

Alberta Beach
Financial Statements
December 31, 2016

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 Professional 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

Chief Administrative Officer

Allan J. Grykuliak, CPA, CA*
Scott T. Mockford, CPA, CA*
Allen Lee, CPA, CMA*
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INDEPENDENT AUDITOR'S REPORT

* Operates as a Professional Corporation

To the Members of Council

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Alberta Beach**, which comprise the statement of financial position as at December 31, 2016 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

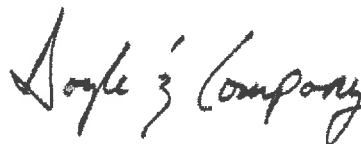
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 Alberta Beach as at December 31, 2016, 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

March 23, 2017

Chartered Professional Accountants

Alberta Beach
Consolidated Statement of Financial Position
As at December 31, 2016

	2016	2015
	\$	\$
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	1,418,473	1,495,369
Receivables		
Taxes and grants in place of taxes (Note 3)	92,763	72,487
Trade and other receivables (Note 4)	116,235	118,332
Supplies for resale inventory	7,925	6,542
	1,635,396	1,692,730
LIABILITIES		
Accounts payable and accrued liabilities	78,843	14,036
Deposit liabilities	6,200	5,400
Deferred revenue (Note 5)	367,987	481,929
	453,030	501,365
NET FINANCIAL ASSETS	1,182,366	1,191,365
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	5,483,867	5,674,498
Prepaid expenses	37,843	38,453
	5,521,710	5,712,951
ACCUMULATED SURPLUS (Schedule 1, Note 9)	6,704,076	6,904,316

The accompanying notes form part of these financial statements

Alberta Beach
Consolidated Statement of Operations
For the year ended December 31, 2016

	2016 Budget (Unaudited) \$	2016 Actual \$	2015 Actual \$
REVENUE			
Net municipal taxes (Schedule 3)	1,713,157	1,711,034	1,532,558
Campground user fees	250,800	244,556	249,636
Other user fees and sale of goods	4,750	10,134	10,388
Sales to other governments	8,425	21,279	5,654
Franchise fees	40,000	42,463	41,152
Government transfers for operating (Schedule 4)	53,534	94,894	44,432
Local government transfers	-	6,800	42,000
Licenses and permits	1,200	1,315	1,260
Fines	52,860	50,381	69,992
Penalties and costs of taxes	28,000	34,762	35,688
Investment income	3,000	3,742	3,183
Rental	90,525	77,364	104,121
Other	19,600	11,847	4,121
Total Revenues	2,265,851	2,310,571	2,144,185
EXPENSES			
Legislative	76,030	77,435	76,034
Administration	648,800	500,112	434,595
Bylaws enforcement	161,548	158,269	213,000
Roads, streets, walks, lighting	412,400	209,284	87,680
Water supply & distribution	28,490	28,490	28,351
Wastewater treatment and disposal	585,970	585,970	411,856
Waste management	79,000	82,237	80,391
Fire department	88,580	105,901	72,231
Public works	350,700	336,495	328,168
Planning & development	40,228	16,305	39,788
Campground	98,600	94,130	109,810
Ambulance	5,200	3,821	4,764
Recreation & facilities	105,205	104,725	92,708
Alberta Beach boat launch and wharf	18,000	5,437	87,142
Total Expenses	2,698,751	2,308,611	2,066,518
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER	(432,900)	1,960	77,667
OTHER			
Amortization of tangible capital assets	(65,000)	(271,495)	(289,340)
Government transfers for capital (Schedule 4)	401,285	69,295	612,710
Transfer from reserves	200,000	-	-
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	103,385	(200,240)	401,037
ACCUMULATED SURPLUS, BEGINNING OF YEAR		6,904,316	6,503,279
ACCUMULATED SURPLUS, END OF YEAR		6,704,076	6,904,316

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, 2016

	2016 Budget (Unaudited) \$	2016 Actual \$	2015 Actual \$
EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES	103,385	(200,240)	401,037
Acquisition of tangible capital assets	(103,385)	(129,037)	(665,367)
Proceeds on disposal of tangible capital assets	-	45,431	48,817
Amortization of tangible capital assets	65,000	271,495	289,340
(Gain) loss on sale of tangible capital assets	-	2,742	(2,614)
Prepaid expenses	-	610	1,370
	(38,385)	191,241	(328,454)
INCREASE (DECREASE) IN NET ASSETS	65,000	(8,999)	72,583
NET FINANCIAL ASSETS , BEGINNING OF YEAR	1,191,365	1,191,365	1,118,782
NET FINANCIAL ASSETS, END OF YEAR	1,256,365	1,182,366	1,191,365

