

**TOWN OF ONOWAY**

**Financial Statements**

**For The Year Ended December 31, 2021**

②

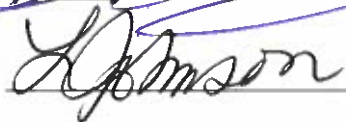
**TOWN OF ONOWAY**  
**Statement of Financial Position**  
**As at December 31, 2021**

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents <i>(Note 2)</i>	984,129	518,733
Receivables <i>(Note 3)</i>	303,216	585,119
Land held for resale	<u>203,385</u>	<u>203,385</u>
	<u>1,490,730</u>	<u>1,307,237</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities <i>(Note 4)</i>	401,409	379,303
Deferred revenue <i>(Note 5)</i>	137,602	280,035
Long-term debt <i>(Note 6)</i>	<u>1,398,161</u>	<u>1,483,350</u>
	<u>1,937,172</u>	<u>2,142,688</u>
<b>NET DEBT</b>	<u>(446,442)</u>	<u>(835,451)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets <i>(Note 7)</i>	11,642,015	11,502,359
Prepaid expenses	<u>5,341</u>	<u>12,782</u>
	<u>11,647,356</u>	<u>11,515,141</u>
<b>ACCUMULATED SURPLUS <i>(Note 8)</i></b>	<u>\$ 11,200,914</u>	<u>\$ 10,679,690</u>

**ON BEHALF OF THE TOWN COUNCIL:**



Mayor



Councillor

**TOWN OF ONOWAY**  
**Statement of Operations and Changes in Accumulated Surplus**  
**For The Year Ended December 31, 2021**

	2021 (Budget) (Note 15)	2021 (Actual)	2020 (Actual)
<b>REVENUE</b>			
Net taxes available for municipal purposes (Schedule 2)	1,291,063	1,289,621	1,242,051
Sales and user charges (Schedule 4)	975,526	1,058,882	1,001,162
Government transfers for operating (Schedule 3)	417,382	619,370	346,206
Sales to other governments	411,690	449,929	351,611
Franchise fees (Note 13)	98,433	115,956	86,802
Rentals	38,400	38,800	37,200
Other	22,168	32,445	16,668
Penalties and costs on taxes	15,000	24,365	21,769
Licenses and permits	4,000	10,769	4,921
Fines	6,500	9,695	2,598
Interest	8,000	7,305	8,468
	<u>3,288,162</u>	<u>3,657,137</u>	<u>3,119,456</u>
<b>EXPENSES</b>			
General administration	608,925	645,600	670,000
Water supply and distribution	484,626	529,553	493,622
Fire	391,124	421,792	360,470
Wastewater treatment and disposal	267,499	371,406	174,019
Roads, streets, walks, lighting	362,830	277,076	310,769
Common and equipment pool	215,900	229,060	241,317
Police	166,338	196,513	91,653
Family and community support services	121,759	121,759	85,836
Council and other legislative	125,325	112,676	107,832
Parks and recreation	111,500	110,065	134,072
Waste management	84,978	81,000	104,785
Other planning and development	160,700	52,451	153,686
Culture: libraries, museums, halls	34,700	35,646	20,762
Recreation board and other services	18,150	18,995	7,000
Land use planning, zoning and development	15,500	14,435	12,304
Subdivision land and development	6,000	8,305	3,522
Disaster and emergency services	22,500	7,730	24,701
Bylaws enforcement	1,000	4,000	1,012
Other	3,500	155	3,274
Amortization	69,674	456,335	435,713
	<u>3,272,528</u>	<u>3,694,552</u>	<u>3,436,349</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER REVENUE</b>	<u>15,634</u>	<u>(37,415)</u>	<u>(316,893)</u>
<b>OTHER REVENUE</b>			
Government transfers for capital (Schedule 3)	852,776	558,639	164,826
Gain on disposal of tangible capital assets	-	-	(7,908)
	<u>852,776</u>	<u>558,639</u>	<u>156,918</u>
<b>ANNUAL SURPLUS</b>	868,410	521,224	(159,975)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>10,679,690</u>	<u>10,679,690</u>	<u>10,839,665</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 11,548,100</u>	<u>\$ 11,200,914</u>	<u>\$ 10,679,690</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF ONOWAY**  
**Statement of Changes in Net Debt**  
**For The Year Ended December 31, 2021**

