

SUMMER VILLAGE OF NORGLLENWOLD
Financial Statements
For The Year Ended December 31, 2021

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of Summer Village of Norglenwold

Opinion

We have audited the financial statements of Summer Village of Norglenwold (the Summer Village), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and accumulated surplus, 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 Summer Village as at December 31, 2021, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Summer Village 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 Summer Village'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 Summer Village or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Summer Village's financial reporting process.

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Auditors' 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 auditors' 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:

- 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 Summer 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 Summer 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 auditors' 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 auditors' report. However, future events or conditions may cause the Summer 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.

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
March 25, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Mayor and Council of the Summer Village of Norglenwold

The integrity, relevance and comparability of the data in the accompanying financial statements are the responsibility of management.

The financial statements are prepared by management in accordance with Canadian public sector accounting standards. They necessarily include some amounts that are based on the best estimates and judgements of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by the Summer Village Council to express an opinion on the Summer Village's financial statements.

Tanner Evans
Chief Administrative Officer

SUMMER VILLAGE OF NORGLNWOLD**Statement of Financial Position****As At December 31, 2021**

	2021	2020
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 1,718,356	\$ 2,736,568
Receivables (Note 2)	431,020	162,987
Due from Sylvan Summer Villages (Note 3)	420,006	283,248
	<u>2,569,382</u>	<u>3,182,803</u>
LIABILITIES		
Accounts payable and accrued liabilities	75,382	56,950
Due to other Sylvan Summer Villages (Note 3)	10,521	-
Deposits	72,495	30,495
Deferred revenue (Note 4)	59,501	419,728
	<u>217,899</u>	<u>507,173</u>
NET FINANCIAL ASSETS	<u>2,351,483</u>	<u>2,675,630</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 5)	4,083,015	2,506,109
Prepaid expenses	1,348	24,197
	<u>4,084,363</u>	<u>2,530,306</u>
ACCUMULATED SURPLUS (Note 6)	<u>\$ 6,435,846</u>	<u>\$ 5,205,936</u>
Contingent liabilities (Note 8)		

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLLENWOLD
Statement of Operations and Accumulated Surplus
For the Year Ended December 31, 2021

	2021 (Budget) (Note 14)	2021 (Actual)	2020 (Actual)
REVENUE			
Net municipal taxes (Schedule 2)	\$ 458,583	\$ 458,578	\$ 462,633
Sales and user charges (Schedule 4)	92,034	92,750	92,625
Government transfers for operating (Schedule 3)	8,532	50,410	27,461
Penalties and costs on taxes	15,000	28,749	23,592
Licenses and permits	4,603	14,894	5,359
Interest	20,224	14,848	19,941
Franchise and concession contracts	9,100	10,413	10,044
Other	2,332	2,664	1,213
Fines	1,699	1,784	100
	612,107	675,090	642,968
EXPENSES			
Administration	207,465	238,580	218,220
Waste water treatment and disposal	109,801	141,559	143,925
Roads, streets, walks and lighting	91,085	118,133	154,311
Waste management	56,998	59,235	55,823
Parks and recreation	24,027	59,030	40,230
Protective services	63,801	50,697	50,388
Legislative	35,285	24,693	17,026
Land use planning, zoning and development	14,027	15,522	12,820
Culture: libraries, museums and halls	2,334	2,334	2,334
Family and community support	4,211	1,754	1,530
Disaster and emergency services	2,073	-	180
	611,107	711,537	696,787
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER REVENUE	1,000	(36,447)	(53,819)
OTHER REVENUE			
Government transfers for capital (Schedule 3)	450,000	1,266,357	32,588
ANNUAL SURPLUS (DEFICIT)	451,000	1,229,910	(21,231)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	5,205,936	5,205,936	5,227,167
ACCUMULATED SURPLUS, END OF YEAR (Note 6)	\$ 5,656,936	\$ 6,435,846	\$ 5,205,936

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLLENWOLD
Statement of Changes in Net Financial Assets
For the Year Ended December 31, 2021

	2021 (Budget) (Note 14)	2021 (Actual)	2020 (Actual)
ANNUAL SURPLUS (DEFICIT)	\$ 451,000	\$ 1,229,910	\$ (21,231)
Acquisition of tangible capital assets	(525,000)	(1,701,940)	(35,588)
Amortization of tangible capital assets	-	125,034	150,010
	(74,000)	(346,996)	93,191
Use (acquisition) of prepaid expenses	-	22,849	(7,224)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(74,000)	(324,147)	85,967
NET FINANCIAL ASSETS, BEGINNING OF YEAR	2,675,630	2,675,630	2,589,663
NET FINANCIAL ASSETS, END OF YEAR	\$ 2,601,630	\$ 2,351,483	\$ 2,675,630