The accompanying notes form part of these financial statements

Alberta Beach
Consolidated Statement of Cash Flows
For the year ended December 31, 2016

	2016	2015
	\$	\$
OPERATING		
Excess (shortfall) of revenue over expenditures	(200,240)	401,037
Non-cash items included in excess (shortfall) of revenue over expenses:		
Amortization of tangible capital assets	271,495	289,340
(Gain) loss on sale of tangible capital assets.	2,742	(2,614)
Non-cash charges to operations (net change):		
Decrease (increase) in taxes and grants in place of taxes	(20,276)	16,456
Decrease (increase) in trade and other receivables	2,097	(44,883)
Decrease (increase) in supplies for resale inventory	(1,383)	1,067
(Decrease) increase in accounts prepaid expenses	610	1,370
(Increase) decrease in payables and accrued liabilities	64,807	(60,629)
(Increase) decrease in deposit liabilities	800	(8,550)
(Increase) decrease in deferred revenue	(113,942)	(12,458)
Cash provided by operating transactions	6,710	580,136
CAPITAL		
Proceeds on sale of tangible capital assets	45,431	48,817
Acquisition of tangible capital assets	(129,037)	(665,367)
Cash applied to capital transactions	(83,606)	(616,550)
INVESTING		
Decrease (increase) in restricted cash or cash equivalents	5,214	215,553
CHANGE IN CASH EQUIVALENTS DURING THE YEAR	(71,682)	179,139
CASH AND CASH EQUIVALENTS , BEGINNING OF YEAR	1,436,075	1,256,936
CASH AND CASH EQUIVALENTS, END OF YEAR	1,364,393	1,436,075
Cash and cash equivalents consist of:		
Cash and temporary investments (Note 2)	1,418,473	1,495,369
Less: restricted portion of cash and temporary investments (Note 2)	54,080	59,294
	1,364,393	1,436,075

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, 2016

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2016 \$	2015 \$
Balance, Beginning of Year	206,948	1,022,870	5,674,498	6,904,316	6,503,279
Excess (deficiency) of revenue over expenses		-	-		401,037
Restricted funds used for operations	(200,240)	(97,235)	-	(200,240)	-
Current years funds used for tangible capital assets	(129,037)	-	129,037	-	-
Disposal of tangible capital assets	52,937	-	(52,937)	-	-
Annual amortization expenses	271,495	-	(271,495)	-	-
Accumulated amortization on disposed tangible capital assets	(4,764)	-	4,764	-	-
Change in accumulated surplus	87,626	(97,235)	(190,631)	(200,240)	401,037
Balance, End of Year	294,574	925,635	5,483,867	6,704,076	6,904,316

The accompanying notes form part of these financial statements

Alberta Beach

Schedule of Tangible Capital Assets - Schedule 2

For the year ended December 31, 2016

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2016	2015
							\$	\$
COST:								
Balance, Beginning of Year	1,349,990	575,674	2,592,531	4,058,662	781,567	335,345	9,693,769	9,106,373
Acquisition of tangible capital assets	-	-	71,900	-	57,137	-	129,037	665,367
Disposal of tangible capital assets	-	-	-	-	(52,937)	-	(52,937)	(77,971)
Balance, End of Year	1,349,990	575,674	2,664,431	4,058,662	785,767	335,345	9,769,869	9,693,769
ACCUMULATED AMORTIZATION:								
Balance, Beginning of Year	-	363,466	600,230	2,337,200	479,403	238,972	4,019,271	3,761,699
Annual amortization	-	27,226	53,307	133,371	40,308	17,283	271,495	289,340
Accumulated amortization on disposals	-	-	-	-	(4,764)	-	(4,764)	(31,768)
Balance, End of Year	-	390,692	653,537	2,470,571	514,947	256,255	4,286,002	4,019,271
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	1,349,990	184,982	2,010,894	1,588,091	270,820	79,090	5,483,867	5,674,498
2015 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	1,349,990	212,208	1,992,301	1,721,462	302,164	96,373	5,674,498	5,674,498

