
VILLAGE OF LONGVIEW

Consolidated Financial Statements

Year Ended December 31, 2024

VILLAGE OF LONGVIEW
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Year Ended December 31, 2024

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Village of Longview is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the Village's financial position as of December 31, 2024 and the results of its operations for the year then ended.

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

The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure the consolidated 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 consolidated financial statements.

The Village council carries out its responsibilities for review of the consolidated financial statements principally through its Audit Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Audit Committee with and without the presence of management. The Village council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Acuity LLP Chartered Professional Accountants, independent external auditors appointed by the Village. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Village's consolidated financial statements.



Mr. Roy Tutschek, CAO

Longview, AB
March 24, 2025

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council of Village of Longview

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Village as at December 31, 2024, and the consolidated results of its operations, its consolidated changes in net assets and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Village in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor's report thereon, included in the "Annual Report."

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report therein, included in the "Annual Report," as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Mayor and Members of Council of Village of Longview (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Acuity L.L.P.

Nanton, Alberta
March 24, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS

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

FINANCIAL ASSETS

Cash (Note 3)	\$ 1,427,566	\$ 1,348,085
Taxes and grants in place of taxes receivable (Note 4)	43,347	72,239
Trade and other receivables (Note 4)	609,820	642,848
Receivable from other governments (Note 4)	27,291	-
	2,108,024	2,063,172

LIABILITIES

Accounts payable and accrued liabilities	89,146	80,680
Deferred revenue and deposits (Note 5)	39,351	137,131
Long term debt (Note 7)	437,536	466,903
	566,033	684,714

NET FINANCIAL ASSETS	1,541,991	1,378,458
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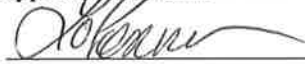
NON-FINANCIAL ASSETS

Prepaid expenses	9,934	6,852
Tangible and intangible capital assets (Schedule 2)	11,042,857	10,981,815
	11,052,791	10,988,667

ACCUMULATED SURPLUS (Note 10) (Schedule 1)	\$ 12,594,782	\$ 12,367,125
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CONTINGENT LIABILITY (Note 14)

Approved on behalf of Council:



Mayor



Chief Administrative Officer

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

VILLAGE OF LONGVIEW
Consolidated Statement of Operations
Year Ended December 31, 2024

	Budget <i>Unaudited</i>	2024	2023
REVENUES			
Net municipal property taxes <i>(Schedule 3)</i>	\$ 349,508	\$ 349,268	\$ 350,024
User fees and sale of goods	445,740	413,648	541,653
Government transfers for operating <i>(Schedule 4)</i>	45,732	40,158	43,110
Investment income	55,000	66,590	54,718
Penalties and cost of taxes	15,200	16,278	7,370
Licenses and permits	112,100	10,425	7,095
Other	6,458	16,304	4,917
	1,029,738	912,671	1,008,887
EXPENSES			
General government			
Council and other legislative	25,350	20,486	20,687
General administration	305,738	309,066	284,124
Protective services			
Police	7,000	6,803	57,226
Fire	10,000	9,041	9,472
Transportation			
Roads, streets, walks and lighting	121,100	176,373	167,826
Planning and development			
Land use planning, zoning and development	60,325	21,317	9,889
Public health and welfare			
Family and community support	13,732	15,590	15,014
Recreation and culture			
Parks and recreation	45,233	94,731	94,135
Libraries, museums, and halls	22,585	30,889	25,019
Environmental use and protection			
Water supply and distribution	173,400	230,669	274,576
Wastewater treatment and disposal	65,800	184,433	198,445
Waste management	8,500	8,068	7,503
	858,763	1,107,466	1,163,916
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE CAPITAL REVENUE	170,975	(194,795)	(155,029)
CAPITAL REVENUE			
Government transfers for capital <i>(Schedule 4)</i>	421,000	422,452	205,502
EXCESS OF REVENUE OVER EXPENSES	\$ 591,975	\$ 227,657	\$ 50,473

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

VILLAGE OF LONGVIEW
Consolidated Statement of Changes in Accumulated Surplus
Year Ended December 31, 2024

