

**FOOTHILLS REGIONAL SERVICES COMMISSION**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2021**

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**FOOTHILLS REGIONAL SERVICES COMMISSION**

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**For the year ended December 31, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To: The Board of  
Foothills Regional Services Commission

### *Opinion*

We have audited the financial statements of the Foothills Regional Services Commission which comprise the statement of financial position as at December 31, 2021, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2021, its results of operations, change 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 Auditor's 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the 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.

### *Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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:

## INDEPENDENT AUDITOR'S REPORT, continued

- 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 used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's 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 auditor's report. However, future events or conditions may cause the company 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.

### *Report on Other Legal and Regulatory Requirements*

#### Debt Limit Regulation:

In accordance with Alberta Regulation 76/2000, we confirm that the Foothills Regional Services Commission is in compliance with the Debt Limit Regulation. A detailed account of the Commission's debt limit can be found in note 7.

Lethbridge, Alberta

April 25, 2022



Chartered Professional Accountants

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2021**

	2021	2020
<b>Financial assets</b>		
Cash	\$ 5,208,752	\$ 5,495,055
Trade and other receivables (note 3)	551,510	639,383
Due from Commission members (note 4)	107,567	69,026
Investments (note 5)	20,450,390	17,983,707
	26,318,219	24,187,171
<b>Liabilities</b>		
Accounts payable and accrued liabilities	372,332	248,063
Landfill closure and post-closure liability (note 6)	2,193,244	2,196,005
Deferred revenue	3,772	3,571
Long-term debt (note 7)	169,754	213,727
	2,739,102	2,661,366
<b>Net financial assets</b>	23,579,117	21,525,805
<b>Non-financial assets</b>		
Prepaid expenses	41,508	29,330
Tangible capital assets (schedule 1)	10,646,264	10,409,778
	10,687,772	10,439,108
<b>Accumulated surplus (note 8, schedule 2)</b>	\$ 34,266,889	\$ 31,964,913

Approved on behalf of the board:

Member Delilah Miller

Member [Signature]

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2021

	Budget (unaudited)	2021	2020
<b>Revenue</b>			
Landfill (schedule 3)	\$ 6,254,239	\$ 5,798,175	\$ 5,675,830
Frank Lake (schedule 4)	148,000	123,873	107,582
	6,402,239	5,922,048	5,783,412
<b>Expenses</b>			
Landfill (schedule 3)	3,764,988	3,407,873	3,288,278
Frank Lake (schedule 4)	241,250	212,199	200,819
	4,006,238	3,620,072	3,489,097
<b>Excess of revenue over expenses</b>	2,396,001	2,301,976	2,294,315
<b>Accumulated surplus, beginning of year</b>	31,964,913	31,964,913	29,670,598
<b>Accumulated surplus, end of year</b>	\$ 34,360,914	\$ 34,266,889	\$ 31,964,913

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
For the year ended December 31, 2021

	Budget (unaudited)	2021	2020
<b>Excess of revenue over expenses</b>	\$ 2,396,001	\$ 2,301,976	\$ 2,294,315
Acquisition of tangible capital assets	(2,242,000)	(1,586,323)	(1,759,454)
Amortization of tangible capital assets	965,200	1,003,619	1,047,000
Loss on disposal of tangible capital assets	-	6,019	6,634
Proceeds on disposal of tangible capital assets	-	340,200	72,893
	(1,276,800)	(236,485)	(632,927)
Net change in prepaid expenses	-	(12,179)	(992)
<b>Change in net financial assets</b>	1,119,201	2,053,312	1,660,396
<b>Net financial assets, beginning of year</b>	21,525,805	21,525,805	19,865,409
<b>Net financial assets, end of year</b>	\$ 22,645,006	\$ 23,579,117	\$ 21,525,805

