

MD OF GREENVIEW NO. 16

Financial Statements

For the Year Ended December 31, 2021



INDEPENDENT AUDITORS' REPORT

To the Reeve and Council of MD of Greenview No. 16

Opinion

We have audited the accompanying financial statements of MD of Greenview No. 16 ("Greenview"), which comprise the statement of financial position as at December 31, 2021, and the statement of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Greenview as at December 31, 2021, the results of its operations and accumulated surplus, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Greenview in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

In preparing the financial statements, management is responsible for assessing Greenview's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate Greenview or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Greenview's financial reporting process.



Independent Auditors' Report to the Reeve and Council of MD of Greenview No. 16 (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Greenview's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Greenview's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Greenview to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
June 28, 2022

**MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL REPORTING**

To the Reeve and Council of MD of Greenview No. 16

The integrity, relevance and comparability of the data in the accompanying financial statements are the responsibility of management.

The financial statements are the responsibility of management, prepared in accordance with Canadian public sector accounting standards. They necessarily include some amounts that are based on the best estimates and judgments of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by Greenview Council to express an opinion on the Greenview's financial statements.



Stacey Wabick
Chief Administration Officer

Ed Kaemingh
Director of Corporate Services

MD OF GREENVIEW NO. 16
Statement of Financial Position
As at December 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 81,650,563	\$ 58,933,795
Receivables (Note 3)	19,362,321	13,957,225
Land held for resale	602,000	602,000
Loans receivable (Note 4)	-	36,388
Investments (Note 5)	84,653,307	125,666,607
	<u>186,268,191</u>	<u>199,196,015</u>
LIABILITIES		
Accounts payable and accrued liabilities	16,205,161	15,985,402
Deferred revenue (Note 6)	6,473,237	3,272,436
Long-term debt (Note 7)	2,390,450	2,844,361
Landfill closure and post-closure liability (Note 11)	6,000,000	6,000,000
	<u>31,068,848</u>	<u>28,102,199</u>
NET FINANCIAL ASSETS	<u>155,199,343</u>	<u>171,093,816</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	382,498,280	380,209,521
Inventories for consumption (Note 10)	9,815,384	9,107,728
Prepaid expenses and deposits	1,344,234	1,244,978
	<u>393,657,898</u>	<u>390,562,227</u>
ACCUMULATED SURPLUS (NOTE 12)	<u>\$548,857,241</u>	<u>\$561,656,043</u>
Contingencies (Note 16)		

ON BEHALF OF COUNCIL:




MD OF GREENVIEW NO. 16
Statement of Operations and Accumulated Surplus
For the Year Ended December 31, 2021

	2021 (Budget) (Note 22)	2021 (Actual)	2020 (Actual)
REVENUE			
Net taxation <i>(Schedule 2)</i>	\$ 90,401,889	\$ 91,579,141	\$ 89,823,515
Government transfers for operating <i>(Schedule 3)</i>	5,486,530	11,971,875	11,332,825
User fees and sale of goods	5,880,172	6,542,441	6,035,984
Interest and investment income	2,717,164	3,645,366	4,441,948
Penalties and costs on taxes	360,000	860,783	621,103
Other	289,500	380,407	578,306
Licenses and permits	86,100	206,643	99,985
Fines	50,000	37,605	35,903
Franchise and concession contracts	-	30,581	664,867
Oil well drilling taxes	-	-	6,081,638
	<u>105,271,355</u>	<u>115,254,842</u>	<u>119,716,074</u>
EXPENSES (including amortization)			
Transportation services	62,300,938	75,223,855	73,038,991
Recreation and cultural services	18,412,318	18,809,506	16,618,233
Administrative services	39,863,433	15,057,469	14,578,072
Planning and development services	7,582,397	6,082,791	5,354,498
Protective services	4,279,914	5,379,274	4,745,791
Utilities and environmental services	3,953,989	5,008,005	4,741,612
Waste management services	2,048,282	2,165,814	5,023,246
Public health and welfare services	2,176,103	1,974,496	1,542,793
Council and other legislative services	1,472,482	1,148,078	1,033,722
	<u>142,089,856</u>	<u>130,849,288</u>	<u>126,676,958</u>
ANNUAL OPERATIONAL DEFICIT	<u>(36,818,501)</u>	<u>(15,594,446)</u>	<u>(6,960,884)</u>
OTHER REVENUE (EXPENSE)			
Government transfers for capital <i>(Schedule 3)</i>	3,000,000	2,312,616	3,609,879
Contributed tangible capital assets <i>(Note 23)</i>	-	437,600	-
Gain (loss) on disposal of tangible capital assets	-	45,428	(8,438)
Restructuring <i>(Note 24)</i>	-	-	2,752,710
	<u>3,000,000</u>	<u>2,795,644</u>	<u>6,354,151</u>
ANNUAL DEFICIT	<u>(33,818,501)</u>	<u>(12,798,802)</u>	<u>(606,733)</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>561,656,043</u>	<u>561,656,043</u>	<u>562,262,776</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$527,837,542</u>	<u>\$548,857,241</u>	<u>\$561,656,043</u>

MD OF GREENVIEW NO. 16
Statement of Changes in Net Financial Assets
For the Year Ended December 31, 2021

