

SUMMER VILLAGE OF WHITE SANDS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

MANAGEMENTS' RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Summer Village of White Sands is responsible for the preparation, accuracy, objectivity and integrity of the accompanying financial statements and all other information contained within this Financial Report. Management believes that the financial statements present fairly the village's financial position as at December 31, 2022 and the results of its operations for the year then ended.

The financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The financial statements include certain amounts based on estimates and judgements. Such amounts have been determined on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the financial statements.

The village council carries out its responsibilities for review of the financial statements principally through council meetings. They meet with management and the external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to Council with and without the presence of management. The village council has approved the financial statements.

The financial statements have been audited by Gitzel & Company, Chartered Professional Accountants, independent external auditors appointed by the village. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the village's financial statements.



Chief Administrative Officer

April 28, 2023

Date

INDEPENDENT AUDITORS' REPORT

TO: The Mayor and Council
Summer Village of White Sands

Opinion

We have audited the financial statements of Summer Village of White Sands, which comprise the statement of financial position as at December 31, 2022 and the statements of operations, changes in net financial assets (debt) 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 village as at December 31, 2022, the results of its operations, change in its net financial assets (debt) and 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 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 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 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 ability of the village 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 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.

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 controls.
- 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 purposes 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 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 the auditors' 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 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Stettler, Alberta
April 28, 2023


CHARTERED PROFESSIONAL ACCOUNTANTS

**SUMMER VILLAGE OF WHITE SANDS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022**

	2022	2021
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	\$ 1,005,509	\$ 1,087,926
Investment in Shirley McClellan Regional Water Service Com.	124,355	124,355
Receivables		
Taxes and Grants in Place of Taxes (Note 3)	8,768	16,574
Trade and Other Receivables	42,243	44,602
Other Assets	-	-
TOTAL FINANCIAL ASSETS	1,180,875	1,273,457
 LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 125,945	\$ 108,194
Deferred Revenue (Note 4)	152,465	257,703
Other Current Liabilities	114	207
Long-term Liabilities (Note 14)	60,269	63,389
Other Long-term Liabilities	152,375	152,000
TOTAL LIABILITIES	\$ 491,168	\$ 581,493
NET FINANCIAL ASSETS (DEBT)	\$ 689,707	\$ 691,964
 NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 7, Schedule 2)	856,773	903,916
Prepaid Expenses	7,419	7,260
TOTAL NON-FINANCIAL ASSETS	864,192	911,176
ACCUMULATED SURPLUS (Note 9, Schedule 1)	\$ 1,553,899	\$ 1,603,140



Mayor

AP/28/2023

Date

**SUMMER VILLAGE OF WHITE SANDS
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>2022 Budget Unaudited</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
REVENUES			
Net Municipal Taxes (Schedule 3)	\$ 379,000	\$ 407,292	\$ 374,103
Sales and User Fees	900	7,169	2,105
Government Transfers for Operating (Schedule 4)	55,370	91,339	9,370
Investment Income	300	2,700	8,908
Rentals	824	824	824
Penalties and Costs of Taxes	4,500	4,524	7,230
Licenses and Permits	30,858	43,040	31,555
Fines	-	-	-
Other	-	93	(35)
Net Gain on Sale of Tangible Capital Assets	-	-	-
	<u>\$ 471,752</u>	<u>\$ 556,981</u>	<u>\$ 434,060</u>
TOTAL REVENUE			
EXPENSES (Schedule 5)			
Legislative	13,275	11,699	13,068
Administration	145,850	171,466	106,142
Protective Services	61,650	65,868	57,407
Transportation	145,850	132,581	77,705
Water Supply and Distribution	7,700	2,711	4,515
Waste Management	19,000	18,736	18,105
Subdivision Land Development	34,000	61,206	32,813
Parks, Recreation & Culture	73,575	92,112	66,441
Amortization (Note 13)	-	76,712	68,405
	<u>\$ 500,900</u>	<u>\$ 633,091</u>	<u>\$ 444,601</u>
TOTAL EXPENSES			
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE OTHER			
	<u>\$ (29,148)</u>	<u>\$ (76,110)</u>	<u>\$ (10,541)</u>
OTHER			
Contributed Assets	\$ -	\$ -	\$ -
Government Transfers for Capital (Schedule 4)	323,000	26,869	63,699
	<u>\$ 323,000</u>	<u>\$ 26,869</u>	<u>\$ 63,699</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES			
	<u>\$ 293,852</u>	<u>\$ (49,241)</u>	<u>\$ 53,158</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>\$ 1,603,140</u>	<u>\$ 1,603,140</u>	<u>\$ 1,549,982</u>
ACCUMULTED SURPLUS, END OF YEAR	<u>\$ 1,896,992</u>	<u>\$ 1,553,899</u>	<u>\$ 1,603,140</u>