	Budget <i>Unaudited</i>	2024	2023
ACCUMULATED OPERATING SURPLUS - BEGINNING OF YEAR	\$ 12,367,125	\$ 12,367,125	\$ 12,316,652
EXCESS OF REVENUE OVER EXPENSES	591,975	227,657	50,473
ACCUMULATED OPERATING SURPLUS - END OF YEAR	\$ 12,959,100	\$ 12,594,782	\$ 12,367,125

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

VILLAGE OF LONGVIEW
Consolidated Statement of Changes in Net Financial Assets
Year Ended December 31, 2024

	Budget <i>Unaudited</i>	2024	2023
EXCESS OF REVENUE OVER EXPENSES	\$ 591,975	\$ 227,657	\$ 50,473
Acquisition of tangible capital assets	(476,000)	(422,452)	(22,790)
Proceeds on disposal of tangible capital assets	-	-	-
Amortization of tangible capital assets	-	355,683	348,006
Amortization of intangible capital assets	-	5,727	6,706
Decrease (increase) in prepaid expenses	-	(3,082)	(462)
	(476,000)	(64,124)	331,460
INCREASE IN NET FINANCIAL ASSETS	115,975	163,533	381,933
NET FINANCIAL ASSETS - BEGINNING OF YEAR	-	1,378,458	996,525
NET FINANCIAL ASSETS - END OF YEAR	\$ 115,975	\$ 1,541,991	\$ 1,378,458

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

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

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	\$ 227,657	\$ 50,473
Items not affecting cash:		
Amortization of tangible capital assets	355,683	348,006
Amortization of intangible capital assets	5,727	6,706
	589,067	405,185
Changes in non-cash working capital:		
Taxes and grants in place of taxes receivable	28,892	(22,965)
Trade and other receivables	33,028	91,322
Receivable from other governments	(27,291)	-
Accounts payable and accrued liabilities	8,467	(11,323)
Deferred revenue and deposits	(97,780)	11,109
Prepaid expenses	(3,082)	(463)
	(57,766)	67,680
Cash flow from operating activities	531,301	472,865
INVESTING ACTIVITIES		
Acquisition of tangible capital assets	(422,452)	(22,790)
Decrease (Increase) in restricted cash	97,780	(11,109)
Cash flow used by investing activities	(324,672)	(33,899)
FINANCING ACTIVITY		
Repayment of long term debt	(29,368)	(28,216)
INCREASE IN CASH FLOW	177,261	410,750
Cash - beginning of year	1,210,954	800,204
CASH - END OF YEAR (Note 3)	\$ 1,388,215	\$ 1,210,954
CASH CONSISTS OF:		
Cash	\$ 1,427,566	\$ 1,348,085
Less restricted portion of cash	(39,351)	(137,131)
	\$ 1,388,215	\$ 1,210,954

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

VILLAGE OF LONGVIEW
Consolidated Schedule of Changes in Accumulated Surplus (Schedule 1)
Year Ended December 31, 2024

	Unrestricted Surplus <i>Restated</i>	Restricted Reserves	Equity in Tangible and Intangible Capital Assets <i>Restated</i>	Total Accumulated Surplus
Balance, beginning of year				
As previously stated	\$ 1,293,645	\$ 684,566	\$ 10,388,914	\$ 12,367,125
Prior period adjustment (Note 17)	(125,997)	-	125,997	-
BALANCE, BEGINNING OF YEAR, as restated	1,167,648	684,566	10,514,911	12,367,125
Excess of revenue over expenses	227,657	-	-	227,657
Unrestricted funds designated for future use	(143,475)	143,475	-	-
Restricted funds used for operations	2,000	(2,000)	-	-
Current year funds used for tangible capital assets	(422,452)	-	422,452	-
	-	-	-	-
Annual amortization expense of tangible capital assets	355,683	-	(355,683)	-
Annual amortization expense of intangible capital assets	5,727	-	(5,727)	-
Long term debt related to tangible capital assets repaid	(29,368)	-	29,368	-
Change in accumulated operating surplus	(4,228)	141,475	90,410	227,657
BALANCE, END OF YEAR	\$ 1,163,420	\$ 826,041	\$ 10,605,321	\$ 12,594,782

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

VILLAGE OF LONGVIEW
Consolidated Schedule of Tangible and Intangible Capital Assets (Schedule 2)
Year Ended December 31, 2024

