

Village of Longview

Financial Statements

For the Year Ended December 31, 2022

VILLAGE OF LONGVIEW

December 31, 2022

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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 at December 31, 2022 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 that 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.

Village Council meets annually with management and 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 is also responsible for the engagement or re-appointment of the external auditors. The Village Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Gregory, Harriman & Associates 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.

Roy Tutschek

Roy Tutschek (Apr 27, 2023 10:29 MDT)

Chief Administrative Officer

April 25, 2023



GREGORY
HARRIMAN
& ASSOCIATES LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Council:

Opinion

We have audited the consolidated financial statements of Village of Longview (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2022, and the results of its operations, changes in its net financial assets and cash flows for the years 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 financial position of the Village of Longview as at December 31, 2022, the results of its operations, change in its net financial assets and its 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 Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the 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.

In preparing the financial statements, management is responsible for assessing the Municipality'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 cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 Municipality'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 Municipality'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 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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Gregory, Harriman & Associates LLP

Strathmore, Alberta
April 25, 2023

Gregory, Harriman & Associates LLP
Chartered Professional Accountants

**Village of Longview
Consolidated Statement of Financial Position
As at December 31, 2022**

	2022	2021
FINANCIAL ASSETS		
Cash (Note 2)	\$ 926,226	\$ 929,372
Taxes and grants in place receivable (Note 3)	49,274	73,976
Trade and other accounts receivable (Note 4)	734,170	869,952
	1,709,670	1,873,300
LIABILITIES		
Accounts payable and accrued liabilities	92,006	67,623
Deferred revenue (Note 5)	126,023	121,067
Long term debt (Notes 7, 8)	495,119	522,227
	713,148	710,917
NET FINANCIAL ASSETS	996,522	1,162,383
NON-FINANCIAL ASSETS		
Prepaid expenses	6,390	6,327
Tangible capital assets (Schedule 2)	11,181,034	11,192,938
Intangible capital assets	132,705	145,931
	11,320,129	11,345,196
ACCUMULATED SURPLUS (Schedule 1) (Note 10)	\$ 12,316,651	\$ 12,507,579

CONTINGENCIES (Note 13)

Approved by:  Mayor Roy Tutschek Roy Tutschek (Apr 27, 2023 10:29 MDT) Chief Administrative Officer

Village of Longview
Consolidated Statement of Operations
For the Year Ended December 31, 2022

	<i>Budget</i> <i>(Unaudited)</i>	2022	2021
REVENUE			
Net municipal property taxes (Schedule 3)	\$ 340,989	\$ 332,783	\$ 339,845
Sale of goods and user charges	281,150	223,170	191,209
Penalties and costs on taxes	7,000	15,576	6,316
Licenses and permits	26,625	13,905	17,038
Fines distribution	30,000	29,334	35,504
Franchise and concession contracts	120,000	155,385	74,174
Investment income	5,700	20,417	5,669
Rentals	54,100	25,666	53,156
Government transfers (Schedule 4)	30,173	25,320	28,636
Other revenues	55,344	16,673	5,269
TOTAL REVENUE	951,081	858,229	756,816
EXPENSES (Schedule 5)			
Legislative	30,150	19,737	16,524
Administration	252,951	251,060	275,781
Protective services	71,000	56,353	45,742
Roads, streets, walks and lighting	101,048	188,085	178,284
Water supply and distribution	133,254	233,189	217,318
Wastewater treatment and disposal	50,733	179,695	197,221
Waste management	7,429	7,254	6,573
Planning and development	70,500	28,389	16,003
Public health and welfare services	14,438	21,450	14,630
Culture	30,921	25,848	22,301
Parks and recreation	45,579	63,097	66,844
TOTAL EXPENSES	808,003	1,074,157	1,057,221
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE OTHER	143,078	(215,928)	(300,405)
OTHER			
Government transfers for capital (Schedule 4)	403,330	25,000	202,994
	403,330	25,000	202,994
EXCESS OF REVENUE (SHORTFALL) OVER EXPENSES	546,408	(190,928)	(97,411)
ACCUMULATED SURPLUS, BEGINNING OF YEAR (Note 10)	12,507,579	12,507,579	12,604,990
ACCUMULATED SURPLUS, END OF YEAR	\$ 13,053,987	\$ 12,316,651	\$ 12,507,579

