

VILLAGE OF GLENWOOD
Financial Statements
Year Ended December 31, 2022

VILLAGE OF GLENWOOD
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Year Ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the Village of Glenwood

Opinion

We have audited the financial statements of Village of Glenwood (the Village), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, changes 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 Village as at December 31, 2022, and the results of its operations, change in its 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 Village in accordance with 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 Village'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 Village or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village'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:

(continues)



INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the Village of Glenwood

Opinion

We have audited the financial statements of Village of Glenwood (the Village), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, changes 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.

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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:

(continues)

Independent Auditor's Report to the Members of Village of Glenwood *(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 Village'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 Village'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 Village 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.

Shawn Cook
Professional Corporation

Lethbridge, Alberta
April 26, 2023

Chartered Professional Accountants





VILLAGE OF GLENWOOD
 Consolidated Statement of Financial Position
 December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and temporary investments <i>(Note 2)</i>	\$ 657,253	\$ 757,412
Taxes and grants in places of taxes receivable <i>(Note 3)</i>	43,405	27,398
Trade and other receivable <i>(Note 3)</i>	119,804	142,552
	<u>820,462</u>	<u>927,362</u>
LIABILITIES		
Accounts payable and accrued liabilities	48,664	78,705
Employee benefit obligation	7,864	5,579
Deferred revenue <i>(Note 4)</i>	292,851	302,678
	<u>349,379</u>	<u>386,962</u>
NET FINANCIAL ASSETS	<u>471,083</u>	<u>540,400</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(Schedule 2)</i>	3,191,662	3,326,730
Inventory for consumption	4,371	6,608
Prepaid expenses	2,711	-
	<u>3,198,744</u>	<u>3,333,338</u>
ACCUMULATED SURPLUS <i>(Schedule 1 and Note 7)</i>	<u>\$ 3,669,827</u>	<u>\$ 3,873,738</u>

CONTINGENCIES *(Note 10)*

Approved on behalf of Council:

 Councillor
 Councillor

VILLAGE OF GLENWOOD
Consolidated Statement of Operations
Year Ended December 31, 2022

	Budget (Unaudited)	2022	2021
REVENUE			
Net municipal taxes <i>(Schedule 3)</i>	\$ 232,100	\$ 232,944	\$ 251,475
User fees and sales of goods	150,005	173,061	204,532
Government transfers for operating <i>(Schedule 4)</i>	41,863	40,228	59,242
Investment income	4,000	16,458	3,631
Franchise and concession contracts	16,800	8,330	8,323
Licenses and permits	440	6,180	2,339
Penalties and costs of taxes	3,700	5,401	3,867
Pioneer Parlour revenue	6,000	4,380	42,337
Other revenue	2,900	3,531	4,023
	<u>457,808</u>	<u>490,513</u>	<u>579,769</u>
EXPENSES			
Legislative	20,500	16,428	11,839
Administration	219,500	278,029	170,208
Bylaw enforcement	11,170	8,460	8,439
Fire services	26,200	24,013	24,670
Public Works	108,900	118,383	101,347
Wastewater treatment and disposal	31,200	4,466	4,088
Water supply and distribution	208,350	171,481	194,359
Waste management	14,600	14,064	12,908
Cemeteries and crematoriums	4,150	4,540	6,999
Land use planning and development	6,130	7,574	24,095
Parks and recreation	27,300	29,899	31,603
Culture - libraries, museums, halls	35,746	40,171	31,040
Pioneer Parlour	6,000	4,328	42,174
	<u>719,746</u>	<u>721,836</u>	<u>663,769</u>
DEFICIENCY OF REVENUE OVER EXPENSES BEFORE OTHER	(261,938)	(231,323)	(84,000)
OTHER			
Government transfers for capital <i>(Schedule 4)</i>	221,892	27,412	113,230
EXCESS OF REVENUE OVER EXPENSES	(40,046)	(203,911)	29,230
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>3,873,738</u>	<u>3,873,738</u>	<u>3,844,508</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 3,833,692</u>	<u>\$ 3,669,827</u>	<u>\$ 3,873,738</u>

VILLAGE OF GLENWOOD**Consolidated Statement of Changes in Net Financial Assets****Year Ended December 31, 2022**

	Budget (Unaudited)	2022	2021
EXCESS OF REVENUE OVER EXPENSES	\$ (40,046)	\$ (203,911)	\$ 29,230
Amortization of tangible capital assets	188,600	185,397	183,497
Acquisition of tangible capital assets	(226,892)	(50,329)	(117,595)
	(38,292)	135,068	65,902
Use of prepaid expenses	-	(2,711)	-
Decrease (increase) in inventory for consumption	-	2,237	(1,630)
	-	(474)	(1,630)
	(38,292)	134,594	64,272
INCREASE IN NET FINANCIAL ASSETS	(78,338)	(69,317)	93,502
NET FINANCIAL ASSETS, BEGINNING OF YEAR	540,400	540,400	446,898
NET FINANCIAL ASSETS, END OF YEAR	\$ 462,062	\$ 471,083	\$ 540,400

