

VILLAGE OF EDGERTON

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash (Note 2)	286,528	817,790
Term deposits (Note 2)	450,740	548,795
Taxes and grants in place of taxes (Note 3)	61,439	63,172
Trade and other receivables	65,017	13,689
Receivable from other governments	566,925	244,680
Inventory held for resale	288,378	287,526
Other financial assets	1,252	1,253
	<u>1,720,279</u>	<u>1,976,905</u>
LIABILITIES		
Accounts payable and accrued liabilities	39,627	69,915
Deposits held in trust	1,805	1,961
Deferred revenue (Note 5)	487,078	635,195
Long term debt (Note 6)	40,000	50,000
	<u>568,510</u>	<u>757,071</u>
NET FINANCIAL ASSETS	<u>1,151,769</u>	1,219,834
NON-FINANCIAL ASSETS		
Tangible capital assets	5,735,323	5,415,007
Prepaid expenses	86,999	-
	<u>5,822,322</u>	<u>5,415,007</u>
ACCUMULATED SURPLUS (NOTE 8)	<u>6,974,091</u>	<u>6,634,841</u>

VILLAGE OF EDGERTON

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget (unaudited)	2021	2020
REVENUE			
Net municipal property taxes (Schedule 3)	363,000	360,253	362,051
User fees and sales of goods	265,300	262,969	278,410
Penalties and costs on taxes	11,600	7,353	8,527
Licenses and permits	500	434	396
Fines	1,000	409	910
Franchise and concession contracts	75,000	75,167	70,728
Investment income	6,500	3,047	6,461
Government transfers for operating	305,271	425,092	344,187
Other	73,429	68,860	27,543
	<u>1,101,600</u>	<u>1,203,584</u>	<u>1,099,213</u>
EXPENSES			
Legislative	31,600	26,456	21,953
Administration	295,000	281,733	272,821
Protective services	125,400	125,553	159,556
Transportation	103,120	123,177	116,918
Water supply and distribution	84,520	91,065	88,844
Wastewater treatment and disposal	78,345	100,405	137,361
Waste management	73,520	82,007	79,521
Public health and welfare	5,900	5,820	5,065
Recreation	162,600	244,965	160,777
Culture	46,830	40,045	63,893
Amortization	216,900	237,794	225,215
Loss (gain) on disposal of assets	-	(2,772)	-
	<u>1,230,935</u>	<u>1,359,896</u>	<u>1,354,504</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER	(129,335)	(156,312)	(255,291)
OTHER			
Government transfers for capital (Schedule 4)	297,000	495,562	94,684
EXCESS OF REVENUE OVER EXPENSES	167,665	339,250	(160,607)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	6,634,841	6,634,841	6,795,448
ACCUMULATED SURPLUS, END OF YEAR	<u>6,802,506</u>	<u>6,974,091</u>	<u>6,634,841</u>

VILLAGE OF EDGERTON

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget (unaudited)	2021	2020
EXCESS OF REVENUE OVER EXPENSES	<u>167,665</u>	<u>339,250</u>	<u>(160,607)</u>
Acquisition of tangible capital assets	(558,000)	(558,110)	(41,994)
Proceeds on disposal of tangible capital assets	-	2,772	-
Amortization of tangible capital assets	216,900	237,794	225,215
Loss on sale of tangible capital assets	<u>-</u>	<u>(2,772)</u>	<u>-</u>
	<u>(341,100)</u>	<u>(320,316)</u>	<u>183,221</u>
Net (increase) decrease of prepaid assets	<u>-</u>	<u>(86,999)</u>	<u>2,223</u>
INCREASE IN NET FINANCIAL ASSETS	<u>(173,435)</u>	<u>(68,065)</u>	<u>24,837</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>1,219,834</u>	<u>1,219,834</u>	<u>1,194,997</u>
NET FINANCIAL ASSETS, END OF YEAR	<u><u>1,046,399</u></u>	<u><u>1,151,769</u></u>	<u><u>1,219,834</u></u>

