

VILLAGE OF BARNWELL

Consolidated Financial Statements

For the year ended December 31, 2022

VILLAGE OF BARNWELL
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INDEPENDENT AUDITOR'S REPORT

To: The Mayor and Members of Council of
the Village of Barnwell

Opinion

We have audited the consolidated financial statements of the Village of Barnwell which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the 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 Village of Barnwell as at December 31, 2022, the results of its operations, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Financial Statements section of our report. We are independent of the Village 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the 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 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 Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 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:

INDEPENDENT AUDITOR'S REPORT, continued

- 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 the Village'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 Village'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 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 company 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.

Report on Other Legal and Regulatory Requirements

- Debt Limit Regulation:
In accordance with Alberta Regulation 255/2000, we confirm that the Village is in compliance with the Debt Limit Regulation. A detailed account of the Entity's debt limit can be found in note 13.
- Supplementary Accounting Principles and Standards Regulation:
In accordance with Alberta Regulation 313/2000, we confirm that the Village is in compliance with the Supplementary Accounting Principles and Standards Regulation and note the information required can be found in note 15.

Lethbridge, Alberta



April 20, 2023

Chartered Professional Accountants

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements are the responsibility of the management of the Village of Barnwell.

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 judgments. *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 Village 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 Village's assets are properly accounted for and adequately safeguarded.

The elected Council of the Village is responsible for ensuring that management fulfils its responsibilities for financial statements. Council carries out its responsibility principally through the Finance and Administration and General Services committees.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

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

The external auditors have full access to the Audit Committee with and without the presence of management. The Village Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Avail LLP Chartered Professional Accountants, the independent external auditors appointed by the Village. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of the examination and their opinion on the Village's consolidated financial statements.



Village Administrator

VILLAGE OF BARNWELL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022

	2022	2021
Financial assets		
Cash and temporary investments (note 2)	\$ 2,124,389	\$ 1,855,425
Taxes and grants in place of taxes receivable (note 3)	52,149	47,310
Trade and other receivables (note 4)	206,332	178,171
	2,382,870	2,080,906
Liabilities		
Accounts payable and accrued liabilities	80,852	56,626
Deposits	33,112	33,788
Deferred revenue (note 5)	121,690	28,215
Long-term debt (note 6)	286,283	311,682
	521,937	430,311
Net financial assets	1,860,933	1,650,595
Non-financial assets		
Inventory for consumption	29,713	23,572
Tangible capital assets (schedule 2)	9,236,546	9,497,790
	9,266,259	9,521,362
Accumulated surplus (note 7 and schedule 1)	\$ 11,127,192	\$ 11,171,957

Commitments and contingencies (note 14)

Approved on behalf of Council:

Councillor 

Councillor 

VILLAGE OF BARNWELL
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2022

	Budget (Unaudited)	2022	2021
Revenue			
Net municipal property taxes (note 10)	\$ 563,097	\$ 569,828	\$ 560,987
User fees and sales of goods	549,634	570,432	567,295
Government transfers for operating (note 11)	69,310	73,505	116,857
Investment income	5,500	38,485	8,051
Penalties and costs of taxes	10,000	13,186	10,092
Gain on disposal of tangible capital assets	-	11,316	7,794
Franchise and concession contracts	37,400	44,305	38,212
Other	6,500	8,034	12,421
	1,241,441	1,329,091	1,321,709
Expenses (note 12)			
General government			
Legislative	37,688	35,368	39,011
Administration	162,422	148,528	146,602
Protective services			
Protective services and emergency management	106,977	93,526	67,598
Transportation services			
Common and equipment pool	69,015	53,881	66,955
Roads, streets, walk and lighting	196,865	177,857	190,758
Environmental use and protection			
Water supply and distribution	508,876	503,855	491,144
Wastewater treatment and disposal	134,391	137,999	131,121
Waste management	100,180	102,665	130,672
Public health and welfare			
Cemeteries and crematoriums	25,957	19,028	17,389
Planning and development			
Land use planning, zoning and development	29,519	27,190	26,121
Recreation and culture			
Recreation and culture	140,494	138,582	140,114
	1,512,384	1,438,479	1,447,485
Deficiency of revenue over expenses before other	(270,943)	(109,388)	(125,776)
Other			
Government transfers for capital (note 11)	28,215	64,623	849,433
(Deficiency) excess of revenue over expenses	(242,728)	(44,765)	723,657
Accumulated surplus, beginning of year	11,171,957	11,171,957	10,448,300
Accumulated surplus, end of year	\$ 10,929,229	\$ 11,127,192	\$ 11,171,957

