

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Town of Vegreville

### *Opinion*

We have audited the consolidated financial statements of Town of Vegreville, which comprise of the statement of financial position at December 31, 2019, and the statements of operations, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2019, and the results of its operations 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 *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated 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*

Our opinion on the consolidated financial statements does not cover Management's Annual Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the Annual Report and, in doing so, consider whether the Annual Report is materially inconsistent with the consolidated 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 Annual Report, 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 Consolidated Financial Statements*

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

In preparing the consolidated financial statements, management is responsible for assessing the Town'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 the Town or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Mayor and Council of Town of Vegreville *(continued)*

*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated 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 consolidated 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 the Town'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 the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

The logo for Wilde & Company, featuring the company name in a stylized, serif font with a decorative flourish at the end of the word 'Company'.

Vegreville, AB  
April 15, 2020

Chartered Professional Accountants

# Management's Responsibility for Reporting

## For the Year Ended December 31, 2019

The consolidated financial statements are the responsibility of the management of the Town of Vegreville.

These consolidated financial statements have been prepared from information provided by management. Financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

The Town maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Town's assets are properly accounted for and safeguarded.

The elected Council of the Town is responsible for ensuring that management fulfills its responsibilities for financial statements. The Council carries out its responsibility through review of quarterly financial information presented by management to Council as a whole.

Council meets annually with management and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. Council is also responsible for the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited by Wilde and Company, Chartered Professional Accountants, the external auditors, in accordance with Canadian generally accepted auditing standards on behalf of Council, residents and ratepayers of the Town. Wilde and Company has full and free access to Council.



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Town Manager



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Corporate Services Director

**TOWN OF VEGREVILLE**  
**Consolidated Statement of Financial Position**  
**For the year ended December 31, 2019**

	2019	2018 (Restated)
<b>Financial Assets</b>		
Cash and cash equivalents (Note 4)	\$ 7,980,957	\$ 4,810,357
Restricted cash and cash equivalents (Note 5)	575,166	669,970
Receivables		
Taxes and grants in place of taxes (Note 6)	1,038,601	701,325
Due from governments	100,807	349,673
Trade and other receivables	569,377	658,439
Land held for resale (Note 7)	600,355	597,287
Investments (Note 8)	750,770	2,274,606
	<b>11,616,033</b>	<b>10,061,657</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 9)	1,778,096	2,093,809
Accrued employee obligations (Note 10)	559,245	660,651
Deposit liabilities	97,500	1,500
Deferred revenue (Note 11)	575,166	590,323
Long-term debt (Note 12)	12,606,314	11,141,633
Asset Retirement Obligation (Note 14)	1,200,195	1,160,188
	<b>16,816,516</b>	<b>15,648,104</b>
<b>Net Debt</b>	<b>(5,200,483)</b>	<b>(5,586,447)</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule 2)	58,988,003	59,601,342
Inventory for consumption	157,000	128,058
Prepaid expenses	89,606	264,232
Land held for resale (Note 7)	998,525	861,851
	<b>60,233,134</b>	<b>60,855,483</b>
<b>Accumulated Surplus, as restated (Schedule 1, Note 16, Note 22)</b>	<b>\$ 55,032,651</b>	<b>\$ 55,269,036</b>

**Contingencies (Note 21)**

**TOWN OF VEGREVILLE**  
**Consolidated Statement of Operations**  
**For the Year Ended December 31, 2019**

	Budget (unaudited)	2019	2018 (Restated)
<b>Revenues</b>			
Net municipal taxes (Schedule 3)	\$ 9,310,814	\$ 9,295,033	\$ 9,174,231
User fees and sales of goods and services	4,067,775	4,088,832	4,109,054
Government transfers for operating (Schedule 4)	3,259,405	2,705,869	3,414,939
Investment Income	95,000	159,301	156,091
Franchise and concession contracts	1,200,000	1,172,437	1,104,374
Fines, licenses, permits and penalties	252,500	372,219	344,312
Other	71,840	691,269	700,685
	18,257,334	18,484,960	19,003,686
<b>Expenses</b>			
General government services	2,525,813	2,676,454	2,957,483
Protective Services	4,254,151	3,280,195	4,348,419
Recreation, parks and culture	3,023,439	3,253,979	3,161,826
Facilities	1,522,037	1,967,238	1,684,579
Community services	1,083,097	1,080,757	924,882
Public works	4,647,475	4,339,285	4,401,967
Utilities	2,415,624	2,442,626	2,452,038
Municipal services	1,511,699	1,503,286	1,333,011
Subdivision and development services	319,314	264,368	234,173
	21,302,649	20,808,188	21,498,378
<b>Deficiency of revenue over expenses – before other, as restated</b>	(3,045,315)	(2,323,228)	(2,494,692)
<b>Other</b>			
Loss on disposal of tangible capital assets	-	(56,718)	(170,154)
Contributed assets	-	228,876	190,112
Government transfers for capital (Schedule 4)	1,239,500	1,914,685	1,399,165
<b>Deficiency of revenue over expenses</b>	(1,805,815)	(236,385)	(1,075,569)
Accumulated surplus, beginning of year	57,374,169	55,269,036	57,374,169
Prior period adjustment (Note 22)	-	-	(1,029,564)
Accumulated surplus, beginning of year as restated	57,374,169	55,269,036	56,344,605
<b>Accumulated surplus, end of year, as restated</b>	\$ 55,568,354	\$ 55,032,651	\$ 55,269,036

