

VILLAGE OF GLENWOOD
Consolidated Financial Statements
Year Ended December 31, 2024

VILLAGE OF GLENWOOD
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Year Ended December 31, 2024

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements are the responsibility of the management of the Village of Glenwood (the "Village").

These consolidated financial statements have been prepared from information provided by management. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

The Village maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Village's assets are properly accounted for and adequately safeguarded.

The elected Council of the Village is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. Council meets periodically with management and the external auditors to review significant accounting, reporting and internal control matters. Following its review of the consolidated financial statements and discussions with the auditors, the Council approves the consolidated financial statements. The Council approves the appointment of the external auditors and reviews the monthly financial reports.

The consolidated financial statements have been audited by Shawn Cook Professional Corporation, Chartered Professional Accountants, the external auditor, in accordance with Canadian generally accepted auditing standards on behalf of the Council, residents and ratepayers of the Village. Shawn Cook Professional Corporation has full and free access to the Council.

A handwritten signature in black ink, appearing to read "C. Smith", is written over a horizontal line.

Glenwood, AB
April 9, 2025



INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the Village of Glenwood

Opinion

We have audited the consolidated financial statements of Village of Glenwood (the "Village"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Village as at December 31, 2024, and the consolidated results of its operations, changes in net financial assets and its consolidated 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 Consolidated 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 consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

(continues)

Independent Auditor's Report to the Members of Council of the Village of Glenwood *(continued)*

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

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 9, 2025

Chartered Professional Accountants




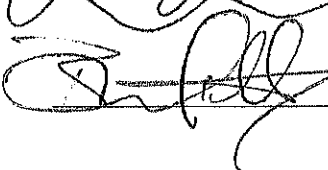
VILLAGE OF GLENWOOD
Consolidated Statement of Financial Position
December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and temporary investments <i>(Note 2)</i>	\$ 551,028	\$ 725,646
Taxes and grants in lieu of taxes receivable <i>(Note 3)</i>	20,876	32,319
Trade and other receivable <i>(Note 3)</i>	143,585	88,680
	<u>715,489</u>	<u>846,645</u>
LIABILITIES		
Accounts payable and accrued liabilities	41,656	19,754
Employee benefit obligation	19,232	6,010
Employee deductions payable	3,235	3,350
Deferred revenue <i>(Note 4)</i>	51,038	210,875
	<u>115,161</u>	<u>239,989</u>
NET FINANCIAL ASSETS	<u>600,328</u>	<u>606,656</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(Schedule 2)</i>	3,454,244	3,404,751
Inventory for consumption	8,671	4,371
Prepaid expenses	-	1,011
	<u>3,462,915</u>	<u>3,410,133</u>
ACCUMULATED SURPLUS <i>(Schedule 1 and Note 9)</i>	<u>\$ 4,063,243</u>	<u>\$ 4,016,789</u>

CONTINGENCIES *(Note 14)*

Approved on behalf of Council:

 _____ *Chief Elected Officer*

 _____ *Councillor*

VILLAGE OF GLENWOOD

Consolidated Statement of Operations and Accumulated Surplus

Year Ended December 31, 2024

	Budget (Unaudited)	2024	2023
REVENUE			
Net municipal taxes <i>(Schedule 3)</i>	\$ 245,900	\$ 247,497	\$ 239,698
User fees and sales of goods	183,955	243,856	170,249
Government transfers for operating <i>(Schedule 4)</i>	62,000	83,767	72,046
Investment income	30,000	30,269	29,385
Franchise and concession contracts <i>(Note 12)</i>	17,200	20,189	21,931
Licenses and permits	640	11,926	1,820
Penalties and costs of taxes	3,700	5,837	6,813
Other revenue	6,600	7,629	10,896
	<u>549,995</u>	<u>650,970</u>	<u>552,838</u>
EXPENSES			
Legislative	20,500	22,174	14,774
Administration	200,706	192,636	202,849
Bylaw enforcement	21,500	18,824	4,444
Fire services	24,438	27,160	23,853
Public Works	158,545	214,766	152,330
Wastewater treatment and disposal	38,425	44,038	19,592
Water supply and distribution	166,066	223,321	204,442
Waste management	15,600	15,438	14,978
Cemeteries and crematoriums	2,950	5,166	3,945
Land use planning and development	7,930	5,694	7,423
Parks and recreation	26,470	35,855	37,215
Culture - libraries, museums, halls	39,100	43,255	37,610
	<u>722,230</u>	<u>848,327</u>	<u>723,455</u>
DEFICIENCY OF REVENUE OVER EXPENSES BEFORE OTHER	(172,235)	(197,357)	(170,617)
OTHER			
Government transfers for capital <i>(Schedule 4)</i>	234,000	243,811	517,579
EXCESS OF REVENUE OVER EXPENSES	61,765	46,454	346,962
ACCUMULATED SURPLUS, BEGINNING OF YEAR	4,016,789	4,016,789	3,669,827
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 4,078,554</u>	<u>\$ 4,063,243</u>	<u>\$ 4,016,789</u>

VILLAGE OF GLENWOOD

Consolidated Statement of Changes in Net Financial Assets

Year Ended December 31, 2024

	Budget (Unaudited)	2024	2023
EXCESS OF REVENUE OVER EXPENSES	\$ 61,765	\$ 46,454	\$ 346,962
Amortization of tangible capital assets	192,400	238,831	239,160
Acquisition of tangible capital assets	(234,000)	(288,324)	(452,249)
	(41,600)	(49,493)	(213,089)
Use of prepaid expenses	-	1,011	1,700
(Increase) in inventory for consumption	-	(4,300)	-
	-	(3,289)	1,700
	(41,600)	(52,782)	(211,389)
CHANGE IN NET FINANCIAL ASSETS	20,165	(6,328)	135,573
NET FINANCIAL ASSETS, BEGINNING OF YEAR	606,656	606,656	471,083
NET FINANCIAL ASSETS, END OF YEAR	\$ 626,821	\$ 600,328	\$ 606,656

VILLAGE OF GLENWOOD
Consolidated Statement of Cash Flows
Year Ended December 31, 2024

	2024	2023
OPERATING		
Excess of revenue over expenses	\$ 46,454	\$ 346,962
Non-cash items included in excess of revenues over expenses		
Amortization of tangible capital assets	238,831	239,160
	<u>285,285</u>	<u>586,122</u>
Changes in non-cash working capital:		
Taxes and grants in lieu of taxes receivable	11,443	11,086
Trade and other receivable	(54,905)	31,124
Accounts payable and accrued liabilities	21,903	(24,080)
Employee benefit obligation	13,222	4,899
Employee deductions payable	(115)	(3,403)
Deferred-revenue	(159,837)	(86,806)
Inventory for consumption	(4,301)	-
Prepaid expenses	1,011	1,700
	<u>(171,579)</u>	<u>(65,480)</u>
	<u>113,706</u>	<u>520,642</u>
CAPITAL		
Purchase of tangible capital assets	<u>(288,324)</u>	<u>(452,249)</u>
CHANGE IN CASH AND TEMPORARY INVESTMENTS DURING THE YEAR	(174,618)	68,393
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>725,646</u>	<u>657,253</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR (Note 2)	<u>\$ 551,028</u>	<u>\$ 725,646</u>

VILLAGE OF GLENWOOD

Schedule of Changes in Accumulated Surplus

Year Ended December 31, 2024

(Schedule 1)

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2024	2023
BALANCE, BEGINNING OF THE YEAR	\$ 255,313	\$ 356,725	\$ 3,404,751	\$ 4,016,789	\$ 3,669,827
Excess of revenue over expenses	46,454	-	-	46,454	346,962
Unrestricted funds designated for future use	(19,196)	19,196	-	-	-
Restricted funds used for tangible capital assets	-	(29,914)	29,914	-	-
Current year funds used for tangible capital assets	(258,410)	-	258,410	-	-
Annual amortization expense	238,831	-	(238,831)	-	-
Change in accumulated surplus	7,679	(10,718)	49,493	46,454	346,962
BALANCE, END OF THE YEAR	\$ 262,992	\$ 346,007	\$ 3,454,244	\$ 4,063,243	\$ 4,016,789