	2021 (Budget) (Note 22)	2021 (Actual)	2020 (Actual)
ANNUAL DEFICIT	\$ (33,818,501)	\$ (12,798,802)	\$ (606,733)
Acquisition of tangible capital assets	(52,744,300)	(25,566,337)	(46,372,615)
Tangible capital assets acquired - contributed (Note 23)	-	(437,600)	-
Tangible capital assets acquired - restructuring (Note 24)	-	-	(2,752,710)
Proceeds on disposal of tangible capital assets	-	173,478	742,982
Amortization of tangible capital assets	23,500,000	23,587,128	26,631,250
Loss (gain) on disposal of tangible capital assets	-	(45,428)	8,438
	<u>(29,244,300)</u>	<u>(2,288,759)</u>	<u>(21,742,655)</u>
Use (acquisition) of inventory for consumption	-	(707,656)	(1,294,296)
Use (acquisition) of prepaid expenses	-	(99,256)	(197,552)
	<u>-</u>	<u>(806,912)</u>	<u>(1,491,848)</u>
DECREASE IN NET FINANCIAL ASSETS	(63,062,801)	(15,894,473)	(23,841,236)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	171,093,816	171,093,816	194,935,052
NET FINANCIAL ASSETS, END OF YEAR	\$108,031,015	\$155,199,343	\$171,093,816

MD OF GREENVIEW NO. 16
Statement of Cash Flows
For the Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Annual deficit	\$ (12,798,802)	\$ (606,733)
Non-cash items included in annual deficit:		
Loss (gain) on disposal of tangible capital assets	(45,428)	8,438
Amortization of tangible capital assets	23,587,128	26,631,250
Net amortization of bonds (reversal from disposal)	413,386	(1,008,124)
Loss (gain) on sale of investments	(1,089,949)	704,192
Restructuring (Note 24)	-	(2,752,710)
Contributed tangible capital assets (Note 23)	(437,600)	-
	9,628,735	22,976,313
Change in non-cash working capital balances:		
Accounts receivable	(5,405,096)	2,485,736
Prepaid expenses	(99,256)	(197,552)
Accounts payable and accrued liabilities	219,759	1,030,666
Deferred revenue	3,200,801	(1,400,228)
Inventories for consumption	(707,656)	(1,294,296)
Landfill closure and post-closure liability	-	2,500,000
	6,837,287	26,100,639
CAPITAL ACTIVITIES		
Proceeds on disposal of tangible capital assets	173,478	742,982
Acquisition of tangible capital assets	(25,566,337)	(46,372,615)
Purchase of investments	(27,238,438)	(63,698,100)
Proceeds of sale of investments	68,928,301	60,367,157
Loan principal payments received	36,388	106,917
	16,333,392	(48,853,659)
FINANCING ACTIVITIES		
Long-term debt principal repayments	(453,911)	(434,210)
INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	22,716,768	(23,187,230)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	58,933,795	82,121,025
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 81,650,563	\$ 58,933,795

MD OF GREENVIEW NO. 16
Schedule of Equity in Tangible Capital Assets
For the Year Ended December 31, 2021

Schedule 1

	2021	2020
BALANCE, BEGINNING OF YEAR	\$378,392,944	\$356,253,865
Acquisition of tangible capital assets	25,566,337	46,372,615
Contributed tangible capital assets (Note 23)	437,600	-
Tangible capital assets acquired - restructuring (Note 24)	-	2,752,710
Cost of tangible capital assets disposed of	(456,570)	(1,872,594)
Accumulated amortization of tangible capital assets disposed of	328,520	1,121,174
Amortization of tangible capital assets	(23,587,128)	(26,631,250)
Local improvement taxes receivable repayments	(39,687)	(37,786)
Long-term capital debt repayments	453,911	434,210
BALANCE, END OF YEAR	\$381,095,927	\$378,392,944
Equity in Tangible Capital Assets is Comprised of the Following:		
Tangible capital assets (Note 9)	\$382,498,280	\$380,209,521
Long-term capital debt	(2,390,450)	(2,844,361)
Local improvement taxes receivable	988,097	1,027,784
	\$381,095,927	\$378,392,944

MD OF GREENVIEW NO. 16
Schedule of Net Taxation
For the Year Ended December 31, 2021

Schedule 2

	2021 (Budget) (Note 22)	2021 (Actual)	2020 (Actual)
TAXATION			
Real property taxes	\$ 58,987,060	\$ 62,449,519	\$ 58,987,163
Linear property taxes	63,358,916	62,344,582	62,457,063
	<u>122,345,976</u>	<u>124,794,101</u>	<u>121,444,226</u>
REQUISITIONS			
Alberta School Foundation Fund	27,383,274	28,543,062	27,084,388
Seniors foundations	3,541,607	3,653,153	3,452,643
Designated industrial property	913,263	983,291	939,608
Other school boards	105,943	35,454	144,072
	<u>31,944,087</u>	<u>33,214,960</u>	<u>31,620,711</u>
NET MUNICIPAL PROPERTY TAXES	<u>\$ 90,401,889</u>	<u>\$ 91,579,141</u>	<u>\$ 89,823,515</u>

MD OF GREENVIEW NO. 16
Schedule of Government Transfers
For the Year Ended December 31, 2021

