

VILLAGE OF GLENWOOD

Financial Statements

December 31, 2011

Independent Auditors' Report	1
Consolidated Statement of Financial Position	2
Consolidated Statement of Operations	3
Consolidated Statement of Change in Net Financial Assets (Debt)	4
Consolidated Statement of Cash Flows	5
Schedule of Changes in Accumulated Surplus	6
Schedule of Tangible Capital Assets	7
Schedule of Property Taxes Levied	8
Schedule of Government Transfers	9
Schedule of Consolidated Expenditures by Object	10
Schedule of Segmented Disclosure	11
Notes to Financial Statements	12-17

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Village of Glenwood

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Village of Glenwood, which comprise the consolidated statement of financial position as at December 31, 2011, and the consolidated statements of operations, change in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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


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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2011 and the results of its operations, change in its net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Raymond, Alberta
April 12, 2012


PRICE COMIN & JOHNSON LLP
PUBLIC ACCOUNTANTS

VILLAGE OF GLENWOOD
Consolidated Statement of Financial Position
As at December 31, 2011

	2011 \$	2010 \$
FINANCIAL ASSETS		
Cash (Note 2)	447,557	210,886
Receivables		
Taxes and grants in place of taxes (Note 3)	25,735	30,820
Trade and other (Note 4)	<u>97,786</u>	<u>109,239</u>
	<u>571,078</u>	<u>350,945</u>
LIABILITIES		
Accounts payable and accrued liabilities	63,150	49,251
Deferred revenue (Note 5)	320,301	54,796
Long-term debt (Note 6)	<u>8,620</u>	<u>168,668</u>
	<u>392,071</u>	<u>272,715</u>
NET FINANCIAL ASSETS (DEBT)	<u>179,007</u>	<u>78,230</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	2,113,479	2,157,082
Inventory for consumption	16,909	17,564
Prepaid expenses and deposits	<u>-</u>	<u>448</u>
	<u>2,130,388</u>	<u>2,175,094</u>
ACCUMULATED SURPLUS (Note 9 and Schedule 1)	<u>2,309,395</u>	<u>2,253,324</u>
CONTINGENCIES (Note 12)		

VILLAGE OF GLENWOOD
Consolidated Statement of Operations
For the Year Ended December 31, 2011

	Budget (Unaudited) \$	2011 \$	2010 \$
REVENUES			
Net municipal property taxes (Schedule 3)	142,078	144,450	142,278
User fees and sales of goods	181,380	176,363	171,976
Government transfers (Schedule 4)	104,349	55,001	18,183
Investment income	150	2,450	150
Penalties and costs of taxes	4,000	4,901	4,229
Franchise and concession contracts	23,000	27,448	26,108
Pioneer Parlour revenues	<u>32,500</u>	<u>30,721</u>	<u>31,757</u>
	<u>487,457</u>	<u>441,334</u>	<u>394,681</u>
EXPENSES			
Legislative	19,000	13,646	18,441
Administration	156,779	131,318	142,360
Police, fire, ambulance and bylaw enforcement	18,035	14,474	15,802
Parks and recreation	14,505	8,631	12,264
Roads, streets, walks, lighting	45,551	59,211	48,904
Water, wastewater and waste management	90,619	75,891	73,851
Culture	86,950	63,057	62,204
Community services and cemetery	23,294	8,592	11,037
Loss on disposal of tangible capital assets	-	39,215	7,994
Amortization	<u>-</u>	<u>150,218</u>	<u>148,372</u>
	<u>454,733</u>	<u>564,253</u>	<u>541,229</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER	32,724	(122,919)	(146,548)
OTHER			
Government transfers for capital (Schedule 4)	<u>592,980</u>	<u>178,990</u>	<u>102,129</u>
EXCESS OF REVENUES OVER EXPENSES	625,704	56,071	(44,419)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>2,253,324</u>	<u>2,253,324</u>	<u>2,297,743</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>2,879,028</u>	<u>2,309,395</u>	<u>2,253,324</u>