VILLAGE OF GLENWOOD
Schedule of Tangible Capital Assets
Year Ended December 31, 2024

(Schedule 2)

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	2024	2023
COST							
BALANCE, BEGINNING OF YEAR	\$ 97,757	\$ 322,566	\$ 984,414	\$ 7,125,086	\$ 460,583	\$ 8,990,406	\$ 8,538,157
Acquisition of tangible capital assets	-	-	21,435	229,576	37,313	288,324	422,663
Construction in-progress	-	-	-	-	-	-	29,586
BALANCE, END OF YEAR	97,757	322,566	1,005,849	7,354,662	497,896	9,278,730	8,990,406
ACCUMULATED AMORTIZATION							
BALANCE, BEGINNING OF YEAR	-	109,825	583,844	4,556,103	335,883	5,585,655	5,346,495
Annual amortization	-	12,903	20,625	176,906	28,397	238,831	239,160
BALANCE, END OF YEAR	-	122,728	604,469	4,733,009	364,280	5,824,486	5,585,655
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 97,757	\$ 199,838	\$ 401,380	\$ 2,621,653	\$ 133,616	\$ 3,454,244	\$ 3,404,751
2023 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 97,757	\$ 212,740	\$ 400,570	\$ 2,568,984	\$ 124,700	\$ 3,404,751	

VILLAGE OF GLENWOOD
Schedule of Property and Other Taxes
Year Ended December 31, 2024

(Schedule 3)

	Budget (Unaudited)	2024	2023
TAXATION			
Real property taxes	\$ 313,500	\$ 319,896	\$ 304,779
Linear property taxes	15,500	18,196	16,472
	<u>329,000</u>	<u>338,092</u>	<u>321,251</u>
REQUISITIONS			
Alberta School Foundation Fund	77,300	84,497	75,834
Seniors foundation	5,800	6,098	5,719
	<u>83,100</u>	<u>90,595</u>	<u>81,553</u>
NET MUNICIPAL PROPERTY TAXES	<u>\$ 245,900</u>	<u>\$ 247,497</u>	<u>\$ 239,698</u>

VILLAGE OF GLENWOOD
Schedule of Government Transfers
Year Ended December 31, 2024

(Schedule 4)

	Budget (Unaudited)	2024	2023
TRANSFERS FOR OPERATING			
Provincial Government	\$ 62,000	\$ 83,049	\$ 72,046
Other Local Government	-	718	-
	<u>62,000</u>	<u>83,767</u>	<u>72,046</u>
TRANSFERS FOR CAPITAL			
Provincial Government	234,000	230,315	442,523
Other Local Government	-	13,496	75,056
	<u>234,000</u>	<u>243,811</u>	<u>517,579</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 296,000</u>	<u>\$ 327,578</u>	<u>\$ 589,625</u>

VILLAGE OF GLENWOOD

**Schedule of Consolidated Expenses by Object
Year Ended December 31, 2024**

(Schedule 5)

	Budget (Unaudited)	2024	2023
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	\$ 194,050	\$ 216,640	\$ 195,225
Contracted and general services	164,630	209,890	145,285
Materials, goods and utilities	110,000	123,254	102,587
Transfers to local boards and agencies	58,400	57,322	39,585
Bank charges and short-term interest	2,750	2,390	1,613
Amortization of tangible capital assets	192,400	238,831	239,160
	<u>\$ 722,230</u>	<u>\$ 848,327</u>	<u>\$ 723,455</u>

VILLAGE OF GLENWOOD
Schedule of Segmented Disclosure
Year Ended December 31, 2024

(Schedule 6)