Schedule 3

	2021 (Budget) (Note 22)	2021 (Actual)	2020 (Actual)
TRANSFERS FOR OPERATING			
Provincial government	\$ 1,892,835	\$ 8,396,077	\$ 11,168,230
Local governments	3,593,695	3,575,798	164,595
	<u>5,486,530</u>	<u>11,971,875</u>	<u>11,332,825</u>
TRANSFERS FOR CAPITAL			
Provincial government	<u>3,000,000</u>	<u>2,312,616</u>	<u>3,609,879</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 8,486,530</u>	<u>\$ 14,284,491</u>	<u>\$ 14,942,704</u>

MD OF GREENVIEW NO. 16
Schedule of Segmented Information
For the Year Ended December 31, 2021

Schedule 4

	Administrative Services	Recreation and Cultural Services	Community Services	Utilities and Transportation Services	Environmental Services	All Other	Total
REVENUE							
Taxation	\$ 10,632,525	\$ 15,902,753	\$ 5,433,277	\$ 51,806,644	\$ (99,832)	\$ 7,903,774	\$ 91,579,141
Government transfers	3,402,767	194,009	129,973	7,606,077	-	639,048	11,971,874
User fees and sale of goods	525,614	699,558	98,491	1,244,095	3,602,365	372,318	6,542,441
All other	-	-	-	-	-	5,161,386	5,161,386
	<u>14,560,906</u>	<u>16,796,320</u>	<u>5,661,741</u>	<u>60,656,816</u>	<u>3,502,533</u>	<u>14,076,526</u>	<u>115,254,842</u>
EXPENSES							
Transfers to other governments and local boards and agencies	-	11,472,078	849,639	25,000,000	-	508,548	37,830,265
Contracted and general services	4,161,852	650,537	671,468	21,951,429	1,127,875	2,401,089	30,964,250
Salaries, wages, and benefits	6,030,115	3,133,381	3,472,965	6,131,963	1,467,326	4,568,194	24,803,944
Amortization	496,563	2,013,186	421,050	17,060,097	1,505,472	2,090,760	23,587,128
Materials, goods, and supplies	812,233	317,535	507,044	3,024,624	334,346	594,679	5,590,461
Utilities	592,992	751,415	94,193	540,952	494,931	313,053	2,787,536
Repairs and maintenance	217,676	471,374	4,691	1,514,790	18,890	186,205	2,413,626
Bad debts - provision for allowances	1,984,041	-	-	-	-	-	1,984,041
Insurance	761,997	-	-	-	1,000	5,134	768,131
Interest on long term debt	-	-	61,741	-	58,165	-	119,906
	<u>15,057,469</u>	<u>18,809,506</u>	<u>6,082,791</u>	<u>75,223,855</u>	<u>5,008,005</u>	<u>10,667,662</u>	<u>130,849,288</u>
NET REVENUE (DEFICIT)	<u>\$ (496,563)</u>	<u>\$ (2,013,186)</u>	<u>\$ (421,050)</u>	<u>\$ (14,567,039)</u>	<u>\$ (1,505,472)</u>	<u>\$ 3,408,864</u>	<u>\$ (15,594,446)</u>

See accompanying notes to financial statements.

10.

MD OF GREENVIEW NO. 16
Schedule of Segmented Information
For the year ended December 31, 2020

Schedule 5

	Administrative Services	Recreation and Cultural Services	Community Services	Utilities and Transportation Services	Environmental Services	All Other	Total
REVENUE							
Taxation	\$ 13,534,447	\$ 13,635,478	\$ 4,671,806	\$ 41,910,639	\$ (272,023)	\$ 16,343,168	\$ 89,823,515
All other	-	-	-	-	-	12,523,750	12,523,750
Government transfers	16,638	167,370	123,907	10,398,523	-	626,387	11,332,825
User fees and sale of goods	560,083	604,889	107,794	1,143,687	3,380,019	239,512	6,035,984
	<u>14,111,168</u>	<u>14,407,737</u>	<u>4,903,507</u>	<u>53,452,849</u>	<u>3,107,996</u>	<u>29,732,817</u>	<u>119,716,074</u>
EXPENSES							
Contracted and general services	4,763,314	295,070	857,801	24,018,616	678,131	4,670,542	35,283,474
Transfer to other governments and local boards and agencies	-	8,589,637	894,921	20,000,000	-	618,118	30,102,676
Amortization	466,904	2,210,496	450,991	19,586,142	1,633,616	2,283,101	26,631,250
Salaries, wages, and benefits	6,204,052	3,409,981	3,052,704	6,226,719	1,455,438	3,884,851	24,233,745
Materials, goods, and supplies	774,248	567,192	(66,761)	2,290,435	425,465	454,418	4,444,997
Utilities	453,092	632,451	78,406	453,397	409,007	278,497	2,304,850
Repairs and maintenance	343,667	913,406	13,136	462,578	61,297	152,490	1,946,574
Bad debts - provision for allowances	1,044,173	-	-	-	-	-	1,044,173
Insurance	528,622	-	-	1,104	-	3,631	533,357
Interest on long term debt	-	-	73,300	-	78,658	(96)	151,862
	<u>14,578,072</u>	<u>16,618,233</u>	<u>5,354,498</u>	<u>73,038,991</u>	<u>4,741,612</u>	<u>12,345,552</u>	<u>126,676,958</u>
NET REVENUE (DEFICIT)	<u>\$ (466,904)</u>	<u>\$ (2,210,496)</u>	<u>\$ (450,991)</u>	<u>\$ (19,586,142)</u>	<u>\$ (1,633,616)</u>	<u>\$ 17,387,265</u>	<u>\$ (6,960,884)</u>

See accompanying notes to financial statements.