VILLAGE OF GLENWOOD**Consolidated Statement of Change in Net Financial Assets (Debt)
For the Year Ended December 31, 2011**

	Budget (Unaudited) \$	2011 \$	2010 \$
EXCESS OF REVENUES OVER EXPENSES	625,704	56,071	(44,419)
Acquisition of tangible capital assets	(476,136)	(145,829)	(88,795)
Amortization of tangible capital assets	-	150,218	148,372
(Gain) loss on disposal of tangible capital assets	-	39,215	7,994
	<u>(476,136)</u>	<u>43,604</u>	<u>67,571</u>
Acquisition (use) of prepaid assets	-	448	1,332
(Use) acquisition of supplies inventory	-	654	(10,725)
	<u>-</u>	<u>1,102</u>	<u>(9,393)</u>
INCREASE IN NET FINANCIAL ASSETS	149,568	100,777	13,759
NET FINANCIAL (DEBT) ASSETS, BEGINNING OF YEAR	<u>78,230</u>	<u>78,230</u>	<u>64,471</u>
NET FINANCIAL DEBT, END OF YEAR	<u>227,798</u>	<u>179,007</u>	<u>78,230</u>

VILLAGE OF GLENWOOD
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2011

	2011	2010
	\$	\$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess of revenues over expenses	56,071	(44,419)
Non-cash items included in excess of revenues over expenses		
Amortization of tangible capital assets	150,218	148,372
Loss on disposal of tangible capital assets	39,215	7,994
Non-cash charges to operations (net changes)		
Decrease in taxes and grants in lieu receivable	5,085	2,529
Decrease in trade and other receivables	11,453	67,472
Decrease (increase) in inventory for consumption	654	(10,725)
Decrease in prepaid expenses	448	1,332
Increase in accounts payable and accrued liabilities	13,899	17,215
Increase in deferred revenue	<u>265,505</u>	<u>54,796</u>
	<u>542,548</u>	<u>244,566</u>
CAPITAL		
Acquisition of tangible capital assets	<u>(145,829)</u>	<u>(88,795)</u>
	<u>(145,829)</u>	<u>(88,795)</u>
FINANCING		
Long-term debt repaid	<u>(160,048)</u>	<u>(9,139)</u>
CHANGE IN CASH DURING THE YEAR	236,671	146,632
CASH, BEGINNING OF YEAR	<u>210,886</u>	<u>64,254</u>
CASH, END OF YEAR	<u><u>447,557</u></u>	<u><u>210,886</u></u>

VILLAGE OF GLENWOOD

**Schedule of Changes in Accumulated Surplus
For the Year Ended December 31, 2011**

SCHEDULE 1

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2011	2010
BALANCE, BEGINNING OF THE YEAR	\$ 132,683	\$ 132,227	\$ 1,988,414	\$ 2,253,324	\$ 2,297,743
Excess of revenues over expenses	56,071	-	-	56,071	(44,419)
Restricted funds used for tangible capital assets	-	(100,000)	100,000	-	-
Current year funds used for tangible capital assets	(45,829)	-	45,829	-	-
Disposal of tangible capital assets	39,214	-	(39,214)	-	-
Annual amortization expense	150,218	-	(150,218)	-	-
Long-term debt repaid	(160,048)	-	160,048	-	-
Change in accumulated surplus	\$ 39,626	\$ (100,000)	\$ 116,445	\$ 56,071	\$ (44,419)
BALANCE, END OF YEAR	\$ 172,309	\$ 32,227	\$ 2,104,859	\$ 2,309,395	\$ 2,253,324

VILLAGE OF GLENWOOD
Schedule of Tangible Capital Assets
For the Year Ended December 31, 2011

