

SUMMER VILLAGE OF SOUTH VIEW
Consolidated Financial Statements
Year Ended December 31, 2017

SUMMER VILLAGE OF SOUTH VIEW
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Year Ended December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council of Summer Village of South View

We have audited the accompanying consolidated financial statements of Summer Village of South View, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations, changes 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 generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Summer Village of South View as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Edmonton, Alberta
April 11, 2018

Seniuk & Company
**Seniuk and Company,
Chartered Accountants**

SUMMER VILLAGE OF SOUTH VIEW
Consolidated Statement of Financial Position
December 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and temporary investments <i>(Note 2)</i>	\$ 382,452	\$ 267,331
Taxes and grants in place of taxes <i>(Note 3)</i>	20,242	16,669
Grants and receivables from other governments <i>(Note 4)</i>	50,159	264,523
Trade and other receivables	1,516	1,129
	\$ 454,369	\$ 549,652
LIABILITIES		
Accounts payable	\$ 80,623	\$ 8,846
Deferred income <i>(Note 6)</i>	150,187	341,792
	230,810	350,638
NET FINANCIAL ASSET (DEBT)	223,559	199,014
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(Note 5)</i>	798,883	801,641
	-	
	798,883	801,641
ACCUMULATED SURPLUS	\$ 1,022,442	\$ 1,000,655
CONTINGENT LIABILITIES <i>(Note 11)</i>		

On behalf of Council

_____ Mayor

_____ CAO

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW
Consolidated Statement of Operations
Year Ended December 31, 2017

	Budget (Unaudited) 2017	Actual 2017	Actual 2016
REVENUE			
Net municipal taxes (Schedule 1)	\$ 171,240	\$ 170,152	\$ 160,996
User fees and sale of goods	3,700	1,123	4,505
Government transfers for operating	24,849	189,439	65,210
Investment income	-	-	296
Penalties and costs of taxes	3,000	6,483	3,585
Licenses and permits	200	454	322
Other	-	10,755	219
Total revenue	202,989	378,406	235,133
EXPENSES			
Administration and legislative	80,804	81,845	77,669
Fire service	10,500	10,297	9,360
Bylaw enforcement	234,047	183,198	60,267
Roads, streets, walks and lighting	166,148	89,408	15,465
Waste management	46,186	12,999	10,094
Family and community support	4,385	4,931	7,444
Land use planning, zoning and development	14,135	7,115	4,435
Parks and recreation	65,952	40,292	28,701
Libraries, museums and halls	327	327	327
Total operating expenses	622,484	430,412	213,762
Excess (deficiency) of revenue over expenses before other	(419,495)	(52,006)	21,371
OTHER			
Government transfers for capital	419,495	115,748	25,697
Amortization	-	(41,955)	(42,985)
	419,495	73,793	(17,288)
EXCESS OF REVENUE OVER EXPENSES	-	21,787	4,083
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	1,000,655	996,572
ACCUMULATED SURPLUS, END OF YEAR	\$ -	\$ 1,022,442	\$ 1,000,655

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW
Consolidated Statement of Changes in Net Financial Assets
Year Ended December 31, 2017

	2017	2016
Excess (Shortfall) of Revenues Over Expenses	\$ 21,787	\$ 4,083
Acquisition of tangible capital assets	(39,197)	(25,697)
Amortization of tangible capital assets	41,955	42,985
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	24,545	21,371
Net financial assets (debt), beginning of year	199,014	177,643
NET ASSETS - END OF YEAR	\$ 223,559	\$ 199,014

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW
Consolidated Statement of Cash Flows
Year Ended December 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 21,787	\$ 4,083
Item not affecting cash:		
Amortization	41,955	42,985
	63,742	47,068
Changes in non-cash working capital:		
Current taxes and grants in place of taxes	(3,573)	(9,676)
Trade and other receivables	(387)	(276)
Grants and receivables from other governments	214,364	(250,200)
Accounts payable	71,778	(15,068)
Deferred income	(191,605)	269,200
	90,577	(6,020)
Cash flow from operating activities	154,319	41,048
INVESTING ACTIVITY		
Purchase of capital assets	(39,198)	(25,697)
INCREASE IN CASH FLOW	115,121	15,351
Cash - beginning of year	267,331	251,980
CASH - END OF YEAR (Note 2)	\$ 382,452	\$ 267,331

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW
Consolidated Schedule of Property and Other Taxes
Year Ended December 31, 2017

(Schedule 1)

	Budget (Unaudited) 2017	Actual 2017	Actual 2016
TAXATION			
Real property tax	\$ 213,419	\$ 212,377	\$ 206,683
Linear property taxes	2,272	2,272	2,293
Special assessments	5,670	5,625	5,670
	221,361	220,274	214,646
REQUISITIONS			
Alberta School Foundation	46,216	46,216	49,458
Seniors' housing requisition	3,906	3,906	4,192
	50,122	50,122	53,650
NET MUNICIPAL TAXES	\$ 171,239	\$ 170,152	\$ 160,996

Consolidated Schedule of Government Transfers
Year Ended December 31, 2017

(Schedule 2)

