

**Alberta Beach**  
**Financial Statements**  
**December 31, 2015**

# Alberta Beach

## CONTENTS

	<u>Page</u>
MANAGEMENT'S REPORT	1
AUDITOR'S REPORT	2
<b>FINANCIAL STATEMENTS</b>	
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Change in Net Financial Assets	5
Consolidated Statement of Cash Flows	6
Schedule of Changes in Accumulated Surplus - Schedule 1	7
Schedule of Tangible Capital Assets - Schedule 2	8
Schedule of Property and Other Taxes - Schedule 3	9
Schedule of Government Transfers - Schedule 4	10
Schedule of Consolidated Expenditures by Object - Schedule 5	11
Notes to Financial Statements	12 - 20

## 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

Allan J. Grykuliak, C.A.\*

Scott T. Mockford, C.A.\*

\* Operates as a Professional Corporation

11210 - 107 Avenue N.W. 2nd Flr

Edmonton, Alberta T5H 0Y1

Tel (780) 452-2300, Fax (780) 452-2335

**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, 2015 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**

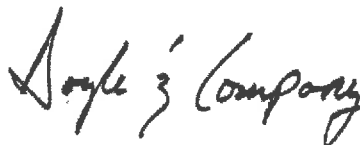
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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, 2015, 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 19, 2016

Chartered Accountants

**Alberta Beach**  
**Consolidated Statement of Financial Position**  
As at December 31, 2015

	2015	2014
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 2)	1,495,369	1,531,783
Receivables		
Taxes and grants in place of taxes (Note 3)	72,487	88,943
Trade and other receivables (Note 4)	118,332	73,449
Supplies for resale inventory	6,542	7,609
	<b>1,692,730</b>	<b>1,701,784</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	14,036	74,665
Deposit liabilities	5,400	13,950
Deferred revenue (Note 5)	481,929	494,387
	<b>501,365</b>	<b>583,002</b>
<b>NET FINANCIAL ASSETS</b>	<b>1,191,365</b>	<b>1,118,782</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	5,674,498	5,344,674
Prepaid expenses	38,453	39,823
	<b>5,712,951</b>	<b>5,384,497</b>
<b>ACCUMULATED SURPLUS (Schedule 1, Note 9)</b>	<b>6,904,316</b>	<b>6,503,279</b>

**Alberta Beach**  
**Consolidated Statement of Operations**  
For the year ended December 31, 2015

	2015 Budget (Unaudited) \$	2015 Actual \$	2014 Actual \$
<b>REVENUE</b>			
Net municipal taxes (Schedule 3)	1,534,006	1,532,558	1,509,527
Campground user fees	243,800	249,636	232,197
Other user fees and sale of goods	5,400	10,388	10,141
Sales to other governments	6,550	5,654	4,800
Franchise fees	38,000	41,152	39,333
Government transfers for operating (Schedule 4)	44,432	44,432	531,542
Local government transfers	40,000	42,000	-
Licenses and permits	1,000	1,260	980
Fines	51,477	69,992	34,765
Penalties and costs of taxes	32,000	35,688	41,609
Investment income	3,000	3,183	3,888
Rental	107,900	104,121	51,950
Other	80,000	4,121	57,437
<b>Total Revenues</b>	<b>2,187,565</b>	<b>2,144,185</b>	<b>2,518,169</b>
<b>EXPENSES</b>			
Legislative	80,658	76,034	70,499
Administration	452,700	434,595	413,584
Bylaws enforcement	227,056	213,000	320,546
Roads, streets, walks, lighting	97,000	87,680	106,758
Water supply & distribution	28,371	28,351	17,902
Wastewater treatment and disposal	410,941	411,856	397,186
Waste management	87,000	80,391	83,449
Fire department	77,150	72,231	77,310
Public works	342,200	328,168	314,197
Planning & development	18,000	39,788	14,725
Campground	124,000	109,810	93,322
Ambulance	6,000	4,764	6,688
Recreation & facilities	95,270	92,708	93,485
Alberta Beach boat launch and wharf	80,000	87,142	427,920
<b>Total Expenses</b>	<b>2,126,346</b>	<b>2,066,518</b>	<b>2,437,571</b>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES BEFORE OTHER</b>	<b>61,219</b>	<b>77,667</b>	<b>80,598</b>
<b>OTHER</b>			
Amortization of tangible capital assets	-	(289,340)	(249,173)
Gain on sale of tangible capital assets	-	-	5,168
Government transfers for capital (Schedule 4)	520,158	612,710	470,332
Transfer from reserves	3,181	-	-
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<b>584,558</b>	<b>401,037</b>	<b>306,925</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<b>6,503,279</b>	<b>6,196,354</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<b>6,904,316</b>	<b>6,503,279</b>