SCHEDULE 2

	Land \$	Buildings \$	Engineered Structures \$	Machinery & Equipment \$	2011 \$	2010 \$
COST:						
BALANCE, BEGINNING OF YEAR	11,202	755,947	4,561,150	323,121	5,651,420	5,584,830
Acquisition of tangible capital assets	-	-	135,187	10,642	145,829	88,795
Disposal of tangible capital assets	-	-	(68,870)	-	(68,870)	(22,205)
BALANCE, END OF YEAR	<u>11,202</u>	<u>755,947</u>	<u>4,627,467</u>	<u>333,763</u>	<u>5,728,379</u>	<u>5,651,420</u>
ACCUMULATED AMORTIZATION:						
BALANCE, BEGINNING OF YEAR	-	368,234	3,016,691	109,413	3,494,338	3,360,177
Annual amortization	-	15,340	114,071	20,807	150,218	148,372
Accumulated amortization on disposals	-	-	(29,656)	-	(29,656)	(14,211)
BALANCE, END OF YEAR	-	<u>383,574</u>	<u>3,101,106</u>	<u>130,220</u>	<u>3,614,900</u>	<u>3,494,338</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>11,202</u>	<u>372,373</u>	<u>1,526,361</u>	<u>203,543</u>	<u>2,113,479</u>	<u>2,157,082</u>
2009 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>11,202</u>	<u>387,713</u>	<u>1,544,459</u>	<u>213,708</u>	<u>2,157,082</u>	

VILLAGE OF GLENWOOD
Schedule of Property Taxes Levied
For the Year Ended December 31, 2011

SCHEDULE 3

	Budget (Unaudited) \$	2011 \$	2010 \$
TAXATION			
Real property taxes	192,761	196,640	195,156
Linear property taxes	<u>8,502</u>	<u>6,844</u>	<u>6,451</u>
	<u>201,263</u>	<u>203,484</u>	<u>201,607</u>
REQUISITIONS			
Alberta School Foundation Fund	51,735	51,735	48,643
United Irrigation District	3,173	3,022	2,568
Seniors foundation	<u>4,277</u>	<u>4,277</u>	<u>8,118</u>
	<u>59,185</u>	<u>59,034</u>	<u>59,329</u>
NET MUNICIPAL PROPERTY TAXES	<u>142,078</u>	<u>144,450</u>	<u>142,278</u>

VILLAGE OF GLENWOOD
Schedule of Government Transfers
For the Year Ended December 31, 2011

SCHEDULE 4

	Budget (Unaudited) \$	2011 \$	2010 \$
TRANSFERS FOR OPERATIONS			
Provincial Government	104,349	51,485	13,183
Other Local Governments	-	<u>3,516</u>	<u>5,000</u>
	<u>104,349</u>	<u>55,001</u>	<u>18,183</u>
TRANSFERS FOR CAPITAL			
Provincial Government	<u>592,980</u>	<u>178,990</u>	<u>102,129</u>
	<u>592,980</u>	<u>178,990</u>	<u>102,129</u>
	<u>697,329</u>	<u>233,991</u>	<u>120,312</u>

VILLAGE OF GLENWOOD
Schedule of Consolidated Expenditures by Object
For the Year Ended December 31, 2011

SCHEDULE 5

	Budget (Unaudited) \$	2011 \$	2010 \$
EXPENDITURES			
Salaries, wages and benefits	161,958	153,383	173,175
Contracted and general services	172,200	143,131	120,700
Materials, goods, and utilities	99,440	59,290	77,455
Transfers to local boards and agencies	15,517	16,072	6,635
Bank charges and short-term interest	2,500	629	2,691
Interest on long-term debt	3,118	2,315	4,207
Amortization	-	150,218	148,372
Loss on disposal of tangible capital assets	-	39,215	7,994
	<u>454,733</u>	<u>564,253</u>	<u>541,229</u>

VILLAGE OF GLENWOOD
Schedule of Segmented Disclosure
For the Year Ended December 31, 2011