**TOWN OF VEGREVILLE**  
**Consolidated Statement of Change in Net Debt**  
**For the Year Ended December 31, 2019**

	Budget (unaudited)	2019	2018 (Restated)
Deficiency of revenue over expenses, as restated	\$ (1,805,815)	\$ (236,385)	\$ (1,075,569)
Acquisition of tangible capital assets	(2,660,200)	<b>(3,312,297)</b>	(5,880,332)
Contributed tangible capital assets	-	<b>(228,876)</b>	(190,112)
Proceeds on disposal of tangible capital assets	-	<b>130,000</b>	-
Amortization of tangible capital assets	3,946,527	<b>3,967,794</b>	4,062,171
Loss on disposal of tangible capital assets	-	<b>56,718</b>	170,154
	1,286,327	<b>613,339</b>	(1,838,119)
Acquisition of inventory for consumption	-	<b>(28,942)</b>	(53,820)
Use of prepaid expenses	-	<b>174,626</b>	303,982
Additions to land held for resale	-	<b>(136,674)</b>	-
	-	<b>9,010</b>	250,162
Increase (decrease) in net financial assets	(519,488)	<b>385,964</b>	(2,663,526)
Net debt, beginning of year	(2,922,921)	<b>(5,586,447)</b>	(2,922,921)
Net debt, end of year, as restated	\$ (3,422,409)	\$ (5,200,483)	\$ (5,586,447)

**TOWN OF VEGREVILLE**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2019**

	2019	2018 (Restated)
<b>OPERATING ACTIVITIES</b>		
<b>Cash received from (paid to):</b>		
Property taxes and penalties on taxes	\$ 11,377,713	\$ 12,279,579
Other levels of government	4,869,420	4,939,340
Sale of goods and services	5,065,820	4,750,346
Sale of land held for resale	-	371,500
Franchise agreements	1,171,344	1,103,557
Investment earnings	173,880	145,275
Employees and Council	(8,633,709)	(8,756,006)
Requisitioning authorities	(2,233,031)	(2,271,661)
Suppliers, vendors and contractors	(7,870,269)	(8,484,378)
Local boards and agencies	(252,088)	(209,935)
Bank fees and charges	(31,696)	(49,441)
Interest on long-term debt	(352,649)	(283,542)
<b>Net cash provided by operating activities</b>	<b>3,284,735</b>	<b>3,534,634</b>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(3,312,298)	(5,880,332)
Proceeds on disposal of tangible capital assets	130,000	-
<b>Net cash used in capital activities</b>	<b>(3,182,298)</b>	<b>(5,880,332)</b>
<b>INVESTING ACTIVITIES</b>		
Decrease (increase) in investments	1,603,482	(1,524,606)
<b>Net cash provided by (used in) investing activities</b>	<b>1,603,482</b>	<b>(1,524,606)</b>
<b>Financing</b>		
Long-term debt issued	2,003,000	4,000,000
Long-term debt repaid	(538,319)	(865,431)
<b>Net cash provided by financing activities</b>	<b>1,464,681</b>	<b>3,134,569</b>
<b>Change in cash and cash equivalents during the year</b>	<b>3,170,600</b>	<b>(735,735)</b>
Cash and cash equivalents, beginning of year	4,810,357	5,546,092
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,980,957</b>	<b>\$ 4,810,357</b>