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2021

	2021	2020
<b>Operating transactions</b>		
Excess of revenue over expenses	\$ 2,301,976	\$ 2,294,315
Adjustments for items which do not affect cash		
Loss on disposal of tangible capital assets	6,019	6,634
Amortization of tangible capital assets	1,003,619	1,047,000
Closure and post closure costs	(2,761)	24,263
	3,308,853	3,372,212
Net change in non-cash working capital items		
Trade and other receivables	87,873	(64,093)
Due from Commission members	(38,542)	17,107
Prepaid expenses	(12,178)	(992)
Accounts payable and accrued liabilities	124,269	15,744
Deferred revenue	201	(835)
	3,470,476	3,339,143
<b>Capital transactions</b>		
Proceeds on disposal of tangible capital assets	340,200	72,893
Acquisition of tangible capital assets	(1,586,323)	(1,759,454)
	(1,246,123)	(1,686,561)
<b>Investing transactions</b>		
Change in investments	(2,466,683)	(1,642,659)
<b>Financing transactions</b>		
Repayment of long-term debt	(43,973)	(42,115)
<b>Decrease in cash</b>	<b>(286,303)</b>	<b>(32,192)</b>
<b>Cash, beginning of year</b>	<b>5,495,055</b>	<b>5,527,247</b>
<b>Cash, end of year</b>	<b>\$ 5,208,752</b>	<b>\$ 5,495,055</b>



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**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

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**1. Nature of operations**

Foothills Regional Services Commission is constituted under the Municipal Government Act and was approved by the Minister of Municipal Affairs on July 10, 1989 for the purpose of supplying sewage transmission and treatment services and waste management services.

The members of the Commission are Foothills County, the Town of High River and the Town of Okotoks. The members of the landfill operation include the preceding, as well as the Town of Black Diamond, the Town of Nanton and the Town of Turner Valley.

The Commission is exempt from income taxation under Section 149 of the Canada Income Tax Act.

**2. Significant accounting policies**

The financial statements are prepared in accordance with Canadian public sector accounting standards and reflect the assets, liabilities, revenues and expenses, and change in the financial position of the Commission. Significant aspects of the accounting policies adopted by the commission are as follows:

(a) Basis of presentation

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

(b) Revenue recognition

Service fees and sales of goods 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.

Restricted investment income is recognized in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Government transfers are recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets acquired.

(c) Cash

The Commission includes cash on hand, held by financial institutions in operating accounts, and temporary investments in the determination of cash.

(d) Investments

Investments are recorded at amortized cost. When there has been a loss in value that is other than a temporary decline, the investment is written down to recognize the loss.

(e) Long-term debt

Long-term debt is initially recognized net of any premiums, discounts, fees and transaction costs, with interest expense recognized using the effective interest method. Long-term debt is subsequently measured at amortized cost.

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**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

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**2. Significant accounting policies, continued**

- (f) **Contaminated sites liability**  
Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.
- (g) **Landfill closure and post-closure**  
Pursuant to the Alberta Environment Protection and Enhancement Act, the Commission is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control and visual inspection. The requirement is being provided for over the estimated remaining life of the landfill site based on usage.
- (h) **Non-financial assets**  
Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.
- (i) **Tangible capital assets**  
Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	Years
Land and improvements	25
Buildings	25
Equipment	10
Transfer sites	10
Frank Lake pipeline	35

Full annual amortization is charged in the year of acquisition and none in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

- (i) **Budget amounts**  
The budget amounts presented on the statement of operations are taken from the Commission's annual budget. Certain budget amounts have been reclassified to conform with the current year's financial statement presentation.

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**2. Significant accounting policies, continued**

(j) Valuation of financial assets and liabilities

The Commission's financial assets and financial liabilities are measured as follows:

Financial statement component	Measurement
Cash	Cost
Trade and other receivables	Lower of cost or net recoverable value
Investments	Amortized cost
Accounts payable and accrued liabilities	Cost
Long-term debt	Amortized cost

(k) 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 revenue and expense during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

A significant area requiring the use of management's estimates was the landfill closure/post closure liability. The liability was calculated based on estimated future cash flows required to cover the costs of landfill closure and groundwater monitoring.

The effect on the financial statements of changes in such estimates in future periods could be significant.