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLNWOLD**Statement of Cash Flows****For The Year Ended December 31, 2021**

	2021	2020
OPERATING ACTIVITIES		
Annual surplus (deficit)	\$ 1,229,910	\$ (21,231)
Non-cash item not included in annual surplus:		
Amortization of tangible capital assets	125,034	150,010
	<u>1,354,944</u>	<u>128,779</u>
Changes in non-cash working capital		
balances related to operations:		
Receivables	(268,033)	(44,793)
Due from Sylvan Summer Villages	(136,758)	-
Accounts payable and accrued liabilities	18,432	12,133
Deferred revenue	(360,227)	392,556
Deposit liabilities	42,000	17,375
Prepaid expenses	22,849	(7,224)
Due to Summer Village of Norglenwold	10,521	-
	<u>(671,216)</u>	<u>370,047</u>
Cash flow from operating activities	<u>683,728</u>	<u>498,826</u>
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(1,701,940)	(35,588)
INCREASE (DECREASE) IN CASH	(1,018,212)	463,238
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>2,736,568</u>	<u>2,273,330</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,718,356</u>	<u>\$ 2,736,568</u>

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLLENWOLD**Schedule of Equity in Tangible Capital Assets****(Schedule 1)****For the Year Ended December 31, 2021**

	2021	2020
BALANCE, BEGINNING OF YEAR	\$ 2,789,357	\$ 2,903,779
Acquisition of tangible capital assets	1,701,940	35,588
Amortization of tangible capital assets	(125,034)	(150,010)
Advances to other Sylvan Summer Villages	136,758	-
Advances from Summer Village of Jarvis Bay	(10,521)	-
BALANCE, END OF YEAR	\$ 4,492,500	\$ 2,789,357
Equity in tangible capital assets is comprised of the following:		
Tangible capital assets (net book value)	\$ 4,083,015	\$ 2,506,109
Due from other Sylvan Summer Villages (Note 3)	420,006	283,248
Due to Summer Village of Jarvis Bay (Note 3)	(10,521)	-
	\$ 4,492,500	\$ 2,789,357

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLLENWOLD**Schedule of Property Taxes****(Schedule 2)****For the Year Ended December 31, 2021**

	2021 (Budget) (Note 14)	2021 (Actual)	2020 (Actual)
TAXATION			
Real property taxes	\$ 981,343	\$ 974,573	\$ 985,730
REQUISITIONS			
Alberta School Foundation Fund	522,760	515,995	523,097
NET MUNICIPAL PROPERTY TAXES	\$ 458,583	\$ 458,578	\$ 462,633

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLLENWOLD**Schedule of Government Transfers****(Schedule 3)****For the Year Ended December 31, 2021**

	2021 (Budget) (Note 14)	2021 (Actual)	2020 (Actual)
TRANSFERS FOR OPERATING			
Provincial governmentconditional transfers	\$ 8,532	\$ 50,410	\$ 27,461
TRANSFERS FOR CAPITAL			
Provincial government conditional transfers	450,000	1,266,357	32,588
TOTAL GOVERNMENT TRANSFERS	\$ 458,532	\$ 1,316,767	\$ 60,049

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLENWOLD
Schedule of Segmented Information
For the Year Ended December 31, 2021

(Schedule 4)