SCHEDULE 6

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	Total
REVENUE								
Net municipal taxes	\$ 144,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,450
Government transfers	38,145	-	-	-	16,856	178,990	-	233,991
User fees and sales of goods	6,822	920	2,051	120	2,539	163,911	-	176,363
Investment income	2,450	-	-	-	-	-	-	2,450
Other revenue	<u>32,349</u>	-	-	-	<u>30,721</u>	-	-	<u>63,070</u>
	\$ <u>224,216</u>	\$ <u>920</u>	\$ <u>2,051</u>	\$ <u>120</u>	\$ <u>50,116</u>	\$ <u>342,901</u>	\$ -	\$ <u>620,324</u>
EXPENSES								
Contracted and general services	\$ 89,346	\$ 5,280	\$ 21,847	\$ -	\$ 8,455	\$ 18,202	\$ -	\$ 143,130
Salaries and wages	46,778	2,230	26,945	-	37,609	39,822	-	153,384
Goods and supplies	8,210	643	10,227	-	27,473	12,737	-	59,290
Transfers to local boards	-	4,198	-	-	6,744	5,130	-	16,072
Long-term debt interest	-	2,124	191	-	-	-	-	2,315
Other expenses	<u>629</u>	-	-	-	-	<u>39,215</u>	-	<u>39,844</u>
	\$ <u>144,963</u>	\$ <u>14,475</u>	\$ <u>59,210</u>	\$ -	\$ <u>80,281</u>	\$ <u>115,106</u>	\$ -	\$ <u>414,035</u>
NET REVENUE BEFORE AMORTIZATION	\$ 79,253	\$ (13,555)	\$ (57,159)	\$ 120	\$ (30,165)	\$ 227,795	\$ -	\$ 206,289
Amortization expense	<u>2,906</u>	<u>13,131</u>	<u>47,519</u>	-	<u>9,304</u>	<u>77,358</u>	-	<u>150,218</u>
NET REVENUE	\$ <u>76,347</u>	\$ <u>(26,686)</u>	\$ <u>(104,678)</u>	\$ <u>120</u>	\$ <u>(39,469)</u>	\$ <u>150,437</u>	\$ -	\$ <u>56,071</u>

VILLAGE OF GLENWOOD
Notes to Financial Statements
For the Year Ended December 31, 2011

1. Significant Accounting Policies

The consolidated financial statements of the Village of Glenwood 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 Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Village of Glenwood are as follows:

a) 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. The 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 village 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.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

b) 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.

c) 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the reported period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

d) Inventories for Resale -

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

VILLAGE OF GLENWOOD
Notes to Financial Statements
For the Year Ended December 31, 2011

1. Significant Accounting Policies (continued)

- e) **Prepaid Local Improvement Charges -**
 Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the municipality.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue on a straight line basis over the remaining term of the related borrowings.

In the event that the prepaid amounts are applied against the related borrowing, the deferred revenue is amortized to revenue by an amount equal to the debt repayment.

- f) **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.

- g) **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 Asset (Debt) for the year.

- 1) **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
Vehicles	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.

- 2) **Inventories -**
 Inventories held for consumption are recorded at the lower of cost or replacement cost.

VILLAGE OF GLENWOOD
Notes to Financial Statements
For the Year Ended December 31, 2011

2. Cash and Temporary Investments

	2011	2010
	\$	\$
Cash on hand	440,404	198,066
Guaranteed Investment Certificates	<u>7,153</u>	<u>12,820</u>
	<u>447,557</u>	<u>210,886</u>

The guaranteed investment certificate has an interest rate of 1.3% and matured on January 2, 2012.

Council has designated funds of \$32,227 (2010 - \$132,227) included in the above for various capital projects.

Included in cash on hand is a restricted amount of \$320,301 (2010 - \$54,796) from the Municipal Sustainability Initiative, Alberta Municipal Infrastructure Program, Pioneer Days donations and the Community Facility Enhancement Fund which are being held exclusively for capital and operating projects. (Note 5)

3. Taxes and Grants in Place of Taxes Receivables

	2011	2010
	\$	\$
Current taxes and grants in place of taxes	19,912	23,262
Arrears taxes	<u>5,823</u>	<u>7,558</u>
	<u>25,735</u>	<u>30,820</u>

4. Trade Accounts Receivable

	2011	2010
	\$	\$
Utilities receivable	\$ 18,953	\$ 16,937
Advances to employees - former Chief Administrative Officer	-	42,824
Atco Gas Franchise Fees Receivable	16,578	16,468
Goods and services taxes receivable	14,160	27,478
Grants receivable	47,453	-
Other trade receivables	<u>642</u>	<u>5,532</u>
	<u>\$ 97,786</u>	<u>\$ 109,239</u>

