

VILLAGE OF LONGVIEW

Financial Statements

For the year ended December 31, 2010

VILLAGE OF LONGVIEW
TABLE OF CONTENTS
For the year ended December 31, 2010

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT REPORT	2
FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENT OF OPERATIONS	4
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)	5
CONSOLIDATED STATEMENT OF CASH FLOW	6
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	7 - 16
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS	17 - 18

Young Parkyn McNab LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To: The Mayor and Members of Council of
the Village of Longview

We have audited the consolidated statement of financial position of the Village of Longview as at December 31, 2010, the consolidated statement of operations, the consolidated statement of change in net financial assets (debt) and the consolidated statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Village of Longview as at December 31, 2010 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of matter

We draw attention to note 9 to the consolidated financial statements which describes the amendments made to the prior year's figures. Our audit opinion is not qualified in respect of this matter.

Lethbridge, Alberta

Young Parkyn McNab LLP

April 16, 2011

Chartered Accountants

MANAGEMENT REPORT

The consolidated financial statements are the responsibility of the management of the Village of Longview.

These consolidated financial statements have been prepared from information provided by management. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

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

The elected Council of the Village of Longview is responsible for ensuring that management fulfils its responsibilities for financial statements. Council carries out its responsibility principally through meetings of the whole council.

The Council meets annually with management and the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. Council also considers the engagement or re-appointment of the external auditors. Council reviews the monthly financial reports.

The consolidated financial statements have been audited by Young Parkyn McNab LLP, Chartered Accountants, the external auditors, in accordance with Canadian generally accepted auditing standards on behalf of the Council, residents and ratepayers of the Village. Young Parkyn McNab LLP has full and free access to the Council.



Chief Administrative Officer

VILLAGE OF LONGVIEW
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2010

	2010	2009 (restated)
Financial assets		
Cash and temporary investments (note 2)	\$ 562,955	\$ 395,607
Taxes and grants in place of taxes receivable (note 3)	28,364	17,191
Trade and other receivables	231,189	308,060
	822,508	720,858
Liabilities		
Accounts payable and accrued liabilities	101,153	77,326
Deposits	149,797	150,297
Deferred revenue (note 4)	181,758	131,829
	432,708	359,452
Net financial assets	389,800	361,406
Non-financial assets		
Prepaid expenses	13,607	3,225
Tangible capital assets (schedule 1)	3,150,867	2,231,190
	3,164,474	2,234,415
Accumulated surplus (note 5)	\$ 3,554,274	\$ 2,595,821

Commitments and contingencies (note 11)

Approved on behalf of Council:

Councilor *Jim M. Reynolds*

Councilor *[Signature]*

VILLAGE OF LONGVIEW
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2010

	Budget (Unaudited)	2010	2009 (restated)
Revenue			
Net municipal taxes (note 6)	\$ 307,859	\$ 306,113	\$ 427,519
User fees and sales of goods	179,421	176,832	181,780
Government transfers for operating (note 7)	86,533	80,028	96,482
Rental	9,556	65,887	9,557
Franchise and concession contracts	29,974	35,422	31,168
Other	7,360	10,329	6,599
Fines	2,705	10,029	17,807
Penalties and costs of taxes	6,141	6,928	6,141
Licenses and permits	5,315	5,015	5,260
Development levies	-	3,258	1,323
Investment income	393	620	8,919
	635,257	700,461	792,555
Expenses (note 8)			
Legislative	35,931	45,648	23,068
Administration	197,448	201,747	195,196
Police, fire, disaster, ambulance and bylaw enforcement	40,491	14,077	25,388
Transportation services	83,579	87,849	75,669
Water supply and distribution	78,312	149,258	116,256
Wastewater treatment and disposal	114,995	109,030	135,558
Waste management	20,215	20,072	17,450
Public health and welfare services	10,240	10,240	10,559
Planning and development	10,117	22	8,960
Recreation and culture	89,497	40,548	67,493
Loss on disposal of capital assets	-	-	2,657
	680,825	678,491	678,254
Excess (deficiency) of revenue over expenses before other	(45,568)	21,970	114,301
Other			
Government transfers for capital (note 7)	4,104,889	936,483	211,580
Excess of revenue over expenses	4,059,321	958,453	325,881
Accumulated surplus, beginning of year			
As previously stated	2,582,518	2,582,518	2,261,752
Prior period adjustments (note 9)	-	13,303	8,188
As restated	2,582,518	2,595,821	2,269,940
Accumulated surplus, end of year	\$ 6,641,839	\$ 3,554,274	\$ 2,595,821