	General Administration	Recreation & Culture	Protective Services	Transportation Services	Environmental Services	All Other	Total
REVENUE							
Taxation	\$ 142,900	\$ 31,619	\$ 48,913	\$ 72,266	\$ 78,800	\$ 84,080	\$ 458,578
Sales and user charges	950	-	-	-	91,800	-	92,750
Government transfers	30,995	-	-	19,415	-	-	50,410
All other	2,664	-	1,784	-	-	25,307	29,755
Penalties and costs on taxes	28,749	-	-	-	-	-	28,749
Interest	14,848	-	-	-	-	-	14,848
	<u>221,106</u>	<u>31,619</u>	<u>50,697</u>	<u>91,681</u>	<u>170,600</u>	<u>109,387</u>	<u>675,090</u>
EXPENSES							
Contracted services	67,256	31,619	50,697	71,295	170,600	17,724	409,191
Salaries, wages and benefits	135,206	-	-	-	-	22,491	157,697
Materials, goods, supplies, and utilities	18,644	-	-	971	-	-	19,615
	<u>\$ 221,106</u>	<u>\$ 31,619</u>	<u>\$ 50,697</u>	<u>\$ 72,266</u>	<u>\$ 170,600</u>	<u>\$ 40,215</u>	<u>\$ 586,503</u>
NET REVENUE (DEFICIT), BEFORE AMORTIZATION							
Amortization	(17,474)	(31,499)	-	(45,867)	(30,194)	-	(125,034)
NET REVENUE (DEFICIT)	<u>\$ (17,474)</u>	<u>\$ (31,499)</u>	<u>\$ -</u>	<u>\$ (26,452)</u>	<u>\$ (30,194)</u>	<u>\$ 69,172</u>	<u>\$ (36,447)</u>

The accompanying notes are an integral part of these financial statements.

SUMMER VILLAGE OF NORGLENWOLD
Schedule of Segmented Information
For the Year Ended December 31, 2020

(Schedule 4)

	General Administration	Recreation & Culture	Protective Services	Transportation Services	Environmental Services	All Other	Total
REVENUE							
Taxation	\$ 146,027	\$ 16,646	\$ 50,468	\$ 61,105	\$ 77,753	\$ 110,634	\$ 462,633
Sales and user charges	825	-	-	-	91,800	-	92,625
Interest	19,941	-	-	-	-	-	19,941
Government transfers	19,381	-	-	8,080	-	-	27,461
All other	1,213	-	100	-	-	15,403	16,716
Penalties and costs on taxes	23,592	-	-	-	-	-	23,592
	210,979	16,646	50,568	69,185	169,553	126,037	642,968
EXPENSES							
Contracted services	\$ 68,627	\$ 16,646	\$ 50,568	\$ 63,823	\$ 169,553	\$ 15,041	\$ 384,258
Salaries, wages and benefits	136,720	-	-	-	-	14,805	151,525
Materials, goods, supplies, and utilities	5,632	-	-	5,362	-	-	10,994
	210,979	16,646	50,568	69,185	169,553	29,846	546,777
NET REVENUE (DEFICIT), BEFORE AMORTIZATION							
Amortization	-	-	-	-	-	96,191	96,191
	(7,241)	(27,449)	-	(85,126)	(30,194)	-	(150,010)
NET REVENUE (DEFICIT)	\$ (7,241)	\$ (27,449)	\$ -	\$ (85,126)	\$ (30,194)	\$ 96,191	\$ (53,819)

The accompanying notes are an integral part of these financial statements.

1. ACCOUNTING POLICIES

The financial statements of the Summer Village of Norglenwold (the "Summer Village") are the representations of management, prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Summer Village are as follows:

(a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The entity is comprised of the municipal operations and all the organizations that are owned or controlled by the Summer Village and are, therefore, accountable to Summer Village for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education that are not part of the reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties

(b) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues.

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 are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the Summer Village has met any eligibility criteria, and reasonable estimates of the amounts can be made.

Expenses are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

(c) Cash and cash equivalents

Cash and cash equivalents include items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of one year or less at acquisition. Cash consists of an operating account at a financial institution.

(d) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and 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.

The Village has used estimates to determine the useful lives of tangible capital assets.

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1. ACCOUNTING POLICIES (continued)**(e) Tax Revenue**

Property tax revenue is recognized as revenue in the year it is levied.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property tax assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the Summer Village and are recognized as revenue in the year they are levied.

(f) 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:

Land improvements	30 years
Engineered structures:	
Wastewater system	75 years
Roadway system	10 years
Machinery, equipment and furnishings	10 years
Buildings	25 years

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

Works of art for display are not recorded as tangible capital assets but are disclosed.

(g) Contaminated Sites

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. A liability for remediation on contaminated sites is recognized, net of any recoveries, when an environmental standard exists, contamination exceeds the environmental standard, the Summer Village is directly responsible for or accepts responsibility for the liability, future economic benefits will be given up, and a reasonable estimate of the liability can be made.