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	Intangible assets <i>Restated</i>	2024 <i>(Restated)</i>	2023 <i>Restated</i>
COST									
Balance, beginning of year	\$ 826,895	\$ 539,335	\$ 1,965,688	\$ 13,225,077	\$ 289,931	\$ 67,568	\$ 158,179	\$ 17,082,673	\$ 17,059,883
Acquisition of tangible capital assets	-	-	-	422,452	-	-	-	422,452	22,790
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	-
Balance, end of year	\$ 826,895	\$ 539,335	\$ 1,965,688	\$ 13,657,529	\$ 289,931	\$ 67,568	\$ 158,179	\$ 17,505,125	\$ 17,082,673
ACCUMULATED AMORTIZATION									
Balance, beginning of year	\$ -	\$ 413,463	\$ 839,249	\$ 4,652,243	\$ 131,853	\$ 31,868	\$ 32,182	\$ 6,100,858	\$ 5,746,146
Annual amortization of tangible capital assets	-	23,074	39,314	275,961	13,134	4,200	-	355,683	348,006
Annual amortization of intangible capital assets	-	-	-	-	-	-	5,727	5,727	6,706
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Balance, end of year	-	436,537	878,563	4,928,204	144,987	36,068	37,909	6,462,268	6,100,858
NET BOOK VALUE OF TANGIBLE AND INTANGIBLE CAPITAL ASSETS									
	\$ 826,895	\$ 102,798	\$ 1,087,125	\$ 8,729,325	\$ 144,944	\$ 31,500	\$ 120,270	\$ 11,042,857	\$ 10,981,815
2023 Net Book Value of Tangible and Intangible Capital Assets									
	\$ 826,895	\$ 125,872	\$ 1,126,439	\$ 8,582,834	\$ 158,078	\$ 35,700	\$ 125,997	\$ 10,981,815	\$ -

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

VILLAGE OF LONGVIEW
Consolidated Schedule of Property and Other Taxes (Schedule 3)
Year Ended December 31, 2024

	Budget	2024	2023
MUNICIPAL PROPERTY TAXES (before requisitions)			
Real property taxes	\$ 532,671	\$ 529,315	\$ 500,121
Linear property taxes	26,425	29,541	28,194
	559,096	558,856	528,315
REQUISITIONS			
Alberta School Foundation Fund	(177,580)	(177,580)	(153,998)
Senior's Foundation	(6,852)	(6,852)	(6,389)
Separate Education Board	(4,170)	(4,170)	(3,713)
Ambulance and Emergency	(20,986)	(20,986)	(14,191)
	(209,588)	(209,588)	(178,291)
NET MUNICIPAL PROPERTY TAXES	\$ 349,508	\$ 349,268	\$ 350,024

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

VILLAGE OF LONGVIEW
Consolidated Government Transfers (Schedule 4)
Year Ended December 31, 2024

	Budget	2024	2023
TRANSFERS FOR OPERATING			
Provincial government	\$ 45,732	\$ 40,158	\$ 43,110
TRANSFERS FOR CAPITAL			
Provincial government	421,000	422,452	205,502
TOTAL GOVERNMENT TRANSFERS	\$ 466,732	\$ 462,610	\$ 248,612

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

VILLAGE OF LONGVIEW
Consolidated Schedule Of Expenses By Object (Schedule 5)
Year Ended December 31, 2024

	Budget	2024	2023
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	\$ 300,373	\$ 294,846	\$ 281,121
Contracted and general services	255,262	217,787	289,811
Materials, goods and utilities	260,825	191,736	193,950
Transfers to local boards and agencies	17,028	16,140	17,079
Bank charges and short-term interest	3,000	3,131	4,375
Interest on long term debt	18,600	18,583	19,735
Amortization of tangible capital assets	-	355,683	348,006
Amortization of intangible capital assets	-	5,727	6,706
Other	3,675	3,833	3,133
	\$ 858,763	\$ 1,107,466	\$ 1,163,916

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

VILLAGE OF LONGVIEW
Consolidated Schedule Of Segmented Disclosure (Schedule 6)
Year Ended December 31, 2024