	General Government	Protective Services	Transportation Services	Environmental Services	Planning and development	Recreation and culture	Total
REVENUE							
Net municipal taxes	\$ 247,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247,497
Government transfers	62,126	-	200,404	25,612	20,924	18,512	327,578
User fees and sales of goods	3,367	-	-	226,444	2,710	11,335	243,856
Investment income	30,269	-	-	-	-	-	30,269
Franchise and concession contracts	20,189	-	-	-	-	-	20,189
Other revenues	9,505	-	-	961	11,926	3,000	25,392
	<u>372,953</u>	<u>-</u>	<u>200,404</u>	<u>253,017</u>	<u>35,560</u>	<u>32,847</u>	<u>894,781</u>
EXPENSES							
Salaries, wages and benefits	100,945	-	60,691	48,514	3,602	2,888	216,640
Contracted and general services	77,455	3,133	4,211	100,043	2,056	22,992	209,890
Materials, goods, supplies and utilities	22,592	7,122	26,793	47,152	1,564	18,031	123,254
Transfers to local boards	-	25,379	-	20,502	3,638	7,803	57,322
Bank charges and short-term interest	2,390	-	-	-	-	-	2,390
	<u>203,382</u>	<u>35,634</u>	<u>91,695</u>	<u>216,211</u>	<u>10,860</u>	<u>51,714</u>	<u>609,496</u>
NET REVENUE BEFORE AMORTIZATION	<u>169,571</u>	<u>(35,634)</u>	<u>108,709</u>	<u>36,806</u>	<u>24,700</u>	<u>(18,867)</u>	<u>285,285</u>
Amortization expense	11,428	10,350	123,071	66,586	-	27,396	238,831
NET REVENUE	<u>\$ 158,143</u>	<u>\$ (45,984)</u>	<u>\$ (14,362)</u>	<u>\$ (29,780)</u>	<u>\$ 24,700</u>	<u>\$ (46,263)</u>	<u>\$ 46,454</u>

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

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 expenses, 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 consolidated 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 consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the period. Where measurement uncertainty exists, the consolidated financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates. Significant items subject to such estimates are the collectability of account receivable, and the useful lives of tangible capital assets.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months at the date of acquisition.

Investments

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

(continues)

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues and the amounts to be received can be reasonably estimated and collection is reasonably assured.

Revenue from transactions with performance obligations is recognized as the performance obligations are satisfied by providing the promised goods or services to the payer. User fees are recognized over the period of use, sales of goods are recognized when goods are delivered.

User charges for which the related services have yet to be performed are recognized when related expenses are incurred, benefits are achieved, or tangible capital assets are acquired. Revenue on investments, fines, and penalties are recognized when earned.

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.

Asset Retirement Obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the Village to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the Village reviews the carrying amount of the liability. The Village recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The Village continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(continues)

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

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 consolidated 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 Consolidated Financial Statements
Year Ended December 31, 2024

2. CASH AND TEMPORARY INVESTMENTS

	<u>2024</u>	<u>2023</u>
Cash	\$ 550,528	\$ 725,146
Cash on hand	500	500
	<u>\$ 551,028</u>	<u>\$ 725,646</u>

The Village has a demand line of credit with ATB Financial with an authorized limit of \$100,000 which bears interest at prime plus 1%, secured by a general security agreement. The demand line of credit balance was \$nil at year end (2023 - \$nil).

Included in cash and temporary investments is a restricted amount of \$21,074 (2023 - \$183,026) received from various grant programs which are held exclusively for approved projects (Note 4).

3. RECEIVABLES

	<u>2024</u>	<u>2023</u>
Property taxes		
Current taxes and grants in place of taxes	\$ 17,371	\$ 19,314
Arrears taxes	3,505	13,005
	<u>20,876</u>	<u>32,319</u>
Trade and other receivables		
Grants	99,978	28,092
Utilities	23,213	22,459
Goods and Services Tax (GST)	17,218	35,981
Miscellaneous	3,176	2,148
	<u>143,585</u>	<u>88,680</u>

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

4. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Prepaid property taxes	\$ 27,361	\$ 25,934
Alberta Community Partnership	21,074	41,997
Prepaid user fees	2,603	1,915
EMPP Grant	-	14,214
Municipal Sustainability Initiative - Capital Grant	-	4,265
Canada Community Building Fund	-	122,550
	<u>\$ 51,038</u>	<u>\$ 210,875</u>

Local Government Fiscal Framework

Funding in the amount of \$62,126 was received in the current year from the Local Government Fiscal Framework. Of the \$62,126, \$nil is from the capital component of the program and is restricted to eligible capital projects, as approved under the funding agreement. The remaining \$62,126 is from the operating component of the program and is restricted to eligible operating projects, as approved under the funding agreement, which were scheduled for completion in 2024.