**3. Trade and other receivables**

	2021	2020
Trade receivables	\$ 439,309	\$ 487,845
Interest receivable	62,194	59,587
GST receivable	50,028	91,972
Allowance for doubtful accounts	(21)	(21)
	<b>\$ 551,510</b>	<b>\$ 639,383</b>

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**4. Due from Commission members**

	2021	2020
Town of High River	\$ 53,045	\$ 34,864
Town of Okotoks	22,489	20,607
Foothills County	21,744	1,627
Town of Black Diamond	3,972	3,537
Town of Turner Valley	3,239	4,108
Town of Nanton	3,078	4,283
	<b>\$ 107,567</b>	<b>\$ 69,026</b>

**5. Investments**

	2021		2020	
	Cost	Market value	Cost	Market value
Treasury Board and Finance	\$ 10	\$ 10	\$ 10	\$ 10
Fixed income	20,450,380	21,247,468	17,983,697	19,619,777
	<b>\$ 20,450,390</b>	<b>\$ 21,247,478</b>	<b>\$ 17,983,707</b>	<b>\$ 19,619,787</b>

Fixed income investments consists of bonds, notes, and debentures with interest rates ranging from 1.03% to 3.61%, and maturity dates ranging from 2023 to 2032.

**6. Landfill closure and post-closure liability**

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

Management estimated the total liability is based on the sum of discounted future cash flows for closure and post-closure activities for 25 years after closure using a discount rate of 1.5%.

The accrued liability portion is based on the cumulative capacity used at year end compared to the estimated total landfill capacity. The existing landfill site is expected to reach capacity in approximately 24 years.

During the year, the Commission reduced the accrual for landfill closure and post-closure costs by \$2,761 due to an adjustment in the estimated remaining life of the cells in use. In 2020, the Commission recognized a provision of \$24,263 for landfill closure and post-closure costs.

	2021	2020
Estimated closure costs	\$ 1,468,530	\$ 1,482,001
Estimated post-closure costs	724,714	714,004
Estimated total liability	<b>\$ 2,193,244</b>	<b>\$ 2,196,005</b>

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**7. Long-term debt**

	2021	2020
Debentures payable	\$ 169,754	\$ 213,727

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2022	\$ 45,913	\$ 6,913	\$ 52,826
2023	47,939	4,887	52,826
2024	50,053	2,772	52,825
2025	25,849	564	26,413
	\$ 169,754	\$ 15,136	\$ 184,890

Debenture debt is repayable to Treasury Board and Finance and matures in 2025. The interest rate is 4.364%, before Provincial subsidy. For qualifying debentures, the Province of Alberta rebates 60% of interest in excess of 8%, 9%, and 11% to a maximum annual rate of 12.5%, depending on the date borrowed. Debenture debt is issued on the credit and security of the Commission at large.

Section 3 of Alberta Regulation 76/2000 requires that debt and debt limits for the Commission be disclosed as follows:

	2021	2020
Total debt limit	\$ 11,844,096	\$ 11,566,824
Total debt	169,754	213,727
	\$ 11,674,342	\$ 11,353,097
Debt servicing limit	\$ 2,072,717	\$ 2,024,194
Debt servicing	52,826	52,826
	\$ 2,019,891	\$ 1,971,368

The debt limit is calculated at 2 times revenue of the Commission (as defined in Alberta Regulation 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 which 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.

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**8. Accumulated surplus**

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

	2021	2020
Unrestricted surplus	\$ 6,014,513	\$ 4,792,996
Internally restricted surplus (reserves) (note 9)	17,775,866	16,975,866
Equity in tangible capital assets (note 10)	10,476,510	10,196,051
	<b>\$ 34,266,889</b>	<b>\$ 31,964,913</b>

**9. Reserves**

	2021	2020
<b>Landfill</b>		
Site closure/replacement and trench liner	\$ 12,200,805	\$ 10,950,805
Equipment replacement	5,063,797	5,558,797
Recycling initiative	20,000	20,000
	<b>17,284,602</b>	<b>16,529,602</b>
<b>Frank Lake</b>		
Equipment replacement	491,264	446,264
	<b>\$ 17,775,866</b>	<b>\$ 16,975,866</b>

**10. Equity in tangible capital assets**

	2021	2020
Tangible capital assets (schedule 1)	\$ 20,298,415	\$ 19,734,745
Accumulated amortization (schedule 1)	(9,652,151)	(9,324,967)
Long-term debt (note 7)	(169,754)	(213,727)
	<b>\$ 10,476,510</b>	<b>\$ 10,196,051</b>

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**11. Related party transactions**

Foothills County, the Town of High River, the Town of Okotoks, the Town of Black Diamond, the Town of Nanton and the Town of Turner Valley are members of the Commission and, as such, have been identified as related parties.