**SUMMER VILLAGE OF WHITE SANDS
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>2022 Actual</u>	<u>2021 Actual</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ (49,241)	\$ 53,158
Acquisition of Tangible Capital Assets	(29,569)	(85,372)
Proceeds on Disposal of Tangible Capital Assets	-	-
Amortization of Tangible Capital Assets	76,712	68,405
(Gain) Loss on Sale of Tangible Capital Assets	-	-
	<u>\$ 47,143</u>	<u>\$ (16,967)</u>
Acquisition of Prepaid Assets	(7,419)	(7,260)
Use of Prepaid Assets	7,260	6,867
	<u>\$ (159)</u>	<u>\$ (393)</u>
(INCREASE) DECREASE IN NET DEBT	\$ (2,257)	\$ 35,798
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	\$ 691,964	\$ 656,166
NET FINANCIAL ASSETS (DEBT), END OF YEAR	\$ 689,707	\$ 691,964

**SUMMER VILLAGE OF WHITE SANDS
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
OPERATING ACTIVITIES		
Excess (Shortfall) of Revenues Over Expenditures	\$ (49,241)	\$ 53,158
Non-cash items included in excess (shortfall) of revenues over expenditures:		
Amortization of Tangible Capital Assets (Note 13)	76,712	68,405
(Gain) Loss on Sale of Tangible Capital Assets	-	-
Non-cash Charges to Operations (net change):		
Taxes and Grants in Lieu Receivables	7,806	1,193
Trade and Other Receivables	2,359	(8,938)
Other Financial Assets	-	-
Prepaid Expense	(159)	(393)
Accounts Payable and Accrued Liabilities	17,751	52,004
Deferred Revenue	(105,238)	(54,093)
Liability - Current and Long Term	282	38,035
Net Cash Provided by (used in) Operating Activities	<u>(49,728)</u>	<u>149,371</u>
CAPITAL ACTIVITIES		
Acquisition of Tangible Capital Assets	(29,569)	(85,372)
Proceeds on Sale of Tangible Capital Assets	-	-
Cash Applied to Capital Transactions	<u>(29,569)</u>	<u>(85,372)</u>
INVESTING ACTIVITIES		
Decrease (Increase) in Restricted Cash and Short-term Investments	105,238	54,093
Investment in Shirley McClellan Regional Water Services Commission	-	-
Net Cash Provided by (Used In) Investing Activities	<u>105,238</u>	<u>54,093</u>
FINANCING ACTIVITIES		
Due to Shirley McClellan Regional Water Services Commission	(3,120)	(3,026)
Net Cash Provided by (Used In) Financing Activities	<u>(3,120)</u>	<u>(3,026)</u>
CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR	\$ 22,821	\$ 115,066
CASH AND EQUIVALENTS - BEGINNING OF YEAR	<u>830,223</u>	<u>715,157</u>
CASH AND EQUIVALENTS - END OF YEAR	\$ <u>853,044</u>	\$ <u>830,223</u>
Cash and Cash Equivalents if made up of:		
Cash and Temporary Investments (Note 2)	\$ 1,005,509	\$ 1,087,926
Less: Restricted Portion of Cash and Temporary Investments (Note 2)	<u>(152,465)</u>	<u>(257,703)</u>
	\$ <u>853,044</u>	\$ <u>830,223</u>