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

Village of Longview
Consolidated Statement of Change in Net Financial Assets
For the Year Ended December 31, 2022

	<i>Budget</i> <i>(Unaudited)</i>	2022	2021
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<i>\$ 546,408</i>	\$ (190,928)	\$ (97,411)
Increase in prepaid expenses	-	(6,390)	(6,236)
Use of prepaid expenses	-	6,326	-
Acquisition of tangible capital assets (Schedule 2)	<i>(445,300)</i>	(374,668)	(344,526)
Proceeds on disposal of tangible capital assets	-	45,000	-
Amortization of tangible capital assets (Schedule 2)	-	353,354	350,925
Acquisition of intangible capital assets	-	-	(3,916)
Amortization of intangible capital assets	-	13,227	12,248
Gain on sale of tangible capital assets	-	(11,782)	-
	<i>(445,300)</i>	25,067	8,495
INCREASE (DECREASE) IN NET ASSETS	<i>101,108</i>	(165,861)	(88,916)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<i>1,162,383</i>	1,162,383	1,251,299
NET FINANCIAL ASSETS, END OF YEAR	<i>\$ 1,263,491</i>	\$ 996,522	\$ 1,162,383

Village of Longview
Consolidated Statement of Changes in Cash Flows
For the Year Ended December 31, 2022

	2022	2021
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
Operating		
Excess (Shortfall) of revenue over expenses	\$ (190,928)	\$ (97,411)
Non-cash items included in excess (shortfall) of revenue over expenses:		
(Gain) on disposal of tangible capital assets	(11,782)	-
Amortization of intangible capital assets	13,227	12,248
Amortization of tangible capital assets	353,354	350,925
	163,871	265,762
Non-cash charges to operations (net change):		
Decrease (Increase) in taxes and grants in place receivable	24,702	(6,692)
Decrease (Increase) in prepaid expenses	(63)	(6,235)
Decrease (Increase) in trade and other receivables	135,782	(46,151)
Increase (Decrease) in accounts payable and accrued liabilities	24,382	(34,944)
Increase (Decrease) in deferred revenue	4,956	65,256
	353,630	236,996
Capital		
Acquisition of tangible capital assets	(374,668)	(344,526)
Acquisition of intangible capital assets	-	(3,916)
Sale of tangible capital assets	45,000	-
Cash applied to capital transactions	(329,668)	(348,442)
Investing		
Decrease (Increase) in restricted cash	(4,956)	(65,256)
Cash provided by (applied to) investing transactions	(4,956)	(65,256)
Financing Activities		
Long term debt repaid	(27,108)	(26,045)
Cash provided by (applied to) financing transactions	(27,108)	(26,045)
Change in Cash, during the year	(8,102)	(202,747)
Cash, beginning of the year	808,305	1,011,052
Cash, end of the year	\$ 800,203	\$ 808,305
Cash is made up of:		
Cash (Note 2)	\$ 926,226	\$ 929,372
Less: restricted portion of cash (Note 2)	(126,023)	(121,067)
	\$ 800,203	\$ 808,305

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

Village of Longview
Schedule of Changes in Accumulated Surplus
For the Year Ended December 31, 2022
(Schedule 1)

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2022	2021
BALANCE, BEGINNING OF YEAR <i>(Note 10)</i>	\$ 1,284,182	\$ 552,686	\$ 10,670,711	\$ 12,507,579	\$ 12,604,990
Excess (Shortfall) of revenue over expenses	(190,928)	-	-	(190,928)	(97,411)
Restricted funds used for operations	23,401	(23,401)	-	-	-
Unrestricted funds designated for future use	(125,402)	125,402	-	-	-
Restricted funds used for tangible capital assets	-	(42,000)	42,000	-	-
Current year funds used for tangible capital assets	(332,668)	-	332,668	-	-
Disposal of tangible capital assets	33,218	-	(33,218)	-	-
Annual amortization expense	353,354	-	(353,354)	-	-
Capital long term debt repaid	(27,108)	-	27,108	-	-
Change in accumulated surplus	<u>(266,133)</u>	<u>60,001</u>	<u>15,204</u>	<u>(190,928)</u>	<u>(97,411)</u>
BALANCE, END OF YEAR	<u>\$ 1,018,049</u>	<u>\$ 612,687</u>	<u>\$ 10,685,915</u>	<u>\$ 12,316,651</u>	<u>\$ 12,507,579</u>