VILLAGE OF EDGERTON

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess of revenues over expenses	339,250	(160,607)
Non-cash items included in excess of revenue over expenses:		
Amortization of tangible capital assets	237,794	225,215
Non-cash charges to operations (net change):		
Decrease (increase) in taxes and grants in place of taxes	1,733	19,117
Decrease (increase) in trade and other receivables	(51,328)	2,267
Decrease (increase) in receivable from other governments	(322,245)	28,922
Decrease (increase) in inventory held for resale	(852)	20,000
Decrease (increase) in prepaid expenses	(86,999)	2,223
Decrease (increase) in other financial assets	1	59
Increase (decrease) in accounts payable and accrued liabilities	(30,288)	4,973
Increase (decrease) in deferred revenue	(148,117)	263,144
	(63,823)	405,313
CAPITAL		
Acquisition of tangible capital assets	(558,110)	(41,994)
Sale of tangible capital assets	2,772	-
	(555,338)	(41,994)
INVESTING		
Decrease (increase) in restricted cash or cash equivalents	319,311	(284,958)
FINANCING		
Long-term debt repaid	(10,000)	(10,000)
CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR	(309,850)	68,361
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	966,342	897,981
CASH AND CASH EQUIVALENTS, END OF YEAR	656,492	966,342
CASH AND CASH EQUIVALENTS IS MADE UP OF:		
Cash on hand	100	100
Cash in bank	286,428	817,690
Term deposits	450,740	548,795
Less: restricted portion of cash and term deposits (Note 2)	(80,776)	(400,243)
	656,492	966,342

VILLAGE OF EDGERTON

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS FOR THE YEAR ENDED DECEMBER 31, 2021 (Schedule 1)

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2021	2020
BALANCE, BEGINNING OF YEAR	817,203	452,631	5,365,007	6,634,841	6,795,448
Excess (deficiency) of revenues over expenses	339,250	-	-	339,250	(160,607)
Unrestricted funds designated for future use	(33,949)	33,949	-	-	-
Annual amortization expense	237,794	-	(237,794)	-	-
Long term debt repaid	(10,000)	-	10,000	-	-
Change in accumulated surplus	(25,015)	33,949	330,316	339,250	(160,607)
BALANCE, END OF YEAR	<u>792,188</u>	<u>486,580</u>	<u>5,695,323</u>	<u>6,974,091</u>	<u>6,634,841</u>

VILLAGE OF EDGERTON

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2021 (Schedule 2)

	LAND	LAND IMPROVEMENTS	BUILDINGS	ENGINEERED STRUCTURES	MACHINERY AND EQUIPMENT	VEHICLES	2021	2020
COST:								
Balance - beginning of year	140,000	170,697	2,769,599	4,725,055	839,676	302,917	8,947,944	8,905,950
Acquisition of tangible capital assets	-	-	-	456,008	62,994	39,108	558,110	41,994
Disposal of tangible capital assets	-	-	-	-	-	(10,000)	(10,000)	-
Balance - end of year	140,000	170,697	2,769,599	5,181,063	902,670	332,025	9,496,054	8,947,944
ACCUMULATED AMORTIZATION								
Balance - beginning of year		102,848	525,763	2,312,089	397,360	194,877	3,532,937	3,307,722
Annual amortization	-	8,535	57,772	119,744	37,067	14,676	237,794	225,215
Accumulated amortization on disposals	-	-	-	-	-	(10,000)	(10,000)	-
Balance - end of year	-	111,383	583,535	2,431,833	434,427	199,553	3,760,731	3,532,937
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS								
	140,000	59,314	2,186,064	2,749,230	468,243	132,472	5,735,323	5,415,007
PRIOR YEAR NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS								
	140,000	67,849	2,243,836	2,412,966	442,316	108,040	5,415,007	