5. Deferred Revenue

	2011	2010
	\$	\$
Municipal Sustainability Initiative - Capital Grant	\$ 193,588	\$ 49,789
Alberta Municipal Infrastructure Program	121,010	-
Pioneer Days donations	696	-
Community Facilities Enhancement Fund	<u>5,007</u>	<u>5,007</u>
	<u>\$ 320,301</u>	<u>\$ 54,796</u>

VILLAGE OF GLENWOOD
Notes to Financial Statements
For the Year Ended December 31, 2011

6. Long-term Debt

	2011	2010
Bank loan	\$ -	\$ 150,000
Finance contract payable	<u>8,620</u>	<u>18,668</u>
	<u>\$ 8,620</u>	<u>\$ 168,668</u>

Principle and interest repayments are as follows:

	Principal	Interest	Total
2012	\$ <u>8,620</u>	\$ <u>60</u>	\$ <u>8,680</u>
	<u>\$ 8,620</u>	<u>\$ 60</u>	<u>\$ 8,680</u>

Finance contract is repayable to CNH Capital in monthly installments of \$789 bearing interest at 1.4% per annum, secured by related tangible capital asset having a net book value of \$31,376 (2010 - \$33,991), due in 2012.

Interest on long-term debt amounted to \$2,315 (2010 - \$4,207).

7. 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 town be disclosed as follows:

	2011	2010
	\$	\$
Total debt limit	662,001	592,022
Total debt	<u>8,620</u>	<u>168,668</u>
Total unused debt limit	<u>653,381</u>	<u>423,354</u>
Service on debt limit	110,334	98,670
Service on debt	<u>8,680</u>	<u>65,937</u>
Amount of unused service on debt	<u>101,654</u>	<u>32,733</u>

The debt limit is calculated at 1.5 times revenue of the municipality (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 municipality. Rather, the financial statements must be interpreted as a whole.

VILLAGE OF GLENWOOD
Notes to Financial Statements
For the Year Ended December 31, 2011

8. Equity in Tangible Capital Assets

	2011	2010
	\$	\$
Capital assets (Schedule 2)	5,728,379	5,651,420
Accumulated amortization (Schedule 2)	(3,614,900)	(3,494,338)
Long-term debt (Note 6)	(8,620)	(168,668)
	<u>2,104,859</u>	<u>1,988,414</u>

9. Accumulated Surplus

	2011	2010
	\$	\$
Unrestricted surplus (deficit)	172,309	132,683
Restricted surplus:		
Capital reserves		
Waterline replacements	-	100,000
Street improvements	32,227	32,227
Equity in tangible capital assets	<u>2,104,859</u>	<u>1,988,414</u>
	<u>2,309,395</u>	<u>2,253,324</u>

10. 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)	2011 Total	2010 Total
	\$	\$	\$	\$
Mayor - Jordan Koch	2,650	-	2,650	250
- Doral Lybbert	-	-	-	1,050
Councilor - Roger Clark	-	-	-	2,350
- Darryl Edwards	150	-	150	200
- Ben Goetz	1,850	-	1,850	1,700
- Clinton Lybbert	1,100	-	1,100	250
- Sandy Lybbert	-	-	-	1,350
- Barb Michel	2,000	-	2,000	2,050
Designated officer - CAO	30,371	746	31,117	51,567

- (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, accident disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition.

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.

VILLAGE OF GLENWOOD
Notes to Financial Statements
For the Year Ended December 31, 2011

11. Segmented Disclosure

The Village of Glenwood 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).

12. 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.

13. Financial Instruments

The village's financial instruments consist of cash and temporary investments, receivables, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the village is not exposed to significant interest, currency or credit risks arising from these financial statements.

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 instrument approximates fair value.

14. Comparative Figures

Certain comparative figures have been reclassified to conform with the current years financial presentation.

15. Approval of Financial Statements

Council and Management have approved these financial statements.