**SUMMER VILLAGE OF WHITE SANDS
SCHEDULE 1 - CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2022 Actual	2021 Actual
BALANCE, BEGINNING OF YEAR	131,915	567,309	903,916	1,603,140	1,549,982
Excess (deficiency) of Revenues over Expense	(49,241)	-	-	(49,241)	53,158
Unrestricted Funds Designated for Future Use	(16,236)	16,236		-	-
Restricted Funds Used for Operations	19,872	(19,872)		-	-
Restricted Funds Used for TCA		-	-	-	-
Current Year Funds Used for TCA	(29,569)		29,569	-	-
Disposal of TCA	-			-	-
Annual Amortization Expense	76,712		(76,712)	-	-
Change in Accumulated Surplus	1,538	(3,636)	(47,143)	(49,241)	53,158
BALANCE, END OF YEAR	133,453	563,673	856,773	1,553,899	1,603,140

**SUMMER VILLAGE OF WHITE SANDS
SCHEDULE 2 - TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2022 Actual	2021 Actual
COST:								
BALANCE, BEGINNING OF YEAR	20,300	157,113	470,827	619,312	169,508	27,615	1,464,675	1,379,303
Acquisition of Tangible Capital Assets	-	-	-	9,300	20,269	-	29,569	85,372
Disposal of Tangible Capital Assets							-	-
BALANCE, END OF YEAR	20,300	157,113	470,827	628,612	189,777	27,615	1,494,244	1,464,675
ACCUMULATED AMORTIZATION:								
BALANCE, BEGINNING OF YEAR	-	102,046	89,678	254,016	95,689	19,330	560,759	492,354
Annual Amortization		8,826	10,650	34,673	17,040	5,523	76,712	68,405
Accumulated Amortization on Disposals							-	-
BALANCE, END OF YEAR	-	110,872	100,328	288,689	112,729	24,853	637,471	560,759
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	20,300	46,241	370,499	339,923	77,048	2,762	856,773	903,916
2021 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	20,300	55,068	381,149	365,295	73,819	8,285	903,916	

**SUMMER VILLAGE OF WHITE SANDS
SCHEDULE 3 - PROPERTY AND OTHER TAXES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022 Budget Unaudited	2022 Actual	2021 Actual
TAXATION			
Real Property Taxes	\$ 727,259	\$ 755,551	\$ 701,403
Linear Property Taxes	4,550	4,550	4,550
Designated Industrial Property Taxes	36	36	36
Subtotal	\$ 731,845	\$ 760,137	\$ 705,989
REQUISITIONS			
Alberta School Foundation Fund - Basic	\$ 299,711	\$ 299,711	\$ 281,092
Seniors Foundation	53,134	53,134	50,794
Designated Industrial Property	-	-	-
Subtotal	\$ 352,845	\$ 352,845	\$ 331,886
 NET MUNICIPAL TAXES	 \$ 379,000	 \$ 407,292	 \$ 374,103

**SUMMER VILLAGE OF WHITE SANDS
SCHEDULE 4 - GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022 Budget Unaudited	2022 Actual	2021 Actual
TRANSFERS FOR OPERATING:			
Provincial Grant	\$ 9,370	\$ 67,507	\$ 9,370
Federal Grant	\$ 46,000	\$ 23,832	\$ -
Subtotal	<u>55,370</u>	<u>91,339</u>	<u>9,370</u>
TRANSFERS FOR CAPITAL:			
Provincial Grant	\$ 323,000	\$ 16,769	\$ 63,699
Federal Grant	\$ 11,000	\$ 10,100	-
Subtotal	<u>334,000</u>	<u>26,869</u>	<u>63,699</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 389,370</u>	<u>\$ 118,208</u>	<u>\$ 73,069</u>