11.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representations of the Municipal District of Greenview No. 16 management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Greenview are as follows:

(a) Reporting Entity

The financial statements include the assets, liabilities, revenue and expenses and accumulated surplus of the reporting entity (Greenview). The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to Greenview and which are owned or controlled by Greenview.

Greenview is a member of the Greenview Regional Waste Management Commission ("the Commission"), an organization that operates as a separate government reporting entity jointly controlled by Greenview, the Town of Valleyview, and the Town of Fox Creek. The Commission financial results have not been consolidated with Greenview's financial statements.

The Municipal Library Board (the "Board"), is a governing body responsible for the administration of all libraries within Greenview. The Board is controlled by Greenview Council but its financial results have not been consolidated with Greenview's financial statements.

The schedule of taxes levied includes operating requisitions for education and seniors foundations that are not part of Greenview's reporting entity.

(b) 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.

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of one year or less at acquisition.

(d) Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized 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.

(e) Loans Receivable

Loans receivable are recorded at cost. A valuation allowance for uncollectible amounts is recorded in the period in which collectability is assessed to be uncertain. Interest revenue is recognized as revenue in the year it is earned.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Inventories for Consumption

Inventories for consumption consist of sand and gravel, parts, chemicals, and other, of which the cost is recorded at the lower of cost or net realizable value with cost determined by the average cost method.

(g) Tax Revenue

Property tax revenue is based on market value assessments determined in accordance with the *Municipal Government Act*. Tax rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property tax assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by Greenview and are recognized as revenue in the year they are levied.

(h) 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 their estimated useful lives as follows:

Buildings	25 - 50 years
Equipment	5 - 20 years
Automotive equipment	3 - 20 years
Engineered structures	
Roadways	10 - 20 years
Wastewater systems	50 years
Water systems	25-50 years
Other engineering	5 - 50 years

Greenview regularly reviews its tangible capital assets for sold or scrapped assets, at which time the cost and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reported. No amortization is recorded in the year of disposition.

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

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

(i) Over-levies and under-levies

Over-levies and under-levies arise from the difference between the actual 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.

Requisitions tax-rates in the subsequent year are adjusted for any under-levies or under-levies of the prior year.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Government Transfers

Government transfers are recognized in the financial statements as revenue in the period in which the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the municipality, and reasonable estimates of the amounts can be determined.

(k) Pension Expenses

Selected employees of Greenview are members of the Local Authorities Pension Plan (LAPP), a multi-employer defined benefit pension plan. The trustee of the plan is the Alberta Treasurer and is administered by a Board of Trustees. Since the plan is a multi-employer plan, it is accounted for as a defined benefit plan and, accordingly, Greenview does not recognize its share of the plan surplus or deficit.

(l) Contaminated Sites

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.

(m) Land Held for Resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing costs and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as tangible capital assets under their respective function. Proceeds from sales of land held for resale are recorded as revenue in the period in which the events giving rise to the transfer occurred, providing the transfers are authorized, the eligibility criteria have been met and reasonable estimates of the amounts can be made.

(n) Measurement Uncertainty

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Such estimates include the provisions for uncollectible accounts receivable, provision for amortization of tangible capital assets, gravel quantities, accrued liabilities for contaminated sites and the fair value of contributed tangible capital assets. Actual results could differ from those estimates.

(o) New Accounting Standards not yet Adopted

Effective for fiscal years beginning on or after April 1, 2022, *PS 3280 Asset Retirement Obligations* provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

Effective for fiscal years beginning on or after April 1, 2023, *PS 3400 Revenue* provides guidance on how to account for and report revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

2. CASH AND CASH EQUIVALENTS

	<u>2021</u>	<u>2020</u>
High-interest savings account	\$ 70,110,511	\$ 57,000,000
Operating account	11,520,737	1,932,660
Cash on hand	19,315	1,135
	<u>\$ 81,650,563</u>	<u>\$ 58,933,795</u>

3. ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Trade and other	\$ 14,216,247	\$ 8,790,394
Taxes and grants in place of taxes	6,109,706	5,162,470
Goods and Services Tax	2,940,839	1,818,193
Local improvement taxes	988,097	1,027,784
Oil well drilling	-	808,006
	<u>24,254,889</u>	17,606,847
Less: Allowance for doubtful accounts	<u>(4,892,568)</u>	<u>(3,649,622)</u>
	<u>\$ 19,362,321</u>	<u>\$ 13,957,225</u>

Greenview passed Bylaw 07-534 authorizing Council to provide for a local improvement to install a water / wastewater line and lift station for the Creek Crossing Subdivision. The total cost of the local improvement was \$1,400,000, is repayable in 30 annual installments of \$92,164 including interest at a fixed rate of 5.152% per annum maturing September 2037.