(h) Over-levy and Under-levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

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1. ACCOUNTING POLICIES *(continued)*

(i) *Non-Financial Assets*

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

(j) *New Accounting Standards not yet Adopted*

Effective for fiscal years beginning on or after April 1, 2022, PS 3280 Asset Retirement Obligations provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

Effective for fiscal years beginning on or after April 1, 2023, PS 3400 Revenue provides guidance on how to account for and report revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

SUMMER VILLAGE OF NORGLNWOLD**Notes to Financial Statements****December 31, 2021****2. RECEIVABLES**

	2021	2020
Other governments	\$ 201,968	\$ -
Goods and Services Tax rebate	91,157	14,798
Trade and other	75,958	60,183
Taxes and grants in place of taxes	61,937	88,006
	<u>\$ 431,020</u>	<u>\$ 162,987</u>

3. DUE FROM / TO OTHER SYLVAN SUMMER VILLAGES

During 2013, the Summer Villages of Jarvis Bay, Norglenwold, Halfmoon Bay, Sunbreaker Cove, and Birchcliff entered into a Co-ownership Agreement ("the Agreement") for the purchase of an Administration Building. Under the terms of this Agreement each of the five Summer Villages has a 20% interest in the Administration Building.

During 2021, the Summer Villages of Jarvis Bay, Norglenwold, Halfmoon Bay, Sunbreaker Cove, and Birchcliff entered into a Co-ownership Agreement ("the Agreement") for the purchase of a new Administration Building. Under the terms of this Agreement each of the five Summer Villages has a 20% interest in the new Administration Building.

In the event that any of the Summer Villages elect to sell either of the buildings, each of the Summer Village will proportionately receive a return of their initial contribution and all remaining proceeds will be divided equally.

	2021	2020
Due from other Sylvan Summer Villages		
Half Moon Bay	\$ 140,002	\$ 70,812
Birchcliff	140,002	70,812
Sunbreaker Cove	140,002	70,812
Jarvis Bay	-	70,812
	<u>\$ 420,006</u>	<u>\$ 283,248</u>
	2021	2020
Due to other Sylvan Summer Villages		
Due to Jarvis Bay	\$ 10,521	\$ -

Advances from / to other Summer Villages are non-interest bearing and have no set repayment terms.

4. DEFERRED REVENUE

Deferred revenue consists of funds received which relate to operating or capital costs of future periods.

	2020	Funds Received	Funds Expended	2021
Municipal Sustainability Initiative	\$ 394,391	\$ 880,753	\$ (1,217,026)	\$ 58,118
Canada Community-Building Fund	181	20,617	(19,415)	1,383
Municipal Operating Support	25,156	-	(25,156)	-
	<u>\$ 419,728</u>	<u>\$ 901,370</u>	<u>\$ (1,261,597)</u>	<u>\$ 59,501</u>

SUMMER VILLAGE OF NORGLÉNWOLD

Notes to Financial Statements

December 31, 2021

5. TANGIBLE CAPITAL ASSETS

	2021 Net Book Value	2020 Net Book Value
Engineered structures		
Water and wastewater systems	\$ 1,827,368	\$ 1,857,562
Roadways	178,384	219,009
	2,005,752	2,076,571
Land	1,389,768	-
Land improvements	367,504	323,697
Buildings	272,507	65,419
Machinery and equipment	24,320	12,016
Vehicles	23,164	28,406
	<u>\$ 4,083,015</u>	<u>\$ 2,506,109</u>

	Cost Beginning of Year	Additions	Disposals	Write-downs	Cost End of Year
Engineered structures					
Roadways	\$ 1,534,156	\$ -	\$ -	\$ -	\$ 1,534,156
Water and wastewater systems	2,277,964	-	-	-	2,277,964
	3,812,120	-	-	-	3,812,120
Buildings	95,912	219,713	-	-	315,625
Machinery, equipment, and office furnishings	60,931	17,453	-	-	78,384
Land	-	1,389,768	-	-	1,389,768
Land improvements	577,261	75,006	-	-	652,267
Vehicles	52,427	-	-	-	52,427
	<u>\$ 4,598,651</u>	<u>\$ 1,701,940</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,300,591</u>

	Accumulated Amortization Beginning of Year	Current Amortization	Disposals	Write-downs	Accumulated Amortization End of Year
Engineered structures					
Roadways	\$ 1,315,147	\$ 40,625	\$ -	\$ -	\$ 1,355,772
Water and wastewater systems	420,402	30,194	-	-	450,596
	1,735,549	70,819	-	-	1,806,368
Buildings	30,493	12,625	-	-	43,118
Machinery, equipment, and office furnishings	48,915	5,149	-	-	54,064
Land improvements	253,564	31,199	-	-	284,763
Vehicles	24,021	5,242	-	-	29,263
	<u>\$ 2,092,542</u>	<u>\$ 125,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,217,576</u>