**TOWN OF VEGREVILLE**

**Schedule of Changes in Accumulated Surplus  
For the year ended December 31, 2019**

**(Schedule 1)**

	<b>Unrestricted Surplus</b>	<b>Restricted Operating Reserves</b>	<b>Restricted Capital Reserves</b>	<b>Equity in Capital Assets</b>	<b>2019 \$</b>
Balance, beginning of year, as restated	1,775,139	3,623,561	1,410,627	48,459,709	<b>55,269,036</b>
Deficiency of revenues over expenses	(236,385)	-	-	-	<b>(236,385)</b>
Unrestricted funds designated for future use	(645,456)	506,706	138,750	-	-
Restricted funds used for operations	914,811	(859,164)	(55,647)	-	-
Restricted funds used for tangible capital assets	130,000	(58,925)	-	(71,075)	-
Current year funds used for tangible capital assets	(3,253,372)	-	-	3,253,372	-
Contributed tangible capital assets	(228,876)	-	-	228,876	-
Annual amortization expense	3,967,794	-	-	(3,967,794)	-
Disposal of capital assets	56,718	-	-	(56,718)	-
Long-term debt advanced	2,003,000	-	-	(2,003,000)	-
Long-term debt repaid	(538,319)	-	-	538,319	-
<b>Change in accumulated surplus</b>	<b>2,169,915</b>	<b>(411,383)</b>	<b>83,103</b>	<b>(2,078,020)</b>	<b>(236,385)</b>
<b>Balance, end of year</b>	<b>3,945,054</b>	<b>3,212,178</b>	<b>1,493,730</b>	<b>46,381,689</b>	<b>55,032,651</b>
					2018 \$ (Restated)
Balance, beginning of year	2,821,473	3,719,491	1,077,046	49,756,159	57,374,169
Prior period adjustment (Note 22)	(1,029,564)	-	-	-	(1,029,564)
Balance, beginning of year, as restated	1,791,909	3,719,491	1,077,046	49,756,159	56,344,605
Deficiency of revenues over expenses	(1,075,569)	-	-	-	(1,075,569)
Unrestricted funds designated for future use	(1,183,772)	664,123	519,649	-	-
Restricted funds used for operations	793,053	(760,053)	(33,000)	-	-
Restricted funds used for tangible capital assets	-	-	(153,068)	153,068	-
Current year funds used for tangible capital assets	(5,727,264)	-	-	5,727,264	-
Contributed tangible capital assets	(190,112)	-	-	190,112	-
Annual amortization expense	4,062,171	-	-	(4,062,171)	-
Disposal of capital assets	170,154	-	-	(170,154)	-
Long-term debt advanced	4,000,000	-	-	(4,000,000)	-
Long-term debt repaid	(865,431)	-	-	865,431	-
<b>Change in accumulated surplus</b>	<b>(16,770)</b>	<b>(95,930)</b>	<b>333,581</b>	<b>(1,296,450)</b>	<b>(1,075,569)</b>
<b>Balance, end of year, as restated</b>	<b>1,775,139</b>	<b>3,623,561</b>	<b>1,410,627</b>	<b>48,459,709</b>	<b>55,269,036</b>



**TOWN OF VEGREVILLE**

**Schedule of Tangible Capital Assets  
For the Year Ended December 31, 2019**

*(Schedule 2)*

	Land	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	Construction in Progress	2019 \$
<b>Cost:</b>							
Balance, beginning of year, as restated	3,094,385	18,644,478	115,568,418	8,527,005	5,851,989	5,905,009	157,591,284
Acquisition of tangible capital assets	-	142,494	1,963,991	456,115	71,274	678,423	3,312,297
Contribution of tangible capital assets	-	-	-	-	228,876	-	228,876
Disposal of tangible capital assets	-	-	(3,279,703)	(260,933)	(538,516)	-	(4,079,152)
Adjustments	-	6,003,362	526,893	-	-	(6,530,255)	-
Balance, end of year	3,094,385	24,790,334	114,779,599	8,722,187	5,613,623	53,177	157,053,305
<b>Accumulated Amortization:</b>							
Balance, beginning of year, as restated	-	9,169,745	79,199,052	6,339,504	3,281,641	-	97,989,942
Annual amortization	-	441,568	2,798,050	361,368	366,808	-	3,967,794
Accumulated amortization on disposals	-	-	(3,260,520)	(202,438)	(429,476)	-	(3,892,434)
Balance, end of year	-	9,611,313	78,736,582	6,498,434	3,218,973	-	98,065,302
<b>Net book value -2019</b>	<b>3,094,385</b>	<b>15,179,021</b>	<b>36,043,017</b>	<b>2,223,753</b>	<b>2,394,650</b>	<b>53,177</b>	<b>58,988,003</b>

