal years beginning on or after April 1, 2023. Early adoption is permitted.
<b>PS 3400 Revenue</b>	This section will be updated to provide additional guidance regarding the timing of revenue recognition along with additional disclosure requirements.	Fiscal years beginning on or after April 1, 2023. Early adoption is permitted.
<b>PSG-8 Purchased Intangibles</b>	This guideline explains the scope of intangible assets now allowed to be recognized in financial statements.	Fiscal years beginning on or after April 1, 2023. Early adoption is <i>encouraged</i> .
<b>PS 1202 Financial Statement Presentation</b>	This standard sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement principles are based on the concepts in the Conceptual Framework for Financial Reporting in the Public Sector.	Fiscal years beginning on or after April 1, 2026. Early adoption is permitted.

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibility for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The appointed Board of Directors of Mountain View Regional Waste Management Commission are composed entirely of individuals who are neither management nor employees of the Commission. The Board has the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Board is also responsible for the appointment of the Commission's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board to audit the financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Board and management to discuss their audit findings.

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Michael Wuetherick  
Chief Administrative Officer

April 22, 2024

**MOUNTAIN VIEW REGIONAL WASTE MANAGEMENT COMMISSION**  
**Statement of Financial Position**  
**For the Year Ended December 31, 2023**

	<u>2023</u>	<u>2022</u> (Restated) (Note 17)
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 1,906,410	\$ 918,329
Accounts receivable (Note 3)	289,475	539,348
Investments (Note 4)	<u>977,703</u>	<u>894,337</u>
	<u>3,173,588</u>	<u>2,352,014</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	237,644	238,583
Obligations under capital lease (Note 6)	485,402	542,306
Long term debt (Note 7)	191,431	265,272
Asset retirement obligations (Note 8)	<u>1,243,735</u>	<u>1,182,033</u>
	<u>2,158,212</u>	<u>2,228,194</u>
<b>NET FINANCIAL ASSETS</b>	<u>1,015,376</u>	<u>123,820</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	5,133,244	5,724,575
Inventory for consumption	1,343	-
Prepaid expenses and deposits	<u>46,655</u>	<u>42,948</u>
	<u>5,181,242</u>	<u>5,767,523</u>
<b>ACCUMULATED SURPLUS (Note 10)</b>	<u>\$ 6,196,618</u>	<u>\$ 5,891,343</u>

**ON BEHALF OF THE BOARD:**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

The accompanying notes are an integral part of these financial statements.