VILLAGE OF GLENWOOD
Consolidated Statement of Cash Flows
Year Ended December 31, 2022

	2022	2021
OPERATING		
Excess of revenues over expenses	\$ (203,911)	\$ 29,230
Non-cash items included in excess of revenues over expenses		
Amortization of tangible capital assets	<u>185,397</u>	<u>183,497</u>
	<u>(18,514)</u>	<u>212,727</u>
Changes in non-cash working capital:		
Taxes and grants in lieu of taxes receivable	(16,007)	- 6,657
Trade and other receivable	22,748	(60,379)
Accounts payable and accrued liabilities	(30,041)	26,318
Employee benefit obligation	2,285	(2,649)
Deferred revenue	(9,827)	207,299
Inventory for consumption	2,237	(1,630)
Prepaid expenses	<u>(2,711)</u>	<u>-</u>
	<u>(31,316)</u>	<u>175,616</u>
	<u>(49,830)</u>	<u>388,343</u>
CAPITAL		
Purchase of tangible capital assets	<u>(50,329)</u>	<u>(117,595)</u>
CHANGE IN CASH AND TEMPORARY INVESTMENTS DURING THE YEAR	(100,159)	270,748
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>757,412</u>	<u>486,664</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR (Note 2)	<u>\$ 657,253</u>	<u>\$ 757,412</u>

VILLAGE OF GLENWOOD

**Schedule of Changes in Accumulated Surplus
Year Ended December 31, 2022**

(Schedule 1)

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2022	2021
BALANCE, BEGINNING OF THE YEAR	\$ 316,135	\$ 230,873	\$ 3,326,730	\$ 3,873,738	\$ 3,844,508
Excess of revenues over expenses	(203,911)	-	-	(203,911)	29,230
Unrestricted funds designated for future use	(16,127)	16,127	-	-	-
Current year funds used for tangible capital assets	(50,329)	-	50,329	-	-
Annual amortization expense	185,397	-	(185,397)	-	-
Change in accumulated surplus	(84,970)	16,127	(135,068)	(203,911)	29,230
BALANCE, END OF THE YEAR	\$ 231,165	\$ 247,000	\$ 3,191,662	\$ 3,669,827	\$ 3,873,738

VILLAGE OF GLENWOOD
Schedule of Tangible Capital Assets
Year Ended December 31, 2022

(Schedule 2)

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	2022	2021
COST							
BALANCE, BEGINNING OF YEAR	\$ 97,757	\$ 322,566	\$ 949,514	\$ 6,720,782	\$ 397,208	\$ 8,487,827	\$ 8,370,232
Acquisition of tangible capital assets	-	-	4,825	-	25,612	30,437	117,595
Construction in-progress	-	-	-	-	19,892	19,892	-
BALANCE, END OF YEAR	97,757	322,566	954,339	6,720,782	442,712	8,538,156	8,487,827
ACCUMULATED AMORTIZATION							
BALANCE, BEGINNING OF YEAR	-	84,022	546,212	4,245,916	284,947	5,161,097	4,977,600
Annual amortization	-	12,903	18,565	128,903	25,026	185,397	183,497
BALANCE, END OF YEAR	-	96,925	564,777	4,374,819	309,973	5,346,494	5,161,097
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 97,757	\$ 225,641	\$ 389,562	\$ 2,345,963	\$ 132,739	\$ 3,191,662	\$ 3,326,730
2021 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 97,757	\$ 238,544	\$ 403,302	\$ 2,474,866	\$ 112,261	\$ 3,326,730	

VILLAGE OF GLENWOOD
Schedule of Property and Other Taxes
Year Ended December 31, 2022

(Schedule 3)

	Budget (Unaudited)	2022	2021
TAXATION			
Real property taxes	\$ 300,473	\$ 297,788	\$ 312,188
Linear property taxes	14,940	18,469	16,757
	<u>315,413</u>	<u>316,257</u>	<u>328,945</u>
REQUISITIONS			
Alberta School Foundation Fund	77,252	77,252	71,737
Seniors foundation	6,061	6,061	5,733
	<u>83,313</u>	<u>83,313</u>	<u>77,470</u>
NET MUNICIPAL PROPERTY TAXES	<u>\$ 232,100</u>	<u>\$ 232,944</u>	<u>\$ 251,475</u>

VILLAGE OF GLENWOOD
Schedule of Government Transfers
Year Ended December 31, 2022

(Schedule 4)