Service fees are based on the budgeted net operating costs of the Commission and are allocated among the Commission members based on actual service utilization during the year. Service fees charged to Commission members are as follows:

	2021		2020
Town of Okotoks	\$ 278,089	\$	253,194
Town of High River	323,521		304,916
Town of Turner Valley	71,824		74,396
Town of Nanton	60,622		66,458
Town of Black Diamond	64,594		65,488
Foothills County	39,345		34,469
	<b>\$ 837,995</b>	<b>\$</b>	<b>798,921</b>

Expenses charged by Commission members are as follows:

	2021		2020
Foothills County	\$ 2,304,163	\$	1,782,553
Town of High River	17,268		17,712
	<b>\$ 2,321,431</b>	<b>\$</b>	<b>1,800,265</b>

Accounts payable and accrued liabilities include amounts payable to:

	2021		2020
Foothills County	\$ 225,004	\$	148,562
Town of High River	2,330		1,346
	<b>\$ 227,334</b>	<b>\$</b>	<b>149,908</b>

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

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**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

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**12. Financial instruments**

The Commission's financial instruments consist of investments, trade and other receivables, amounts due from Commission members and accounts payable and accrued liabilities. It is management's opinion that the Commission is not exposed to significant interest or currency risks arising from these financial instruments.

The carrying value of these financial instruments approximates their fair value, except as noted in these financial statements.

**13. Budget amounts**

The 2021 budget was approved by the Commission and has been reported in the financial statements for information purposes only. The budget amounts have not been audited, reviewed, or otherwise verified.

Budgeted surplus per financial statements	\$ 2,396,001
Less: Capital expenditures	(2,242,000)
Long-term debt repayments	(43,973)
Transfers to reserves	(246,950)
Add: Frank Lake's amortization	140,200
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Equals: budgeted surplus	\$ 3,278
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**14. COVID-19**

Events have occurred as a result of the COVID-19 (coronavirus) pandemic that have caused economic uncertainty. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remain unclear at this time.

Some of the key impacts include, but are not limited to, interruptions of production and supply chains, unavailability of personnel, reductions in revenue, decline in value of financial investments, disruptions or stoppages in non-essential travel, and the closure of facilities and businesses.

The Commission's revenues and expenses have remained comparable from the beginning of the pandemic to year end. Subsequent to year end, revenues have continued to be consistent and are expected to remain consistent in the year pending economic conditions. The Commission is following Government guidelines and has developed policies to ensure the safety of employees is maintained. Management is not aware of any material impairments that will impact the financial assets or liabilities of the company due to the pandemic.

The situation is continually changing and the future impact on the entity is not readily determinable at this time.



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**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

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**15. Contaminated sites liability**

The Commission did not identify any financial liabilities in 2021 (2020 - nil) as a result of contaminated sites.

**16. Approval of financial statements**

These financial statements were approved by the Board and Management.

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**Schedule of tangible capital assets**

