

**SUMMER VILLAGE OF SILVER SANDS**  
**Consolidated Financial Statements**  
**Year Ended December 31, 2014**

**SUMMER VILLAGE OF SILVER SANDS**  
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**Year Ended December 31, 2014**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Councils of Summer Village of Silver Sands

We have audited the accompanying consolidated financial statements of Summer Village of Silver Sands, which comprise the consolidated statement of financial position as at December 31, 2014 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 Silver Sands as at December 31, 2014 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 28, 2015

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

**SUMMER VILLAGE OF SILVER SANDS**  
**Consolidated Statement of Financial Position**  
**December 31, 2014**

	2014	2013
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 243,481	\$ 51,733
Term deposits	178,930	150,000
Taxes and grants in place of taxes (Note 3)	55,457	44,681
Grants and receivables from other governments (Note 4)	8,923	34,443
Trade and other receivables	36	6,732
	<b>\$ 486,827</b>	<b>\$ 287,589</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 24,928	\$ 29,211
Deferred income (Note 6)	44,755	2,052
	<b>69,683</b>	<b>31,263</b>
<b>NET FINANCIAL ASSET (DEBT)</b>	<b>417,144</b>	<b>256,326</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 5)	1,463,089	1,546,950
Prepaid expenses	-	-
	<b>1,463,089</b>	<b>1,546,950</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 1,880,233</b>	<b>\$ 1,803,276</b>

**On behalf of Council**

\_\_\_\_\_ Mayor

\_\_\_\_\_ CAO

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS**  
**Consolidated Statement of Operations**  
**Year Ended December 31, 2014**

	Budget	Actual	Actual
	2014	2014	2013
<b>REVENUE</b>			
Net municipal taxes (Schedule 1)	\$ 334,895	\$ 334,050	\$ 325,784
User fees and sale of goods	450	390	380
Government transfers for operating	14,098	13,943	17,625
Investment income	1,000	696	1,832
Penalties and costs of taxes	13,000	14,953	13,668
Licenses and permits	-	165	277
Franchise fees & concession contracts	3,000	3,490	3,323
Fines	-	-	192
Other	-	638	1,414
<b>Total revenue</b>	<b>366,443</b>	<b>368,325</b>	<b>364,495</b>
<b>EXPENSES</b>			
Administration and Legislative	115,530	117,360	108,494
Fire service	30,425	27,776	32,280
Bylaw enforcement	8,362	4,151	6,852
Ambulance	1,300	1,195	1,192
Roads, streets, walks and lighting	120,420	87,998	103,409
Waste management	38,613	44,950	37,003
Family and community support	5,483	5,483	5,483
Land use planning, zoning and development	78,000	22,780	7,723
Parks and recreation	9,221	8,012	21,550
Libraries, museums and halls	4,089	3,204	4,784
<b>Total operating expenses</b>	<b>411,443</b>	<b>322,909</b>	<b>328,770</b>
<b>Excess (deficiency) of revenue over expenses before other</b>	<b>(45,000)</b>	<b>45,416</b>	<b>35,725</b>
<b>OTHER</b>			
Government transfers for capital	45,000	118,802	402,554
Amortization	-	(87,261)	(69,655)
	45,000	31,541	332,899
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>-</b>	<b>76,957</b>	<b>368,624</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>-</b>	<b>1,803,276</b>	<b>1,434,652</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ 1,880,233</b>	<b>\$ 1,803,276</b>

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2014**

	2014	2013
<b>Excess (Shortfall) of Revenues Over Expenses</b>	<b>\$ 76,957</b>	<b>\$ 368,624</b>
Acquisition of tangible capital assets	<b>(3,400)</b>	(549,771)
Amortization of tangible capital assets	<b>87,261</b>	69,655
Use of prepaids	-	\$ 1,621
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>160,818</b>	<b>(109,871)</b>
Net financial assets (debt), beginning of year	<b>256,326</b>	366,197
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 417,144</b>	<b>\$ 256,326</b>

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2014**

	2014	2013
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 76,957	\$ 368,624
Item not affecting cash:		
Amortization	87,261	69,655
	<b>164,218</b>	438,279
Changes in non-cash working capital:		
Current taxes and grants in place of taxes	(10,776)	(4,288)
Trade and other receivables	6,696	(5,471)
Grants and receivables from other governments	25,520	(20,474)
Accounts payable	(4,283)	16,032
Prepaid expenses	-	1,621
Deferred income	42,703	(255,190)
	<b>59,860</b>	(267,770)
Cash flow from operating activities	<b>224,078</b>	170,509
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	(3,400)	(549,771)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>220,678</b>	(379,262)
Cash - beginning of year	<b>201,733</b>	580,995
<b>CASH - END OF YEAR (Note 2)</b>	<b>\$ 422,411</b>	\$ 201,733

