



2021

# ANNUAL REPORT



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## FINANCIAL STATEMENTS

The consolidated financial statements present fairly, in all material respects, the financial position of the Village of Hussar as at December 31, 2021, the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards. The following is a summary of the consolidated financial statements. For a complete copy please visit <https://www.villageofhussar.ca/council/financial>

### Management Report

Management of the Village of Hussar is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the Village's financial position as at December 31, 2021 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgements. Such amounts have been determined on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized, and assets are properly accounted for and safeguarded.

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

The Village Council carries out its responsibilities for review of the consolidated financial statements principally through its Audit Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

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

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

Kate Brandt  
Chief Administrative Officer

## Consolidated Statement of Financial Position

As at December 31, 2021

<b>Financial Assets</b>			
Cash and temporary investments			
	Cash	\$	584,394
	Temporary investments		<u>301,571</u>
			885,965
Taxes and grants in place of taxes receivable			
	Taxes and grants in place of taxes receivable		26,754
	Arrears		<u>17,810</u>
			44,564
Trade and other receivables			<u>227,951</u>
			<u>1,158,480</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities			24,949
Deferred revenue			91,437
	Miscellaneous		10,878
	Cemetery Trust		10,461
	Alberta Community Partnership		20,086
	FGTF Capital Grant		<u>50,011</u>
Other Liabilities			180,906
Long-term debt			<u>17,141</u>
			<u>314,433</u>
<b>Net financial assets</b>			<u>844,047</u>
<b>Non-financial assets</b>			
Tangible capital assets			<u>4,430,841</u>
<b>Accumulated surplus*</b>			<u>\$ 5,274,888</u>
*Accumulated surplus consists of internally restricted and unrestricted amounts and equity in tangible capital assets as follows:			
Unrestricted surplus		\$	647,358
Internally restricted surplus (reserves)			
	Operating Reserve	\$	10,000
	Capital Reserve		<u>203,832</u>
			213,832
Equity in tangible capital assets			
	Tangible capital assets		7,787,455
	Accumulated amortization		(3,356,614)
	Long-term debt		<u>(17,141)</u>
			4,430,841
		\$	<u>5,292,031</u>

## Consolidated Statement of Operations

For the year ended December 31, 2021

	Budget	Actual
<b>Revenue</b>		
Net municipal property taxes	\$ 196,284	\$ 196,226
User fees and sale of goods	345,370	381,949
Government transfers for operating	24,203	170,050
Investment income	1,493	3,333
Penalties and costs of taxes	25,489	7,834
Licenses and permits	600	1,150
Franchise and concession contracts	26,742	47,659
Other	1,000	4,270
	621,181	812,471
<b>Expenses</b>		
Legislative	18,950	20,099
Administrative	114,520	145,903
Protective Services and emergency management	17,321	13,669
Common and equipment	18,493	20,582
Roads, streets, walks and lighting	148,597	196,681
Water supply and distribution	276,348	318,598
Wastewater treatment	34,427	42,062
Waste management	30,200	25,634
Public health and welfare services	9,625	5,676
Land use planning, zoning & development	23,490	23,958
Culture – libraries, museums, hall	3,166	3,166
Other recreation and culture	62,338	61,383
	757,475	877,411
<b>Excess (deficiency) of revenue over expense before other</b>	(136,294)	(64,940)
<b>Other</b>		
Gain on disposal of assets	-	22,255
Government transfers for Capital		250,930
<b>Excess of revenue over expenses</b>	(136,294)	208,245
<b>Accumulated surplus, beginning of year</b>	(8,364)	5,066,643
<b>Accumulated surplus, end of year</b>	\$ (144,658)	\$ 5,274,888

## Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2021

	Budget	Actual
<b>Excess of revenue over expenses</b>	\$ (136,294)	\$ 208,245
Amortization of tangible capital assets	186,236	188,957
Purchase of tangible capital assets	-	(70,960)
Proceeds on disposal of tangible capital assets	-	22,600
Loss (gain) on disposal of assets	-	-22,255
	186,236	118,342
<b>Increase in net financial assets</b>	49,942	326,587
<b>Net financial assets, beginning of year</b>	517,460	517,460
<b>Net financial assets, end of year</b>	\$ 567,402	\$ 844,047

## Consolidated Statement of Cash Flow

For the year ended December 31, 2021

<b>Operating transactions</b>	
Excess of revenue over expenses	\$ 208,245
Item not affecting cash:	
Amortization of property, plant and equipment	188,957
Gain on disposal of property, plant and equipment	(22,255)
	374,947
Change in non-cash working capital:	
Taxes and grants in place of taxes receivable	11,204
Trade and other receivables	(87,895)
Accounts payable and accrued liabilities	(478)
Deferred revenue	(69)
	(77,238)
Cash flow from operating activities	(297,709)
<b>Capital Activities</b>	
Acquisition of tangible capital assets	(70,960)
Proceeds on disposal of property, plant and equipment	22,600
Cash flow used by capital activities	(48,360)
<b>Financing Activities</b>	
Advances from members	(1,685)
Repayment of long-term debt	(7,893)
Cash flow used by financing activities	(9,578)
<b>(Decrease) increase in cash and temporary investments</b>	239,771
<b>Cash and temporary investments, beginning of year</b>	646,194
<b>Cash and temporary investments, end of year</b>	\$ 885,965

### Debt Limits

Section 276(2) of the Municipal Government Act requires that debt limits as defined by Alberta Regulation 255/00 for the Village be disclosed as follows:

Total debt limit	\$ 1,218,704
Total debt	(17,141)
Amount of debt limit unused	\$ 1,201,563
Debt servicing limit	\$ 203,117
Debt servicing	(9,300)
Amount of debt servicing limit unused	\$ 193,817

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.

### 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:

	Salary	Benefits	Total
<b>Council</b>			
Tim Frank	\$ 5,650	-	\$ 5,650
Corey Fisher	4,150	-	4,150
Les Schultz	4,950		4,950
Coralee Schindel	1,300		1,300
<b>Chief Administrative Officer</b>			
Designated Assessor	\$ 46,913	10,398	\$ 57,311
	5,575		5,575

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

(2) 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.

## Infrastructure Projects

### 2023 Planned Projects

1<sup>st</sup> Avenue West from Centre Street to 1<sup>st</sup> Street West

- Underground water and wastewater replacement and road replacement
- Total Costs: \$946,622;
- Funding through Canada Community Building Fund (formerly FGTF), Municipal Sustainability Initiative, Wheatland County Infrastructure Grant, and Village Reserves