VILLAGE OF BARNWELL
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2022

	Budget (Unaudited)	2022	2021
(Deficiency) excess of revenue over expenses	\$ (242,728) \$	(44,765) \$	723,657
Acquisition of tangible capital assets	(82,135)	(147,620)	(957,553)
Amortization of tangible capital assets	350,260	350,080	350,261
Gain on disposal of tangible capital assets	-	(11,316)	(7,794)
Proceeds on disposal of tangible capital assets	-	70,100	59,400
	268,125	261,244	(555,686)
Net change in inventory for consumption	-	(6,141)	(7,318)
Increase in net financial assets	25,397	210,338	160,653
Net financial assets, beginning of year	1,650,595	1,650,595	1,489,942
Net financial assets, end of year	\$ 1,675,992 \$	1,860,933 \$	1,650,595

VILLAGE OF BARNWELL
CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended December 31, 2022

	2022	2021
Operating transactions		
(Deficiency) excess of revenue over expenses	\$ (44,765)	\$ 723,657
Adjustments for items which do not affect cash		
Gain on disposal of tangible capital assets	(11,316)	(7,794)
Amortization of tangible capital assets	350,080	350,261
	293,999	1,066,124
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	(4,839)	(7,495)
Trade and other receivables	(28,161)	120,255
Inventory for consumption	(6,141)	(7,318)
Accounts payable and accrued liabilities	24,226	(32,140)
Deposits	(676)	(2,289)
Deferred revenue	93,475	(138,981)
Cash provided by operating transactions	371,883	998,156
Capital transactions		
Proceeds on disposal of tangible capital assets	70,100	59,400
Acquisition of tangible capital assets	(147,620)	(957,553)
Cash applied to capital transactions	(77,520)	(898,153)
Financing transactions		
Repayment of long-term debt	(25,399)	(24,312)
Increase in cash and temporary investments	268,964	75,691
Cash and temporary investments, beginning of year	1,855,425	1,779,734
Cash and temporary investments, end of year	\$ 2,124,389	\$ 1,855,425

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. Significant accounting policies

The consolidated financial statements of the Village of Barnwell are the representations of management prepared in accordance with generally accepted accounting principles for local government established by The Public Sector Accounting Board of Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Village of Barnwell are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses, changes in fund balances and change in financial position of the reporting entity which comprises all of the organizations that are owned or controlled by the Village and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Taxes levied also includes requisitions for educational, health care, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting 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.

(c) Use of estimates

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

(d) Investments

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

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. Significant accounting policies, continued

(e) Requisition over-levy and under-levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

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

(f) 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.

(g) Contaminated sites liability

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

(h) 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.

(i) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. Significant accounting policies, continued

	Years
Land improvements	10-45
Buildings	25-50
Engineered structures	5-80
Machinery and equipment	5-40

Amortization is charged in the year of acquisition but not in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

- (ii) Contributions of tangible capital assets
Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.
- (iii) Leases
Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.
- (iv) Inventories
Inventories held for consumption are recorded at the lower of cost or net realizable value with cost determined by the average cost method.
- (v) Cultural and historical tangible capital assets
Works of art for display are not recorded as tangible capital assets but are disclosed.

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

2. Cash and temporary investments

	2022	2021
Cash	\$ 945,096	\$ 704,540
Temporary investments	1,179,293	1,150,885
	<u>\$ 2,124,389</u>	<u>\$ 1,855,425</u>

Temporary investments are comprised of ATB Financial T-Bill savings and Notice on Amount savings accounts.