	General Government	Protective Services	Transportation	Planning and Development	Public Health and Welfare	Recreation and Culture	Environmental Use and Protection	2024
REVENUES								
Net municipal taxes	\$ 349,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,268
Operating government transfers	31,970	-	-	-	8,188	-	-	40,158
User fees and sale of goods	100,157	8,067	68,581	4,744	-	54,207	177,892	413,648
Investment income	66,590	-	-	-	-	-	-	66,590
Penalties and cost of taxes	14,286	-	-	-	-	-	1,992	16,278
Licenses and permits	3,445	2,155	-	4,825	-	-	-	10,425
Other	146	-	-	-	2,658	13,500	-	16,304
	565,862	10,222	68,581	9,569	10,846	67,707	179,884	912,671
EXPENSES								
Salaries, wages and benefits	204,121	-	65,579	-	-	25,146	-	294,846
Contracted and general services	72,637	15,844	780	12,085	5,352	7,650	103,439	217,787
Materials, goods and utilities	38,316	-	39,882	9,232	-	40,395	63,910	191,735
Transfers to local boards and agencies	-	-	-	-	7,780	8,360	-	16,140
Bank charges and short term interest	3,131	-	-	-	-	-	-	3,131
Interest on long term debt	-	-	-	-	-	-	18,583	18,583
Amortization of tangible capital assets	9,974	-	64,405	-	-	44,068	237,237	355,684
Amortization of intangible capital assets	-	-	5,727	-	-	-	-	5,727
Other	1,375	-	-	-	2,458	-	-	3,833
	329,554	15,844	176,373	21,317	15,590	125,619	423,169	1,107,466
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE CAPITAL REVENUE	236,308	(5,622)	(107,792)	(11,748)	(4,744)	(57,912)	(243,285)	(194,795)
CAPITAL REVENUE								
Government transfers for capital	-	-	168,981	-	-	-	253,471	422,452
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ 236,308	\$ (5,622)	\$ 61,189	\$ (11,748)	\$ (4,744)	\$ (57,912)	\$ 10,186	\$ 227,657

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

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

1. **PURPOSE OF THE VILLAGE**

The Village of Longview (the Village) is a municipality in the Province of Alberta and operates under the provisions of the Municipal Government Act, R.S.A., 2000, c. M-26, as amended (MGA).

2. **SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The consolidated financial statements of the Village (hereafter referred to as the "financial statements") are the representations of management and are prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board and as published by the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Village follow below:

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 and are, therefore, accountable to the Village council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity. The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes 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 or goods have yet to be provided.

Revenue is recognized in the period when the related expenses are incurred, services performed/goods provided, or the tangible capital assets are acquired.

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 revenues and expenditures during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from these estimates.

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

2. **SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Valuation of financial assets and liabilities

The Village's financial assets and liabilities are measured as follows:

Financial statement component	Measurement
• Cash	Cost and amortized cost
• Accounts receivables	Lower of cost or net recoverable value
• Accounts payable and accrued liabilities	Cost
• Deferred revenue	Cost
• Long term debt	Amortized cost

Deferred revenues

Deferred revenues represent government transfers, donations, and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met. Interest earned on deferred revenues, reserves, and offsite levies are calculated using an average investment earnings monthly.

Long term debt

Long term debt is initially recognized net of any premiums, discounts, fees and transactions costs, with interest expense recognized using the effective interest method. Long term debt is subsequently measured at amortized cost.

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 annual surplus, provides the consolidated change in net financial assets for the year.

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	15-25 years
Engineered structures	
Roadway system	5-40 years
Water system	45-75 years
Wastewater system	45-75 years
Buildings	25-50 years
Machinery and equipment	5-40 years
Vehicles	10-25 years

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.

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

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

2. **SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Intangible capital assets

Intangible capital assets are recorded at cost and amortized on a straight-line basis over the estimated useful life as follows:

Solar panel project research	25 years
Solar panel project - environmental and wildlife studies	2 years

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 the town is either directly responsible or accepts responsibility and is management's estimate of the cost of post-remediation including operation, maintenance, and monitoring.

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.

Revenue recognition

Revenue from transactions with no performance obligation is recognized at realizable value when the town has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event giving rise to an asset.

Revenue from transactions with performance obligations is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor. User fees are recognized over the period of use, sales of goods are recognized when goods are delivered. Licenses and permits with a single performance obligation at a point in time are recognized as revenue on issuance, those which result in a continued performance obligation over time are recognized over the period of the license or permit as the performance obligation is satisfied.

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.