4. LOANS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Town of Valleyview	\$ -	\$ 36,388

Per an Agreement dated December 14, 2006 Greenview loaned \$531,769 to the Town of Valleyview for the purposes of the Town of Valleyview's contribution toward the Valleyview Regional Emergency Services Complex. The loan is unsecured, is repayable in 20 semi-annual installments of \$37,872 including interest at a fixed rate of 0.05% above a five-year Guaranteed Investment Certificate per annum and matured January 7, 2021.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

5. INVESTMENTS

	2021	2020
Cash and money market funds	\$ 655,135	\$ 1,942,407
Fixed Income		
Government and corporate bonds	57,493,222	63,658,920
Guaranteed Investment Certificates	26,500,000	60,060,330
	83,993,222	123,719,250
Other	4,950	4,950
	\$ 84,653,307	\$ 125,666,607

Guaranteed Investment Certificates bear interest at rates between 1.06% - 2.30% per annum and mature at dates between February 2022 - September 2023. Government and corporate bonds bear interest at rates between 2.20% - 6.00% per annum mature between July 2024 - October 2029. The market value of the government and corporate bonds at December 31, 2021 was \$58,511,985 (2020 - \$68,128,480).

6. DEFERRED REVENUE

Deferred revenue consists of the following grant funding which has been restricted by third parties for a specified purpose. These amounts are recognized as revenue in the period in which the related costs are incurred.

	Opening	Receipts	Revenue	Ending
Alberta Municipal Water/Wastewater Partnership	-	4,700,000	(412,913)	4,287,087
Canada Community Building Fund	1,001,586	-	-	1,001,586
Municipal Stimulus Program	335,000	692,927	(495,734)	532,193
Grande Cache Mini-Bus Society	185,423	-	-	185,423
Other	12,697	226,408	(69,780)	169,325
Alberta Environmental and Park				
- Grande Cache Trail	-	300,000	(188,462)	111,538
Greenview Regional Multiplex				
- Furniture & Equipment Fund	105,085	-	-	105,085
Greenview Regional Multiplex				
- Sponsorships	162,000	-	(81,000)	81,000
Alberta Economic Development and Trade Grant	232,028	-	(232,028)	-
Municipal Sustainability Initiative	\$ 1,238,617	\$ -	\$ (1,238,617)	\$ -
	\$ 3,272,436	\$ 5,919,335	\$ (2,718,534)	\$ 6,473,237

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

7. LONG-TERM DEBT

	2021	2020
Government of Alberta debentures bearing interest at 4.964% per annum maturing in 2037.	\$ 988,098	\$ 1,027,784
Government of Alberta debentures bearing interest at 4.047% per annum maturing in 2025.	666,188	839,988
Government of Alberta debentures bearing interest at 4.006% per annum maturing in 2025.	664,837	838,445
Government of Alberta debentures bearing interest at 6.750% per annum maturing in 2022.	71,327	138,144
	<u>\$ 2,390,450</u>	<u>\$ 2,844,361</u>

Principal and interest payments are due as follows:

	Principal	Interest	Total
2022	\$ 474,545	\$ 103,344	\$ 577,889
2023	420,016	81,731	501,747
2024	437,518	64,229	501,747
2025	249,989	45,994	295,983
2026	50,712	39,507	90,219
Thereafter	757,670	234,731	992,401
	<u>\$ 2,390,450</u>	<u>\$ 569,536</u>	<u>\$ 2,959,986</u>

Greenview's total cash payments for interest in 2021 were \$123,978 (2020 - \$143,679).

8. 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 Greenview be disclosed as follows:

	2021	2020
Total debt limit	\$172,882,263	\$179,574,111
Total debt	<u>(2,390,450)</u>	<u>(2,844,361)</u>
Amount of debt limit unused	<u>\$170,491,813</u>	<u>\$176,729,750</u>
Service on debt limit	\$ 28,813,711	\$ 29,929,019
Service on debt	<u>(577,889)</u>	<u>(577,889)</u>
Amount of debt servicing limit unused	<u>\$ 28,235,822</u>	<u>\$ 29,351,130</u>

The debt limit is calculated at 1.5 times revenue of Greenview (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities, which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of Greenview. Rather, the financial statements must be interpreted as a whole.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

9. TANGIBLE CAPITAL ASSETS

	Net Book Value	
	2021	2020
Engineered structures		
Roadways	\$ 113,594,968	\$ 117,446,469
Water systems	56,571,899	54,361,498
Bridges	28,562,312	27,955,025
Wastewater systems	27,319,105	25,968,173
Recreation	4,418,919	4,329,362
Solid waste systems	2,653,998	2,825,894
Cemetery	68,899	72,827
	233,190,100	232,959,248
Buildings	116,278,968	114,258,527
Land	13,007,078	13,015,388
Machinery, equipment, and furnishings	12,960,520	13,646,509
Vehicles	7,061,614	6,329,849
	\$ 382,498,280	\$ 380,209,521