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, 2016

	2016 Budget (Unaudited) \$	2016 Actual \$	2015 Actual \$
TAXATION			
Real property taxes	1,905,874	1,903,751	1,911,494
Linear property taxes	23,977	23,977	24,060
Local improvement taxes	-	-	69,030
Sewer revitalization levy	246,300	246,300	-
	2,176,151	2,174,028	2,004,584
REQUISITIONS			
Alberta School Foundation Fund	427,655	427,655	433,910
Lac Ste Anne Foundation	35,339	35,339	38,116
	462,994	462,994	472,026
NET MUNICIPAL TAXES	1,713,157	1,711,034	1,532,558

Alberta Beach
Schedule of Government Transfers - Schedule 4
For the year ended December 31, 2016

	2016 Budget (Unaudited) \$	2016 Actual \$	2015 Actual \$
<u>TRANSFERS FOR OPERATING</u>			
Provincial Government - MSI Grant	21,597	21,597	24,384
Provincial Government - FCSS Grant	25,562	27,566	20,048
Provincial Government - STEP Grant	6,375	6,375	-
Revenue deferred from prior period	-	39,356	-
	53,534	94,894	44,432
<u>TRANSFERS FOR CAPITAL</u>			
Provincial Government	401,285	69,295	101,945
Revenue deferred from prior period	-	-	510,765
	401,285	69,295	612,710
TOTAL GOVERNMENT TRANSFERS	454,819	164,189	657,142

The accompanying notes form part of these financial statements

Alberta Beach

Schedule of Consolidated Expenditures by Object - Schedule 5

For the year ended December 31, 2016

	2016 Budget (Unaudited) \$	2016 Actual \$	2015 Actual \$
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	761,130	758,341	774,456
Contracted and general services	960,931	673,284	515,842
Materials, goods, and utilities	376,500	274,054	347,640
Transfers to local boards and agencies	600,190	600,190	426,075
Amortization of tangible capital assets	65,000	271,495	289,340
Loss on disposal of tangible capital assets	-	2,742	2,505
TOTAL EXPENSES	2,763,751	2,580,106	2,355,858

The accompanying notes form part of these financial statements

Alberta Beach

Schedule of Consolidated Segmented Disclosure - Schedule 6

For the year ended December 31, 2016

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	2016 \$
REVENUE							
Net municipal taxes	1,464,734	-	-	-	-	246,300	1,711,034
Government transfers	28,397	67,953	18,492	-	30,566	-	145,408
User fees and sales of goods	8,169	30,828	3,164	-	244,556	994	287,711
Investment income	3,742	-	-	-	-	-	3,742
Other revenue	84,376	52,378	49,674	39,506	6,037	-	231,971
	1,589,418	151,159	71,330	39,506	281,159	247,294	2,379,866
EXPENSES							
Salaries, wages and benefits	339,620	114,320	260,011	-	-	44,390	758,341
Contracted and general services	180,635	119,167	136,544	55,417	119,232	62,289	673,284
Materials, goods and utilities	17,936	34,504	146,481	245	70,840	4,048	274,054
Transfers to local boards and agencies	-	-	-	-	14,220	585,970	600,190
Loss on disposal of tangible capital assets	-	-	2,742	-	-	-	2,742
Balance, End of Year	538,191	267,991	545,778	55,662	204,292	696,697	2,308,611
NET REVENUE, BEFORE AMORTIZATION	1,051,227	(116,832)	(474,448)	(16,156)	76,867	(449,403)	71,255
Amortization	4,409	20,501	228,719	-	17,866	-	271,495
NET REVENUE	1,046,818	(137,333)	(703,167)	(16,156)	59,001	(449,403)	(200,240)

The accompanying notes form part of these financial statements

Alberta Beach
Notes to the Financial Statements
December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Alberta Beach are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. 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.

(d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash deposited in a Canadian financial institution, and are not subject to significant risk of changes in value.

(e) 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.

Alberta Beach
Notes to the Financial Statements
December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES - continued

(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) Inventories for Resale

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.

(h) Tax Revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Requisitions operate as a flow through and are excluded from municipal revenue.

(i) 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.