# Alberta Beach

## Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2015

	2015 Budget (Unaudited) \$	2015 Actual \$	2014 Actual \$
<b>EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES</b>	<b>584,558</b>	<b>401,037</b>	<b>306,925</b>
Acquisition of tangible capital assets	665,378	(665,367)	(594,881)
Proceeds on disposal of tangible capital assets	-	48,817	40,000
Amortization of tangible capital assets	-	289,340	249,173
(Gain) on sale of tangible capital assets	-	(2,614)	(5,168)
Prepaid expenses	-	1,370	(2,068)
	<b>665,378</b>	<b>(328,454)</b>	<b>(312,944)</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>1,249,936</b>	<b>72,583</b>	<b>(6,019)</b>
<b>NET FINANCIAL ASSETS , BEGINNING OF YEAR</b>	<b>1,118,782</b>	<b>1,118,782</b>	<b>1,124,801</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>2,368,718</b>	<b>1,191,365</b>	<b>1,118,782</b>

**Alberta Beach**  
**Consolidated Statement of Cash Flows**  
**For the year ended December 31, 2015**

	2015	2014
	\$	\$
<b>OPERATING</b>		
Excess (shortfall) of revenue over expenditures	401,037	306,925
Non-cash items included in excess (shortfall) of revenue over expenses:		
Amortization of tangible capital assets	289,340	249,173
Gain on sale of tangible capital assets.	(2,614)	(5,168)
Non-cash charges to operations (net change):		
Decrease (increase) in taxes and grants in place of taxes	16,456	29,705
Decrease (increase) in trade and other receivables	(44,883)	39,258
Decrease (increase) in supplies for resale inventory	1,067	800
(Decrease) increase in accounts prepaid expenses	1,370	(2,068)
(Increase) decrease in payables and accrued liabilities	(60,629)	(213,484)
(Increase) decrease in deposit liabilities	(8,550)	6,750
(Increase) decrease in deferred revenue	(12,458)	(343,692)
Cash provided by operating transactions	580,136	68,199
<b>CAPITAL</b>		
Proceeds on sale of tangible capital assets	48,817	40,000
Acquisition of tangible capital assets	(665,367)	(594,881)
Cash applied to capital transactions	(616,550)	(554,881)
<b>INVESTING</b>		
Decrease (increase) in restricted cash or cash equivalents	215,553	422,067
Cash provided by (applied to) investing transactions		
<b>CHANGE IN CASH EQUIVALENTS DURING THE YEAR</b>	<b>179,139</b>	<b>(64,615)</b>
<b>CASH AND CASH EQUIVALENTS , BEGINNING OF YEAR</b>	<b>1,256,936</b>	<b>1,321,551</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>1,436,075</b>	<b>1,256,936</b>
<b>Cash and cash equivalents is made up of:</b>		
Cash and temporary investments (Note 2)	1,495,369	1,531,783
Less: restricted portion of cash and temporary investments (Note 2)	59,294	274,847
	1,436,075	1,256,936



# Alberta Beach

## Schedule of Changes in Accumulated Surplus - Schedule 1

For the year ended December 31, 2015

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2015 \$	2014 \$
<b>Balance, Beginning of Year</b>	165,735	992,870	5,344,674	6,503,279	6,196,354
Excess (deficiency) of revenue over expenses	401,037	-	-	401,037	306,925
Restricted funds used for operations	20,000	(20,000)	-	-	-
Restricted funds used for tangible capital assets	(50,000)	50,000	-	-	-
Current years funds used for tangible capital assets	(665,367)	-	665,367	-	-
Disposal of tangible capital assets	77,971	-	(77,971)	-	-
Annual amortization expenses	289,340	-	(289,340)	-	-
Accumulated amortization on disposed tangible capital assets	(31,768)	-	31,768	-	-
<b>Change in accumulated surplus</b>	41,213	30,000	329,824	401,037	306,925
<b>Balance, End of Year</b>	206,948	1,022,870	5,674,498	6,904,316	6,503,279