	Cost Beginning of Year	Additions	Disposals	Transfers	Cost End of Year
Engineering structures					
Roadways	\$ 492,717,466	\$ 9,663,337	\$ -	\$ -	\$ 502,380,803
Water	59,702,681	3,104,753	-	-	62,807,434
Bridges	51,630,944	1,698,546	-	-	53,329,490
Wastewater	33,061,374	2,038,033	-	-	35,099,407
Recreation	6,601,183	566,969	-	-	7,168,152
Solid waste	3,729,496	23,148	-	-	3,752,644
Cemetery	88,090	-	-	-	88,090
	647,531,234	17,094,786	-	-	664,626,020
Buildings	134,456,452	4,829,530	-	-	139,285,982
Machinery, equipment, and furnishings	25,005,272	1,953,820	(456,570)	-	26,502,522
Vehicles	18,458,552	2,040,801	-	-	20,499,353
Land and land improvement	13,740,042	85,000	-	-	13,825,042
	\$ 839,191,552	\$ 26,003,937	\$ (456,570)	\$ -	\$ 864,738,919

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

9. TANGIBLE CAPITAL ASSETS (CONT'D)

	Accumulated Amortization		Disposals	Accumulated Amortization	
	Beginning of Year	Current Amortization		Transfers	End of Year
Engineered structures					
Roadways	\$ 375,270,997	\$ 13,514,838	\$ -	\$ -	\$ 388,785,835
Bridges	23,675,919	1,091,259	-	-	24,767,178
Water	5,341,183	894,352	-	-	6,235,535
Wastewater	7,093,201	687,101	-	-	7,780,302
Recreation	2,271,821	477,412	-	-	2,749,233
Solid waste	903,602	195,044	-	-	1,098,646
Cemetery	15,263	3,928	-	-	19,191
	414,571,986	16,863,934	-	-	431,435,920
Buildings	20,197,925	2,809,089	-	-	23,007,014
Machinery, equipment, and furnishings	11,358,763	2,511,759	(328,520)	-	13,542,002
Vehicles	12,128,703	1,309,036	-	-	13,437,739
Land and land improvement	724,654	93,310	-	-	817,964
	<u>\$ 458,982,031</u>	<u>\$ 23,587,128</u>	<u>\$ (328,520)</u>	<u>\$ -</u>	<u>\$ 482,240,639</u>

Tangible capital assets include \$39,357,468 (2020 - \$40,605,467) of work in progress that is not being amortized as these projects are currently not completed.

10. INVENTORIES FOR CONSUMPTION

	2021	2020
Sand and gravel	\$ 8,973,844	\$ 8,228,682
Parts, chemicals, and other	<u>841,540</u>	<u>879,046</u>
	<u>\$ 9,815,384</u>	<u>\$ 9,107,728</u>

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

11. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

Alberta environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance.

Greenview recognizes the anticipated costs for the Hamlet of Grande Cache landfill closure and post-closure liability on an annual basis. The estimated liability for these costs is based on estimates and assumptions related to future events and costs using information currently available to management and is recognized on a cumulative basis as the landfill capacity is utilized. Future events may result in significant changes to the estimated total costs, capacity used or total capacity and the estimated liability.

The accrued liability for closure and post-closure of the landfill is recognized over the life of the cells, using the net present value of the total estimated costs of closure and post-closure care, prorated on the basis of the current capacity in metric tonnes utilized over the total estimated capacity of the site. Estimated total costs equal the sum of the discounted future cash flows for closure and post-closure care activities discounted at the current average long-term borrowing rate of 4.0%, and using inflation rates of 3.0%.

The following summarizes the total net present value of the estimated total costs for closure and post-closure care:

	2021	2020
Estimated closure costs	\$ 4,850,000	\$ 4,850,000
Estimated post-closure costs	1,150,000	1,150,000
Estimated total liability	<u>6,000,000</u>	<u>6,000,000</u>
Estimated capacity remaining	-%	-%
Portion of total liability remaining to be recognized	-	-
Estimated capacity used	100.0%	100.0%
Accrued liability portion	<u>\$ (6,000,000)</u>	<u>(6,000,000)</u>

Greenview is planning on closing the Hamlet of Grande Cache landfill and developing a waste transfer site within the existing landfill site. It is anticipated that post-closure care will be required for a period of twenty-five years once the landfill has been closed.

12. ACCUMULATED SURPLUS

	2021	2020
Unrestricted surplus	\$ 4,197,393	\$ 4,129,294
Restricted surplus (<i>Note 13</i>)	163,563,921	179,133,805
Equity in tangible capital assets (<i>Schedule 1</i>)	<u>381,095,927</u>	<u>378,392,944</u>
	<u>\$548,857,241</u>	<u>\$561,656,043</u>

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

13. RESTRICTED SURPLUS

	2021	2020
Road infrastructure	\$ 71,410,896	\$ 71,410,896
Economic development	15,000,000	15,000,000
Project carry forward	14,186,836	31,316,720
Facilities	12,745,926	12,745,926
Bridge replacement	11,304,736	11,304,736
Equipment and vehicle fleet	7,726,221	7,726,221
Water	5,177,187	5,177,187
Wastewater	4,827,526	4,827,526
Fire apparatuses	4,255,010	4,255,010
Operating contingency	3,772,682	3,772,682
Recreation	3,032,586	3,032,586
Disaster response	3,000,000	3,000,000
Fire facilities	2,710,021	2,710,021
Heart River Housing	2,000,000	-
Gravel pit reclamation	1,347,447	1,347,447
Solid waste reclamation	966,847	966,847
Greenview Family and Community Support Services	100,000	100,000
Grovedale daycare	-	440,000
	\$163,563,921	\$179,133,805

Reserves have been established and approved as follows:

(a) *Road Infrastructure*

Provides funds for future years' road construction budget, based on approved capital plans. This reserve will contain an additional amount of \$2 million to allow Greenview the ability to react to positive or negative pricing shifts.