**SUMMER VILLAGE OF WHITE SANDS
SCHEDULE 5 - CONSOLIDATED EXPENDITURES BY OBJECT
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022 Budget Unaudited	2022 Actual	2021 Actual
CONSOLIDATED EXPENDITURES BY OBJECT			
Salaries, Wages and Benefits	\$ 197,200	\$ 199,006	\$ 154,513
Contracted and General Services	198,950	253,620	168,139
Purchases from Other Governments	1,000	5,850	7,951
Materials, Goods, Supplies and Utilities	63,350	57,226	45,251
Provision for Allowances	-	-	-
Transfers to Other Governments	40,000	40,000	-
Bank Charges and Short Term Interest	400	677	342
Interest of Long-Term Debt	-	-	-
Amortization of Tangible Capital Assets	-	76,712	68,405
Net Loss on Disposal of Tangible Capital Assets	-	-	-
TOTAL EXPENDITURES	<u>\$ 500,900</u>	<u>\$ 633,091</u>	<u>\$ 444,601</u>

**SUMMER VILLAGE OF WHITE SANDS
SCHEDULE 6 - SEGMENTED DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General Government	Protective Services	Transportation	Environmental Use & Protection	Planning & Development	Recreation & Culture	2022 Actual
REVENUE:							
Net Municipal Taxes	407,292						407,292
Sales and User Charges	1,319	5,850	-				7,169
Penalties and Costs on Taxes	4,524						4,524
Licenses and Permits	4,650				38,390		43,040
Returns on Investments	-		2,700				2,700
Rentals		824					824
Federal Government Transfers	-		27,632	-		6,300	33,932
Provincial Government Transfers	40,694		27,345	-		16,236	84,275
Other Revenues	94						94
Net Gain on Sale of Tangible Capital Assets							-
TOTAL REVENUE	458,573	6,674	57,677	-	38,390	22,536	583,850
EXPENSES:							
Salaries, Wages and Benefits	86,993	8,916	55,002	-	-	57,011	207,922
Contracted and General Services	86,996	51,102	12,312	19,996	52,438	21,860	244,704
Provision for Allowances	-						-
Purchases from Other Governments	-	5,850	40,000				45,850
Materials, Goods, Supplies and Utilities	8,499	-	25,268	1,451	8,768	13,240	57,226
Bank Charges	677						677
Write Down of Tangible Capital Assets						-	-
TOTAL EXPENSE	183,165	65,868	132,582	21,447	61,206	92,111	556,379
NET REVENUE, BEFORE AMORTIZATION	275,408	(59,194)	(74,905)	(21,447)	(22,816)	(69,575)	27,471
AMORTIZATION	5,026	-	60,157	3,453	-	8,076	76,712
NET REVENUE	270,382	(59,194)	(135,062)	(24,900)	(22,816)	(77,651)	(49,241)

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Summer Village of White Sands 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 Public Accountants of Canada. Significant aspects of the accounting policies adopted by the Summer Village are as follows:

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, and changes in financial position of the reporting entity which comprises all the organizations that are accountable for the administration of their financial affairs and resources to the Council and are owned or controlled by the municipality.

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

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

(b) Basis of Accounting

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

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

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

(c) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for local governments 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.

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

(d) Investments

Investments are recorded at cost. Where 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) Government Transfers

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.

(f) 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, provided 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 amount 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
Land Improvements	15 - 25
Buildings	25 - 50
Machinery and Equipment	5 - 20
Vehicles	10
Engineered Structures	
Roadway System	5 - 40
Water System	45 - 75
Wastewater System	45 - 75

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.

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.

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

(g) 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 a property tax revenue.

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

(h) Cash & Cash Equivalents

Cash and cash equivalents consist of cash on hand, accounts with banks and short-term, highly liquid investments with maturity dates not in excess of 1 year at the date of purchase.

2. CASH AND TEMPORARY INVESTMENTS

	2022	2021
Cash	\$ 1,005,509	\$ 1,087,926
Temporary Investments	-	-
Total	\$ 1,005,509	\$ 1,087,926

Interest is earned on the General Account at 0.00%. Included in Cash and Temporary Investments is a restricted amount of \$152,465 (2021 - \$257,703) received from various Provincial and Federal Programs and related to deferred grant funding (Note 4).