	Land	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	Construction in Progress	2018 \$ (Restated)
<b>Cost:</b>							
Balance, beginning of year	3,094,385	18,644,478	116,560,274	8,193,293	6,327,520	1,549,701	154,369,651
Prior period adjustment (Note 22)	-	-	(1,945,586)	-	-	-	(1,945,586)
Balance, beginning of year, as restated	3,094,385	18,644,478	114,614,688	8,183,293	6,327,520	1,549,701	152,424,065
Acquisition of tangible capital assets	-	-	1,192,813	333,712	214,553	4,139,254	5,880,332
Contribution of tangible capital assets	-	-	-	-	-	190,112	190,112
Disposal of tangible capital assets	-	-	(213,141)	-	-	-	(213,141)
Adjustments	-	-	(25,942)	-	(690,084)	25,942	(690,084)
Balance, end of year, as restated	3,094,385	18,644,478	115,568,418	8,527,005	5,851,989	5,905,009	157,591,284
<b>Accumulated Amortization:</b>							
Balance, beginning of year	-	8,728,177	78,328,270	6,000,587	3,549,394	-	96,606,428
Prior period adjustment (Note 22)	-	-	(1,825,782)	-	-	-	(1,825,782)
Balance, beginning of year, as restated	-	8,728,177	76,502,488	6,000,587	3,549,394	-	94,780,646
Annual amortization	-	441,568	2,859,355	338,917	422,331	-	4,062,171
Accumulated amortization on disposals	-	-	(162,791)	-	-	-	(162,791)
Adjustments	-	-	-	-	(690,084)	-	(690,084)
Balance, end of year, as restated	-	9,169,745	79,199,052	6,339,504	3,281,641	-	97,989,942
<b>Net book value -2018, as restated</b>	<b>3,094,385</b>	<b>9,474,733</b>	<b>36,369,366</b>	<b>2,187,501</b>	<b>2,570,348</b>	<b>5,905,009</b>	<b>59,601,342</b>

**TOWN OF VEGREVILLE**  
**Schedule of Property and Other Taxes**  
**For the Year Ended December 31, 2019**

*(Schedule 3)*

	Budget (unaudited)	2019	2018
<b>Taxation</b>			
Real property taxes	\$ 10,157,570	\$ 10,009,687	\$ 10,034,343
Designated Industrial Property taxes	448,697	510,753	445,005
Government grants in place of property taxes	976,209	1,007,624	966,543
	11,582,476	11,528,064	11,445,891
<b>Requisitions</b>			
Alberta School Foundation Fund	2,162,986	2,117,823	2,162,985
Minburn Senior's Foundation	107,919	113,273	107,919
Designated Industrial Properties	757	1,935	756
	2,271,662	2,233,031	2,271,660
<b>Net Municipal Taxes</b>	\$ 9,310,814	\$ 9,295,033	\$ 9,174,231

**TOWN OF VEGREVILLE**  
**Schedule of Government Transfers**  
**For the Year Ended December 31, 2019**

*(Schedule 4)*

	<b>Budget</b> <b>(unaudited)</b>	<b>2019</b>	<b>2018</b>
<b>Transfers for Operating</b>			
Federal Government	\$ 2,000	\$ 6,075	\$ 6,528
Provincial Government	2,638,746	<b>2,073,291</b>	2,787,919
Local Government	618,659	<b>626,503</b>	620,492
	<b>3,259,405</b>	<b>2,705,869</b>	3,414,939
<b>Transfers for Capital</b>			
Provincial Government	1,239,500	<b>1,914,685</b>	1,399,165
<b>Total Government Transfers</b>	<b>\$ 4,498,905</b>	<b>\$ 4,620,554</b>	<b>\$ 4,814,104</b>

**TOWN OF VEGREVILLE**  
**Schedule of Consolidated Expenses by Object**  
**For the Year Ended December 31, 2019**

*(Schedule 5)*

	Budget (unaudited)	2019	2018 (Restated)
<b>Consolidated Expenses by Object</b>			
Salaries, wages and benefits	\$ 9,225,715	\$ 8,532,305	\$ 8,761,669
Contracted and general services	2,843,907	2,872,262	2,969,379
Purchases from other governments	1,171,750	1,021,761	1,110,716
Materials, goods, supplies and utilities	3,453,700	3,523,309	3,354,596
Other transactions, allowances and adjustments	46,557	257,371	661,265
Transfers to local boards and agencies	310,404	252,088	209,935
Bank charges and short term interest	22,950	31,696	49,441
Interest on long term debt	281,139	349,602	319,206
Amortization of tangible capital assets	3,946,527	3,967,794	4,062,171
	\$ 21,302,649	\$ 20,808,188	\$ 21,498,378