	Budget (Unaudited) 2017	Actual 2017	Actual 2016
TRANSFERS FOR OPERATING			
Provincial Government	\$ 10,849	\$ 175,439	\$ 51,210
Other Local Governments	14,000	14,000	14,000
	24,849	189,439	65,210
	24,849	189,439	65,210
TRANSFERS FOR CAPITAL			
Provincial Government	419,495	115,748	25,697
TOTAL GOVERNMENT TRANSFERS	\$ 444,344	\$ 305,187	\$ 90,907

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW**Consolidated Schedule of Consolidated Expenditures by Object****(Schedule 3)****Year Ended December 31, 2017**

	Budget (Unaudited) 2017	Actual 2017	Actual 2016
EXPENSES			
Salaries, wages & benefits	\$ 8,000	\$ 7,126	\$ 7,251
Contracted and general services	283,475	214,645	133,129
Materials, goods and utilities	294,797	203,383	65,611
Transfer to local boards and agencies	4,712	5,258	7,771
Total Consolidated Expenditures by Object	\$ 590,984	\$ 430,412	\$ 213,762

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW

**Consolidated Schedule of Segmented Disclosure
Year Ended December 31, 2017**

(Schedule 4)

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	Total
REVENUE								
Net municipal taxes	\$ 170,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,152
Government transfers for operating	8,041	174,944	-	-	6,454	-	-	189,439
User fees and sales of goods	275	-	-	-	848	-	-	1,123
Other revenues	17,238	-	-	454	-	-	-	17,692
	195,706	174,944	-	454	7,302	-	-	378,406
EXPENSES								
Contract & general services	77,460	193,630	75,873	4,135	38,292	10,705	-	400,095
Salaries & wages	6,000	-	-	-	-	-	-	6,000
Materials, goods & utilities	1,466	-	10,975	1,764	-	4,854	-	19,059
Transfers to local boards	-	-	-	-	5,258	-	-	5,258
	84,926	193,630	86,848	5,899	43,550	15,559	-	430,412
Excess (deficiency) of revenue over expenses before other	110,780	(18,686)	(86,848)	(5,445)	(36,248)	(15,559)	-	(52,006)
OTHER INCOME (EXPENSE)								
Amortization	(173)	-	(36,891)	-	(4,701)	(190)	-	(41,955)
Government transfers for capital	-	-	115,748	-	-	-	-	115,748
	(173)	-	78,857	-	(4,701)	(190)	-	(73,793)
INCOME FROM OPERATIONS	\$ 110,607	\$ (18,686)	\$ 107,757	\$ (5,445)	\$ (40,949)	\$ (15,749)	\$ -	\$ 21,787

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW

**Consolidated Schedule of Changes in Accumulated Surplus
Year Ended December 31, 2017**

(Schedule 5)

	Unrestricted Surplus	Operating Reserve	Capital Reserves	Equity in Tangible Capital Assets	Total 2017	Total 2016
BALANCE, BEGINNING OF YEAR	\$ 52,672	\$ 67,705	\$ 78,638	\$ 801,640	\$ 1,000,655	\$ 996,572
Excess (deficiency) of revenues over expenses	21,787	-	-	-	21,787	4,083
Current year funds used for tangible capital assets	(39,198)	-	-	39,198	-	-
Annual amortization expense	41,955	-	-	(41,955)	-	-
Net transfers to/from reserves	(12,170)	6,500	5,670	-	-	-
	12,374	6,500	5,670	(2,757)	21,787	4,083
BALANCE, END OF YEAR	\$ 65,046	\$ 74,205	\$ 84,308	\$ 798,883	\$ 1,022,442	\$ 1,000,655

The accompanying notes form an integral part of these financial statements

SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Summer Village of South View are the representations of management 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 the accounting policies adopted by the Summer Village are as follows:

Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the Summer Village of South View (the "Summer Village"). The entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Summer Village and are, therefore accountable to the Summer Village Council for the administration of their financial affairs and resources.

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.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

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SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tax Revenue

Annually, the Summer Village bills and collects property tax revenues for municipal purposes. Tax revenues are based on assessments determined in accordance with the Municipal Government Act (MGA) and annually established tax rates. Municipal tax rates are set each year by Summer Village Council in accordance with legislation and Summer Village Council approved policies to raise the tax revenue required to meet the Summer Village's budget requirements. Tax revenues are recorded at the time tax billings are issued. Property assessments are subject to tax appeal. Expenses related to tax appeals and allowances are separately disclosed in the Consolidated Schedule of Property and Other Taxes.

The Summer Village also bills and collects education tax on behalf of the Province of Alberta (the Province). Education tax rates are established by the Province each year in order to fund the cost of education on a province-wide basis. Education taxes collected are remitted to the Province and are excluded from revenues and expenses in the Consolidated Schedule of Property and Other Taxes (Schedule 1).

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.

Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

Debt Charges Recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long term debt less actuarial requirements for the retirement of any sinking fund debentures.

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SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

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.

Inventories for Resale

Land 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 the respective function.

Contaminated Sites Liability

Contaminated sites are a result of contamination being introduced into air, soil, water 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 in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

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.