(b) *Project Carry Forward*

Holds all funds for projects that have been carried over from one year to a subsequent year. This reserve will be funded as needed in any given year.

(c) *Economic Development*

Funds for municipal development projects (property development, etc.) as depicted in the long-term capital plan

(d) *Facilities*

Provides funds for replacement or construction costs for Greenview facilities such as offices and maintenance shops. Facilities relating to utilities and emergency services will be funded through their own respective reserve funds. Annual contributions based on depreciation.

(e) *Bridge Replacement*

Funds future replacement costs of bridges. Annual contribution based on life cycle costing of bridges.

(f) *Wastewater*

Provides funds for replacement or construction of wastewater collection systems and networks within Greenview. Annual contributions based on depreciation.

(g) *Water*

Provides funds for replacement or construction of water distribution systems and networks within Greenview.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

13. RESERVES (CONT'D)

(h) Equipment and Vehicle Fleet

Ensures funds for replacing equipment and vehicles as per Council's replacement policy. The annual contribution based on yearly depreciation of vehicles.

(i) Operating Contingency

Provides funds to supply Greenview with emergency operating funds in case of a large scale disaster or other disruption to funding sources.

(j) Fire Apparatuses

Provides funds for the purchase of Greenview's fire apparatuses for Greenview fire stations and Greenview's share of apparatus purchases for the towns of Valleyview and Fox Creek.

(k) Disaster Response

Provides funds for emergency funding for Greenview to deal with disasters when they occur, with minimal impact to approved Operating and Capital Budgets.

(l) Recreation

Provides funds for construction or replacement of Greenview's recreation facilities (campgrounds, multiplexes, etc.). Annualized contributions based on depreciation for existing facilities. Annual contribution to be used for development of future facilities

(m) Fire Facilities

Provides funds for Greenview's share of replacement or construction of fire halls and other fire infrastructure (dry hydrants, etc.) within Greenview and the towns of Fox Creek and Valleyview.

(n) Gravel Pit Reclamation

Used for the environmental reclamation of gravel pits and as the source and return of deposits and guarantees regarding reclamation.

(o) Solid Waste Reclamation

Provides funds for post closure liability costs for Greenview waste sites such as transfer stations. Post closure liability costs for regional landfills will be budgeted for by Greenview Regional Solid Waste Management Commission.

(p) Grovedale Daycare

Provides funds to be used for the establishment of a daycare facility in Grovedale.

(q) Greenview Family and Community Support Services (FCSS)

Used to set aside FCSS program surpluses from the FCSS programs operated by Greenview on behalf of the Town of Valleyview. The Greenview FCSS Board shall determine the use of funds in this reserve.

14. CREDIT FACILITY

Greenview has access to a municipal revolving loan credit facility with a maximum of \$5,000,000 bearing interest at rate 3.20% per annum. No amounts were outstanding on the revolving loan at December 31, 2021 or 2020.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

15. SALARIES AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for elected municipal officials, Chief Administrative Officer, and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salary	Benefits	2021 Total	2020 Total
Elected Officials:				
Ward 8	\$ 73,240	\$ 11,726	\$ 84,966	\$ 70,426
Division 9 (Olsen)	71,062	12,897	83,959	76,915
Ward 5	76,388	6,682	83,070	83,898
Division 9 (Didow)	67,744	12,504	80,248	71,531
Ward 6	63,562	10,757	74,319	75,469
Ward 1	62,113	12,064	74,177	73,324
Ward 7	63,093	10,182	73,275	72,506
Ward 4	63,133	7,890	71,023	70,765
Ward 2	60,519	9,369	69,888	69,209
Ward 3	60,286	8,207	68,493	68,048
Total for Elected Officials:	\$ 661,140	\$ 102,278	\$ 763,418	\$ 732,091
Chief Administrative Officer (six months)	153,971	25,229	179,200	298,836
Chief Administrative Officer (six months)	\$ 113,095	\$ 16,490	\$ 129,585	\$ -
	\$ 267,066	\$ 41,719	\$ 308,785	\$ 298,836
Designated Officers (3)	\$ 843,893	\$ 26,621	\$ 870,514	\$ 910,098

Salary includes base pay, bonuses, overtime, lump sum payments, honoraria and any other direct cash remuneration.

Benefits include:

- contributions made by Greenview on behalf of the councillors or officers, such as payments in respect of pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition, and
- Greenview's share of the costs of taxable benefits received by the councillors or officers, such as special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

16. CONTINGENCIES

Greenview is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, Greenview could become liable for its proportionate share of any claim losses in excess of the funds held by the program. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

17. LOCAL AUTHORITIES PENSION PLAN

Employees of Greenview participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the *Public Sector Pension Plans Act*. The LAPP is financed by employer and employee contributions and investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

Greenview is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount. Employees of Greenview are required to make current service contributions of 8.39% of pensionable earnings up to the year's maximum pensionable earnings and 12.84% on pensionable earnings above this amount.

Total current service contributions by Greenview to the LAPP in 2021 were \$1,535,904 (2020 - \$1,475,100). Total current service contributions by the employees of Greenview to the LAPP in 2021 were \$1,390,362 (2020 - \$1,335,547).