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS****Consolidated Schedule of Property and Other Taxes****(Schedule 1)****Year Ended December 31, 2014**

	Budget 2014	Actual 2014	Actual 2013
<b>TAXATION</b>			
Real property tax	\$ 425,339	\$ 424,495	\$ 464,045
Linear property taxes	4,119	4,119	4,921
Special assessments	68,166	68,166	35,853
	497,624	496,780	504,819
<b>REQUISITIONS</b>			
Alberta School Foundation	149,513	149,513	163,474
Seniors' housing requisition	13,217	13,217	15,561
	162,730	162,730	179,035
<b>NET MUNICIPAL TAXES</b>	\$ 334,894	\$ 334,050	\$ 325,784

**Consolidated Schedule of Government Transfers****(Schedule 2)****Year Ended December 31, 2014**

	Budget 2014	Actual 2014	Actual 2013
<b>TRANSFERS FOR OPERATING</b>			
Provincial Government	\$ 14,098	\$ 13,943	\$ 17,625
	14,098	13,943	17,625
<b>TRANSFERS FOR CAPITAL</b>			
Provincial Government	45,000	118,802	402,554
<b>TOTAL GOVERNMENT TRANSFERS</b>	\$ 59,098	\$ 132,745	\$ 420,179

The accompanying notes form an integral part of these financial statements



**SUMMER VILLAGE OF SILVER SANDS****Consolidated Schedule of Consolidated Expenditures by Object****(Schedule 3)****Year Ended December 31, 2014**

	Budget 2014	Actual 2014	Actual 2013
<b>EXPENSES</b>			
Contracted and general services	\$ 285,550	\$ 231,600	\$ 235,737
Salaries, wages & benefits	66,600	64,545	64,722
Materials, goods and utilities	18,700	18,079	18,044
Transfer to local boards and agencies	9,572	8,687	10,267
<b>Total Consolidated Expenditures by Object</b>	<b>\$ 380,422</b>	<b>\$ 322,911</b>	<b>\$ 328,770</b>

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS**

**Consolidated Schedule of Segmented Disclosure  
Year Ended December 31, 2014**

*(Schedule 4)*

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	Total
<b>REVENUE</b>								
Net municipal taxes	\$ 334,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 334,050
Government transfers	-	9,212	118,802	-	345	-	4,386	132,745
User fees and sale of goods	390	-	-	-	-	-	-	390
Investment income	696	-	-	-	-	-	-	696
Other revenues	19,082	-	-	165	-	-	-	19,247
	354,218	9,212	118,802	165	345	-	4,386	487,128
<b>EXPENSES</b>								
Contract & general services	106,461	33,122	16,876	22,780	7,410	44,950	-	231,599
Salaries & wages	10,900	-	53,645	-	-	-	-	64,545
Materials, goods & utilities	-	-	17,477	-	602	-	-	18,079
Transfers to local boards	-	-	-	-	3,204	-	5,483	8,687
	117,361	33,122	87,998	22,780	11,216	44,950	5,483	322,910
<b>Excess (deficiency) of revenue over expenses before other</b>	236,857	(23,910)	30,804	(22,615)	(10,871)	(44,950)	(1,097)	164,218
<b>OTHER EXPENSE</b>								
Amortization	1,228	-	71,036	-	14,997	-	-	87,261
<b>EXCESS OF REVENUE OVER EXPENSES</b>	\$ 235,629	\$ (23,910)	\$ (40,232)	\$ (22,615)	\$ (25,868)	\$ (44,950)	\$ (1,097)	\$ 76,957

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS**

**Consolidated Schedule of Changes in Accumulated Surplus**  
**Year Ended December 31, 2014**

*(Schedule 5)*

	Unrestricted Surplus	Operating Reserve	Capital Reserves	Equity in Tangible Capital Assets	<b>Total 2014</b>	Total 2013
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 27,384	\$ 46,985	\$ 181,957	\$ 1,546,950	\$ <b>1,803,276</b>	\$ 1,434,652
Excess (deficiency) of revenues over expenses	76,957	-	-	-	<b>76,957</b>	368,624
Current year funds used for tangible capital assets	(3,400)	-	-	3,400	-	-
Annual amortization expense	87,261	-	-	(87,261)	-	-
Net transfers to/from reserves	(139,536)	99,341	40,195	-	-	-
	21,282	99,341	40,195	(83,861)	<b>76,957</b>	368,624
<b>BALANCE, END OF YEAR</b>	\$ 48,666	\$ 146,326	\$ 222,152	\$ 1,463,089	\$ <b>1,880,233</b>	\$ 1,803,276

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Summer Village of Silver Sands 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 Canadian Institute of Chartered Accountants. 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 Silver Sands (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 SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

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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 SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

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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.