VILLAGE OF EDGERTON

CONSOLIDATED SCHEDULE OF PROPERTY TAXES LEVIED FOR THE YEAR ENDED DECEMBER 31, 2021 (Schedule 3)

	Budget (Unaudited)	2021	2020
TAXATION			
Real property taxes	428,989	422,018	431,363
Linear property taxes	17,701	17,701	12,839
Government grants in place of property taxes	810	810	814
	<u>447,500</u>	<u>440,529</u>	<u>445,016</u>
REQUISITIONS			
Alberta School Foundation	80,000	75,837	78,584
Battle River Foundation	4,500	4,439	4,381
	<u>84,500</u>	<u>80,276</u>	<u>82,965</u>
NET MUNICIPAL TAXES	<u>363,000</u>	<u>360,253</u>	<u>362,051</u>

VILLAGE OF EDGERTON

CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS FOR THE YEAR ENDED DECEMBER 31, 2021 (Schedule 4)

	Budget (Unaudited)	2021	2020
TRANSFERS FOR OPERATING			
Provincial Government	57,500	81,100	104,668
Local Governments	247,771	343,992	239,519
	<u>305,271</u>	<u>425,092</u>	<u>344,187</u>
TRANSFERS FOR CAPITAL			
Federal Government	100,000	150,000	-
Local Governments	-	68,669	94,684
	<u>297,000</u>	<u>495,562</u>	<u>94,684</u>
TOTAL GOVERNMENT TRANSFERS	<u>602,271</u>	<u>920,654</u>	<u>438,871</u>

VILLAGE OF EDGERTON

CONSOLIDATED SCHEDULE OF EXPENDITURE BY OBJECT FOR THE YEAR ENDED DECEMBER 31, 2021 (Schedule 5)

	Budget (Unaudited)	2021	2020
Expenditures			
Salaries, wages and benefits	377,280	393,003	385,701
Contracted and general services	283,425	325,615	398,867
Materials, goods and utilities	161,300	164,527	193,779
Transfers to other governments	7,500	7,304	-
Transfers to local boards and agencies	153,530	220,551	128,228
Bank charges and short term interest	1,500	2,787	2,659
Other expenditures	29,500	11,087	20,055
Amortization of tangible capital assets	216,900	237,794	225,215
Loss on disposal of tangible capital assets	-	(2,772)	-
	<u>1,230,935</u>	<u>1,359,896</u>	<u>1,354,504</u>

VILLAGE OF EDGERTON

SCHEDULE OF SEGMENTED DISCLOSURE FOR THE YEAR ENDED DECEMBER 31, 2021 (Schedule 6)