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

**Village of Longview
Schedule of Tangible Capital Assets
For the Year Ended December 31, 2022
(Schedule 2)**

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2022	2021
COST:								
BALANCE, BEGINNING OF YEAR	\$ 826,895	\$ 539,335	\$ 1,867,961	\$ 12,993,085	\$ 274,192	\$ 85,120	\$ 16,586,588	\$ 16,242,063
Acquisition of tangible capital assets	-	-	85,132	241,992	5,544	42,000	374,668	344,525
Construction in progress	-	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-	(59,552)	(59,552)	-
BALANCE, END OF YEAR	<u>826,895</u>	<u>539,335</u>	<u>1,953,093</u>	<u>13,235,077</u>	<u>279,736</u>	<u>67,568</u>	<u>16,901,704</u>	<u>16,586,588</u>
ACCUMULATED AMORTIZATION:								
BALANCE, BEGINNING OF YEAR	-	364,829	761,850	4,107,770	107,299	51,903	5,393,651	5,042,726
Annual amortization	-	25,560	38,211	275,553	11,930	2,100	353,354	350,925
Accumulated amortization on disposals	-	-	-	-	-	(26,335)	(26,335)	-
BALANCE, END OF YEAR	<u>-</u>	<u>390,389</u>	<u>800,061</u>	<u>4,383,323</u>	<u>119,229</u>	<u>27,668</u>	<u>5,720,670</u>	<u>5,393,651</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 826,895</u>	<u>\$ 148,946</u>	<u>\$ 1,153,032</u>	<u>\$ 8,851,754</u>	<u>\$ 160,507</u>	<u>\$ 39,900</u>	<u>\$ 11,181,034</u>	<u>\$ 11,192,937</u>
2021 Net Book Value of Tangible Capital Assets	\$ 826,895	\$ 174,506	\$ 1,106,111	\$ 8,885,315	\$ 166,893	\$ 33,217	\$ 11,192,937	

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

Village of Longview
Schedule of Property and Other Taxes
For the Year Ended December 31, 2022
(Schedule 3)

	<i>Budget</i> <i>(Unaudited)</i>	2022	2021
TAXATION			
Real property taxes	\$ 484,154	\$ 481,535	\$ 468,328
Linear property taxes	22,357	16,598	27,510
	<u>506,511</u>	<u>498,133</u>	<u>495,838</u>
 REQUISITIONS			
Alberta School Foundation Fund	143,615	143,615	138,043
Senior Foundation	6,326	6,326	5,930
Separate Education Board	3,503	3,503	3,305
Ambulance and Emergency	12,078	11,906	8,715
	<u>165,522</u>	<u>165,350</u>	<u>155,993</u>
 NET MUNICIPAL TAXES	 <u>\$ 340,989</u>	 <u>\$ 332,783</u>	 <u>\$ 339,845</u>

Village of Longview
Schedule of Government Transfers
For the Year Ended December 31, 2022
(Schedule 4)

	<i>Budget</i> <i>(Unaudited)</i>	2022	2021
TRANSFERS FOR OPERATING			
Provincial Government	\$ 30,173	\$ 25,320	\$ 28,636
Other Local Governments	8,000	-	-
	<u>38,173</u>	<u>25,320</u>	<u>28,636</u>
TRANSFERS FOR CAPITAL			
Provincial Government	403,300	25,000	202,994
	<u>403,300</u>	<u>25,000</u>	<u>202,994</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 441,473</u>	<u>\$ 50,320</u>	<u>\$ 231,630</u>

Village of Longview
Schedule of Consolidated Expenditures by Object
For the Year Ended December 31, 2022
(Schedule 5)