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 LONGVIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

3. CASH

	2024	2023
Cash	\$ 1,427,566	\$ 1,348,085

Cash includes \$39,351 (2023 - \$137,131) of government grants and donations that are restricted in their use and are to be utilized as funding for the operating or capital projects described in Note 5. Since the projects have not been completed for which the funding has been received, these funds are not available for general use by the Village.

4. ACCOUNTS RECEIVABLE

	2024	2023
Taxes and grants in place of taxes		
Current taxes and grants in place of taxes receivable	\$ 40,360	\$ 60,425
Arrears	2,987	11,814
	\$ 43,347	\$ 72,239
Trade and other receivables		
Local improvement levy receivable	\$ 547,396	\$ 595,349
Utilities receivable	26,869	27,578
Goods and services tax receivable	35,080	7,337
Trade receivable	300	6,837
Fines receivable	175	5,747
	\$ 609,820	\$ 642,848
In 2011, the Village underwent a lagoon improvement that was funded by the debenture disclosed in Note 7. The Village implemented a local improvement levy and an improvement levy receivable was recognized at that time. The Village collects \$47,952 annually from land owners to be applied against this receivable.		
Receivable from other governments		
Provincial Conditional Grants Receivable	\$ 27,291	\$ -

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

5. DEFERRED REVENUE AND DEPOSITS

	Balance, beginning of year	Received	Recognized	Balance, end of year
Farm Credit Canada	\$ -	\$ 25,000	\$ -	\$ 25,000
Deposits held	6,000	2,000	1,000	7,000
Memorial Garden	6,520	-	1,957	4,563
Family and Community				
Support Services	1,487	-	-	1,487
Canada Community Building Fund	1,301	-	-	1,301
Municipal Sustainability				
Initiative - Capital	115,061	280,100	395,161	-
Longview Light-up	6,762	-	6,762	-
	\$ 137,131	\$ 307,100	\$ 404,880	\$ 39,351

Deferred revenue is comprised of the funds noted above, the use of which, together with any earnings thereon, is restricted by agreement. These funds are recognized as revenue in the period they are used for the purpose specified.

Farm Credit Canada

The Village received a grant from Farm Credit Canada that is restricted to eligible renovation expenditures. The related project will begin in 2025.

Municipal Sustainability Initiative

The Municipal Sustainability Initiative is restricted to eligible capital projects, as approved under the funding agreement. The project was completed in 2024.

6. CONTAMINATED SITES LIABILITY

The Village did not identify any financial liabilities in 2024 (2023 – nil) as a result of contaminated sites.

7. LONG TERM DEBT

	2024	2023
Tax supported debenture	\$ 437,536	\$ 466,903
Less current portion of long term debt	(30,600)	(29,370)
	\$ 406,936	\$ 437,533

Debenture debt is repayable to the Alberta Capital Finance Authority and bears interest at 4.043% per annum and matures in 2036. Debenture debt is issued on the credit and security of the Village at large.

Interest on long term debt amounted to \$18,583 (2023 - \$19,735). The Village's total cash payments for interest in 2024 were also \$18,583 (2023 - \$19,735) as there was no accrued interest payable recorded.

(continues)

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

7. LONG TERM DEBT *(continued)*

Principal and interest repayments are as follows:

	Principal	Interest	Total
2025	\$ 30,600	\$ 17,351	\$ 47,951
2026	31,800	16,151	47,951
2027	33,100	14,851	47,951
2028	34,500	13,451	47,951
2029	35,900	12,051	47,951
Thereafter	271,636	58,627	330,263
	<u>\$ 437,536</u>	<u>\$ 132,482</u>	<u>\$ 570,018</u>

8. DEBT LIMITS AND DEBT SERVICING LIMIT

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

	2024	2023
<u>Debt limit</u>		
Total debt limit	\$ 1,369,007	\$ 1,513,331
Total long term debt	(437,536)	(466,903)
Amount of debt limit unused	\$ 931,471	\$ 1,046,428
<u>Debt servicing limit</u>		
Debt servicing limit	\$ 228,168	\$ 252,222
Debt servicing	(47,951)	(47,951)
Amount of debt servicing limit unused	\$ 180,217	\$ 204,271

The debt limit is calculated at 1.5 times revenue of the Village excluding transfers from the governments of Alberta and Canada for the purposes of capital property (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs.

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

Total debt includes long-term debt less debt charges recoverable. Debt servicing includes principal and interest payments due on long-term debt in the 12 months subsequent to year-end less amounts that are recoverable.

