

# VILLAGE OF GLENWOOD

## Financial Statements

For the Year Ended December 31, 2018

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Village of Glenwood

### Opinion

We have audited the financial statements of Village of Glenwood (the Municipality), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net financial assets, changes in accumulated surplus 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 Municipality as at December 31, 2018, and the results of its operations 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 Municipality 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 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 Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality'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 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 Municipality'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 Municipality'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 Municipality 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.



Lethbridge, Alberta  
June 13, 2019



Chartered Accountants

**VILLAGE OF GLENWOOD**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2018**

	2018 \$	2017 \$
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	332,062	48,703
Receivables		
Taxes and grants in place of taxes (Note 3)	27,393	55,969
Trade and other (Note 4)	<u>96,516</u>	<u>477,977</u>
	<u>455,971</u>	<u>582,649</u>
<b>LIABILITIES</b>		
Temporary bank indebtedness (Note 2)	-	86,087
Accounts payable and accrued liabilities	40,173	47,442
Deferred revenue (Note 5)	<u>70,543</u>	<u>50,000</u>
	<u>110,716</u>	<u>183,529</u>
<b>NET FINANCIAL ASSETS</b>	<u>345,255</u>	<u>399,120</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	3,362,385	3,386,099
Inventory for consumption	2,425	2,793
Prepaid expenses	<u>-</u>	<u>1,370</u>
	<u>3,364,810</u>	<u>3,390,262</u>
<b>ACCUMULATED SURPLUS (Schedule 1 and Note 8)</b>	<u><b>3,710,065</b></u>	<u><b>3,789,382</b></u>

**CONTINGENCIES (Note 11)**

Approved by the Council:

  
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**VILLAGE OF GLENWOOD**  
**Consolidated Statement of Operations**  
**For the Year Ended December 31, 2018**

	Budget (Unaudited) \$	2018 \$	2017 \$
<b>REVENUES</b>			
Net municipal property taxes (Schedule 3)	164,979	233,501	225,270
User fees and sales of goods	162,570	175,947	214,925
Government transfers (Schedule 4)	34,832	44,177	33,104
Franchise and concession contracts	20,000	3,322	20,653
Penalties and costs of taxes	2,000	4,371	3,739
Other	-	6,567	13,133
Investment income	3,500	3,204	11,553
Pioneer Parlour revenue	<u>43,550</u>	<u>42,868</u>	<u>44,016</u>
	<u>431,431</u>	<u>513,957</u>	<u>566,393</u>
<b>EXPENSES</b>			
Administration	195,700	232,412	242,963
Water and wastewater	92,698	130,308	112,148
Roads, streets, walks, lighting	68,350	70,968	59,552
Parks and recreation	13,240	13,210	11,185
Legislative	24,000	20,720	23,473
Police, fire, ambulance and bylaw enforcement	13,117	14,421	12,463
Culture	36,620	36,901	36,057
Pioneer Parlour	43,550	40,320	39,241
Community services and cemetery	11,306	10,300	11,023
Amortization	-	219,863	217,025
	<u>498,581</u>	<u>789,423</u>	<u>765,130</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OTHER</b>	(67,150)	(275,466)	(198,737)
<b>OTHER</b>			
Government transfers for capital (Schedule 4)	<u>202,573</u>	<u>196,149</u>	<u>508,019</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	135,423	(79,317)	309,282
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>3,789,382</u>	<u>3,789,382</u>	<u>3,480,100</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><u>3,924,805</u></u>	<u><u>3,710,065</u></u>	<u><u>3,789,382</u></u>

**VILLAGE OF GLENWOOD**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the Year Ended December 31, 2018**

	Budget (Unaudited) \$	2018 \$	2017 \$
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>135,423</u>	<u>(79,317)</u>	<u>309,282</u>
Acquisition of tangible capital assets	-	(196,149)	(619,784)
Amortization of tangible capital assets	<u>-</u>	<u>219,863</u>	<u>217,025</u>
	<u>-</u>	<u>23,714</u>	<u>(402,759)</u>
Use of supplies inventory	-	368	5,360
Use of prepaid assets	<u>-</u>	<u>1,370</u>	<u>-</u>
	<u>-</u>	<u>1,738</u>	<u>5,360</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	135,423	(53,865)	(88,117)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>399,120</u>	<u>399,120</u>	<u>487,237</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u><u>534,543</u></u>	<u><u>345,255</u></u>	<u><u>399,120</u></u>