	2021 (Budget) (Note 15)	<b>2021 (Actual)</b>	2020 (Actual)
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 868,410</b>	<b>\$ 521,224</b>	<b>\$ (159,975)</b>
Purchase of tangible capital assets	(782,000)	(595,991)	(90,777)
Proceeds on disposal of tangible capital assets	-	-	3,710
Amortization of tangible capital assets	69,674	456,335	435,713
Loss (gain) on disposal of tangible capital assets	-	-	7,908
	<u>(712,326)</u>	<u>(139,656)</u>	<u>356,554</u>
Acquisition (use) of prepaid expenses	-	7,441	6,641
<b>INCREASE (DECREASE) IN NET DEBT</b>	156,084	<b>389,009</b>	203,220
<b>NET DEBT, BEGINNING OF YEAR</b>	<u>(835,451)</u>	<u>(835,451)</u>	<u>(1,038,671)</u>
<b>NET DEBT, END OF YEAR</b>	<b>\$ (679,367)</b>	<b>\$ (446,442)</b>	<b>\$ (835,451)</b>

**TOWN OF ONOWAY**  
**Statement of Cash Flows**  
**For The Year Ended December 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Cash from operations		
Annual surplus	\$ 521,224	\$ (159,975)
Non-cash items included in excess of revenues over expenses:		
Amortization	456,335	435,713
Gain (loss) on disposal of tangible capital assets	-	7,908
	<u>977,559</u>	<u>283,646</u>
Change in non-cash working capital balances related to operations:		
Prepaid expenses	7,441	6,641
Receivables	281,903	(242,190)
Accounts payable and accrued liabilities	22,106	(128,449)
Deferred revenue	<u>(142,433)</u>	<u>214,142</u>
	<u>1,146,576</u>	<u>133,790</u>
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	<u>(85,189)</u>	<u>(81,341)</u>
<b>CAPITAL ACTIVITIES</b>		
Proceeds on disposal of tangible capital assets	-	3,710
Purchase of tangible capital assets	<u>(595,991)</u>	<u>(90,777)</u>
	<u>(595,991)</u>	<u>(87,067)</u>
<b>CHANGE IN CASH CASH EQUIVALENTS DURING THE YEAR</b>	<b>465,396</b>	<b>(34,618)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>518,733</u></b>	<b><u>553,351</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 984,129</u></b>	<b><u>\$ 518,733</u></b>

**TOWN OF ONOWAY**  
**Schedule of Equity in Tangible Capital Assets**  
**For The Year Ended December 31, 2021**

*Schedule 1*

	<b>2021</b>	2020
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$ 10,019,009</b>	\$ 10,294,222
Purchase of Tangible Capital Assets	<b>595,991</b>	90,777
Amortization of Tangible Capital Assets	<b>(456,335)</b>	(435,713)
Net Book Value of Tangible Capital Assets Disposed of	-	(11,618)
Repayment of Capital Long-Term Debt	<b>85,189</b>	81,341
<b>BALANCE, END OF YEAR</b>	<b>\$ 10,243,854</b>	\$ 10,019,009

Equity in Tangible Capital Assets is Comprised of the Following:

Tangible Capital Assets (Note 7)	<b>\$ 11,642,015</b>	\$ 11,502,359
Long-term Debt (Note 6)	<b>(1,398,161)</b>	(1,483,350)
	<b>\$ 10,243,854</b>	\$ 10,019,009

