

Alberta Beach
Financial Statements
December 31, 2014

Alberta Beach

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MANAGEMENT'S REPORT

The accompanying consolidated financial statements and other information contained in this Financial Report are the responsibility of the management of Alberta Beach.

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

Alberta Beach 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 Alberta Beach's assets are appropriately accounted for and adequately safeguarded.

The elected Council of Alberta Beach are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Council meets annually with management 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 reviews the monthly financial reports.

The consolidated financial statements have been audited by Doyle & Company, Chartered Accountants, the external auditors, in accordance with Canadian public sector accounting standards on behalf of the Council, residents and ratepayers of Alberta. Doyle & Company has full and free access to Alberta Beach's Council.

Kathy Skwarchuk

Kathy Skwarchuk

Chief Administrative Officer

DOYLE & COMPANY

CHARTERED ACCOUNTANTS

Allan J. Grykuliak, C.A.*

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the **Alberta Beach**, which comprise the statement of financial position as at December 31, 2014 and the statements of operations, change in net financial assets and cash flows 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

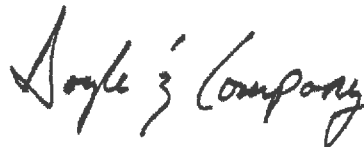
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 preparations 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, these consolidated financial statements present fairly, in all material respects, the financial position of the Alberta Beach as at December 31, 2014, 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.



Edmonton, Alberta

April 28, 2015

Chartered Accountants

Alberta Beach
Consolidated Statement of Financial Position
As at December 31, 2014

	2014	2013
	\$	\$
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	1,531,783	2,018,465
Receivables		
Taxes and grants in place of taxes (Note 3)	88,943	118,648
Trade and other receivables (Note 4)	73,449	112,707
Supplies for resale inventory	7,609	8,409
	1,701,784	2,258,229
LIABILITIES		
Accounts payable and accrued liabilities	74,665	288,149
Deposit liabilities	13,950	7,200
Deferred revenue (Note 5)	494,387	838,079
	583,002	1,133,428
NET FINANCIAL ASSETS	1,118,782	1,124,801
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	5,344,674	5,033,798
Prepaid expenses	39,823	37,755
	5,384,497	5,071,553
ACCUMULATED SURPLUS (Schedule 1, Note 9)	6,503,279	6,196,354

The accompanying notes form part of these financial statements

Alberta Beach
Consolidated Statement of Operations
For the year ended December 31, 2014

	2014 Budget (Unaudited) \$	2014 Actual \$	2013 Actual \$
REVENUE			
Net municipal taxes (Schedule 3)	1,510,176	1,509,527	1,389,442
Campground user fees	217,800	232,197	223,892
Other user fees and sale of goods	4,800	10,141	6,881
Sales to other governments	4,800	4,800	15,590
Franchise fees	35,000	39,333	22,773
Government transfers for operating (Schedule 4)	739,032	531,542	1,110,443
Licenses and permits	1,000	980	910
Fines	21,500	34,765	26,056
Penalties and costs of taxes	40,000	41,609	42,626
Investment income	4,000	3,888	5,174
Rental	58,100	51,950	41,495
Other	4,000	57,437	12,660
Total Revenues	2,640,208	2,518,169	2,897,942
EXPENSES			
Legislative	73,130	70,499	63,766
Administration	422,600	413,584	444,796
Bylaws enforcement	230,700	320,546	236,209
Roads, streets, walks, lighting	90,001	106,758	132,667
Water supply & distribution	18,884	17,902	5,204
Wastewater treatment and disposal	399,972	397,186	292,797
Waste management	91,000	83,449	86,183
Fire department	82,400	77,310	85,253
Public works	376,500	314,197	306,137
Planning & development	17,000	14,725	59,139
Campground	87,050	93,322	91,606
Ambulance	6,100	6,688	4,710
Recreation & facilities	94,960	93,485	97,456
Alberta Beach boat launch and wharf	696,913	427,920	1,057,900
Total Expenses	2,687,210	2,437,571	2,963,823
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER	(47,002)	80,598	(65,881)
OTHER			
Amortization of tangible capital assets	-	(249,173)	(274,963)
Gain on sale of tangible capital assets	-	5,168	1,035
Government transfers for capital (Schedule 4)	806,809	470,332	400,950
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	(47,002)	306,925	61,141
ACCUMULATED SURPLUS, BEGINNING OF YEAR	6,196,354	6,196,354	6,135,213
ACCUMULATED SURPLUS, END OF YEAR	6,149,352	6,503,279	6,196,354