**TOWN OF VEGREVILLE**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2019**

*(Schedule 6)*

	General Government	Protective Services	Recreation, Parks & Culture	Facilities	Community Services	Public Works	Utilities	Municipal Services	Planning & Development	2019
<b>REVENUES</b>										
Net municipal taxes	9,295,033	-	-	-	-	-	-	-	-	9,295,033
Government transfers	281,255	1,228,271	449,051	-	635,989	1,863,304	66,511	96,173	-	4,620,554
User fees and sale of goods	18,503	327,737	382,667	352,283	19,450	248,956	2,082,521	654,940	1,775	4,088,832
Investment income	159,301	-	-	-	-	-	-	-	-	159,301
Other	1,495,129	408,885	75,033	334,107	19,939	2,822	-	33,922	94,964	2,464,801
	11,249,221	1,964,893	906,751	686,390	675,378	2,115,082	2,149,032	785,035	96,739	20,628,521
<b>EXPENSES</b>										
Salaries, wages and benefits	1,461,157	1,548,641	1,785,558	339,703	686,896	781,566	617,843	1,115,735	195,206	8,532,305
Contracted and general services	879,830	1,275,071	475,608	568,279	97,361	251,450	124,977	161,688	59,759	3,894,023
Materials, goods, supplies and utilities	86,785	174,306	574,782	536,636	39,797	833,301	1,153,846	118,620	5,236	3,523,309
Interest on long-term debt	-	7,461	14,799	259,889	-	50,301	17,152	-	-	349,602
Other	229,562	77,554	527	-	259,813	21,583	7,152	413	1,269	597,873
	2,657,334	3,083,033	2,851,274	1,704,507	1,083,867	1,938,201	1,920,970	1,396,456	261,468	16,897,112
Net revenue (expense) before amortization	8,591,887	(1,118,140)	(1,944,523)	(1,018,117)	(408,489)	176,881	228,062	(611,421)	(164,729)	3,731,409
Amortization	19,120	230,967	411,266	254,170	622	2,416,869	525,052	106,830	2,898	3,967,794
<b>Net Revenue (expense)</b>	<b>8,572,767</b>	<b>(1,349,107)</b>	<b>(2,355,789)</b>	<b>(1,272,287)</b>	<b>(409,111)</b>	<b>(2,239,988)</b>	<b>(296,990)</b>	<b>(718,251)</b>	<b>(167,629)</b>	<b>(236,385)</b>
2018										
<b>REVENUES</b>										
Net municipal taxes	9,174,231	-	-	-	-	-	-	-	-	9,174,231
Government transfers	106,337	2,061,962	619,772	-	597,708	680,042	646,882	101,402	-	4,814,104
User fees and sale of goods	8,202	391,561	405,896	316,231	23,123	237,945	2,081,176	643,447	1,473	4,109,054
Investment income	156,091	-	-	-	-	-	-	-	-	156,091
Other	1,694,565	250,339	254,881	6,898	19,822	-	-	29,709	83,269	2,339,484
	11,139,426	2,703,862	1,280,549	323,129	640,653	917,987	2,728,058	774,558	84,742	20,592,964
<b>EXPENSES</b>										
Salaries, wages and benefits	1,409,437	2,315,461	1,653,441	276,200	591,113	782,877	684,320	887,587	161,233	8,761,669
Contracted and general services	840,199	1,446,660	578,260	468,576	95,559	371,587	97,029	129,619	52,606	4,080,095
Materials, goods, supplies and utilities	98,638	287,302	497,904	413,010	35,653	663,351	1,132,772	210,311	15,655	3,354,596
Interest on long-term debt	-	8,471	15,527	216,342	-	58,948	19,918	-	-	319,206
Other	609,208	22,185	23,676	57,871	201,935	76,991	98,419	511	-	1,090,796
	2,957,482	4,080,079	2,768,808	1,431,999	924,260	1,953,754	2,032,458	1,228,028	229,494	17,606,362
Net revenue (expense) before amortization	8,181,944	(1,376,217)	(1,488,259)	(1,108,870)	(283,607)	(1,035,767)	766,287	(436,423)	(144,752)	2,986,602
Amortization	-	268,340	415,359	252,580	622	2,497,926	517,680	104,985	4,679	4,062,171
<b>Net Revenue (expense), as restated</b>	<b>8,181,944</b>	<b>(1,644,557)</b>	<b>(1,903,618)</b>	<b>(1,361,450)</b>	<b>(284,229)</b>	<b>(3,533,693)</b>	<b>248,607</b>	<b>(541,408)</b>	<b>(149,431)</b>	<b>(1,075,569)</b>

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**1. Significant accounting policies**

The consolidated financial statements of the municipality are the representations of management prepared in accordance with 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 municipality are as follows:

***Reporting Entity***

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Town and, are therefore, accountable to 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.

***Use of Estimates***

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense 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.

Significant estimates include:

- providing for amortization of capital assets;
- the estimated useful lives of assets;
- the allowance for doubtful accounts;
- the recoverability of tangible assets; and
- the valuation of asset retirement obligations

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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***Cash and temporary investments***

Cash includes cash and cash equivalents. Cash equivalents are investments in money market funds, bonds and guaranteed investment certificates and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

***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.

***Investments***

Investments are short-term deposits with original maturities of twelve months or less with redemption beginning thirty days after purchase without penalty. Investments are recorded at cost. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

***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.

***Tax revenue***

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

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

***Asset Retirement Obligation***

Pursuant to the Alberta Environmental Protection and Enhancement Act, the Town is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control and visual inspection. The requirement is being provided for over the accreted value from the initial obligation to the end of the useful life of the landfill.