9. EQUITY IN TANGIBLE AND INTANGIBLE CAPITAL ASSETS

	2024	2023
Tangible and intangible capital assets <i>(Schedule 2)</i>	\$ 17,505,125	\$ 17,082,673
Accumulated amortization <i>(Schedule 2)</i>	(6,462,268)	(6,100,858)
Long term debt <i>(Note 7)</i>	(437,536)	(466,903)
	<u>\$ 10,605,321</u>	<u>\$ 10,514,912</u>

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

10. ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus consists of internally restricted and unrestricted amounts and equity in tangible capital assets.

	2024	2023
Unrestricted surplus <i>(Schedule 1)</i>	\$ 1,163,420	\$ 1,167,648
Internally restricted surplus (reserves)		
General Operating Reserves	31,351	26,351
Public Works Operating Reserves	95,485	85,485
Water/Wastewater Reserve	552,989	512,989
Planning and Development Reserve	82,475	-
Hall Reserve	63,741	59,741
Total reserves <i>(Schedule 1)</i>	826,041	684,566
Equity in tangible and intangible capital assets <i>(Schedule 1)</i> <i>(Note 9)</i>	10,605,321	10,514,912
	\$ 12,594,782	\$ 12,367,126

11. SEGMENTED DISCLOSURE

The Village provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 2.

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

General government includes council and other legislative, and general administration. Protective services include bylaw enforcement, police, and fire. Transportation includes roads, streets, walks and lighting. Planning and development includes land use planning, zoning and subdivision land and development. Public health and welfare includes family and community support. Recreation and culture include parks and recreation, libraries, museums and halls. Environmental use and protection include water supply and distribution, wastewater treatment and disposal, and waste management.

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

12. TRUST FUNDS

The Village administers the following trust:

	2024	2023
<u>Recreation Board</u>		
Balance, beginning of year	\$ 34,925	\$ 33,868
Net funds received from (spent by) the board	(4,128)	1,057
Balance, end of year	\$ 30,797	\$ 34,925

These funds are excluded from the Village's cash position and all transactions related to the trust are excluded from the operations of the Village as disclosed in the accompanying financial statements.

13. SALARY AND BENEFITS DISCLOSURE

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

	Salary (1)	Benefits & Allowances (2)	2024 Total	2023 Total
Councillors				
Mayor L. Penner	\$ 3,920	\$ -	\$ 3,920	\$ 3,645
Deputy Mayor R. Klassen	4,710	-	4,710	4,305
Councillor A. Lyons	4,020	-	4,020	3,585
Chief Administrative Officer				
CAO R. Tutschek	79,741	-	79,741	76,776
Designated Officer				
Assessment Services (contracted)	6,526	-	6,526	5,870
	\$ 98,917	\$ -	\$ 98,917	\$ 94,181

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.

14. CONTINGENT LIABILITY

The Village is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Village could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

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

15. FINANCIAL INSTRUMENTS

The Village's financial instruments consist of cash and cash equivalents, investments, accounts receivable, 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. Tax receivables and requisition over/under-levy are compulsory in nature, rather than contractual, however, the Village manages risk exposure on these items similar to other receivables and payables.

The Village is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Village provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

16. BUDGET PRESENTATION

Council for the Village annually approves its operating and capital budgets. The budget figures presented in the financial statements are for information purposes only and have not been audited, reviewed or otherwise verified.

The approved budget contains reserve transfers, tangible capital asset additions, and principal repayments on long term debt. These items are not included in the budget figures presented in the financial statements.

2024

Reconciliation of budget amounts

Excess (shortfall) of revenues over expenses per financial statements	\$ 591,975
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Capital budget items

Tangible capital asset additions	(476,000)
Transfer to reserves from operations	(143,475)
Transfers from reserves for operations	2,000
Transfer from reserves for capital	55,000
Budgeted principal repayment on long term debt	(29,500)

Balanced budget	\$ -
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The budget was approved by council on June 25, 2024.

17. PRIOR PERIOD ADJUSTMENT

Alberta Municipal Affairs made changes for 2024 whereby intangible capital assets should be included in equity in tangible and intangible capital assets. This resulted in a prior period adjustment to increase beginning of year equity in tangible and intangible capital assets and decrease beginning of year unrestricted surplus in the amount of \$125,997.

18. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

19. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.