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.

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SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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:

Land improvements	15 - 25 years
Buildings	25 - 50 years
Machinery and equipment	10 - 15 years
Engineered structures	10 - 75 years

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.

Contributions of Tangible Capital Assets

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

2. CASH AND TEMPORARY INVESTMENTS

	2017	2016
Cash	\$ 198,655	\$ 117,839
Short term deposits	-	22,347
Restricted cash	183,797	127,145
	\$ 382,452	\$ 267,331

Short term deposits are temporary investments with maturities of one year or less.

Included in cash are restricted amounts received from municipal grants and are held exclusively for future approved projects. See Note 6.

3. TAXES AND GRANTS IN PLACE OF TAXES

Taxes and grants in place of taxes are comprised of:

	2017	2016
Current taxes and grants in place of taxes	\$ 11,414	\$ 14,245
Arrears taxes and grants in place of taxes	8,828	2,424
	\$ 20,242	\$ 16,669

SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

4. GRANTS AND RECEIVABLES FROM OTHER GOVERNMENTS

Grants and receivables from other governments are comprised of:

	2017	2016
Government grants receivable	\$ 40,151	\$ 250,000
Other local government receivables	-	8,000
Goods and Services Tax refundable	10,008	6,523
	\$ 50,159	\$ 264,523

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Land	\$ 173,252	\$ -	\$ 173,252	\$ 173,252
Land improvements	71,051	53,820	17,231	20,575
Engineered structures	789,130	264,932	524,198	558,575
Buildings	10,701	4,229	6,472	6,645
Machinery and equipment	33,049	7,322	25,727	3,680
Assets under construction	52,003	-	52,003	38,914
	\$ 1,129,186	\$ 330,303	\$ 798,883	\$ 801,641

The net book value of the tangible capital assets at year end also represents the amount of equity in tangible capital assets.

Equity in tangible capital assets equals the tangible capital assets balance.

6. DEFERRED REVENUE

Deferred revenue is comprised of:

	2017	2016
Municipal Sustainability Initiative - Capital	\$ 92,190	\$ 127,145
Alberta Community Partnership Grant	51,456	212,047
Other deferred revenue	4,940	-
Prepaid taxes	1,601	2,600
	\$ 150,187	\$ 341,792

Municipal Sustainability Initiative - Capital

The Municipal Sustainability Initiative - Capital is restricted to eligible capital projects, as approved under the funding agreement. Funds from this grant are being deferred for a future capital project. Unexpended funds related to the advance are supported by restricted cash held exclusively for this project (refer to Note 2).

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SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

6. DEFERRED REVENUE *(continued)*

2017 2016

Alberta Community Partnership Grant

Funding of \$250,000 was received in the prior year from the Alberta Community Partnership Grant to partner with the Town of Onoway and the summer villages of Nakamun Park, Silver Sands, Sunrise Beach, Sunset Beach, West Cove, and Yellowstone to develop an inventory of municipal bylaws and policies and conduct an analysis to guide intermunicipal operations, as approved under the funding agreement. Funds from this grant are being deferred to complete the project. Unexpended funds related to the advance are supported by restricted cash held exclusively for these projects (refer to Note 2).

7. 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 Summer Village of South View be disclosed as follows:

	2017		2016
Total debt limit	\$ 567,609	\$	352,700
Total debt	-		-
Amount of debt limit unused	567,609		352,700
Debt servicing limit	94,602		58,783
Debt servicing	-		-
Amount of debt servicing limit unused	\$ 94,602	\$	58,783

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 financial statements must be interpreted as a whole.

8. SEGMENTED DISCLOSURE

The Summer Village of South View 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 4).

SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

9. 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:

	Salary / Honorarium (1)		Benefits & allowances (2)		2017 Total	2016 Total
S. Benford - Councilor	\$	3,000	\$	-	\$ 3,000	\$ 3,825
G. Ward. - Councilor		1,500		-	1,500	2,225
B. Johnson - Councilor		1,500		-	1,500	1,200
Administration		36,085		-	36,085	36,087
	\$	42,085	\$	-	\$ 42,085	\$ 43,337

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration. Administrative services are paid via contract are for the Chief Administrative Officer and her staff.

2. Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial and retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

10. FINANCIAL INSTRUMENTS

The Summer Village's financial instruments consist of cash and temporary investments, accounts receivable, investments, debt charges recoverable, bank indebtedness, accounts payable and accrued liabilities, deposit liabilities, requisition over-levy, and long-term debt.

It is management's opinion that the Summer Village is not exposed to significant interest or currency risks arising from these financial instruments.

Credit risk

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

Fair value

The Summer Village's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

The carrying value of the long term debt approximates the fair value as the interest rates are consistent with the current rates offered to the Summer Village for debt with similar terms.

SUMMER VILLAGE OF SOUTH VIEW
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

11. CONTINGENT LIABILITIES

The municipality is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the municipality 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.

12. APPROVAL OF FINANCIAL STATEMENTS

Council and management have approved these financial statements.

13. BUDGET AMOUNTS

Budget amounts are included for information purposes only and are not audited.