	General Government	Protective Services	Transportation services	Environmental Services	Public Health & Welfare	Planning & Development	Recreation & Culture	Total
REVENUE								
Net municipal property taxes (Schedule 2)	360,253	-	-	-	-	-	-	360,253
User fees and sales of goods	-	4,373	3,962	249,623	2,350	1	2,660	262,969
Penalties and costs on taxes	7,353	-	-	-	-	-	-	7,353
Licenses and permits	434	-	-	-	-	-	-	434
Fines	409	-	-	-	-	-	-	409
Franchise and concession contracts	75,167	-	-	-	-	-	-	75,167
Investment income	2,341	-	-	-	621	-	85	3,047
Government transfers	81,100	102,271	-	-	-	-	241,721	425,092
Other	5,854	-	-	-	300	-	62,706	68,860
	<u>532,911</u>	<u>106,644</u>	<u>3,962</u>	<u>249,623</u>	<u>3,271</u>	<u>1</u>	<u>307,172</u>	<u>1,203,584</u>
EXPENSES								
Salaries, wages and benefits	196,398	23,956	42,902	129,747	-	-	-	393,003
Contracted and general services	78,619	62,814	12,002	109,677	535	-	61,968	325,615
Materials, goods and utilities	23,752	27,635	66,522	33,099	-	3,648	9,871	164,527
Transfers to other governments	-	7,304	-	-	-	-	-	7,304
Transfers to local boards and agencies	-	2,295	-	-	5,085	-	213,171	220,551
Bank charges and short term interest	2,787	-	-	-	-	-	-	2,787
Other expenditures	6,633	1,549	1,751	954	200	-	-	11,087
	<u>308,189</u>	<u>125,553</u>	<u>123,177</u>	<u>273,477</u>	<u>5,820</u>	<u>3,648</u>	<u>285,010</u>	<u>1,124,874</u>
NET REVENUE, BEFORE AMORTIZATION	<u>224,722</u>	<u>(18,909)</u>	<u>(119,215)</u>	<u>(23,854)</u>	<u>(2,549)</u>	<u>(3,647)</u>	<u>22,162</u>	<u>78,710</u>
AMORTIZATION AND DISPOSAL OF ASSETS								
Amortization of tangible capital assets	10,892	34,954	91,174	50,161	740	-	49,873	237,794
Loss on disposal of tangible capital assets	-	(2,772)	-	-	-	-	-	(2,772)
	<u>10,892</u>	<u>32,182</u>	<u>91,174</u>	<u>50,161</u>	<u>740</u>	<u>-</u>	<u>49,873</u>	<u>235,022</u>
NET REVENUE	<u>213,830</u>	<u>(51,091)</u>	<u>(210,389)</u>	<u>(74,015)</u>	<u>(3,289)</u>	<u>(3,647)</u>	<u>(27,711)</u>	<u>(156,312)</u>

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village of Edgerton are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian association of Chartered Professional Accountants.

Significant aspects of the accounting policies adopted by the village 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. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the village are, therefore accountable to the Council for the administration of their financial affairs and resources. Included with the municipality are the following:

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

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

b) Basis of Accounting

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

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

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

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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 amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

e) Requisition 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.

f) Inventories for Resale

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

g) 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.

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) 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.

i) Landfill Closure and Post-Closure Liability

Pursuant to the Alberta Environmental Protection and Enhancement Act, the town is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The requirement is being provided for over the estimated remaining life of the landfill site based on usage.

j) Contaminated Sites Liability

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

k) 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.

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:

	YEARS
Buildings	20-50
Engineered structures - other	20-75
Engineered structures - water system	45-75
Engineered structures - wastewater system	45-75
Land improvements	20
Machinery and equipment	10-25
Vehicles	10-25

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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.

iv. Inventories

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

v. Cultural and Historical Tangible Capital Assets

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

2. CASH AND TERM DEPOSITS

	<u>2021</u>	<u>2020</u>
Included in cash and term deposits are amounts received from various grant funding programs that are held for use in accordance with the funding agreements. (Note 5)		
Alberta Community Partnership	-	675
Municipal Sustainability Initiative - capital	-	152,839
MOST Grant	-	21,609
MSP Grant	-	50,519
Federal Gas Tax	-	100,000
Municipal District of Wainwright	<u>78,971</u>	<u>72,640</u>
	78,971	398,282
Included in cash and term deposits are amounts held in trust	1,805	1,961
Included in cash and term deposits are amounts designated by council for future expenses and tangible capital asset acquisitions. (Note 9)	<u>486,580</u>	<u>452,631</u>
Total restricted cash and term deposits	<u>646,327</u>	<u>1,251,156</u>
Total unrestricted cash and term deposits	<u>90,941</u>	<u>115,429</u>

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

	2021	2020
Current taxes and grants in place of taxes	50,194	44,013
Arrears taxes	6,425	21,440
Property held by the village as a result of tax forfeiture	4,820	-
	61,439	65,453
Less: allowance for doubtful accounts	-	2,281
	61,439	63,172

5. DEFERRED INCOME

Deferred income consists of the following:

	2021	2020
Alberta Community Partnership	-	675
Prepaid property taxes	6,744	8,634
Municipal Sustainability Initiative - Capital	301,363	331,118
MOST Grant	-	21,609
MSP Grant	-	50,519
Federal Gas Tax	100,000	150,000
Municipal District of Wainwright	78,971	72,640
	487,078	635,195

6. LONG TERM DEBT

	2021	2020	
Municipal District of Wainwright	40,000	50,000	
Principal and interest payments are as follows:			
	Principal	Interest	Total
2022	10,000	-	10,000
2023	10,000	-	10,000
2024	10,000	-	10,000
2025	10,000	-	10,000
	40,000	-	40,000

Debenture debt repayable to the Municipal District of Wainwright without interest and matures in 2025 and is secured by the credit and security of the village at large.

The village`s total cash payments for interest on long term debt in 2021 were \$Nil (2020 - \$Nil).

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

7. DEBT LIMITS

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

	<u>2021</u>	<u>2020</u>
Total debt limit	<u>1,805,376</u>	1,648,820
Total debt	<u>40,000</u>	50,000
Surplus debt limit	<u>1,765,376</u>	<u>1,598,820</u>
Debt servicing limit	<u>300,896</u>	274,803
Debt servicing	<u>10,000</u>	10,000
Surplus debt servicing	<u>290,896</u>	<u>264,803</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, which 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.

8. EQUITY IN TANGIBLE CAPITAL ASSETS

	<u>2021</u>	<u>2020</u>
Tangible capital assets (Schedule 2)	<u>9,496,054</u>	8,947,944
Accumulated amortization (Schedule 2)	<u>(3,760,731)</u>	(3,532,937)
Long-term debt (Note 6)	<u>(40,000)</u>	(50,000)
	<u>5,695,323</u>	<u>5,365,007</u>

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

9. ACCUMULATED SURPLUS

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

	<u>2021</u>	<u>2020</u>
Unrestricted surplus	<u>792,188</u>	<u>817,203</u>
Restricted surplus		
General	14,165	14,165
Fire department	69,547	66,884
Water system	88,449	75,516
Sewer system	165,317	152,471
Cemetery	45,648	45,056
Recreation	<u>103,454</u>	<u>98,539</u>
	<u>486,580</u>	<u>452,631</u>
Equity in tangible capital assets	<u>5,695,323</u>	<u>5,365,007</u>
	<u>6,974,091</u>	<u>6,634,841</u>

10. SEGMENTED DISCLOSURE

The Village of Edgerton 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)

VILLAGE OF EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

11. SALARY AND BENEFITS DISCLOSURE

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

	2021			2020
	Salary	Benefits & Allowances	Total	Total
Beattie	1,395	-	1,395	-
Belik	2,435	-	2,435	9,560
Hughes	1,369	-	1,369	-
Herbert	-	-	-	680
Jackson	3,885	-	3,885	3,620
Reid	2,490	-	2,490	2,775
White	9,767	-	9,767	3,305
CAO	96,535	10,326	106,861	105,744
Designated Officer (1)	7,952	-	7,952	7,796

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.

12. TRUST FUNDS

The Village of Edgerton administers the following trust:

	2021	2020
Murdoch trust fund	7,592	7,592

The trust allows for the revenue generated from the funds to be used for the maintenance and upkeep of the cemetery.

13. CONTINGENCIES

The village is a member of the Genesis Reciprocal Insurance Exchange (GRIE). 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 EDGERTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

14. CONTAMINATED SITES LIABILITY

The village has adopted PS3260 Liability for Contaminated Sites. The village did not identify any financial liabilities in 2021 (2021 – nil) as a result of this standard.

15. FINANCIAL INSTRUMENTS

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

The village is subject to credit risk with respect to taxes receivable 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 fair value of these financial instruments approximates their fair value.

16. COMPARITIVE FIGURES

Certain comparative figures have been restated to conform to the current year's presentation.

17. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.