**Schedule 1**

	Land and improvements		Buildings		Engineered structures		Machinery and equipment		Transfer sites		Construction in progress	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Cost:</b>												
Balance, beginning of year	\$ 9,023,431	\$ 1,576,810	\$ 3,280,239	\$ 5,774,004	\$ 80,262	\$ -	\$ 19,734,746	\$ 18,113,383				
Acquisitions	1,212,717	43,100	-	88,606	-	241,900	1,586,323	1,759,454				
Disposals	-	-	-	(1,022,654)	-	-	(1,022,654)	(138,092)				
Balance, end of year	10,236,148	1,619,910	3,280,239	4,839,956	80,262	241,900	20,298,415	19,734,745				
<b>Accumulated amortization:</b>												
Balance, beginning of year	3,709,421	674,843	2,056,472	2,803,969	80,262	-	9,324,967	8,336,531				
Annual amortization	402,192	58,566	93,721	449,140	-	-	1,003,619	1,047,000				
Disposals	-	-	-	(676,435)	-	-	(676,435)	(58,564)				
Balance, end of year	4,111,613	733,409	2,150,193	2,576,674	80,262	-	9,652,151	9,324,967				
<b>Net book value</b>	\$ 6,124,535	\$ 886,501	\$ 1,130,046	\$ 2,263,282	\$ -	\$ 241,900	\$ 10,646,264	\$ 10,409,778				
<b>2020 net book value</b>	\$ 5,314,010	\$ 901,967	\$ 1,223,767	\$ 2,970,034	\$ -	\$ -	\$ 10,409,778					

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

**Schedule of changes in accumulated surplus**

**Schedule 2**

	Unrestricted	Internally restricted	Equity in tangible capital assets	2021	2020
Balance, beginning of year	\$ 4,792,996	\$ 16,975,866	\$ 10,196,051	\$ 31,964,913	\$ 29,670,598
Excess of revenue over expenses	2,301,976	-	-	2,301,976	2,294,315
Unrestricted funds designated for future use	(1,295,000)	1,295,000	-	-	-
Restricted funds used for tangible capital assets	-	(495,000)	495,000	-	-
Current year funds used for tangible capital assets	(1,091,323)	-	1,091,323	-	-
Disposal of tangible capital assets	346,218	-	(346,218)	-	-
Annual amortization expense	1,003,619	-	(1,003,619)	-	-
Long-term debt repaid	(43,973)	-	43,973	-	-
<b>Change in accumulated surplus</b>	<b>1,221,517</b>	<b>800,000</b>	<b>280,459</b>	<b>2,301,976</b>	<b>2,294,315</b>
<b>Balance, end of year</b>	<b>\$ 6,014,513</b>	<b>\$ 17,775,866</b>	<b>\$ 10,476,510</b>	<b>\$ 34,266,889</b>	<b>\$ 31,964,913</b>

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

Schedule of Landfill	Budget (Unaudited)	2021	Schedule 3 2020
<b>Revenue</b>			
Landfill service fees	\$ 5,618,176	\$ 4,989,851	\$ 4,694,727
Investment income	400,000	503,429	680,259
Other service fees and sales of goods	236,063	304,895	300,844
	6,254,239	5,798,175	5,675,830
<b>Expenses</b>			
Salaries, wages and benefits	1,494,436	1,378,356	1,347,372
Contracted and general services	968,700	822,572	716,271
Materials, goods and utilities	328,000	300,129	240,465
Bank charges and short-term interest	40,000	25,660	35,807
Interest on long-term debt	8,852	8,768	10,630
Loss on disposal of tangible capital assets	-	6,019	6,634
Closure and post-closure costs	100,000	(2,761)	24,263
Amortization of tangible capital assets	825,000	869,130	906,836
	3,764,988	3,407,873	3,288,278
<b>Excess of revenue over expenses</b>	<b>\$ 2,489,251</b>	<b>\$ 2,390,302</b>	<b>\$ 2,387,552</b>

**FOOTHILLS REGIONAL SERVICES COMMISSION**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

Schedule of Frank Lake	Budget (Unaudited)	2021	Schedule 4 2020
<b>Revenue</b>			
Other service fees and sales of goods	\$ 143,400	\$ 120,400	\$ 102,976
Investment income	4,600	3,473	4,606
	148,000	123,873	107,582
<b>Expenses</b>			
Contracted and general services	62,350	46,080	25,472
Materials, goods and utilities	38,700	31,630	35,183
Amortization of tangible capital assets	140,200	134,489	140,164
	241,250	212,199	200,819
<b>Deficiency of revenue over expenses</b>	<b>\$ (93,250)</b>	<b>\$ (88,326)</b>	<b>\$ (93,237)</b>