	<i>Budget</i> <i>(Unaudited)</i>	2022	2021
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits <i>(Note 11)</i>	\$ 259,294	\$ 242,799	\$ 240,559
Contracted and general services	254,247	242,038	231,578
Materials, goods, supplies and utilities	243,494	183,211	182,134
Bank charges and short term interest	3,100	2,387	2,915
Transfers to individuals and organizations	13,916	13,697	19,216
Interest on capital long term debt <i>(Note 7)</i>	20,842	20,842	21,906
Amortization of tangible capital assets	-	353,354	350,925
Amortization of intangible capital assets	-	13,227	12,248
Other expenses	13,110	2,602	2,074
	<u>\$ 808,003</u>	<u>\$ 1,074,157</u>	<u>\$ 1,063,555</u>

Village of Longview
Notes to Financial Statements
December 31, 2022

1) Significant Accounting Policies

The Village of Longview (the "Municipality") is a Municipality in the Province of Alberta. The consolidated financial statements are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of these accounting policies adopted by the Village are as follows:

A. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue 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 the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial resources.

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

The statement excluded trust assets that are administered for the benefit of external parties. Interdependent and organizational transactions and balance 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 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 expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates. The amounts recorded for valuation of tangible capital assets, useful lives and related amortization of tangible capital assets is an area where management makes significant estimates and assumptions in determining the amounts to be recorded in the consolidated financial statements.

D. Investments

Investments are recorded at 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 Financial Statements
December 31, 2022

1) Significant Accounting Policies *(continued)*

E. Requisition Over-levy and Under-levy

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the excess collection is accrued as a liability and property tax revenue is reduced. In situations where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and reflected as property tax revenue.

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

F. Tax Revenue

Tax revenue is 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.

G. Contaminated Sites Liability

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

H. 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 that the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the municipality, and reasonable estimates of the amounts can be determined.

I. 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 revenue over expenses, provides the consolidated Change in Net Financial Assets for the year.

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**Village of Longview
Notes to Financial Statements
December 31, 2022**

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 asset, is amortized on a straight-line basis over the estimated useful life as follows:

	YEARS
Land improvements	15-25
Buildings	25-50
Engineered structures	
Roadway system	5-40
Water system	45-75
Wastewater system	45-75
Machinery, equipment and furnishings	5-40
Vehicles	10-25

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

ii. Contributions of Tangible Capital Assets

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

iii. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

iv. Intangible Capital Assets

Intangible capital assets are recognized at cost and amortized on the basis of their useful life using the straight-line method. The rates are summarized as follows:

	YEARS
Solar Panel Project Research	25
Solar Panel Project - Environmental and wildlife studies	2

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

**Village of Longview
Notes to Financial Statements
December 31, 2022**

2) Cash	2022	2021
Cash	\$ 926,126	\$ 929,340
Petty cash	100	32
	\$ 926,226	\$ 929,372

The Village received Government grants and donations that are restricted in their use and are to be utilized as funding for operating or capital projects. Since the projects have not been completed for which the funding has been received, \$126,023 (2021 - \$121,067) is not available for general use by the Village (*Note 5*).

3) Taxes and Grants in Place Receivable	2022	2021
Current taxes and grants in place	\$ 32,060	\$ 48,925
Tax arrears and grants in place	17,214	25,051
	\$ 49,274	\$ 73,976

4) Trade and Other Accounts Receivable	2022	2021
Local improvement levy receivable	\$ 643,300	\$ 690,328
Utilities receivable	27,494	26,003
Trade receivable	22,902	26,699
Fines receivable	21,159	-
Goods and Services Tax receivable	19,315	25,833
Grants receivable	-	101,089
	\$ 734,170	\$ 869,952

5) Deferred Revenue	2022	2021
Municipal Sustainability Initiative - Capital	109,643	107,228
Memorial Garden	7,451	8,974
Longview Light-Up	4,678	4,865
FCSS	2,950	-
Canada Community Building Fund	1,301	-
	\$ 126,023	\$ 121,067

6) Contaminated Sites Liability

The Village has adopted PS3260 Liability for Contaminated Sites. The Village did not identify any financial liabilities in 2022 (2021 - \$ nil) as a result of this standard.