VILLAGE OF LONGVIEW
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)
For the year ended December 31, 2010

	Budget (Unaudited)	2010	2009 (restated)
Excess of revenue over expenses	\$ 4,059,321	\$ 958,453	\$ 325,881
Acquisition of tangible capital assets	(4,679,920)	(1,007,214)	(211,580)
Amortization	87,538	87,538	75,370
Loss on disposal of tangible capital assets	-	-	2,657
	(4,592,382)	(919,676)	(133,553)
Net change in prepaid expense	-	(10,383)	5,056
Increase in net financial assets	(533,061)	28,394	197,384
Net financial assets, beginning of year	361,406	361,406	164,022
Net financial assets (debt), end of year	\$ (171,655)	\$ 389,800	\$ 361,406

VILLAGE OF LONGVIEW
CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended December 31, 2010

	2010	2009 (restated)
Operating transactions		
Excess of revenue over expenses	\$ 958,453	\$ 325,881
Adjustments for items which do not affect cash		
Loss on disposal of tangible capital assets	-	2,657
Amortization	87,538	75,370
	1,045,991	403,908
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	(11,173)	(2,337)
Trade and other receivables	76,871	(212,239)
Prepaid expenses	(10,383)	5,056
Accounts payable and accrued liabilities	23,827	(4,105)
Deposits	(500)	(5,010)
Deferred revenue	49,929	(18,087)
	1,174,562	167,186
Capital transactions		
Acquisition of tangible capital assets	(1,007,214)	(211,580)
Increase (decrease) in cash and temporary investments	167,348	(44,394)
Cash and temporary investments, beginning of year	395,607	440,001
Cash and temporary investments, end of year	\$ 562,955	\$ 395,607

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

1. Significant accounting policies

The consolidated financial statements of the Village of Longview are the representations of management prepared in accordance with generally accepted accounting principles for local government established by the Public Sector Accounting Board of the Canadian Institute of Chartered 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, revenue and expenses, changes in fund balances and change in financial position of the reporting entity which comprises all of the organizations that are owned or controlled by the Village and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Taxes levied also includes requisitions for educational, health care, 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 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 expense 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.

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

(e) Prepaid local improvements charges

Construction and borrowing costs associated with local improvement projects are recovered through annual special property assessments during the period of the related borrowing. These levies are collectible from property owners for work performed by the Village.

Where a taxpayer has elected to prepay the outstanding local improvement charge, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue on a straight-line basis over the remaining term of the related borrowings.

In the event that the prepaid amounts are applied against the related borrowing, the deferred revenue is amortized to the revenue by an amount equal to the debt repayment.

(f) 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.

(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.

(h) Non-financial assets

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

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

(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
Land improvements	15-45
Buildings	25-50
Engineered structures	5-75
Machinery and equipment	5-30
Construction in progress	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.

(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.

2. Cash and temporary investments

	2010	2009
Cash	\$ 409,499	\$ 249,136
Recreation board cash	48,809	42,243
Temporary investments	104,647	104,228
	\$ 562,955	\$ 395,607

Temporary investments consist of a guaranteed investment certificate which matures in March 2011. The guaranteed investment certificate earns interest at 0.3%.

3. Taxes and grants in place of taxes receivables

	2010	2009
Taxes and grants in place of taxes receivable	\$ 20,654	\$ 16,368
Arrears	7,710	823
	\$ 28,364	\$ 17,191

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

4. Deferred revenue

	2010	2009 (restated)
Street Improvement Program	\$ 25,224	\$ 5,184
Alberta Municipal Infrastructure Program	19,225	65,149
Municipal Sustainability Initiative	23,348	27,740
Community Facility Enhancement Program	21,104	20,000
Other	741	4,435
Federal Gas Tax Fund (previously New Deal for Cities and Communities)	86,116	4,321
Skateboard Park donation	5,000	5,000
Memorial Garden donation	1,000	-
	\$ 181,758	\$ 131,829

5. Accumulated surplus

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

	2010	2009 (restated)
Unrestricted surplus	\$ 50,680	\$ 13,303
Internally restricted surplus (reserves) (note 12)	352,727	351,328
Equity in tangible capital assets (note 13)	3,150,867	2,231,190
	\$ 3,554,274	\$ 2,595,821