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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***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 Debt for the year.

a) *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:

<b>Tangible Capital Asset</b>	<b>Years</b>
Land improvements	15-45
Buildings	25-50
Engineered structures	
Roadway system	5-65
Water system	45-75
Wastewater system	45-75
Storm system	45-75
Other	10-80
Machinery and equipment	5-40
Vehicles	5-40

b) *Contributions of tangible capital assets*

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

c) *Leases*

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

d) *Inventories*

Inventories held for consumption are recorded at the lower of cost and replacement cost.

e) *Cultural and historical tangible capital assets*

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



**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**2. Adoption of recent accounting pronouncements**

***Section PS 3280 – Asset Retirement Obligations***

This new section establishes standards on how to account and report a liability for asset retirement obligations (ARO). This Section identifies the main attributes of an ARO and provides guidance on how to establish the fair value of the ARO. This standard is effective for fiscal periods beginning on or after April 1, 2021. Early adoption is permitted. The Town has adopted PS 3280 retrospectively for the fiscal period ended December 31, 2019.

***Section PS 3430 - Restructuring Transactions***

This new section defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction.

**3. Recent accounting pronouncements published but not yet adopted**

The following accounting standards have been issued by the Chartered Professional Accountants of Canada (CPAC) but are not yet effective. The municipality is currently evaluating the effect of adopting these standards on their financial statements.

***Section PS 3450 - Financial Instruments***

The new section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. In conjunction with this new section, section PS1201, section PS 2601 and section 3041 have been amended as a consequence of the introduction of new financial instruments standards. These amendments were required to present the associated gains and losses with financial instruments recognized under the new section. The new section and the related amendments are effective for fiscal periods beginning on or after April 1, 2019.

***Section PS 3400 – Revenue***

This new section establishes standards on how to account for and report on revenue. This section differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. The new section applies to fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.

**4. Cash and cash equivalents**

	2019	2018
Cash on hand	\$ 2,335	\$ 2,930
General bank account	4,510,828	289,464
Temporary investments	4,042,960	5,108,286
Less cash designated for deferred revenues	(575,166)	(590,323)
	<b>\$ 7,980,957</b>	<b>\$ 4,810,357</b>

Temporary investments are short-term deposits with original maturities of three months or less. Council has designated funds of \$1,493,730 (2018 - \$1,410,627) included in the above amounts for capital projects. BMO Bank of Montreal has authorized the Town to a maximum overdraft of \$1,000,000. The overdraft bears interest at prime less 1.85%. At December 31, 2019 there was no balance on the overdraft.

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

**5. Restricted cash and cash equivalents**

	2019		2018	
Cash designated for deferred revenues	\$	575,166	\$	590,323
Tax sale surplus investments		-		79,647
	\$	575,166	\$	669,970

**6. Taxes and grants in place of taxes**

	2019		2018	
Current taxes and grants in place of taxes	\$	572,060	\$	258,047
Arrears taxes		81,212		69,519
Property acquired		408,692		397,122
		1,061,964		724,688
Less allowance for doubtful accounts		(23,363)		(23,363)
		1,038,601		701,325

**7. Land held for resale**

	2019		2018	
Land held for resale as financial asset	\$	600,355	\$	597,287
Land held for resale as non-financial asset		998,525		861,851

Certain land held for resale has been reclassified in the current year as a non-financial asset as it does not meet the requirement of reasonable expectation of sale within the next twelve months.

**8. Investments**

	2019		2018	
	Cost	Market value	Cost	Market Value
Term deposits	\$ 750,770	\$ 750,770	\$ 2,274,606	\$ 2,274,606
	750,770	750,770	2,274,606	2,274,606

Investments are short-term deposits with original maturities of twelve months or less with redemption beginning thirty days after purchase without penalty. Interest rates on these short-term deposits are 2.5% (2018 - 2.10% to 2.35%).

**9. Accounts payable and accrued liabilities**

	2019		2018 (Restated)	
Trade accounts payable and accrued liabilities	\$	1,709,065	\$	2,014,333
Government payroll remittance payable		69,031		79,476
	\$	1,778,096	\$	2,093,809

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**10. Accrued employee obligations**

	<b>2019</b>		2018	
Vacation	\$	<b>426,052</b>	\$	520,777
Accumulated sick leave		<b>133,193</b>		139,874
	<b>\$</b>	<b>559,245</b>	<b>\$</b>	<b>660,651</b>

The vacation liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year.