At December 31, 2020 the Plan disclosed an actuarial surplus of \$4.961 billion (2019 - \$7.913 billion).

18. FINANCIAL INSTRUMENTS

Greenview's financial instruments consist of cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that Greenview is not exposed to significant interest, or currency risk arising from these financial instruments.

Greenview is exposed to credit risk with respect to receivables. Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their obligations. Greenview is exposed to the credit risk associated with fluctuations in the oil and gas industry as a significant portion of the property taxes outstanding at December 31 relate to linear property and are receivable from companies in the oil and gas industry. The large number and diversity of customers minimizes Greenview's credit risk.

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

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

19. CONTRACTUAL OBLIGATIONS

(a) Aggregate Supply Agreement

Greenview entered into an Agreement on April 1, 2013 which requires Greenview to purchase a minimum of 50,000 tonnes of aggregate at a price of \$3.00 per tonne during the first ten years of the agreement ending December 2023.

(b) Alberta Transportation - Twinning of Highway 40

Greenview entered into an Agreement dated August 19, 2020 which requires Greenview to share the costs to twin Highway 40 for a distance of approximately 20 kilometres (the "Project"). The Province of Alberta will contribute 50% of the total incurred Project costs and be responsible for any cost overruns above the Project cost estimated to be \$120 million. Greenview is required to contribute 50% of the total incurred Project costs, to a maximum of \$60 million. During 2021, Greenview made a contribution of \$25 million (2020 - \$20 million).

The County of Grande Prairie No.1 has agreed to contribute \$10 million to assist with Greenview's contribution of the Project.

20. SEGMENTED INFORMATION

Greenview provides a wide range of services to its citizens. 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*. For additional information see the Schedule of Segment Disclosure (*Schedule 4 & 5*).

21. TRUST FUNDS

Trust assets are not owned by Greenview, trust assets and liabilities have been excluded from the financial statements. The following table provides a summary of the transactions during the year:

	Opening	Receipts	Disbursements	Ending
Greenview Regional Multiplex	\$ 324,158	\$ 2,262	\$ -	\$ 326,420
Tax sale proceeds	71,049	2,877	-	73,926
Alberta Energy Regulator	31,673	-	(31,673)	-
	<u>\$ 426,880</u>	<u>\$ 5,139</u>	<u>\$ (31,673)</u>	<u>\$ 400,346</u>

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

22. BUDGET FIGURES

The 2021 budget data presented in these financial statements is based on the operating and capital budgets approved by Council on April 27, 2021. The chart below reconciles the approved financial plan to the figures reported in these financial statements.

	2021 (Budget)	2021 (Actual)
Annual surplus	\$ (33,818,501)	\$ (12,798,802)
Add back:		
Net transfers from (to) reserves	86,602,487	15,569,884
Deduct:		
Principal debt repayments	(39,686)	(453,911)
Purchase of tangible capital assets	(52,744,300)	(26,003,937)
	<u>\$ -</u>	<u>\$ (23,686,766)</u>

23. CONTRIBUTED TANGIBLE CAPITAL ASSETS

Greenview Golf Resort development has been completed and Greenview now has ownership of the infrastructure completed by the developer. Greenview has recorded the contributed tangible capital assets at their estimated fair values as follows:

Roads	\$ 357,600
Land improvement	<u>80,000</u>
	<u>437,600</u>

24. RESTRUCTURING

Greenview and Town of Valleyview (the "Town") pursuant to the 2014 Agreement jointly own the Multiplex. The amounts allocated to Greenview and Town for the construction of the Multiplex and the acquisition of the Multiplex assets (the capital amounts) is as follows:

- Greenview: \$29,183,350
- The Town: \$5,856,830

The entire capital amounts were paid by Greenview. The Town paid \$2,928,415 (50%) of its portion to Greenview and owed Greenview the remaining \$2,928,415 in respect to its portion of the capital payments as of December 31, 2019.

On January 1, 2020, Greenview and the Town agreed that effective as of January 1, 2020, Greenview acquired the Town's interest and will operate the Multiplex on a go forward basis, in exchange for Greenview forgiving and cancelling the outstanding capital payments.

The carrying value of the Town's interest in the Multiplex and the assets of the Multiplex acquired by Greenview was \$2,752,710.

MD OF GREENVIEW NO. 16
Notes to Financial Statements
For the Year Ended December 31, 2021

25. RELATED PARTY DISCLOSURE

A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control and influence. Related party transactions are disclosed if they occurred at a value other than or terms different from that which would have been arrived at if the parties were unrelated and the transaction has a material effect on the financial statements.

Related parties include key management personnel and close family members, through their relationship with the key management personnel, as they have the ability to influence and impact the Greenview's policies, operations and strategic decisions.

Key management personnel of Greenview have been identified as the Reeve, Councillors, and Chief Administrative Officer for the purpose of this reporting. An external entity becomes a related party to the Greenview when the key management personnel and/or their close family member have the ability to influence and impact the policies, operations and strategic decisions of the external entities.

For the year ended December 31, 2021 there were no material transactions to disclose that occurred between related parties at a value other than or terms different from that which would have been arrived at if the parties were unrelated.

26. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by Council.