3. TAXES and GRANTS IN PLACE OF TAXES RECEIVABLES

	2022	2021
Current Taxes and Grants in Place of Taxes	\$ 7,604	\$ 13,991
Arrears Taxes	1,164	\$ 2,583
Less: Allowance for Doubtful Accounts	-	-
Total	\$ 8,768	\$ 16,574

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

4. DEFERRED REVENUE

	2022	2021
Municipal Sustainability Initiative	\$ 127,337	\$ 157,568
Street Improvement Program	-	29,946
Basic Municipal Transportation Grant	-	38,828
New Deal for Cities & Communities	25,128	31,361
Total	\$ 152,465	\$ 257,703

5. RESERVES

Reserves for operating and capital activities changed as follows:

Operating Reserves	2021	Increases	Decreases	2022
General Reserve	560,991	16,236	13,554	563,673
	-	-	-	-
Total Operating Reserves	\$ 560,991	\$ 16,236	\$ 13,554	\$ 563,673
Capital Reserves	2021	Increases	Decreases	2022
Roads	6,318	-	6,318.00	-
	-	-	-	-
Total Capital Reserves	\$ 6,318	\$ -	\$ 6,318	\$ -
GRAND TOTAL RESERVES	\$ 567,309	\$ 16,236	\$ 19,872	\$ 563,673

6. DEBT LIMITS

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

	2022	2021
Total Debt Limit	\$ 832,472	\$ 651,090
Total Debt	-	-
Amount of Debt Limit (Exceeded) Available	\$ 832,472	\$ 651,090
Service on Debt Limit	\$ 138,475	\$ 108,515
Service on Debt	-	-
Amount of Service on Debt Limit (Exceeded) Available	\$ 138,475	\$ 108,515

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 required approval by the Minister of Municipal Affairs. These thresholds are guidelines used by the Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

7. TANGIBLE CAPITAL ASSETS

<u>Net Book Value</u>	<u>2022</u>	<u>2021</u>
Land	\$ 20,300	\$ 20,300
Land Improvements	46,241	55,068
Buildings	370,499	381,149
Engineering Structures		
Roadway System	120,122	135,412
Water System	51,927	53,121
Storm System	167,874	176,762
Machinery & Equipment & Furnishings	77,048	73,819
Vehicles	<u>2,762</u>	<u>8,285</u>
Total	<u>\$ 856,773</u>	<u>\$ 903,916</u>

8. EQUITY IN TANGIBLE CAPITAL ASSETS

	<u>2022</u>	<u>2021</u>
Tangible Capital Assets (Schedule 2)	\$ 1,494,244	\$ 1,464,675
Accumulated Amortization (Schedule 2)	<u>(637,471)</u>	<u>(560,759)</u>
Total	<u>\$ 856,773</u>	<u>\$ 903,916</u>

9. ACCUMULATED SURPLUS

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

	<u>2022</u>	<u>2021</u>
Unrestricted Surplus (deficit)	\$ 133,453	\$ 131,915
Restricted Surplus (Note 5)	563,673	567,309
Equity in Tangible Capital Assets (Note 8)	<u>856,773</u>	<u>903,916</u>
Total	<u>\$ 1,553,899</u>	<u>\$ 1,603,140</u>

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

10. SALARY & BENEFITS DISCLOSURE

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

	2022			2021
	Salary (1)	Benefits & Allowances	Total	Total
Mayor L. Thurston	5,725	-	5,725	5,050
Councillor C. Cornelssen	-	-	-	2,500
Councillor B. Sanchuck	2,825	-	2,825	2,975
Councillor E. Waugh	1,750	-	1,750	450
Councillor R. Huff	75	-	75	-
CAO/Administrative Services Contract (2)			-	8,000
CAO	55,251	3,238	58,489	39,791
Other Designated Officers	12,263	-	12,263	12,076

- (1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
- (2) The Summer Village of White Sands contracts administrative services and the duties of CAO from the Town of Stettler for the period January to March 2021.
- (3) The Summer Village of White Sands contracts assessment services from T. Willoughby with Municipal Property Consultants (2009) Ltd. for the period January 1 to December 31, 2022.