SUMMER VILLAGE OF NORGLNWOLD**Notes to Financial Statements****December 31, 2021****6. ACCUMULATED SURPLUS**

	2021	2020
Unrestricted surplus	\$ 123,675	\$ 113,036
Restricted surplus		
Operating reserves (Note 7)	176,873	183,873
Capital reserves (Note 7)	1,642,798	2,119,670
Equity in tangible capital assets (Schedule 1)	4,492,500	2,789,357
	<u>\$ 6,435,846</u>	<u>\$ 5,205,936</u>

7. RESERVES

	2021	2020
Operating Reserves		
General contingencies	\$ 157,629	\$ 164,629
Legal	19,244	19,244
	<u>\$ 176,873</u>	<u>\$ 183,873</u>
 Capital Reserves		
Environment	\$ 919,936	\$ 1,480,840
Recreation	434,686	346,654
Roads	286,045	286,045
General	2,131	1,131
Information technology & facilities	-	5,000
	<u>\$ 1,642,798</u>	<u>\$ 2,119,670</u>

8. CONTINGENT LIABILITIES

- a) The Summer Village is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of membership, the Summer Village could become liable for its proportionate shares 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.
- b) The Summer Village is a member of the Sylvan Lake Regional Wastewater Commission. Under the terms of this membership, the Summer Village is liable for its proportionate share of any losses incurred by the Commission. Any liability would be accounted for in the year the losses are determined.

9. CONTRACTUAL OBLIGATIONS

The Summer Village has entered into an agreement for basic assessment services for a five year term commencing April 2021 through March 2025. The cost of assessment services will be \$6,900 each year over the five years respectively.

SUMMER VILLAGE OF NORGLLENWOLD

Notes to Financial Statements

December 31, 2021

10. SALARIES AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for the Summer Villages officials and Chief Administrator Officer are required by Alberta Regulation 313/2000 is as follows:

	Salary (1)	Benefits (2)	2021	2020
Mayor Gurevitch	\$ 6,500	\$ 291	\$ 6,791	\$ -
Councilors				
Ludwig	6,947	175	7,122	8,770
Rattan	4,600	187	4,787	-
Thiessen	2,800	23	2,823	2,900
McLeod	-	-	-	2,525
	<u>\$ 20,847</u>	<u>\$ 676</u>	<u>\$ 21,523</u>	<u>\$ 14,195</u>
Chief Administrative Officer				
Evans	\$ 26,652	\$ 2,130	\$ 28,782	\$ 28,953
Designated officer				
Assessor	<u>\$ 7,100</u>	<u>\$ -</u>	<u>\$ 7,100</u>	<u>\$ 7,300</u>

(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.

(3) Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

11. FINANCIAL INSTRUMENTS

The Summer Village's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. It is management's opinion that the Summer Village is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

The Summer Village is exposed to credit risk with respect to receivables. Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of customers minimizes the Summer Village's credit risk.

12. SEGMENTED INFORMATION

The Summer Village provides a range of services to its citizens. 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.

SUMMER VILLAGE OF NORGLLENWOLD

Notes to Financial Statements

December 31, 2021

13. 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 Summer Village be disclosed as follows:

	2021	2020
Total debt limit	\$ 1,012,635	\$ 964,452
Total debt	-	-
Total debt limit remaining	\$ 1,012,635	\$ 964,452
Service on debt limit	\$ 168,773	\$ 160,742
Service on debt	-	-
Total service on debt limit remaining	\$ 168,773	\$ 160,742

The debt limit is calculated at 1.5 times revenue of the Summer 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 limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be a financial risk if further debt is acquired. The calculation taken alone does not represent the stability of the Summer Village. Rather, the financial statements must be interpreted as a whole.

14. BUDGET FIGURES

The 2021 budget data presented in these financial statements is based on the operating and capital budgets approved by Council on December 18, 2020. The chart below reconciles the approved financial plan to the figures reported in these financial statements.

	2021 Budget	2021 Actual
Annual surplus (deficit)	\$ 451,000	\$ 1,229,910
Purchase of tangible capital assets	(525,000)	(1,701,940)
Transfer (to) from reserves	74,000	483,872
	\$ -	\$ 11,842

15. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by Council and management.