The Town also has accumulating non-vesting sick leave benefits. Employees accrue one day of sick time per month to a maximum of twelve days. Sick time is not paid out upon termination or retirement.

**11. Deferred revenue**

	<b>2019</b>		2018	
Municipal Sustainability grant	\$	<b>373,384</b>	\$	201,107
Gas Tax Fund		<b>36,681</b>		-
Family Community Support Services grant		<b>15,046</b>		19,839
Alberta Housing and Urban Affairs		-		130,535
Specified donations		<b>10,408</b>		10,408
Other		<b>139,647</b>		228,434
	<b>\$</b>	<b>575,166</b>	<b>\$</b>	<b>590,323</b>

Funding received from the various grant programs noted above are restricted to eligible operating and capital projects as approved in the funding agreements. Unexpended funds related to the funding advances are supported by restricted cash and cash equivalents (Note 5).

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

**12. Long-term debt**

	2019	2018
Tax supported debentures	\$ 11,553,093	\$ 9,951,242
Self supported debentures	1,053,221	1,190,391
	<b>\$ 12,606,314</b>	<b>\$ 11,141,633</b>

The current portion of long-term debt amounts to \$598,763 (2018 - \$538,319).

Principal and interest payments for the next five years and to maturity are as follows:

	Principal	Interest	Total
2020	\$ 598,763	390,178	988,941
2021	608,031	372,065	980,096
2022	626,496	353,600	980,096
2023	645,551	334,545	980,096
2024	665,215	314,881	980,096
Thereafter	9,462,258	3,010,006	12,472,264
	<b>\$ 12,606,314</b>	<b>4,775,275</b>	<b>17,381,589</b>

Debenture debt is repayable to Alberta Capital Finance Authority and bears interest at rates ranging from 2.081% to 4.395% per annum and mature in periods 2020 through 2049. The average annual interest rate is 3.13% (2018 – 3.20%).

Debenture debt is issued on the credit and security of the Town at large.

Interest on long-term debt amounted to \$349,602 (2018 – \$319,206).

**13. Debt limits**

Section 276(2) Of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the Town of Vegreville be disclosed as follows:

	2019	2018
Total debt limit	\$ 27,727,440	\$ 28,505,529
Total Debt	<b>(12,606,314)</b>	(11,141,633)
Amount of debt limit unused	<b>15,121,126</b>	17,363,896
Debt servicing limit	\$ 4,621,240	\$ 4,750,922
Debt servicing	<b>(988,941)</b>	(890,969)
Amount of debt servicing unused	<b>\$ 3,632,299</b>	\$ 3,859,953

The debt limit is calculated at 1.5 times revenue of the Town (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated as 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. These calculations taken alone do not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**14. Asset Retirement Obligation**

In 2019 the Town of Vegreville retrospectively adopted Section PS 3280 – Asset Retirement Obligations.

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

The initial asset retirement obligation is based on current year expectations for costs discounted to 1982. Retirement obligations are accreted at the discount rate from the initial obligation created as of 1982, to the end of the useful life of the landfill in the case of closure costs; and to the end of the post closure period for post closure costs. Accreted value of the asset retirement obligations are calculated using the average 10 year long term borrowing rate of 3.4482%.

The following table summarizes the total accreted value of the asset retirement obligation for the estimated costs of closure and post-closure care:

	<b>2019</b>	<b>2018</b> (Restated)
Estimated closure costs, beginning of year	\$ 1,132,943	\$ 1,095,179
Accretion expense	39,066	37,764
Estimated closure costs, end of year	\$ 1,172,009	\$ 1,132,943
Estimated post closure costs, beginning of year	\$ 27,245	\$ 26,337
Accretion expense	941	908
Estimated post closure costs, end of year	\$ 28,186	\$ 27,245
<b>Total closure and post closure costs, end of year</b>	<b>\$ 1,200,195</b>	<b>\$ 1,160,188</b>

At the current capacity, it is estimated that the Vegreville Sanitary Landfill has approximately 45 years of life remaining.

Post closure care commences 30 days following closure of the landfill and continues for a minimum period of 25 years.

The Town has not designated assets settling closure and post-closure liabilities.

See Note 22 for adjustments to the 2018 financial statements presented as comparatives, related to the asset retirement obligation.