**VILLAGE OF GLENWOOD**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2018**

	2018	2017
	\$	\$
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
Excess (deficiency) of revenues over expenses	(79,317)	309,282
Non-cash items included in excess (deficiency) of revenues over expenses		
Amortization of tangible capital assets	219,863	217,025
Non-cash charges to operations (net changes)		
(Increase) in taxes and grants in lieu receivable	28,576	(21,986)
Decrease (increase) in trade and other receivables	381,461	(338,093)
Decrease in inventory for consumption	368	5,360
(Increase) in prepaid expenses	1,370	-
(Decrease) in accounts payable and accrued liabilities	(7,269)	5,825
(Decrease) increase in deferred revenue	<u>20,543</u>	<u>(145,017)</u>
	<u>565,595</u>	<u>32,396</u>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(196,149)	(619,784)
	<u>(196,149)</u>	<u>(619,784)</u>
<b>CHANGE IN CASH DURING THE YEAR</b>	369,446	(587,388)
<b>CASH, BEGINNING OF YEAR</b>	<u>(37,384)</u>	<u>550,004</u>
<b>CASH, END OF YEAR (Note 2)</b>	<u><u>332,062</u></u>	<u><u>(37,384)</u></u>

**VILLAGE OF GLENWOOD**  
**Schedule of Changes in Accumulated Surplus**  
**For the Year Ended December 31, 2018**

**SCHEDULE 1**

	Unrestricted Surplus \$	Restricted Surplus \$	Equity in Tangible Capital Assets \$	2018 \$	2017 \$
<b>BALANCE, BEGINNING OF THE YEAR</b>	<u>403,283</u>	-	<u>3,386,099</u>	<u>3,789,382</u>	<u>3,480,100</u>
Excess (deficiency) of revenues over expenses	(79,317)	-	-	(79,317)	309,282
Unrestricted funds designated for future use	(2,000)	2,000	-	-	-
Current year funds used for tangible capital assets	(196,149)	-	196,149	-	-
Annual amortization expense	<u>219,863</u>	-	<u>(219,863)</u>	-	-
Change in accumulated surplus	<u>(57,603)</u>	<u>2,000</u>	<u>(23,714)</u>	<u>(79,317)</u>	<u>309,282</u>
<b>BALANCE, END OF YEAR</b>	<u><u>345,680</u></u>	<u><u>2,000</u></u>	<u><u>3,362,385</u></u>	<u><u>3,710,065</u></u>	<u><u>3,789,382</u></u>



**VILLAGE OF GLENWOOD**

Schedule of Tangible Capital Assets  
For the Year Ended December 31, 2018

**SCHEDULE 2**

	Land \$	Land Improvements \$	Buildings \$	Engineered Structures \$	Machinery & Equipment \$	2018 \$	2017 \$
<b>COST:</b>							
BALANCE, BEGINNING OF YEAR	97,757	322,566	907,487	6,258,386	355,072	7,941,268	7,321,484
Acquisition of tangible capital assets	-	-	31,211	135,438	29,500	196,149	619,784
Disposal of tangible capital assets	-	-	-	-	(9,732)	(9,732)	-
BALANCE, END OF YEAR	<u>97,757</u>	<u>322,566</u>	<u>938,698</u>	<u>6,393,824</u>	<u>374,840</u>	<u>8,127,685</u>	<u>7,941,268</u>
<b>ACCUMULATED AMORTIZATION:</b>							
BALANCE, BEGINNING OF YEAR	-	32,410	473,010	3,841,866	207,883	4,555,169	4,338,144
Annual amortization	-	12,903	18,156	170,652	18,152	219,863	217,025
Accumulated amortization on disposals	-	-	-	-	(9,732)	(9,732)	-
BALANCE, END OF YEAR	-	<u>45,313</u>	<u>491,166</u>	<u>4,012,518</u>	<u>216,303</u>	<u>4,765,300</u>	<u>4,555,169</u>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<u>97,757</u>	<u>277,253</u>	<u>447,532</u>	<u>2,381,306</u>	<u>158,537</u>	<u>3,362,385</u>	<u>3,386,099</u>
2017 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>97,757</u>	<u>290,156</u>	<u>434,477</u>	<u>2,416,520</u>	<u>147,189</u>	<u>3,386,099</u>	