3. Taxes and grants in place of taxes receivable

	2022	2021
Current taxes and grants in place of taxes receivable	\$ 38,758	\$ 37,333
Arrears	13,391	9,977
	<u>\$ 52,149</u>	<u>\$ 47,310</u>

4. Trade and other receivables

	2022	2021
Utilities receivable	\$ 30,409	\$ 30,451
Franchise fee receivable	17,058	14,134
GST receivable	95,654	67,109
Trade receivables	6,381	26,440
Canada Community Building Fund (CCBF)/Federal Gas Tax Fund (FGTF) capital grant receivable	29,160	29,160
Alberta School Foundation Fund Underlevy	27,670	10,877
	<u>\$ 206,332</u>	<u>\$ 178,171</u>

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

5. Deferred revenue

The deferred revenue balance represents funds received for specific purposes that have not been spent by year end. Deferred revenue consists of the following:

	2022	2021
Municipal Stimulus Program	\$ 284	\$ 15,835
Municipal Sustainability Initiative	121,406	12,380
	<u>\$ 121,690</u>	<u>\$ 28,215</u>

6. Long-term debt

	2022	2021
Tax supported debenture - capital	\$ 286,283	\$ 311,682

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2023	\$ 26,534	\$ 12,369	\$ 38,903
2024	27,721	11,183	38,904
2025	28,960	9,944	38,904
2026	30,255	8,649	38,904
2027	31,607	7,296	38,903
Thereafter	141,206	14,408	155,614
	<u>\$ 286,283</u>	<u>\$ 63,849</u>	<u>\$ 350,132</u>

Debenture debt is repayable to Treasury Board and Finance and matures in 2031. The interest rate is 4.422% per annum.

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

Interest on long-term debt amounted to \$13,505 (2021 - \$14,592).

The Village's total cash payments for interest in 2022 were \$13,505 (2021 - \$14,592).

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

7. Accumulated surplus

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

	2022	2021
Unrestricted surplus	\$ 924,864	\$ 756,024
Internally restricted surplus (reserves) (note 8)	1,252,065	1,229,825
Equity in tangible capital assets (note 9)	8,950,263	9,186,108
	\$ 11,127,192	\$ 11,171,957

8. Reserves

Council has set up reserves for various purposes. These reserves are either required by legislation or set up at the discretion of Council to provide funding for future expenses.

	2022	2021
Operating		
General contingency	\$ 363,649	\$ 363,649
Offsite levy reserve	143,618	143,618
Subdivision land	50,561	50,561
	557,828	557,828
Capital		
Water capital	231,536	231,536
General - future capital expense	210,285	210,285
Power capital (Fortis)	149,326	127,086
Roads and streets - future capital expense	86,590	86,590
Recreation and parks - future capital expense	16,500	16,500
	694,237	671,997
	\$ 1,252,065	\$ 1,229,825

9. Equity in tangible capital assets

	2022	2021
Tangible capital assets (schedule 2)	\$ 14,264,153	\$ 14,181,849
Accumulated amortization (schedule 2)	(5,027,607)	(4,684,059)
Long-term debt (note 6)	(286,283)	(311,682)
	\$ 8,950,263	\$ 9,186,108

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

10. Net municipal property taxes

	Budget (Unaudited)	2022	2021
Taxation			
Residential/farmland property taxes	\$ 767,322	\$ 790,696	\$ 767,148
Commercial/industrial property taxes	48,914	48,998	45,751
	816,236	839,694	812,899
Requisitions			
Alberta School Foundation Fund	241,186	257,977	241,186
Seniors Foundation (Taber Lodge)	11,889	11,889	10,726
Designated Industrial Property	64	-	-
	253,139	269,866	251,912
	\$ 563,097	\$ 569,828	\$ 560,987

11. Government transfers

	Budget (Unaudited)	2022	2021
Transfers for operating:			
Provincial government	\$ 42,151	\$ 42,151	\$ 83,398
Federal government	-	4,195	6,300
Other local government transfers	27,159	27,159	27,159
	69,310	73,505	116,857
Transfers for capital:			
Provincial government	28,215	64,623	849,433
	28,215	64,623	849,433
	\$ 97,525	\$ 138,128	\$ 966,290