The accompanying notes form part of these financial statements

Alberta Beach
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2014

	2014 Budget (Unaudited) \$	2014 Actual \$	2013 Actual \$
EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES	(47,002)	306,925	61,141
Acquisition of tangible capital assets	(806,809)	(594,881)	(440,839)
Proceeds on disposal of tangible capital assets	-	40,000	33,500
Amortization of tangible capital assets	-	249,173	274,963
(Gain) on sale of tangible capital assets	-	(5,168)	(1,035)
Prepaid expenses	-	(2,068)	(6,256)
	(806,809)	(312,944)	(139,667)
INCREASE (DECREASE) IN NET ASSETS	(853,811)	(6,019)	(78,526)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	1,124,801	1,124,801	1,203,327
NET FINANCIAL ASSETS, END OF YEAR	270,990	1,118,782	1,124,801

The accompanying notes form part of these financial statements

Alberta Beach
Consolidated Statement of Cash Flows
For the year ended December 31, 2014

	2014	2013
	\$	\$
OPERATING		
Excess (shortfall) of revenue over expenditures	306,925	61,141
Non-cash items included in excess (shortfall) of revenue over expenses:		
Amortization of tangible capital assets	249,173	274,963
Gain on sale of tangible capital assets.	(5,168)	(1,035)
Non-cash charges to operations (net change):		
Decrease (increase) in taxes and grants in place of taxes	29,705	21,313
Decrease (increase) in trade and other receivables	39,258	(49,227)
Decrease (increase) in supplies for resale inventory	800	155
(Decrease) increase in accounts prepaid expenses	(2,068)	(6,256)
(Increase) decrease in payables and accrued liabilities	(213,484)	158,137
(Increase) decrease in deposit liabilities	6,750	5,200
(Increase) decrease in deferred revenue	(343,692)	(1,107,438)
Cash provided by operating transactions	68,199	(643,047)
CAPITAL		
Proceeds on sale of tangible capital assets	40,000	33,500
Acquisition of tangible capital assets	(594,881)	(440,839)
Cash applied to capital transactions	(554,881)	(407,339)
INVESTING		
Decrease (increase) in restricted cash or cash equivalents	422,067	1,048,119
Cash provided by (applied to) investing transactions		
CHANGE IN CASH EQUIVALENTS DURING THE YEAR	(64,615)	(2,267)
CASH AND CASH EQUIVALENTS , BEGINNING OF YEAR	1,321,551	1,323,818
CASH AND CASH EQUIVALENTS, END OF YEAR	1,256,936	1,321,551
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 2)	1,531,783	2,018,465
Less: restricted portion of cash and temporary investments (Note 2)	274,847	696,914
	1,256,936	1,321,551

The accompanying notes form part of these financial statements

Alberta Beach

Schedule of Changes in Accumulated Surplus - Schedule 1

For the year ended December 31, 2014

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2014 \$	2013 \$
Balance, Beginning of Year	126,638	1,035,918	5,033,798	6,196,354	6,135,213
Excess (deficiency) of revenue over expenses					
Restricted funds used for tangible capital assets	306,925	-	-	306,925	61,141
Current years funds used for tangible capital assets	43,048	(43,048)	-	-	-
Disposal of tangible capital assets	(594,881)	-	594,881	-	-
Annual amortization expenses	38,277	-	(38,277)	-	-
Accumulated amortization on disposed tangible capital assets	249,173	-	(249,173)	-	-
	(3,445)	-	3,445	-	-
Change in accumulated surplus	39,097	(43,048)	310,876	306,925	61,141
Balance, End of Year	165,735	992,870	5,344,674	6,503,279	6,196,354

The accompanying notes form part of these financial statements

Alberta Beach

Schedule of Tangible Capital Assets - Schedule 2

For the year ended December 31, 2014

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2014	2013
							\$	\$
COST:								
Balance, Beginning of Year	1,349,990	575,674	1,988,694	3,623,212	687,802	324,397	8,549,769	8,145,473
Acquisition of tangible capital assets	-	-	477,757	18,305	93,819	5,000	594,881	440,839
Disposal of tangible capital assets	-	-	-	-	(38,277)	-	(38,277)	(36,543)
Balance, End of Year	1,349,990	575,674	2,466,451	3,641,517	743,344	329,397	9,106,373	8,549,769
ACCUMULATED AMORTIZATION:								
Balance, Beginning of Year	-	308,242	530,365	2,071,521	393,644	212,199	3,515,971	3,245,086
Annual amortization	-	27,998	17,874	133,368	43,869	26,064	249,173	274,963
Accumulated amortization on disposals	-	-	-	-	(3,445)	-	(3,445)	(4,078)
Balance, End of Year	-	336,240	548,239	2,204,889	434,068	238,263	3,761,699	3,515,971
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	1,349,990	239,434	1,918,212	1,436,628	309,276	91,134	5,344,674	5,033,798
2013 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	1,349,990	267,432	1,458,329	1,551,691	294,158	112,198	5,033,798	