**VILLAGE OF GLENWOOD**  
**Schedule of Property Taxes Levied**  
**For the Year Ended December 31, 2018**

**SCHEDULE 3**

	Budget (Unaudited) \$	2018 \$	2017 \$
<b>TAXATION</b>			
Real property taxes	228,393	294,330	288,008
Linear property taxes	<u>10,356</u>	<u>12,961</u>	<u>10,857</u>
	<u>238,749</u>	<u>307,291</u>	<u>298,865</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	68,250	68,250	68,043
Seniors foundation	5,520	5,520	5,552
Designated industrial property	<u>-</u>	<u>20</u>	<u>-</u>
	<u>73,770</u>	<u>73,790</u>	<u>73,595</u>
<b>NET MUNICIPAL PROPERTY TAXES</b>	<b><u>164,979</u></b>	<b><u>233,501</u></b>	<b><u>225,270</u></b>

**VILLAGE OF GLENWOOD**  
**Schedule of Government Transfers**  
**For the Year Ended December 31, 2018**

**SCHEDULE 4**

	Budget (Unaudited) \$	2018 \$	2017 \$
<b>TRANSFERS FOR OPERATIONS</b>			
Provincial Government	34,832	44,177	27,144
Other Local Governments	<u>-</u>	<u>-</u>	<u>5,960</u>
	<u>34,832</u>	<u>44,177</u>	<u>33,104</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial Government	<u>202,573</u>	<u>196,149</u>	<u>508,019</u>
	<u><u>237,405</u></u>	<u><u>240,326</u></u>	<u><u>541,123</u></u>

**VILLAGE OF GLENWOOD**  
**Schedule of Consolidated Expenditures by Object**  
**For the Year Ended December 31, 2018**

**SCHEDULE 5**

	Budget (Unaudited) \$	2018 \$	2017 \$
<b>EXPENDITURES</b>			
Salaries, wages and benefits	227,490	254,720	238,335
Contracted and general services	155,990	183,841	189,922
Materials, goods and utilities	85,100	105,207	90,320
Transfers to local boards and agencies	27,251	23,114	26,603
Bank charges and short-term interest	2,750	2,678	2,925
Amortization	-	219,863	217,025
	<u>498,581</u>	<u>789,423</u>	<u>765,130</u>

**VILLAGE OF GLENWOOD**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2018**

**SCHEDULE 6**

	General Government \$	Protective Services \$	Transportation Services \$	Planning & Development \$	Recreation & Culture \$	Environmental Services \$	Total
<b>REVENUES</b>							
Net municipal taxes	233,501	-	-	-	-	-	233,501
Government transfers	44,177	-	-	-	31,211	164,938	240,326
User fees and sales of goods	5,296	160	480	1,400	10,409	158,202	175,947
Investment income	3,204	-	-	-	-	-	3,204
Other revenue	<u>7,693</u>	-	-	-	<u>42,868</u>	<u>6,567</u>	<u>57,128</u>
	<u>293,871</u>	<u>160</u>	<u>480</u>	<u>1,400</u>	<u>84,488</u>	<u>329,707</u>	<u>710,106</u>
<b>EXPENSES</b>							
Salaries, wages and benefits	149,167	499	39,266	-	29,067	36,721	254,720
Contracted and general services	84,276	7,320	22,199	4,947	9,868	55,231	183,841
Materials, goods and utilities	17,011	95	9,503	-	47,104	31,494	105,207
Transfers to local boards and agencies	-	6,507	-	-	9,745	6,862	23,114
Other expenses	<u>2,678</u>	-	-	-	-	-	<u>2,678</u>
	<u>253,132</u>	<u>14,421</u>	<u>70,968</u>	<u>4,947</u>	<u>95,784</u>	<u>130,308</u>	<u>569,560</u>
<b>NET REVENUES BEFORE AMORTIZATION</b>	40,739	(14,261)	(70,488)	(3,547)	(11,296)	199,399	140,546
Amortization	<u>6,144</u>	<u>10,113</u>	<u>82,490</u>	-	<u>20,428</u>	<u>100,688</u>	<u>219,863</u>
<b>NET REVENUES</b>	<u><u>34,595</u></u>	<u><u>(24,374)</u></u>	<u><u>(152,978)</u></u>	<u><u>(3,547)</u></u>	<u><u>(31,724)</u></u>	<u><u>98,711</u></u>	<u><u>(79,317)</u></u>

**VILLAGE OF GLENWOOD**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2018**

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**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 Chartered Professional Accountants of Canada. 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.