**TOWN OF ONOWAY**  
**Schedule of Property Taxes Levied**  
**For The Year Ended December 31, 2021**

**Schedule 2**

	2021 (Budget) (Note 15)	<b>2021 (Actual)</b>	2020 (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 1,569,305	<b>\$ 1,573,218</b>	\$ 1,536,219
Linear property taxes	69,715	<b>64,090</b>	67,771
	<u>1,639,020</u>	<u><b>1,637,308</b></u>	<u>1,603,990</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	323,535	<b>323,535</b>	336,793
Lac Ste. Anne Foundation	24,422	<b>24,152</b>	25,146
	<u>347,957</u>	<u><b>347,687</b></u>	<u>361,939</u>
<b>NET MUNICIPAL TAXES</b>	<u><b>\$ 1,291,063</b></u>	<u><b>\$ 1,289,621</b></u>	<u>\$ 1,242,051</u>

**TOWN OF ONOWAY**  
**Schedule of Government Transfers**  
**For The Year Ended December 31, 2021**

**Schedule 3**

	2021 (Budget) (Note 15)	2021 (Actual)	2020 (Actual)
<b>TRANSFERS FOR OPERATING</b>			
Provincial government	333,236	535,224	291,663
Local governments	84,146	84,146	54,543
	<u>417,382</u>	<u>619,370</u>	<u>346,206</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial government	852,776	558,639	164,826
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 1,270,158</u>	<u>\$ 1,178,009</u>	<u>\$ 511,032</u>



**TOWN OF ONOWAY**  
**Schedule of Segmented Information**  
**For The Year Ended December 31, 2021**

**Schedule 4**

	General Administration	Protective Services	Public Works	Roads Streets, Walks and Lighting	Utilities	All Other	Total
<b>REVENUE</b>							
Taxation	484,254	60,441	229,060	370,885	-	144,981	1,289,621
Sales and user charges	2,205	71,118	-	-	940,208	45,351	1,058,882
Other	49,674	473,971	-	6,191	-	159,428	689,264
Government transfers	109,467	-	-	-	284,403	225,500	619,370
	645,600	605,530	229,060	377,076	1,224,611	575,260	3,657,137
<b>EXPENSES</b>							
Contracted and general services	338,676	476,622	63,843	24,827	584,451	82,709	1,571,128
Salaries, wages, and benefits	226,294	120,249	92,422	124,243	119,952	152,503	835,663
Materials, goods, and supplies	36,623	4,448	56,577	52,138	176,983	175,874	502,643
Utilities	20,508	2,467	8,790	74,828	23,792	13,943	144,328
Interest on long-term debt	-	-	-	-	67,209	-	67,209
Other	-	-	-	-	-	66,667	66,667
Insurance	23,499	1,744	7,428	1,040	9,571	7,297	50,579
	645,600	605,530	229,060	277,076	981,958	498,993	3,238,217
<b>NET REVENUE BEFORE AMORTIZATION</b>	-	-	-	100,000	242,653	76,267	418,920
Amortization	25,244	11,139	64,973	119,208	224,960	10,811	456,335
<b>NET REVENUE (DEFICIT)</b>	<b>\$ (25,244)</b>	<b>\$ (11,139)</b>	<b>\$ (64,973)</b>	<b>\$ (19,208)</b>	<b>\$ 17,693</b>	<b>\$ 65,456</b>	<b>\$ (37,415)</b>

The accompanying notes are an integral part of these financial statements.