	Budget (Unaudited)	2022	2021
TRANSFERS FOR OPERATING			
Provincial Government	\$ 41,863	\$ 40,228	\$ 58,022
Other Local Government	-	-	1,220
	<u>41,863</u>	<u>40,228</u>	<u>59,242</u>
TRANSFERS FOR CAPITAL			
Provincial Government	172,000	21,588	113,230
Other Local Government	49,892	5,824	-
	<u>221,892</u>	<u>27,412</u>	<u>113,230</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 263,755</u>	<u>\$ 67,640</u>	<u>\$ 172,472</u>

VILLAGE OF GLENWOOD

Schedule of Consolidated Expenses by Object

(Schedule 5)

Year Ended December 31, 2022

	Budget (Unaudited)	2022	2021
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	\$ 187,250	\$ 239,314	\$ 199,424
Contracted and general services	190,330	143,045	105,574
Materials, goods and utilities	102,900	110,208	116,292
Transfers to local boards and agencies	47,916	40,717	57,264
Bank charges and short-term interest	2,750	3,155	1,718
Amortization of tangible capital assets	188,600	185,397	183,497
	<u>\$ 719,746</u>	<u>\$ 721,836</u>	<u>\$ 663,769</u>

VILLAGE OF GLENWOOD
 Schedule of Segmented Disclosure
 Year Ended December 31, 2022

(Schedule 6)

	General Government	Protective Services	Transportation Services	Environmental Services	Planning and development	Recreation and culture	Total
REVENUE							
Net municipal taxes	\$ 232,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,944
User fees and sales of goods	3,806	-	-	146,091	5,584	17,580	173,061
Government transfers	34,118	-	24,643	-	-	8,879	67,640
Other revenues	8,733	-	-	199	6,180	4,380	19,492
Franchise and concession contracts	8,330	-	-	-	-	-	8,330
Investment income	16,458	-	-	-	-	-	16,458
	<u>304,389</u>	<u>-</u>	<u>24,643</u>	<u>146,290</u>	<u>11,764</u>	<u>30,839</u>	<u>517,925</u>
EXPENSES							
Salaries, wages and benefits	155,924	-	51,630	23,812	2,843	5,105	239,314
Contracted and general services	104,817	1,373	2,585	14,107	2,595	17,568	143,045
Materials, goods, supplies and utilities	21,845	6,394	26,264	32,339	1,697	21,669	110,208
Transfers to local boards	-	14,356	-	14,044	4,979	7,338	40,717
Bank charges and short-term interest	3,155	-	-	-	-	-	3,155
	<u>285,741</u>	<u>22,123</u>	<u>80,479</u>	<u>84,302</u>	<u>12,114</u>	<u>51,680</u>	<u>536,439</u>
NET REVENUE BEFORE AMORTIZATION	<u>18,648</u>	<u>(22,123)</u>	<u>(55,836)</u>	<u>61,988</u>	<u>(350)</u>	<u>(20,841)</u>	<u>(18,514)</u>
Amortization expense	8,716	10,350	37,904	105,709	-	22,718	185,397
NET REVENUE	<u>\$ 9,932</u>	<u>\$ (32,473)</u>	<u>\$ (93,740)</u>	<u>\$ (43,721)</u>	<u>\$ (350)</u>	<u>\$ (43,559)</u>	<u>\$ (203,911)</u>

VILLAGE OF GLENWOOD
Notes to Financial Statements
Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village of Glenwood (the Village) are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Village are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Village and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses 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.

Investments

Investments are recorded at cost less any provision for other than temporary impairment.

Tax Revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Requisitions operate as a flow through and are excluded from municipal revenue.

(continues)

VILLAGE OF GLENWOOD
Notes to Financial Statements
Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government Transfers

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

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

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets (Debt) for the year.

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:

	<u>Years</u>
Land improvements	15 - 25
Buildings	25 - 50
Engineered structures	
Water system	20 - 75
Wastewater system	35 - 75
Other engineered structures	5 - 75
Machinery and equipment	5 - 20

A full year of amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions of tangible capital assets

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

iii. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all 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. Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

VILLAGE OF GLENWOOD
Notes to Financial Statements
Year Ended December 31, 2022

2. CASH AND TEMPORARY INVESTMENTS

	<u>2022</u>	<u>2021</u>
Cash	\$ 656,753	\$ 756,912
Cash on hand	500	500
	<u>\$ 657,253</u>	<u>\$ 757,412</u>

The Village has a demand line of credit with ATB Financial with an authorized limit of \$100,000 which bears interest at 7.45%, secured by a general security agreement.

Included in cash and temporary investments is a restricted amount of \$272,349 (2021 - \$279,761) received from various grant programs which are held exclusively for approved projects (Note 4).