**Village of Longview
Notes to Financial Statements
December 31, 2022**

7) Long Term Debt

	2022	2021
Tax supported debenture - capital	\$ 495,119	\$ 522,227
Less: Current portion	(28,215)	(27,108)
	\$ 466,904	\$ 495,119

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2023	28,215	19,735	47,951
2024	29,369	18,583	47,951
2025	30,567	17,384	47,951
2026	31,815	16,135	47,951
2027	33,114	14,836	47,951
Thereafter	342,039	65,544	407,583
	\$ 495,119	\$ 152,217	\$ 647,338

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

Interest on long term debt amounted to \$20,842 (2021 - \$21,906).

The Village's total cash payments for interest in 2022 were \$20,842 (2021 - \$21,906).

8) Debt Limits

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

	2022	2021
Total debt limit (1.5 * total eligible revenue)	\$ 1,287,344	\$ 1,144,724
Total long term debt (<i>Note 7</i>)	495,119	522,227
Unused total debt limit capacity	\$ 792,225	\$ 622,497
Service on debt limit (0.25 * total eligible revenue)	\$ 214,557	\$ 190,788
Service on debt (next years principal and interest due)	47,951	47,951
Unused service on debt limit capacity	\$ 166,606	\$ 142,837

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 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 consolidated financial statements must be interpreted as a whole.

**Village of Longview
Notes to Financial Statements
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9) Equity in Tangible Capital Assets

	2022	2021
Tangible capital assets (Schedule 2)	\$ 16,901,704	\$ 16,586,589
Accumulated amortization (Schedule 2)	(5,720,670)	(5,393,651)
Long term debt - Capital (Note 7)	(495,119)	(522,227)
	\$ 10,685,915	\$ 10,670,711

10) Accumulated Surplus

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

	2022	2021
Unrestricted surplus (Schedule 1)	\$ 1,018,049	\$ 1,284,182
Restricted surplus (reserves)		
Water/Wastewater	473,184	423,183
Public Works	75,485	53,082
Hall Reserve	42,667	50,667
General Reserve	21,351	16,351
Peace Officer Reserve	-	9,403
Equity in tangible capital assets (Note 9)	10,685,915	10,670,711
	\$ 12,316,651	\$ 12,507,579

11) 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:

	Salary (1)	Benefits & Allowances (2)	Total 2022	Total 2021
Councillor Klassen, R	3,825	-	3,825	900
Councillor Lyons, A.	3,735	-	3,735	810
Councillor Penner, L.	3,690	301	3,991	855
Councillor Wight, K.	-	-	-	3,495
Councillor Weir, C.	-	-	-	3,994
Councillor Kirk, L	-	-	-	2,277
Chief Administrative Officer, Harrison	57,924	4,509	62,433	71,092
Chief Administrative Officer, Tutschek	12,212	937	13,149	-
	\$ 81,386	\$ 5,747	\$ 87,133	\$ 83,423

(1) Salary includes regular base pay and any other direct cash remuneration.

(2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pension, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition.

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Notes to Financial Statements
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12) Trust Funds

The Village of Longview administers the following trust:

	2022	2021
Recreation Board		
Balance, beginning of year	\$ 22,886	\$ 15,479
Funds received	10,982	4,707
Balance, end of year	\$ 33,868	\$ 22,886

13) Contingencies

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

14) Budget Amounts

The 2022 budget for the Village of Longview was approved by council on May 17, 2022 and has been reported in the 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 payments on 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.

Budget surplus per financial statements	\$	546,408
Less: Capital Expenditures		(445,300)
Long-term debt repayments		(27,108)
Transfers to reserves		(165,000)
Add: Transfers from reserves		91,000
Equals: Balanced budget		\$ -

15) Financial Instruments

The Village's financial instruments consist of cash, taxes and grants in place receivable, trade and other accounts receivable, accounts payable and accrued liabilities and long term debt.

Interest Rate Risk

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Village is exposed to financial risk from interest rate differentials between market interest rates and the rates used on their financial instruments.

Credit Risk

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

**Village of Longview
Notes to Financial Statements
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16) Comparative Figures

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

17) Approval of Financial Statements

Council and Management have approved these financial statements.