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**VILLAGE OF LONGVIEW**

**Consolidated Financial Statements**

**For the year ended December 31, 2013**

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**VILLAGE OF LONGVIEW**  
**TABLE OF CONTENTS**  
For the year ended December 31, 2013

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<b>INDEPENDENT AUDITORS' REPORT</b>	1
<b>MANAGEMENT REPORT</b>	2
<b>FINANCIAL STATEMENTS</b>	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENT OF OPERATIONS	4
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT	5
CONSOLIDATED STATEMENT OF CASH FLOW	6
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	7 - 16
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS	17 - 19

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying consolidated financial statements of the Village of Longview which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statements of operations, change in net financial debt and 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, 2013 and the results of its operations, changes in its net financial debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Lethbridge, Alberta

April 15, 2014

*Young Parkyn McNab LLP*

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, 2013**

	2013	2012 (Restated)
<b>Financial assets</b>		
Cash and temporary investments (note 2)	\$ 696,141	\$ 665,796
Taxes and grants in place of taxes receivable (note 3)	50,017	47,030
Trade and other receivables	169,934	184,604
	916,092	897,430
<b>Liabilities</b>		
Accounts payable and accrued liabilities	68,264	65,592
Deposits	7,257	97,694
Deferred revenue (note 4)	300,639	269,958
Long-term debt (note 5)	704,111	723,019
	1,080,271	1,156,263
<b>Net financial debt</b>	<b>(164,179)</b>	<b>(258,833)</b>
<b>Non-financial assets</b>		
Prepaid expenses	46,876	59,097
Tangible capital assets (schedule 2)	9,154,179	8,883,007
	9,201,055	8,942,104
<b>Accumulated surplus</b> (note 6)	<b>\$ 9,036,876</b>	<b>\$ 8,683,271</b>

*Commitments and contingencies* (note 12)

Approved on behalf of council:

Councillor \_\_\_\_\_

Councillor \_\_\_\_\_

**VILLAGE OF LONGVIEW**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
For the year ended December 31, 2013

	Budget (Unaudited)	2013	2012 (Restated)
<b>Revenue</b>			
Net municipal taxes (note 7)	\$ 308,058	\$ 306,547	\$ 296,453
User fees and sales of goods	188,860	199,179	197,514
Government transfers for operating (note 8)	65,302	140,695	96,349
Investment income	805	2,887	805
Penalties and costs of taxes	8,822	5,498	8,842
Development levies	-	13,927	-
Licenses and permits	1,470	1,625	1,932
Franchise and concession contracts	39,497	44,565	39,497
Rental	13,881	57,499	24,193
Other	10,372	7,221	83,392
Fines	4,181	823	3,731
	<b>641,248</b>	<b>780,466</b>	<b>752,708</b>
<b>Expenses (note 9)</b>			
Legislative	46,980	26,796	112,014
Administration	214,155	237,729	196,120
Police	9,227	6,168	9,537
Fire	7,961	8,788	7,961
Transportation services	133,800	145,791	143,248
Water supply and distribution	128,101	187,623	126,560
Wastewater treatment and disposal	183,954	187,058	584,286
Waste management	20,729	21,237	21,214
Public health and welfare services	10,240	10,263	10,414
Planning and development	3,990	5,329	2,671
Recreation boards	14,240	12,817	15,594
Parks and recreation	60,956	56,887	45,917
Culture - libraries, museums, halls	28,362	25,235	30,051
	<b>862,695</b>	<b>931,721</b>	<b>1,305,587</b>
<b>Deficiency of revenue over expenses before other</b>	<b>(221,447)</b>	<b>(151,255)</b>	<b>(552,879)</b>
<b>Other</b>			
Government transfers for capital (note 8)	580,935	504,860	568,893
Contributed assets	-	-	199,672
	<b>580,935</b>	<b>504,860</b>	<b>768,565</b>
<b>Excess of revenue over expenses</b>	<b>359,488</b>	<b>353,605</b>	<b>215,686</b>
<b>Accumulated surplus, beginning of year</b>			
As previously stated	8,633,271	8,633,271	8,423,141
Prior period adjustment (note 10)	-	50,000	44,444
As restated	<b>8,633,271</b>	<b>8,683,271</b>	<b>8,467,585</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 8,992,759</b>	<b>\$ 9,036,876</b>	<b>\$ 8,683,271</b>