3. RECEIVABLES

	<u>2022</u>	<u>2021</u>
Property taxes		
Current taxes and grants in place of taxes	\$ 33,003	\$ 19,900
Arrears taxes	10,402	7,498
	<u>43,405</u>	<u>27,398</u>
Trade and other receivables		
Grants	78,167	128,167
Utilities	20,570	5,977
Miscellaneous	13,497	4,979
Goods and Services Tax (GST)	7,570	3,429
	<u>119,804</u>	<u>142,552</u>

4. DEFERRED REVENUE

	<u>2022</u>	<u>2021</u>
Municipal Sustainability Initiative - Capital Grant	\$ 206,170	\$ 227,758
Alberta Community Partnership	50,000	50,000
Prepaid property taxes	20,502	22,917
EMPP Grant	15,176	1,000
Fortis Grant	1,003	1,003
	<u>\$ 292,851</u>	<u>\$ 302,678</u>

Municipal Sustainability Initiative

Funding in the amount of \$31,063 was received in the current year from the Municipal Sustainability Initiative. Of the \$31,063, \$0 is from the capital component of the program and is restricted to eligible capital projects, as approved under the funding agreement, which were scheduled for completion in 2022. The remaining \$31,063 is from the operating component of the program and is restricted to eligible operating projects, as approved under the funding agreement, which were also scheduled for completion in 2022.

VILLAGE OF GLENWOOD
Notes to Financial Statements
Year Ended December 31, 2022

5. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Village be disclosed as follows:

	<u>2022</u>	<u>2021</u>
Total debt limit	\$ 735,770	\$ 869,654
Total debt	-	-
Amount of debt limit unused	<u>735,770</u>	<u>869,654</u>
Debt servicing limit	122,628	144,942
Debt servicing	-	-
Amount of debt servicing limit unused	<u>122,628</u>	<u>144,942</u>

The debt limit is calculated at 1.5 times revenue of the Village (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Village. Rather, the financial statements must be interpreted as a whole.

6. EQUITY IN TANGIBLE CAPITAL ASSETS

	<u>2022</u>	<u>2021</u>
Tangible capital assets (Schedule 2)	\$ 8,538,156	\$ 8,487,827
Accumulated amortization (Schedule 2)	<u>(5,346,494)</u>	<u>(5,161,097)</u>
	<u>\$ 3,191,662</u>	<u>\$ 3,326,730</u>

7. ACCUMULATED SURPLUS

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

	<u>2022</u>	<u>2021</u>
Unrestricted surplus	\$ 231,165	\$ 316,135
Restricted surplus	247,000	230,873
Equity in tangible capital assets	<u>3,191,662</u>	<u>3,326,730</u>
	<u>\$ 3,669,827</u>	<u>\$ 3,873,738</u>

VILLAGE OF GLENWOOD

Notes to Financial Statements

Year Ended December 31, 2022

8. SEGMENTED DISCLOSURE

The Village provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Refer to the Schedule of Segmented Disclosure (Schedule 6).

9. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for Village officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salary (1)	Benefits & Allowances (2)	2022	2021
Mayor Allred	\$ 2,650	\$ -	\$ 2,650	\$ 350
Mayor Elias	-	-	-	800
Councillor Carter	-	-	-	1,500
Councillor Clark	-	-	-	1,200
Councillor Holthe	1,700	20	1,720	450
Councillor Law	650	-	650	406
Councillor Lybbert, B.	-	-	-	750
Councillor Lybbert, S.	2,500	29	2,529	300
Councillor Peterson	1,300	-	1,300	300
Councillor Rolfson	-	-	-	1,750
Councilor Wickhorst	450	-	450	-
Chief Administrative Officer - Coffman	33,332	1,753	35,085	-
Chief Administrative Officer - Kinahan	31,908	8,207	40,115	73,454
Chief Administrative Officer - Vizzutti	26,200	300	26,500	-
Designated Officer - 1 position	9,871	-	9,871	7,963

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

(2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional memberships and tuition, if any.

Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, car and travel allowances, conferences, and memberships, if any.

VILLAGE OF GLENWOOD
Notes to Financial Statements
Year Ended December 31, 2022

10. COMMITMENTS AND CONTINGENCIES

The Village is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Village could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

Employees of the Village are allowed to accrue sick leave up to a maximum of 30 days. As at December 31, 2022 the amount of accumulated sick leave was \$10,808 (2021 - \$9,327). The total amount was not recorded in the financial statements as there is no certainty the full amount will be used. The amount of accumulated sick leave is not paid out to employees of the Village when they leave their position.

11. FINANCIAL INSTRUMENTS

The Village's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Village is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Village is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Village provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instruments approximates fair value.

12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. The changes do not affect prior year earnings.

13. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.