11. SEGMENTED DISCLOSURE

The Summer Village provides a range of services to its ratepayers. For each reported segment revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

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

12. FINANCIAL INSTRUMENTS

The Summer Village's financial statements consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Summer Village is not exposed to significant interest or currency risks arising from these financial instruments.

The Summer 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 Summer Village provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

13. AMORTIZATION

Amortization is a non-cash expense and is allocated to the different functions as follows:

	2022	2021
General Administration	\$ 5,026	\$ 2,259
Common Services	26,676	25,235
Transportation	24,203	21,132
Storm System	9,278	9,278
Water System	2,166	1,679
Landfill System	1,287	1,287
Parks & Recreation	8,076	7,535
Total	\$ 76,712	\$ 68,405

14. LONG TERM LIABILITIES

Payable to Shirley McClellan Regional Water Services Commission due \$2,203 semi-annually including interest at 3.0757%, maturing December 2037

	2022	2021
Total	\$ 60,269	\$ 63,389

Principal and interest payments are as follows:

		Principal		Interest		Total
2023	\$	2,531	\$	1,875	\$	4,406
2024		2,610		1,796		4,406
2025		2,691		1,715		4,406
2026		2,774		1,632		4,406
2027		2,860		1,546		4,406
Thereafter		46,803		11,647		58,450
	\$	60,269	\$	20,211	\$	80,480

15. COMMITMENTS

The Summer Village has a commitment with the Shirley McClellan Regional Water Services Commission to share in any deficit funding the commission encounters.

**SUMMER VILLAGE OF WHITE SANDS
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

16. CONTINGENCIES

The Summer Village of White Sands is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Summer 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.

The Summer Village of White Sands is a member municipality of the Stettler Regional Waste Management Authority and provides funds for the operation on an annual basis. The Authority is accumulating reserves to fund any future site cleanup obligations. The member municipalities may be liable for future costs in excess of the restricted surplus.

17. RECENT ACCOUNTING PRONOUNCEMENTS PUBLISHED BUT NOT YET ADOPTED

The following standards have been issued by the Chartered Professional Accountants of Canada but are not yet effective. The municipality is currently evaluating the effect of these standards on their financial statements.

- (a) **Section PSAS 1201 - Financial Statement Presentation**
This section provides guidance on general reporting principles and disclosure of information in financial statements. Effective for years beginning on or after April 1, 2022.
- (b) **Section PSAS 2601 - Foreign Currency Translation**
This section establishes standards on how to account for and report transactions that are denominated in foreign currency in government financial statements. Effective for years beginning on or after April 1, 2021.
- (c) **Section PSAS 3041 - Portfolio Investments**
This standard addresses the distinction between temporary and portfolio investments in government financial statements. Effective for years beginning on or after April 1, 2022.
- (d) **Section PSAS 3050 - Loans Receivable**
This section establishes standards on how to account for and report loans receivable in government financial statements. The standards apply to loans to borrowers outside of the government reporting entity. Effective for the fiscal years beginning on or after April 1, 2022.
- (e) **Section PSAS 3160 - Public Private Partnerships**
This section establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. Effective for the fiscal years beginning on or after April 1, 2023.
- (f) **Section PSAS 3280 - Asset Retirement Obligation**
This standard is intended to provide guidance how to account for a liability for retirement of a tangible capital asset. Effective for years beginning on or after April 1, 2022.
- (g) **Section PSAS 3400 - Revenue**
This standard will provide greater clarity on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. Effective for years beginning on or after April 1, 2023.

**SUMMER VILLAGE OF WHITE SANDS
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(h) **Section PSAS 3450 - Financial Instruments**

This standard establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. Effective for years beginning on or after April 1, 2022.

(i) **Section PSG - 8 - Purchased Intangibles**

This section establishes standards on how to recognize and record purchased intangibles that meet the definition of an asset. Effective for the fiscal year ends beginning on or after April 1, 2023.

18. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.

19. BUDGET AMOUNTS

Budget figures for the year ended December 31, 2022 were approved as May 21, 2022 and are for information purposes. These amounts have not been audited.