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

6. Net municipal property taxes

	Budget (Unaudited)	2010	2009
Taxation			
Real property taxes	\$ 336,100	\$ 334,018	\$ 442,277
Linear property taxes	19,374	19,374	23,125
Commercial taxes	71,328	71,664	74,247
	426,802	425,056	539,649
Requisitions			
Alberta School Foundation Fund	112,447	112,447	107,593
Separate Education Board	1,277	1,277	1,193
Senior Foundation	3,365	3,365	3,344
Ambulance & 911	1,854	1,854	-
	118,943	118,943	112,130
	\$ 307,859	\$ 306,113	\$ 427,519

7. Government transfers

	Budget (Unaudited)	2010	2009
Transfers for operating:			
Provincial government	\$ 86,533	\$ 80,028	\$ 96,482
Transfers for capital			
Provincial government	4,104,889	936,483	211,580
	\$ 4,191,422	\$ 1,016,511	\$ 308,062

8. Expenses by object

	Budget (Unaudited)	2010	2009
Salaries, wages and benefits	\$ 114,086	\$ 118,898	\$ 154,050
Contracted and general services	290,161	303,842	264,182
Materials, goods, supplies and utilities	146,019	142,781	140,019
Bank charges and short term interest	2,361	1,743	2,362
Other expenditures	2,269	1,812	2,767
Transfers to organizations and others	38,391	21,877	36,847
Amortization of tangible capital assets	87,538	87,538	75,370
Loss on disposal of tangible capital assets	-	-	2,657
	\$ 680,825	\$ 678,491	\$ 678,254

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

9. Prior period adjustments

In the prior year the deferred revenues were overstated and revenues were understated by \$8,235 for the Street Improvement Program grant and deferred revenues were understated and revenue overstated by \$4,314 for the Federal Gas Tax Fund (previously New Deal for Cities and Communities). This resulted in unrestricted net assets being understated by \$3,921.

In addition, accounts receivable in the prior year were understated by \$9,382 (2008 \$8,188) due to ATCO and Fortis franchise fees not being accrued. This resulted in unrestricted net assets being understated by \$9,382 (2008 \$8,188).

10. 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 be disclosed as follows:

	2010	2009 (restated)
Total debt limit	\$ 1,050,693	\$ 1,184,849
Debt servicing limit	\$ 175,116	\$ 197,475

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.

11. Commitments and contingencies

The Village is a member of the Alberta Municipal Services Corporation. Under the terms of 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.

The Village has also entered into various operating contracts. These contracts vary by length, terms and conditions:

(a) There is an agreement with the Municipal District of Foothills No. 31 for administration services. The contract terms are \$46,000 annually and are ongoing until cancelled by one of the parties.

(b) There is an agreement with the Municipal District of Foothills No. 31 for the provision of water and wastewater services. The contract terms are \$32,400 annually and are ongoing until cancelled by one of the parties.

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

11. Commitments and contingencies, continued

(c) There is an agreement with a contractor to provide assessment services to the Village. The cost is \$4,480 annually, and the agreement expires in 2012.

(d) There is an agreement with a company to provide garbage services to the Village. The cost is \$18,360 annually, and the agreement expires in 2013.

12. Reserves

Council has set up reserves for various purposes. These reserves are either required by legislation or set up at the discretion of Council to provide funding for future expenditures.

Community Services Advisory Board (CSAB) reserve

The surplus from the current year has been set aside for future operating expenditures by the CSAB.

Campground reserve

The surplus from the current year has been set aside for future operating expenditures by the campground.

Water/wastewater treatment reserve

The surplus from the current year has been set aside for future operating expenditures related to water and wastewater treatment projects.

Recreation Board

The surplus from the current year has been set aside for future operating expenditures by the Recreation Board.

Off-Site Levies

Funds that have been received in lieu of park space from subdivisions are required to be used for future municipal infrastructure.