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) Investments -

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

e) 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.

**VILLAGE OF GLENWOOD**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2018**

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**1. Significant Accounting Policies (continued)**

- 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 Assets (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) 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.
- 3) Inventories -  
 Inventories of materials and supplies 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, 2018**

**2. Cash and Temporary Investments**

	2018	2017
	\$	\$
Cash	332,062	48,703
Temporary bank indebtedness	<u>-</u>	<u>(86,087)</u>
	<u>332,062</u>	<u>(37,384)</u>

The town has a demand line of credit with ATB Financial with an authorized limit of \$100,000 which bears interest at 3.70%, secured by a general security agreement.

Included in cash and temporary investments are deferred revenue amounts for the Alberta Community Partnership which are held exclusively for approved projects. The total amount of restricted cash and temporary investments is \$70,543 (2017-\$50,000) (Note 5)

**3. Taxes and Grants in Place of Taxes Receivables**

	2018	2017
	\$	\$
Current taxes and grants in place of taxes	19,344	36,799
Arrears taxes	<u>8,049</u>	<u>19,170</u>
	<u>27,393</u>	<u>55,969</u>

**4. Trade Accounts Receivable**

	2018	2017
	\$	\$
Utilities receivable	5,494	5,372
Atco Gas franchise fees receivable	7,632	12,665
Goods and services taxes receivable	10,308	108,250
Other trade receivables	7,673	11,544
Grant funds receivable	<u>65,409</u>	<u>340,146</u>
	<u>96,516</u>	<u>477,977</u>

**5. Deferred Revenue**

	2018	2017
	\$	\$
Alberta Community Partnership	<u>70,543</u>	<u>50,000</u>
	<u>70,543</u>	<u>50,000</u>



**VILLAGE OF GLENWOOD**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2018**

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**6. 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:

	2018 \$	2017 \$
Total debt limit	770,936	849,590
Total debt	-	-
Total unused debt limit	<u>770,936</u>	<u>849,590</u>
Service on debt limit	128,489	141,598
Service on debt	-	-
Amount of unused service on debt	<u>128,489</u>	<u>141,598</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.

**7. Equity in Tangible Capital Assets**

	2018 \$	2017 \$
Tangible capital assets (Schedule 2)	8,127,685	7,941,268
Accumulated amortization (Schedule 2)	<u>(4,765,300)</u>	<u>(4,555,169)</u>
	<u>3,362,385</u>	<u>3,386,099</u>

**8. Accumulated Surplus**

	2018 \$	2017 \$
Unrestricted surplus:	345,680	403,283
Restricted surplus:		
Cemetery	2,000	-
Equity in tangible capital assets	<u>3,362,385</u>	<u>3,386,099</u>
	<u>3,710,065</u>	<u>3,789,382</u>

**VILLAGE OF GLENWOOD**  
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**9. 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).

**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)	2018 Total	2017 Total
	\$	\$	\$	\$
Mayor Elias, A.	1,750	-	1,750	-
Mayor Goetz, B.	-	-	-	2,650
Councillors:				
Carter, G.	1,800	-	1,800	850
Edwards, D.	-	-	-	100
Elias, A.	-	-	-	300
Koch, J.	-	-	-	2,100
Lybbert, B.	1,100	-	1,100	550
Lybbert, D.	-	-	-	250
Lybbert, M.	2,100	-	2,100	350
Lybbert, S.	-	-	-	1,700
Michel, B.	-	-	-	1,900
Rolfson, D.	3,000	-	3,000	300
CAO - Parsons, C.	56,483	9,971	66,454	78,218
Interm CAO - Campbell, M.	11,362	1,835	13,197	-

(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**  
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**11. 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.

**12. Financial Instruments**

The village's financial instruments consist of cash and temporary investments, receivables, 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 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 fulfil 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.

**13. 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.

**14. Approval of Financial Statements**

Council and Management have approved these financial statements.