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 SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

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 - 20 years
Buildings	25 - 50 years
Machinery and equipment	5 - 20 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

	2014	2013
Cash	\$ 201,885	\$ 51,733
Term deposits	178,930	150,000
Restricted cash	41,596	-
	<b>\$ 422,411</b>	<b>\$ 201,733</b>

Temporary investments are short-term deposits with original maturities of three months or less.

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

3. TAXES AND GRANTS IN PLACE OF TAXES

Taxes and grants in place of taxes are comprised of:

	2014	2013
Current taxes and grants in place of taxes	\$ 32,687	\$ 25,985
Arrears taxes and grants in place of taxes	22,770	18,696
	<b>\$ 55,457</b>	<b>\$ 44,681</b>

**SUMMER VILLAGE OF SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

4. GRANTS AND RECEIVABLES FROM OTHER GOVERNMENTS

Grants and receivables from other governments are comprised of:

	<b>2014</b>	2013
Goods and Services Tax refundable	<b>\$ 8,923</b>	\$ 34,443

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	<b>2014 Net book value</b>	2013 Net book value
Land	\$ 627,323	\$ -	<b>\$ 627,323</b>	\$ 627,323
Land improvements	98,849	34,824	<b>64,025</b>	70,985
Engineered structures	1,055,210	334,760	<b>720,450</b>	791,487
Buildings	62,403	42,708	<b>19,695</b>	20,963
Machinery and equipment	97,257	65,661	<b>31,596</b>	36,192
	<b>\$ 1,941,042</b>	<b>\$ 477,953</b>	<b>\$ 1,463,089</b>	<b>\$ 1,546,950</b>

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:

	<b>2014</b>	2013
Municipal Sustainability Initiative - Capital Regional Collaboration Program	<b>\$ 4,381</b> <b>37,215</b>	\$ - -
Subtotal	<b>41,596</b>	-
Prepaid Taxes	<b>3,159</b>	2,052
	<b>\$ 44,755</b>	\$ -

**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 of \$4,381 held exclusively for these future projects (refer to Note 2).

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**SUMMER VILLAGE OF SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

6. DEFERRED REVENUE *(continued)*

**2014**                      2013

**Regional Collaboration Program**

Funding of the \$45,000 was received in the current year from the Regional Collaboration Program and is restricted to eligible projects, as approved under the funding agreement. Funds from this grant are being deferred for future land bylaw use template development expenditures. Unexpended funds related to the advance are supported by restricted cash of \$37,215 held exclusively for this project (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 Silver Sands be disclosed as follows:

	<b>2014</b>	2013
Total debt limit	<b>\$ 552,488</b>	\$ 546,743
Total debt	-	-
Amount of debt limit unused	<b>552,488</b>	546,743
Debt servicing limit	<b>92,081</b>	91,124
Debt servicing	-	-
Amount of debt servicing limit unused	<b>\$ 92,081</b>	\$ 91,124

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. EQUITY IN TANGIBLE CAPITAL ASSETS

Equity in tangible capital assets is comprised of:

	<b>2014</b>	2013
Tangible capital assets (Note 5)	<b>\$ 1,941,042</b>	\$ 1,937,642
Accumulated amortization (Note 5)	<b>(477,953)</b>	(390,692)
	<b>\$ 1,463,089</b>	\$ 1,546,950

**SUMMER VILLAGE OF SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

9. SEGMENTED DISCLOSURE

The Summer Village of Silver Sands 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).

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:

	Salary / Honorariums (1)		Benefits & allowances (2)		2014 Total	2013 Total
B. Poulin - Councilor	\$	3,850	\$	-	\$ 3,850	\$ 2,337
H. McGillis - Councilor		-		-	-	450
B. Duncan - Councilor		1,625		-	1,625	2,075
R. Kirk - Councilor		3,025		-	3,025	825
Administration		64,324		-	64,324	61,261
	\$	72,824	\$	-	\$ 72,824	\$ 66,948

1. Salary includes honoraria paid to the Councilors and wages and contract paid to 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.

11. 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.

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**SUMMER VILLAGE OF SILVER SANDS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2014**

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11. FINANCIAL INSTRUMENTS *(continued)*

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.

12. CONTINGENT LIABILITY

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.

13. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.

14. COMPARATIVE FIGURES

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

15. BUDGET AMOUNTS

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