	2010	2009
Operating		
Reserves - CSAB	\$ 3,428	\$ 2,811
Reserves - Campground	-	5,375
Reserves - water/wastewater treatment	242,792	251,848
Reserves - Recreation Board	11,956	-
	258,176	260,034
Capital		
Off-Site Levies	94,551	91,294
	\$ 352,727	\$ 351,328

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

13. Equity in tangible capital assets

	2010	2009
Tangible capital assets (schedule 1)	\$ 4,787,501	\$ 3,780,287
Accumulated amortization (schedule 1)	(1,636,634)	(1,549,097)
	\$ 3,150,867	\$ 2,231,190

14. Salary and 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:

	(1)		(2)		2010	2009
	Salary		Benefits & allowances			
Council						
Mayor McCorquindale	\$ 11,230	\$ -	\$ 11,230	\$ 9,690		
Councilor Humphrey	990	-	990	1,890		
Councilor Ayrey	2,820	-	2,820	1,860		
Councilor Howk	960	-	960	-		
CAO	-	-	-	43,600		
CAO under shared cost agreement	\$ 46,460	\$ -	\$ 46,460	7,667		

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Benefits and allowances include the 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.

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

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

15. Related party transactions

During the year the Village entered into the following transactions with related parties:

	2010	2009
677905 Alberta Ltd. (company owned by the Mayor)		
Solid waste contract	\$ 18,680	\$ 17,450

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

16. Financial instruments

The Village of Longview's financial instruments consist of cash and temporary investments, taxes and grants in place of taxes receivable, trade and other receivables, accounts payable and accrued liabilities, and deposit liabilities. It is management's opinion that the Village is not exposed to significant interest or currency risk arising from these financial instruments.

The Village of Longview 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.

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

17. Approval of financial statements

These financial statements were approved by Council and Management.

VILLAGE OF LONGVIEW
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

18. Budget amounts

The 2010 budget for the Village was approved by Council on June 18, 2010 and has been reported in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers, capital additions and proceeds on long-term debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

In addition, the approved budget did not contain an amount for amortization expense. In order to enhance comparability, the actual amortization expense has been included as a budget amount.

Budgeted surplus per financial statements	\$ 4,059,321
Less: Capital expenditures	(4,679,920)
Transfers to reserves	(50,156)
Add: Amortization	87,538
Transfers from reserves	18,186
Proceeds on long term debt	565,031
<u>Equals: approved budget</u>	<u>\$ -</u>

VILLAGE OF LONGVIEW
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

	Schedule of changes in accumulated surplus			Schedule 1	
	Unrestricted	Restricted	Equity in tangible capital assets	2010	2009
Balance, beginning of year					
As previously stated	\$ -	\$ 351,328	\$ 2,231,190	\$ 2,582,518	\$ 2,261,752
Prior period adjustment	13,303	-	-	13,303	8,188
As restated	13,303	351,328	2,231,190	2,595,821	2,269,940
Excess of revenue over expenses	958,453	-	-	958,453	325,881
Unrestricted funds designated for future use	(31,777)	31,777	-	-	-
Restricted funds used for operations	14,431	(14,431)	-	-	-
Restricted funds used for tangible capital assets	-	(15,945)	15,945	-	-
Current year funds used for tangible capital assets	(991,269)	-	991,269	-	-
Annual amortization expense	87,537	-	(87,537)	-	-
Change in accumulated surplus	37,375	1,401	919,677	958,453	325,881
Balance, end of year	\$ 50,678	\$ 352,729	\$ 3,150,867	\$ 3,554,274	\$ 2,595,821

VILLAGE OF LONGVIEW
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2010

Schedule of tangible capital assets	Schedule 2						
	Land	Buildings	Engineered structures	Machinery and equipment	Vehicles	2010	2009
Cost:							
Balance, beginning of year	\$ 91,485	\$ 522,052	\$ 2,840,354	\$ 263,285	\$ 63,111	\$ 3,780,287	\$ 3,572,643
Acquisitions	660,000	-	329,190	18,024	-	1,007,214	211,580
Disposals	-	-	-	-	-	-	(3,936)
Balance, end of year	751,485	522,052	3,169,544	281,309	63,111	4,787,501	3,780,287
Accumulated amortization:							
Balance, beginning of year	-	219,061	1,157,081	123,360	49,595	1,549,097	1,475,010
Annual amortization	-	10,441	62,811	7,974	6,311	87,537	75,366
Disposals	-	-	-	-	-	-	(1,279)
Balance, end of year	-	229,502	1,219,892	131,334	55,906	1,636,634	1,549,097
Net book value	\$ 751,485	\$ 292,550	\$ 1,949,652	\$ 149,975	\$ 7,205	\$ 3,150,867	\$ 2,231,190
2009 net book value	\$ 91,485	\$ 302,991	\$ 1,683,273	\$ 139,926	\$ 13,516	\$ 2,231,190	