(j) 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, 2016

1. SIGNIFICANT ACCOUNTING POLICIES - continued

(k) 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.

i) 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.

ii) 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.

iii) 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

	2016 \$	2015 \$
Unrestricted cash	1,364,393	1,436,075
Restricted cash	54,080	59,294
	1,418,473	1,495,369

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

Council has designated funds of \$925,635 (2015 - \$1,022,870) included in the above amounts for operating and capital reserves. See (Note 9) for details.

Alberta Beach
Notes to the Financial Statements
December 31, 2016

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

	2016	2015
	\$	\$
Current taxes and grants in place of taxes	66,221	52,968
Arrears taxes	26,542	19,519
	92,763	72,487

4. TRADE AND OTHER RECEIVABLES

	2016	2015
	\$	\$
Trade and other receivables	106,260	95,919
GST receivable	14,175	22,413
Allowance for doubtful accounts	(4,200)	-
	116,235	118,332

5. DEFERRED REVENUE

	2016	2015
	\$	\$
Municipal Sustainability Initiative (MSI) - Capital	124,820	191,548
Basic Municipal Transportation Grant (BMTG)	24,700	26,623
Donation for Trail System	1,000	1,000
LSA Recreation and Cultural Grant	1,500	1,500
Alberta Community Partnership Grant (ACP)	161,887	200,460
Wharf Transfer Agreement	54,080	59,294
Family and Community Support Services	-	1,504
	367,987	481,929

Included in deferred revenue is an amount of \$54,080 (2015 - \$59,294) 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, 2016

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:

	2016 \$	2015 \$
Total Debt Limit	3,465,857	3,216,278
Total Debt	-	-
Debt Limit Available	3,465,857	3,216,278
Debt Service Limit	577,643	536,046
Debt Service	-	-
Debt Service Limit Available	577,643	536,046

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.

7. TANGIBLE CAPITAL ASSETS

	2016 \$	2015 \$
Net Book Value		
Land	1,349,990	1,349,990
Land improvements	184,982	212,208
Buildings	2,010,894	1,992,301
Engineering structures	1,588,091	1,721,462
Machinery and equipment	270,820	302,164
Vehicles	79,090	96,373
	5,483,867	5,674,498

8. EQUITY IN TANGIBLE CAPITAL ASSETS

	2016 \$	2015 \$
Tangible capital assets (Schedule 2)	9,769,869	9,693,769
Accumulated amortization (Schedule 2)	(4,286,002)	(4,019,271)
	5,483,867	5,674,498

Alberta Beach
Notes to the Financial Statements
December 31, 2016

9. ACCUMULATED SURPLUS

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

	2016	2015
	\$	\$
Unrestricted surplus	294,577	206,951
Restricted surplus		
Operating reserves		
Administrative	5,628	5,628
Tax rate stabilization	90,672	187,907
Capital reserves		
Administrative - equipment	6,803	6,803
Building replacement	28,623	28,623
General capital	683,083	683,083
Parks and recreation	34,494	34,494
Police	25,164	25,164
Public works	40,960	40,960
Waste management	10,205	10,205
Equity in tangible capital assets	5,483,867	5,674,498
	6,704,076	6,904,316

10. SEGMENTED DISCLOSURE

Alberta Beach 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 6).

Alberta Beach
Notes to the Financial Statements
December 31, 2016

11. 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	2016			2015
		Salary (1) \$	Benefits & Allowances (2) \$	Total \$	Total \$
J. Benedict	12	15,554	335	15,889	11,961
Councillors					
A. Duncan	12	12,100	222	12,322	11,005
T. Elwood	12	12,025	220	12,245	10,880
B. Love	12	11,528	-	11,528	11,183
D. McNair	12	9,800	-	9,800	9,055
Chief Administrative Officer					
K. Skwarchuk	12	103,840	5,864	109,704	105,654

- (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.

12. 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 \$248,144 (2015 - \$252,516).

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 debenture payment this year was \$24,764 (2015 - \$24,764), the payments include principal and interest.

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 \$3,726 (2015 - \$3,587).

Alberta Beach
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13. RELATED PARTY TRANSACTIONS

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

	2016	2015
	\$	\$
Service fees	248,144	256,612
Debentures	337,826	155,244
	585,970	411,856

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

14. 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.

15. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform with the current year's presentation.

16. BUDGET FIGURES

Budget figures for 2016, as approved by Council, are included in the financial statements for information purposes and are unaudited.

17. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.