**VILLAGE OF LONGVIEW**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT**  
For the year ended December 31, 2013

	Budget (Unaudited)	2013	2012 (Restated)
<b>Excess of revenue over expenses</b>	\$ 359,488	\$ 353,605	\$ 215,686
Acquisition of tangible capital assets	(580,934)	(504,894)	(698,961)
Amortization	233,724	233,724	178,990
Contributed assets	-	-	(199,672)
Loss on disposal of tangible capital assets	-	-	474,165
	(347,210)	(271,170)	(245,478)
Net change in prepaid expense	-	12,219	2,653
<b>Increase in net financial debt</b>	12,278	94,654	(27,139)
<b>Net financial debt, beginning of year</b>	(258,833)	(258,833)	(231,694)
<b>Net financial debt, end of year</b>	\$ (246,555)	\$ (164,179)	\$ (258,833)

**VILLAGE OF LONGVIEW**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
For the year ended December 31, 2013

	2013	2012 (Restated)
<b>Operating transactions</b>		
Excess of revenue over expenses	\$ 353,605	\$ 215,686
Adjustments for items which do not affect cash		
Loss on disposal of tangible capital assets	-	474,165
Amortization of tangible capital assets	233,724	178,990
Contributed assets	-	(199,672)
	587,329	669,169
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	(2,987)	(4,544)
Trade and other receivables	14,670	568,062
Prepaid expenses	12,219	2,653
Accounts payable and accrued liabilities	2,672	(679,908)
Deposits	(90,437)	(52,374)
Deferred revenue	30,681	128,443
	554,147	631,501
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(504,894)	(698,961)
<b>Financing transactions</b>		
Repayment of long-term debt	(18,908)	(18,166)
<b>Increase (decrease) in cash and temporary investments</b>	30,345	(85,626)
<b>Cash and temporary investments, beginning of year</b>	665,796	751,422
<b>Cash and temporary investments, end of year</b>	\$ 696,141	\$ 665,796



**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.

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**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

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**1. Significant accounting policies, continued**

(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 THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**1. Significant accounting policies, continued**

(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
Vehicles	10

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**

	2013	2012
Cash	\$ 632,342	\$ 549,500
Recreation board cash	6,875	10,436
Temporary investments	56,924	105,860
	\$ 696,141	\$ 665,796

Temporary investments consist of a guaranteed investment certificate which matures in March 2014. The guaranteed investment certificate earns interest at 1%.

**3. Taxes and grants in place of taxes receivables**

	2013	2012
Taxes and grants in place of taxes receivable	\$ 28,514	\$ 38,369
Arrears	21,503	8,661
	\$ 50,017	\$ 47,030

**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**4. Deferred revenue**

	2013	2012
Basic Municipal Transportation Grant	\$ 10,618	\$ 10,584
Municipal Sustainability Initiative	273,821	238,661
Community Facility Enhancement Program	-	10,474
Other	80	80
Memorial garden donation	16,120	10,159
	<u>\$ 300,639</u>	<u>\$ 269,958</u>

**5. Long-term debt**

	2013	2012
Tax supported debenture - capital	\$ 704,111	\$ 723,019
Current portion	\$ 19,681	\$ 18,908

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2014	\$ 19,681	\$ 28,269	\$ 47,950
2015	20,484	27,466	47,950
2016	21,321	26,629	47,950
2017	22,192	25,758	47,950
2018	23,098	24,853	47,951
Thereafter	597,335	206,967	804,302
	<u>\$ 704,111</u>	<u>\$ 339,942</u>	<u>\$ 1,044,053</u>

Debenture debt is repayable to Alberta Capital Finance Authority and bears interest at 4.043% and matures in 2036. For qualifying debentures, the Province of Alberta rebates 60% of interest in excess of 8%, 9%, and 11% to a maximum annual rate of 12.5%, depending on the date borrowed.

Debenture debt is issued on the credit and security of the Village at large.

Interest on long-term debt amounted to \$29,042 (2012 - \$29,784).

The Village's total cash payments for interest in 2013 was \$29,042 (2012 - \$29,784).

**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**6. Accumulated surplus**

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

	2013	2012 (Restated)
Unrestricted surplus	\$ 170,077	\$ 136,430
Internally restricted surplus (reserves) (note 13)	416,731	386,853
Equity in tangible capital assets (note 14)	8,450,068	8,159,988
	<b>\$ 9,036,876</b>	<b>\$ 8,683,271</b>

**7. Net municipal property taxes**

	Budget (Unaudited)	2013	2012
<b>Taxation</b>			
Real property taxes	\$ 368,837	\$ 360,043	\$ 359,840
Linear property taxes	19,572	21,524	17,966
Commercial taxes	65,183	71,682	64,564
	<b>453,592</b>	<b>453,249</b>	<b>442,370</b>
<b>Requisitions</b>			
Alberta School Foundation Fund	136,059	136,059	134,124
Separate Education Board	1,596	1,596	1,581
Senior Foundation	6,711	6,711	7,777
Ambulance & 911	1,168	2,336	2,435
	<b>145,534</b>	<b>146,702</b>	<b>145,917</b>
	<b>\$ 308,058</b>	<b>\$ 306,547</b>	<b>\$ 296,453</b>