The accompanying notes form part of these financial statements

Alberta Beach
Schedule of Property and Other Taxes - Schedule 3
For the year ended December 31, 2014

	2014 Budget (Unaudited) \$	2014 Actual \$	2013 Actual \$
TAXATION			
Real property taxes	1,898,046	1,897,785	1,814,348
Linear property taxes	23,243	23,243	22,934
Local improvement taxes	69,418	69,030	69,030
	1,990,707	1,990,058	1,906,312
REQUISITIONS			
Alberta School Foundation Fund	440,584	440,584	473,896
Lac Ste Anne Foundation	39,947	39,947	42,974
	480,531	480,531	516,870
NET MUNICIPAL TAXES	1,510,176	1,509,527	1,389,442

The accompanying notes form part of these financial statements

Alberta Beach
Schedule of Government Transfers - Schedule 4
For the year ended December 31, 2014

	2014 Budget (Unaudited) \$	2014 Actual \$	2013 Actual \$
<u>TRANSFERS FOR OPERATING</u>			
Provincial Government - MSI Grant	22,071	22,071	32,495
Provincial Government - FCSS Grant	20,048	20,048	20,048
Revenue deferred from prior period	696,913	489,423	1,057,900
	739,032	531,542	1,110,443
<u>TRANSFERS FOR CAPITAL</u>			
Federal Government	-	-	25,892
Provincial Government	806,809	355,968	177,543
Revenue deferred from prior period	-	114,364	197,515
	806,809	470,332	400,950
TOTAL GOVERNMENT TRANSFERS	1,545,841	1,001,874	1,511,393

Alberta Beach

Schedule of Consolidated Expenditures by Object - Schedule 5

For the year ended December 31, 2014

	2014	2014	2013
	Budget (Unaudited)	Actual	Actual
	\$	\$	\$
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	808,230	875,900	809,099
Contracted and general services	465,074	467,752	532,364
Materials, goods, and utilities	954,713	683,514	1,316,342
Transfers to local boards and agencies	413,192	410,406	306,017
Amortization of tangible capital assets	-	249,172	274,964
TOTAL EXPENSES	2,641,209	2,686,744	3,238,786

The accompanying notes form part of these financial statements

Alberta Beach
Notes to the Financial Statements
December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Alberta Beach are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by Alberta Beach are as follows:

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and changes in financial position of the reporting entity.

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

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

(b) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting record 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 assets are acquired.

(c) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of 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.

Alberta Beach
Notes to the Financial Statements
December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES - continued

(d) Investments

Investments are recorded at cost. 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.

(e) 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.

(f) Inventories for Real

Land and supplies held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

(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.

Alberta Beach
Notes to the Financial Statements
December 31, 2014

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
Buildings	25-50
Engineered structures	10-75
Land Improvements	10-25
Machinery and equipment	5-20
Vehicles	10

One-half 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 operation leases and the related lease payments are charged to expenses as incurred.

iv) Cultural and Historical Tangible Capital Assets

Works of art for display are not recorded as tangible capital assets but are disclosed.

2. CASH AND TEMPORARY INVESTMENTS

	2014	2013
	\$	\$
Unrestricted cash	1,256,936	1,321,551
Restricted cash	274,847	696,914
	1,531,783	2,018,465

Restricted funds were received from the provincial government for various approved projects (Note 5).

Alberta Beach
Notes to the Financial Statements
December 31, 2014

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

	2014	2013
	\$	\$
Current taxes and grants in place of taxes	51,259	67,773
Arrears taxes	37,684	50,875
	88,943	118,648

4. TRADE AND OTHER RECEIVABLES

	2014	2013
	\$	\$
Trade and other receivables	45,898	41,692
GST receivable	27,551	71,015
	73,449	112,707

5. DEFERRED REVENUE

	2014	2013
	\$	\$
Municipal Sustainability Initiative (MSI) - Capital	-	114,195
Basic Municipal Transportation Grant (BMTG)	63,209	355
Regional Collaboration Program (RCP)	3,181	24,000
Donation for Trail System	1,000	1,000
LSA Recreation and Cultural Grant	1,500	1,500
Federal Gas Tax Fund (FGTF)	150,650	115
Alberta Culture - MCFP Grant	-	279,361
Wharf Transfer Agreement	274,847	417,553
	494,387	838,079

Included in deferred revenue is an amount of \$274,847 (2013 - \$696,914) whose use of these funds is restricted for the use of the redevelopment of the Alberta Beach boat launch and wharf.