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**15. Equity in tangible capital assets**

	<b>2019</b>	<b>2018</b> (Restated)
Tangible capital assets (Schedule 2)	\$ 157,053,305	\$ 157,591,284
Accumulated amortization (Schedule 2)	(98,065,302)	(97,989,942)
Long-term debt (Note 12)	(12,606,314)	(11,141,633)
	<b>\$ 46,381,689</b>	<b>\$ 48,459,709</b>

**16. Accumulated surplus**

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

	<b>2019</b>	<b>2018</b> (Restated)
Unrestricted surplus	\$ 3,945,054	\$ 1,775,139
Restricted surplus		
Operating reserves	3,212,178	3,623,561
Capital reserves	1,493,730	1,410,627
Equity in tangible capital assets	46,381,689	48,459,709
	<b>\$ 55,032,651</b>	<b>\$ 55,269,036</b>

**17. Segmented disclosure**

The Town provides a range of services to its ratepayers. For each reporting segment, revenues and expenses represent 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 Schedule of Segmented Disclosure (Schedule 6).

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**18. Salary and benefits**

Disclosure of salaries and benefits for municipal officials, the Town Manager and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salaries <sup>(1)</sup>		Benefits and allowances <sup>(2)(3)</sup>		2019	2018
T. MacPhee, Mayor	\$	57,600	\$	8,581	\$ 66,181	\$ 59,690
D. Berry, Councillor		29,000		6,383	35,383	34,158
M. Brodziak, Councillor		30,400		3,629	34,029	34,428
J. Lemko, Councillor		29,400		6,466	35,866	33,932
T. Rudyk, Councillor		37,500		7,073	44,573	42,060
T. Warawa, Councillor		23,900		6,053	29,953	28,877
A. Waters, Councillor		27,600		6,331	33,931	35,437
Town Manager		144,311		27,138	171,449	170,021
Town Directors (3)		333,939		59,634	393,573	399,728
	\$	713,650	\$	131,288	\$ 844,938	\$ 838,331

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
2. Employers share of all employee benefits and contribution or payments made on behalf of employees including, pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, short and long term disability plans, professional memberships and tuition.
3. 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.

**19. Local Authorities Pension Plan**

Employees of the Town 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 by investment earnings of the LAPP fund.

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

The Town 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.

Total current service contributions by the Town to the LAPP in 2019 were \$513,510 (2018 - \$593,500). Total current service contributions by the employees of the Town to the LAPP in 2019 were \$463,386 (2018 - \$541,185).

As at December 31, 2018, the LAPP disclosed an actuarial surplus of \$3.5 billion.

**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**20. Financial instruments**

The Town's financial instruments consist of cash and temporary investments, receivables, investments, accounts payable and accrued liabilities, deposit liabilities, requisition over-levy, and long-term debt. It is management's opinion that the Town is not exposed to significant interest or currency risks from these financial instruments.

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

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

**21. Contingencies**

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

The Town is named as a defendant in a lawsuit alleging breach of contract. The Town has filed a statement of defence denying the allegations. No amount has been accrued as a liability in these financial statements as the amount of the liability, if any, cannot be reasonably estimated at this time.



**TOWN OF VEGREVILLE**  
**Notes to Consolidated Financial Statements**  
**For the Year Ended December 31, 2019**

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**22. Prior Period Adjustment**

In 2018, the Town of Vegreville completed several capital works projects and the subsequent disposals of the Tangible Capital Assets were not recorded. The prior period financial statements have been adjusted to reflect the disposals of cost and accumulated amortization for these projects in 2018.

In 2019, the Town of Vegreville retrospectively adopted Section PS 3280 – Asset Retirement Obligations. The prior period financial statements have been adjusted to reflect the adoption of the accounting standard retrospectively to 2018.

The following adjustments were made to the 2018 financial statements presented as comparatives:

	<b>Amounts recorded in 2018 financial statements</b>	<b>Adjustment to reflect acquisition of tangible capital asset</b>	<b>Adjustment to reflect Asset Retirement Obligation</b>	<b>Amounts restated in 2018 financial statements presented as comparatives</b>
Tangible capital assets, net book value	59,721,146	(119,804)	-	59,601,342
Tangible capital assets, cost	159,536,870	(1,945,586)	-	157,591,284
Tangible capital assets, accumulated amortization	99,815,724	(1,825,782)	-	97,989,942
Accounts payable and accrued liabilities	2,207,391	-	(113,582)	2,093,809
Asset retirement obligation	-	-	1,160,188	1,160,188
Net debt	(4,539,841)	-	(1,046,606)	(5,586,447)
Accumulated surplus, beginning of the year	57,374,169	-	(1,029,564)	56,344,605
Accumulated surplus, end of the year	56,435,451	119,804	(1,046,611)	55,269,036
Equity in capital assets	48,579,513	(119,804)	-	48,459,709
Expenses	21,481,331	-	17,047	21,498,378
Deficiency of revenue over Expenses	(938,718)	(119,804)	(17,047)	(1,075,569)

**23. Approval of financial statements**

Council and Management have approved these consolidated financial statements.

**24. Budget amounts**

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

**25. Comparative figures**

Certain comparative figures have been reclassified to correspond with the current year presentation.