**8. Government transfers**

	Budget (Unaudited)	2013	2012
<b>Transfers for operating:</b>			
Provincial government	\$ 57,302	\$ 132,695	\$ 88,349
Local government	8,000	8,000	8,000
	<b>65,302</b>	<b>140,695</b>	<b>96,349</b>
<b>Transfers for capital</b>			
Provincial government	580,935	504,860	568,893
	<b>\$ 646,237</b>	<b>\$ 645,555</b>	<b>\$ 665,242</b>

**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**9. Expenses by object**

	Budget (Unaudited)	2013	2012 (Restated)
Salaries, wages and benefits	\$ 123,420	\$ 106,879	\$ 115,795
Contracted and general services	293,593	319,899	274,079
Materials, goods, supplies and utilities	145,968	202,398	194,508
Bank charges and short term interest	1,773	1,372	1,773
Interest on long term debt	29,042	29,042	29,784
Other expenses	1,000	4,145	-
Transfers to organizations and others	34,175	34,262	36,493
Amortization of tangible capital assets	233,724	233,724	178,990
Loss on disposal of tangible capital assets	-	-	474,165
	<b>\$ 862,695</b>	<b>\$ 931,721</b>	<b>\$ 1,305,587</b>

**10. Prior period adjustments**

The Village has restated its financial statements to record a prepaid expense that resulted from an overpayment of contracted services in prior years.

**Adjustments to January 1, 2012 accumulated surplus:**

As previously reported	\$ 8,423,141
Adjustment to prepaid expenses	44,444
<b>As restated</b>	<b>\$ 8,467,585</b>

**Adjustments to excess of revenue over expenses for the year ended**

<b>December 31, 2012:</b>	
As previously reported	\$ 210,130
Reduction of contracted environmental services expense	5,556
<b>As restated</b>	<b>\$ 215,686</b>

**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**11. 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:

	2013	2012
Total debt limit	\$ 1,170,698	\$ 1,129,064
Total debt	704,111	723,019
	\$ 466,587	\$ 406,045
Debt servicing limit	\$ 195,116	\$ 188,177
Debt servicing	47,950	47,950
	\$ 147,166	\$ 140,227

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.

**12. 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 \$72,000 annually and are ongoing until cancelled by one of the parties.

**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**13. 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.

	2013	2012
<b>Operating</b>		
Water/wastewater treatment	\$ 243,149	\$ 248,177
Recreation	11,956	11,956
General operating	35,027	12,391
Public works	3,082	3,082
Hall	16,696	16,696
	<u>309,910</u>	<u>292,302</u>
<b>Capital</b>		
Off-Site Levies	106,821	94,551
	<u>\$ 416,731</u>	<u>\$ 386,853</u>

**14. Equity in tangible capital assets**

	2013	2012
Tangible capital assets (schedule 2)	\$ 12,256,294	\$ 11,751,401
Accumulated amortization (schedule 2)	(3,102,115)	(2,868,394)
Long-term debt (note 5)	(704,111)	(723,019)
	<u>\$ 8,450,068</u>	<u>\$ 8,159,988</u>



**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**15. 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)	2013	2012
	Salary	Benefits & allowances		
Council				
Mayor McCorquindale	\$ 8,760	\$ -	\$ 8,760	\$ 10,740
Councillor Macleod	3,690	-	3,690	3,635
Councillor Ayrey	3,480	-	3,480	3,510
Councillor Wight	540	-	540	-
CAO under shared cost agreement	\$ 41,421	\$ -	\$ 41,421	\$ 49,045

(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.

**16. Related party transactions**

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

	2013	2012
<b>677905 Alberta Ltd. (company owned by the Mayor)</b>		
Solid waste contract	\$ 19,000	\$ 19,000

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**VILLAGE OF LONGVIEW**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

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**17. 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.

**18. Budget amounts**

The 2013 budget for the Village was approved by Council on May 10, 2013 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 principal repayment of long-term debt as revenue or expense items. 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.

Budgeted surplus per financial statements	\$	359,488
Less: Capital expenses		(580,934)
Long-term debt repayments		(18,908)
Transfers to reserves		25,630
Add: Amortization		233,724
Transfers from reserves		(19,000)
<u>Equals: balanced budget</u>	<u>\$</u>	<u>-</u>

**19. Approval of financial statements**

These financial statements were approved by Council and Management.

**20. 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 1.

Refer to the schedule of segmented disclosure (schedule 3).