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

12. Expenses by object

	Budget (Unaudited)	2022	2021
Materials, goods, supplies and utilities	\$ 472,476	\$ 425,342	\$ 469,380
Salaries, wages and benefits	378,859	370,105	359,218
Contracted and general services	245,891	225,676	191,905
Transfers to organizations and others	27,293	27,293	26,555
Purchases from other governments	22,900	25,217	34,917
Interest on long-term debt	13,505	13,505	14,592
Bank charges and short-term interest	1,200	1,261	657
Amortization of tangible capital assets	350,260	350,080	350,261
	\$ 1,512,384	\$ 1,438,479	\$ 1,447,485

13. 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 Village be disclosed as follows:

	2022	2021
Total debt limit	\$ 1,976,663	\$ 1,970,873
Total debt	286,283	311,682
	\$ 1,690,380	\$ 1,659,191
Debt servicing limit	\$ 329,444	\$ 328,479
Debt servicing	38,904	38,904
	\$ 290,540	\$ 289,575

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

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

14. Commitments and contingencies

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

b) Employees of the Village are allowed to accrue sick leave to a maximum of 30 days. As at December 31, 2022, the amount of accumulated sick leave was \$16,659 (2021 - \$29,895). All five of the permanent employees have the maximum 30 days accrued. The amount was not recorded in the financial statements as there is no certainty the full amount will be used. The amount of accumulated sick leave is not paid out to employees when they leave their position.

15. Salary and benefits disclosure

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	(1)	(2)		
	Salary	Benefits & allowances	2022	2021
Council				
Kent Bullock	\$ 4,200	\$ -	\$ 4,200	\$ 4,200
Deb Hansen	4,200	-	4,200	4,200
Shayla Anderson	4,200	-	4,200	700
Melissa Foster	4,200	-	4,200	700
Jacob Hiebert	4,200	-	4,200	700
Del Bodnarek	-	-	-	3,500
Ian Matheson	-	-	-	3,500
Robin Hansen	-	-	-	3,150
Administrator - Rachel Schortinghuis	73,888	3,634	77,522	74,353
Assessor - Benchmark Assessment Consultants Inc.	\$ 9,423	\$ -	\$ 9,423	\$ 9,423

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long- and short-term disability plans, professional memberships, and tuition.

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

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

16. Segmented disclosure

The Village provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Refer to the schedule of segmented disclosure (schedule 3).

17. Budget amounts

The 2022 budget for the Village was approved by Council on June 7, 2022 and has been reported in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers, capital additions and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

In addition the approved budget did not contain an amount for amortization expense. In order to enhance comparability, the actual amortization expense has been included as a budget amount.

Budgeted deficit per financial statements	\$ (242,728)
Less: Capital expenditures	(82,135)
Long-term debt repayments	(25,397)
Add: Amortization	350,260
Equals: Balanced budget	\$ -

18. Financial instruments

The Village's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities, deposit liabilities, deferred revenue and long-term debt. It is management's opinion that the Village is not exposed to significant interest or risk arising from these financial instruments.

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

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

19. Contaminated sites liability

The Village adopted PS3260 Liability for contaminated sites. The Village did not identify any financial liabilities in 2022 (2021 - nil) as a result of this standard.

VILLAGE OF BARNWELL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

20. Approval of financial statements

These financial statements were approved by Council and Management.