5. CONTAMINATED SITES LIABILITY

The Village has adopted PS3260 Liability for Contaminated Sites. The Village did not identify any financial liabilities (2023 - nil) as a result of this standard.

6. ASSET RETIREMENT OBLIGATION

The Village has adopted PS3280 Asset Retirement Obligation in the year. The Village did not identify any financial liabilities as a result of this standard.

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

7. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the Village be disclosed as follows:

	<u>2024</u>	<u>2023</u>
Total debt limit	\$ 976,455	\$ 829,257
Total debt	-	-
Amount of debt limit unused	<u>976,455</u>	<u>829,257</u>
Debt servicing limit	162,743	138,210
Debt servicing	-	-
Amount of debt servicing limit unused	<u>162,743</u>	<u>138,210</u>

The debt limit is calculated at 1.5 times revenue of the Village (as defined in Alberta Regulation 255/2000) 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 consolidated financial statements must be interpreted as a whole.

8. EQUITY IN TANGIBLE CAPITAL ASSETS

	<u>2024</u>	<u>2023</u>
Tangible capital assets (Schedule 2)	\$ 9,278,730	\$ 8,990,406
Accumulated amortization (Schedule 2)	<u>(5,824,486)</u>	<u>(5,585,655)</u>
	<u>\$ 3,454,244</u>	<u>\$ 3,404,751</u>

9. ACCUMULATED SURPLUS

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

	<u>2024</u>	<u>2023</u>
Unrestricted surplus	\$ 262,992	\$ 255,313
Restricted surplus	346,007	356,725
Equity in tangible capital assets	<u>3,454,244</u>	<u>3,404,751</u>
	<u>\$ 4,063,243</u>	<u>\$ 4,016,789</u>

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

10. BUDGET AMOUNTS

The 2024 budget for the Village was approved by Council on May 8, 2024 and has been reported in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers and capital expenses. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these consolidated financial statements.

	<u>2024</u>	<u>2023</u>
Surplus per financial statements	\$ 61,765	\$ 298,900
Less: Capital expenses, net	(234,000)	(481,500)
Transfer to reserves	(20,165)	(12,300)
Add: Amortization	192,400	188,600
Transfers from reserves	-	6,300
Equals approved budget	<u>\$ -</u>	<u>\$ -</u>

11. 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 consolidated financial statements as disclosed in Note 1.

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

12. FRANCHISE AND CONCESSION CONTRACTS

Disclosure of franchise fees under each utility franchise agreement entered into by the Village as required by Alberta Regulation 313/2000 is as follows:

	Budget (Unaudited)	2024	2023
ATCO	\$ 8,500	\$ 8,199	\$ 11,380
Fortis	8,700	11,133	9,850
Utilnet	-	316	423
Xplornet	-	541	278
	<u>\$ 17,200</u>	<u>\$ 20,189</u>	<u>\$ 21,931</u>

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

13. 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)	2024	2023
Mayor Allred	\$ 2,450	\$ -	\$ 2,450	\$ 1,283
Councillor Lybbert, D.	1,550	-	1,550	550
Councillor Lybbert, S.	2,700	143	2,843	1,643
Councillor Peterson	1,150	7	1,157	1,054
Councillor Wickhorst	1,500	-	1,500	1,372
Chief Administrative Officer	84,231	5,069	89,300	84,220
Designated Officer - 1 position	9,339	-	9,339	8,625

- (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.

14. 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.

VILLAGE OF GLENWOOD
Notes to Consolidated Financial Statements
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15. 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.

16. 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.

17. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

Council and Management have approved these consolidated financial statements.