Alberta Beach
Notes to the Financial Statements
December 31, 2014

6. DEBT LIMIT

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

	2014 \$	2013 \$
Total Debt Limit	3,777,254	4,346,913
Total Debt	-	-
Debt Limit Available	3,777,254	4,346,913
Debt Service Limit	629,542	724,486
Debt Service	-	-
Debt Service Limit Available	629,542	724,486

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

Alberta Beach
Notes to the Financial Statements
December 31, 2014

7. TANGIBLE CAPITAL ASSETS

	2014	2013
	\$	\$
Net Book Value		
Land	1,349,990	1,349,990
Land improvements	239,434	267,432
Buildings	1,918,212	1,458,329
Engineering structures	1,436,628	1,551,691
Machinery and equipment	309,276	294,158
Vehicles	91,134	112,198
	5,344,674	5,033,798

8. EQUITY IN TANGIBLE CAPITAL ASSETS

	2014	2013
	\$	\$
Tangible capital assets (Schedule 2)	9,106,373	8,549,769
Accumulated amortization (Schedule 2)	(3,761,699)	(3,515,971)
	5,344,674	5,033,798

9. ACCUMULATED SURPLUS

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

	2014	2013
	\$	\$
Unrestricted surplus	165,735	126,638
Restricted surplus		
Operating reserves		
Administrative	5,628	5,628
Tax rate stabilization	207,907	207,907
Capital reserves		
Administrative - equipment	6,803	6,803
Building replacement	28,624	28,623
General capital	633,084	676,134
Parks and recreation	34,495	34,494
Police	25,164	25,164
Public works	40,960	40,960
Waste management	10,205	10,205
Equity in tangible capital assets	5,344,674	5,033,798
	6,503,279	6,196,354

Alberta Beach

Notes to the Financial Statements

December 31, 2014

10. SALARY AND BENEFITS DISCLOSURE

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

	Months	2014			2013
		Salary (1) \$	Benefits & Allowances (2) \$	Total \$	Total \$
L. Hudon	-	-	-	-	8,395
J. Benedict	12	13,228	-	13,228	2,504
Councillors					
A. Duncan	12	11,525	-	11,525	2,203
T. Elwood	12	10,350	-	10,350	2,128
L. Ferland	-	-	-	-	8,943
D. Ford	-	-	-	-	7,720
B. Love	12	11,103	-	11,103	11,021
D. McNair	12	9,725	-	9,725	11,621
Chief Administrative Officer					
K. Skwarchuk	12	97,520	5,484	103,004	101,951

- (1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
- (2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental death and dismemberment insurance, long and short term disability plans, professional memberships and tuition.

11. COMMITMENT

Alberta Beach, as part of its Master Agreement with the Tri Village Regional Sewer Services Commission and is committed to debenture principal and interest payments in the amount of \$278,940, payable in annual installments of \$69,735 until the debenture matures in 2015.

Alberta Beach is also responsible for 63.43% of the annual operating costs of Tri Village Regional Sewer Services Commission. The operating costs this year were \$220,727 (2013 - \$137,236).

Alberta Beach is part of the West Inter Lake District (WILD) Regional Water Services Commission and is committed to debenture principal and interest payments in the amount of \$12,381.97 each June and December until the debenture matures in 2039. This debenture was issued as part of the funding of phase 1 of the pipeline construction project from the Town of Stony Plain to the Village of Wabamun. The first payment of \$12,381.97 towards the debenture and interest was December 2014.

Alberta Beach is also responsible for 8% of the annual operating costs of West Inter Lake District (WILD) Regional Water Services Commission. The operating costs this year were \$5,520.

Alberta Beach
Notes to the Financial Statements
December 31, 2014

12. RELATED PARTY TRANSACTIONS

Alberta Beach is a member of the Tri Village Regional Sewer Services Commission and made payments to the Commission as follows:

	2014	2013
	\$	\$
Service fees	241,625	137,237
Debentures	155,561	155,560
	<u>397,186</u>	<u>292,797</u>

13. FINANCIAL INSTRUMENTS

Alberta Beach's financial instruments consist of cash, , accounts receivable, accounts payable and accrued liabilities, and deposit liabilities. It is management's opinion that Alberta Beach is not exposed to significant interest or currency risks arising from these financial instruments.

Alberta Beach 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 taxpayer and entities to which Alberta Beach 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. Any receivables from a government

Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

14. COMPARATIVE FIGURES

The prior year figures were audited by another accounting firm.
Certain comparative figures have been restated to conform with the current year's presentation.

15. BUDGET FIGURES

Budget figures for 2014, as approved by Council, are included in the financial statements for information purposes and are unaudited.

16. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.