VILLAGE OF BARNWELL
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

Schedule of changes in accumulated surplus
Schedule 1

	Unrestricted	Restricted	Equity in tangible capital assets	2022	2021
Balance, beginning of year	\$ 756,024	\$ 1,229,825	\$ 9,186,108	\$ 11,171,957	\$ 10,448,300
(Deficiency) excess of revenue over expenses	(44,765)	-	-	(44,765)	723,657
Unrestricted funds designated for future use	(22,240)	22,240	-	-	-
Current year funds used for tangible capital assets	(147,620)	-	147,620	-	-
Disposal of tangible capital assets	58,784	-	(58,784)	-	-
Amortization of tangible capital assets	350,080	-	(350,080)	-	-
Long-term debt repaid	(25,399)	-	25,399	-	-
Change in accumulated surplus	168,840	22,240	(235,845)	(44,765)	723,657
Balance, end of year	\$ 924,864	\$ 1,252,065	\$ 8,950,263	\$ 11,127,192	\$ 11,171,957

VILLAGE OF BARNWELL
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

Schedule of tangible capital assets

Schedule 2

	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	2022	2021
Cost:							
Balance, beginning of year	\$ 220,580	\$ 191,143	\$ 999,832	\$ 12,309,357	\$ 400,937	\$ 14,181,849	\$ 13,323,180
Acquisitions	-	-	-	64,620	83,000	147,620	957,553
Disposals	-	-	-	-	(65,316)	(65,316)	(98,884)
Balance, end of year	220,580	191,143	999,832	12,373,977	418,621	14,264,153	14,181,849
Accumulated amortization:							
Balance, beginning of year	-	170,639	225,872	4,059,930	227,619	4,684,059	4,381,077
Annual amortization	-	2,922	31,753	298,104	17,301	350,080	350,261
Disposals	-	-	-	-	(6,532)	(6,532)	(47,279)
Balance, end of year	-	173,561	257,625	4,358,034	238,388	5,027,607	4,684,059
Net book value	\$ 220,580	\$ 17,582	\$ 742,207	\$ 8,015,943	\$ 180,233	\$ 9,236,546	\$ 9,497,790
2021 net book value	\$ 220,580	\$ 20,504	\$ 773,960	\$ 8,249,428	\$ 173,318	\$ 9,497,790	

VILLAGE OF BARNWELL
SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

Schedule of segmented disclosure

Schedule 3

	General government	Protective services	Transportation services	Environmental services	Public health services	Planning and development	Recreation and culture	Total
Revenue								
Net municipal property taxes	\$ 569,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569,828
User fees and sales of goods	1,366	2,585	30	516,988	-	9,823	39,640	570,432
Government transfers for operating	33,505	-	5,000	22,000	-	11,000	2,000	73,505
Investment income	38,485	-	-	-	-	-	-	38,485
Penalties and costs of taxes	13,186	-	-	-	-	-	-	13,186
Gain on disposal of capital assets	-	-	11,316	-	-	-	-	11,316
Franchise and concession contracts	44,305	-	-	-	-	-	-	44,305
Other	73	81	-	-	7,880	-	-	8,034
	700,748	2,666	16,346	538,988	7,880	20,823	41,640	1,329,091
Expenses								
Materials, goods, supplies and utilities	60,608	4,006	57,495	256,410	4,202	416	42,204	425,342
Salaries, wages and benefits	85,272	3,648	15,290	177,163	11,642	12,611	64,481	370,105
Contracted and general services	23,351	80,157	16,605	85,971	2,966	14,163	2,462	225,676
Purchases from other governments	-	-	-	25,217	-	-	-	25,217
Interest on long-term debt	-	-	-	13,505	-	-	-	13,505
Transfers to organizations and others	7,424	-	-	-	-	-	19,869	27,293
Bank charges and short-term interest	1,261	-	-	-	-	-	-	1,261
Amortization of tangible capital assets	5,979	5,715	142,348	186,253	218	-	9,567	350,080
	183,895	93,526	231,738	744,519	19,028	27,190	138,583	1,438,479
Excess (deficiency) of revenue over expenses before other	516,853	(90,860)	(215,392)	(205,531)	(11,148)	(6,367)	(96,943)	(109,388)
Other								
Government transfers for capital	-	-	49,072	15,551	-	-	-	64,623
Excess (deficiency) of revenue over expenses	\$ 516,853	\$ (90,860)	\$ (166,320)	\$ (189,980)	\$ (11,148)	\$ (6,367)	\$ (96,943)	\$ (44,765)