**VILLAGE OF LONGVIEW**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

Schedule of changes in accumulated surplus	Schedule 1				
	Unrestricted	Restricted	Equity in tangible capital assets	2013	2012 (Restated)
Balance, beginning of year					
As previously stated	\$ 86,432	\$ 386,853	\$ 8,159,986	\$ 8,633,271	\$ 8,423,141
Prior period adjustment (note 10)	50,000	-	-	50,000	44,444
As restated	136,432	386,853	8,159,986	8,683,271	8,467,585
Excess of revenue over expenses	353,605	-	-	353,605	215,686
Unrestricted funds designated for future use	(34,906)	34,906	-	-	-
Restricted funds used for operations	5,028	(5,028)	-	-	-
Current year funds used for tangible capital assets	(504,898)	-	504,898	-	-
Annual amortization expense	233,724	-	(233,724)	-	-
Long term debt repaid	(18,908)	-	18,908	-	-
Change in accumulated surplus	33,645	29,878	290,082	353,605	215,686
<b>Balance, end of year</b>	<b>\$ 170,077</b>	<b>\$ 416,731</b>	<b>\$ 8,450,068</b>	<b>\$ 9,036,876</b>	<b>\$ 8,683,271</b>

**VILLAGE OF LONGVIEW**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

Schedule of tangible capital assets	Schedule 2						
	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	Construction in progress
	2012	2013	2012	2013	2012	2013	2012
<b>Cost:</b>							
Balance, beginning of year \$	826,895	\$ 539,335	\$ 1,216,935	\$ 8,932,971	\$ 149,703	\$ 25,568	\$ 59,994
Acquisitions	-	-	-	-	-	-	504,894
Disposals	-	-	-	-	-	-	-
Balance, end of year	826,895	539,335	1,216,935	8,932,971	149,703	25,568	564,888
							12,256,294
							11,751,401
<b>Accumulated amortization:</b>							
Balance, beginning of year	-	122,661	462,586	2,206,225	51,354	25,568	-
Annual amortization	-	25,862	24,338	177,300	6,222	-	-
Disposals	-	-	-	-	-	-	-
Balance, end of year	-	148,523	486,924	2,383,525	57,576	25,568	-
							3,102,115
							2,868,394
<b>Net book value</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	826,895	390,812	730,011	6,549,446	92,127	-	564,888
							9,154,179
							\$ 8,883,007
<b>2012 net book value</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	826,895	416,674	754,349	6,726,746	98,349	-	59,994
							\$ 8,883,007

**VILLAGE OF LONGVIEW**  
**SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

Schedule of segmented disclosure	Schedule 3						Total
	General government	Protective services	Transportation services	Environmental services	Public health services	Planning and development	
<b>Revenue</b>							
Net municipal taxes	\$ 306,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 306,547
User fees and sales of goods	1,031	-	-	181,134	-	-	199,179
Government transfers for operating	22,636	87,393	14,297	-	8,192	2,284	140,695
Investment income	2,887	-	-	-	-	-	2,887
Penalties and costs of taxes	3,463	-	-	2,035	-	-	5,498
Development levies	-	-	-	-	-	13,927	13,927
Licenses and permits	650	975	-	-	-	-	1,625
Franchise and concession contracts	44,565	-	-	-	-	-	44,565
Rental	4,446	-	-	38,000	-	-	57,499
Other	5,941	-	-	-	-	-	7,221
Fines	-	173	-	-	-	650	823
	<b>392,166</b>	<b>88,541</b>	<b>14,297</b>	<b>221,169</b>	<b>8,192</b>	<b>16,861</b>	<b>780,466</b>
<b>Expenses</b>							
Salaries, wages and benefits	81,966	-	11,560	-	-	-	106,879
Contracted and general services	147,624	6,168	40,474	113,817	-	1,838	\$19,899
Materials, goods, supplies and utilities	24,649	-	50,877	98,324	-	-	202,398
Bank charges and short term interest	1,372	-	-	-	-	-	1,372
Interest on long term debt	-	-	-	29,042	-	-	29,042
Other expenditures	3,516	-	-	629	-	-	4,145
Transfers to organizations and others	-	8,787	-	-	10,263	-	34,262
Amortization of tangible capital assets	5,397	-	42,879	154,106	-	3,491	233,724
	<b>264,524</b>	<b>14,955</b>	<b>145,790</b>	<b>395,918</b>	<b>10,263</b>	<b>5,329</b>	<b>931,721</b>
<b>Deficiency of revenue over expenses before other</b>	<b>127,642</b>	<b>73,586</b>	<b>(131,493)</b>	<b>(174,749)</b>	<b>(2,071)</b>	<b>11,532</b>	<b>(151,255)</b>
<b>Other</b>							
Government transfers for capital	-	-	-	504,860	-	-	504,860
<b>Excess of revenue over expenses</b>	<b>\$ 127,642</b>	<b>\$ 73,586</b>	<b>\$ (131,493)</b>	<b>\$ 330,111</b>	<b>\$ (2,071)</b>	<b>\$ 11,532</b>	<b>\$ 353,605</b>