# Alberta Beach

## Schedule of Tangible Capital Assets - Schedule 2

For the year ended December 31, 2015

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2015	2014	\$
							\$	\$	\$
<b>COST:</b>									
Balance, Beginning of Year	1,349,990	575,674	2,466,451	3,641,517	743,344	329,397	9,106,373	8,549,769	
Acquisition of tangible capital assets	-	-	126,080	417,145	83,142	39,000	665,367	594,881	
Disposal of tangible capital assets	-	-	-	-	(44,919)	(33,052)	(77,971)	(38,277)	
<b>Balance, End of Year</b>	<b>1,349,990</b>	<b>575,674</b>	<b>2,592,531</b>	<b>4,058,662</b>	<b>781,567</b>	<b>335,345</b>	<b>9,693,769</b>	<b>9,106,373</b>	
<b>ACCUMULATED AMORTIZATION:</b>									
Balance, Beginning of Year	-	336,240	548,239	2,204,889	434,068	238,263	3,761,699	3,515,971	
Annual amortization	-	27,226	51,991	132,311	47,356	30,456	289,340	249,173	
Accumulated amortization on disposals	-	-	-	-	(2,021)	(29,747)	(31,768)	(3,445)	
<b>Balance, End of Year</b>	<b>-</b>	<b>363,466</b>	<b>600,230</b>	<b>2,337,200</b>	<b>479,403</b>	<b>238,972</b>	<b>4,019,271</b>	<b>3,761,699</b>	
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>1,349,990</b>	<b>212,208</b>	<b>1,992,301</b>	<b>1,721,462</b>	<b>302,164</b>	<b>96,373</b>	<b>5,674,498</b>	<b>5,344,674</b>	
<b>2014 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>1,349,990</b>	<b>239,434</b>	<b>1,918,212</b>	<b>1,436,628</b>	<b>309,276</b>	<b>91,134</b>	<b>5,344,674</b>	<b>5,344,674</b>	

# Alberta Beach

## Schedule of Property and Other Taxes - Schedule 3

For the year ended December 31, 2015

	2015 Budget (Unaudited) \$	2015 Actual \$	2014 Actual \$
<b>TAXATION</b>			
Real property taxes	1,914,385	1,911,494	1,897,785
Linear property taxes	24,060	24,060	23,243
Local improvement taxes	69,418	69,030	69,030
	<b>2,007,863</b>	<b>2,004,584</b>	1,990,058
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	433,910	433,910	440,584
Lac Ste Anne Foundation	39,947	38,116	39,947
	<b>473,857</b>	<b>472,026</b>	480,531
<b>NET MUNICIPAL TAXES</b>	<b>1,534,006</b>	<b>1,532,558</b>	1,509,527

# Alberta Beach

## Schedule of Government Transfers - Schedule 4

For the year ended December 31, 2015

	2015 Budget (Unaudited) \$	2015 Actual \$	2014 Actual \$
<b><u>TRANSFERS FOR OPERATING</u></b>			
Provincial Government - MSI Grant	24,384	24,384	22,071
Provincial Government - FCSS Grant	20,048	20,048	20,048
Revenue deferred from prior period	-	-	489,423
	<b>44,432</b>	<b>44,432</b>	<b>531,542</b>
<b><u>TRANSFERS FOR CAPITAL</u></b>			
Federal Government	-	-	-
Provincial Government	520,158	101,945	355,968
Revenue deferred from prior period	-	510,765	114,364
	<b>520,158</b>	<b>612,710</b>	<b>470,332</b>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<b>564,590</b>	<b>657,142</b>	<b>1,001,874</b>

# Alberta Beach

## Schedule of Consolidated Expenditures by Object - Schedule 5

For the year ended December 31, 2015

	2015	2015	2014
	Budget (Unaudited)	Actual	Actual
	\$	\$	\$
<b>CONSOLIDATED EXPENSES BY OBJECT</b>			
Salaries, wages and benefits	797,858	774,456	875,900
Contracted and general services	516,277	515,842	467,752
Materials, goods, and utilities	387,050	347,640	683,514
Transfers to local boards and agencies	425,161	426,075	410,406
Amortization of tangible capital assets	-	289,340	249,173
Loss on disposal of tangible capital assets	-	2,505	-
<b>TOTAL EXPENSES</b>	<b>2,126,346</b>	<b>2,355,858</b>	<b>2,686,745</b>

**Alberta Beach**  
**Notes to the Financial Statements**  
**December 31, 2015**

---

**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.

**Alberta Beach**  
**Notes to the Financial Statements**  
**December 31, 2015**

---

**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 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.

**(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, 2015**

---

**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**

	2015	2014
	\$	\$
Unrestricted cash	1,436,075	1,256,936
Restricted cash	59,294	274,847
	1,495,369	1,531,783

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



**Alberta Beach**  
**Notes to the Financial Statements**  
**December 31, 2015**

**3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES**

	2015	2014
	\$	\$
Current taxes and grants in place of taxes	52,968	51,259
Arrears taxes	19,519	37,684
	<b>72,487</b>	<b>88,943</b>

**4. TRADE AND OTHER RECEIVABLES**

	2015	2014
	\$	\$
Trade and other receivables	95,919	45,898
GST receivable	22,413	27,551
	<b>118,332</b>	<b>73,449</b>

**5. DEFERRED REVENUE**

	2015	2014
	\$	\$
Municipal Sustainability Initiative (MSI) - Capital	191,548	-
Basic Municipal Transportation Grant (BMTG)	26,623	63,209
Regional Collaboration Program (RCP)	-	3,181
Donation for Trail System	1,000	1,000
LSA Recreation and Cultural Grant	1,500	1,500
Federal Gas Tax Fund (FGTF)	-	150,650
Alberta Community Partnership Grant (ACP)	200,460	-
Wharf Transfer Agreement	59,294	274,847
Family and Community Support Services	1,504	-
	<b>481,929</b>	<b>494,387</b>

Included in deferred revenue is an amount of \$59,294 (2014 - \$274,847) 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, 2015**

**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:

	2015 \$	2014 \$
Total Debt Limit	3,216,278	3,777,254
Total Debt	-	-
Debt Limit Available	3,216,278	3,777,254
Debt Service Limit	536,046	629,542
Debt Service	-	-
Debt Service Limit Available	536,046	629,542

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, 2015**

**7. TANGIBLE CAPITAL ASSETS**

	2015	2014
	\$	\$
<b>Net Book Value</b>		
Land	1,349,990	1,349,990
Land improvements	212,208	239,434
Buildings	1,992,301	1,918,212
Engineering structures	1,721,462	1,436,628
Machinery and equipment	302,164	309,276
Vehicles	96,373	91,134
	<b>5,674,498</b>	<b>5,344,674</b>

**8. EQUITY IN TANGIBLE CAPITAL ASSETS**

	2015	2014
	\$	\$
Tangible capital assets (Schedule 2)	9,693,769	9,106,373
Accumulated amortization (Schedule 2)	(4,019,271)	(3,761,699)
	<b>5,674,498</b>	<b>5,344,674</b>

**9. ACCUMULATED SURPLUS**

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

	2015	2014
	\$	\$
Unrestricted surplus	206,951	165,735
Restricted surplus		
Operating reserves		
Administrative	5,628	5,628
Tax rate stabilization	187,907	207,907
Capital reserves		
Administrative - equipment	6,803	6,803
Building replacement	28,623	28,624
General capital	683,083	633,084
Parks and recreation	34,494	34,495
Police	25,164	25,164
Public works	40,960	40,960
Waste management	10,205	10,205
Equity in tangible capital assets	<b>5,674,498</b>	<b>5,344,674</b>
	<b>6,904,316</b>	<b>6,503,279</b>

# Alberta Beach

## Notes to the Financial Statements

December 31, 2015

### 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	2015			2014
		Salary (1)	Benefits & Allowances (2)	Total	Total
		\$	\$	\$	\$
J. Benedict	12	7,894	4,067	11,961	13,228
Councillors					
A. Duncan	12	7,263	3,742	11,005	11,525
T. Elwood	12	7,181	3,699	10,880	10,350
B. Love	12	7,381	3,802	11,183	11,103
D. McNair	12	5,976	3,079	9,055	9,725
Chief Administrative Officer					
K. Skwarchuk	12	105,654	-	105,654	103,004

- (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 \$252,516 (2014 - \$220,727).

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 (2014 - \$12,382), 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 \$3,587 (2014 - \$5,520).

**Alberta Beach**  
**Notes to the Financial Statements**  
**December 31, 2015**

---

**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:

	2015	2014
	\$	\$
Service fees	256,612	241,625
Debentures	155,244	155,561
	<b>411,856</b>	<b>397,186</b>

**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**

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

**15. BUDGET FIGURES**

Budget figures for 2015, as approved by Council, are included in the financial statements for information purposes and are unaudited.

**16. CONTINGENCIES**

A claim has been filed against Alberta Beach by a former employee, the out come is not determinable at this time. The amount of any future settlement would be accounted for as a current transaction in the year of the settlement.

**Alberta Beach**  
**Notes to the Financial Statements**  
**December 31, 2015**

---

**17. RECONCILIATION OF OPERATING RESULTS TO BUDGET**

For the year ended December 31, 2015 Alberta Beach did not include amortization in the preparation of its budget. As a result of this, the reconciliation below has been provided for information purposes only to provide users with supplementary comparative information. It should not be used as a replacement for the information provided on the statement of operations.

	<b>2015</b>	<b>2015</b>	<b>2014</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Excess (shortfall) of revenue over expenses	<b>584,558</b>	<b>401,037</b>	306,925
Add back:			
Amortization	-	<b>289,340</b>	249,173
Results of operations before amortization	<b>584,558</b>	<b>690,377</b>	556,098

**18. APPROVAL OF FINANCIAL STATEMENTS**

Council and Management have approved these financial statements.