**TOWN OF ONOWAY**  
**Schedule of Segmented Information**  
**For The Year Ended December 31, 2020**

**Schedule 4**

	General Administration	Protective Services	Public Works	Roads Streets, Walks and Lighting	Utilities	All Other	Total
<b>REVENUE</b>							
Taxation	537,531	58,964	241,317	404,658	-	(419)	1,242,051
Sales and user charges	2,299	36,258	-	-	953,395	9,210	1,001,162
Other	37,960	350,719	-	6,110	-	135,248	530,037
Government transfers	92,209	-	-	-	-	253,997	346,206
	669,999	445,941	241,317	410,768	953,395	398,036	3,119,456
<b>EXPENSES</b>							
Contracted and general services	264,619	348,849	114,518	45,282	414,723	78,181	1,266,172
Salaries, wages, and benefits	344,104	85,765	63,927	169,754	79,173	184,979	927,702
Materials, goods, and supplies	19,536	6,519	47,594	33,621	166,075	120,752	394,097
Other	-	-	-	-	-	170,581	170,581
Utilities	15,711	3,047	8,444	61,148	22,702	4,188	115,240
Interest on long-term debt	873	-	-	-	71,110	-	71,983
Insurance	25,156	1,761	6,834	963	18,642	1,505	54,861
	669,999	445,941	241,317	310,768	772,425	560,186	3,000,636
<b>NET REVENUE BEFORE AMORTIZATION</b>	-	-	-	100,000	180,970	(162,150)	118,820
Amortization	25,244	10,299	61,070	109,971	220,656	8,473	435,713
<b>NET REVENUE (DEFICIT)</b>	<b>\$ (25,244)</b>	<b>\$ (10,299)</b>	<b>\$ (61,070)</b>	<b>\$ (9,971)</b>	<b>\$ (39,686)</b>	<b>\$ (170,623)</b>	<b>\$ (316,893)</b>

The accompanying notes are an integral part of these financial statements.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town are the representations of management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Town are as follows:

*(a) Reporting Entity*

The financial statements reflect assets, liabilities, revenue and expenses and changes in fund balances and changes in financial position of the Town. This is comprised of the municipal operations plus all of the organizations that are owned or accountable to the Town 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.

*(b) Basis of Accounting*

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues.

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

Expenses are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

*(c) Cash and Cash Equivalents*

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

*(d) Land Held 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 levelling 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 their respective function.

*(e) Use of Estimates*

The preparation of financial statements in conformity with the accounting principles for local governments established by the Public Sector Accounting Board 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 expenditures 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.

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*(f) Tax Revenue*

Property taxes are recognized as revenue in the year they are levied.

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

*(g) Tangible Capital Assets*

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

Engineered structures	
Water systems	45 - 75 years
Wastewater systems	75 years
Roadways	10 - 20 years
Storm systems	75 years
Buildings	25 & 50 years
Machinery and equipment	5 - 33 years
Vehicles	10 years

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

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

*(h) Contaminated Sites*

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. A liability for remediation on contaminated sites is recognized, net of any recoveries, when an environmental standard exists, contamination exceeds the environmental standard, the Town is directly responsible for or accepts responsibility for the liability, future economic benefits will be given up, and a reasonable estimate of the liability can be made.

*(i) Under-Levies and Over-Levies*

Under-levies and over-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

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

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

*(j) New Accounting Standards not yet Adopted*

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

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

**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

**2. CASH AND CASH EQUIVALENTS**

	<u>2021</u>	<u>2020</u>
Deposit account with financial institution	\$ 983,529	\$ 518,133
Cash on hand	600	600
	<u>\$ 984,129</u>	<u>\$ 518,733</u>

**3. RECEIVABLES**

	<u>2021</u>	<u>2020</u>
Taxes and grants in place of taxes	\$ 126,153	\$ 143,664
Utilities	76,533	84,394
Trade and other	66,776	345,485
Goods and Services Tax	55,495	33,317
	<u>324,957</u>	<u>606,860</u>
Less: Allowance for doubtful accounts	<u>(21,741)</u>	<u>(21,741)</u>
	<u>\$ 303,216</u>	<u>\$ 585,119</u>

Taxes and grants in place of taxes include arrears taxes in the amount of \$84,288 (2020 - \$69,931).

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2021</u>	<u>2020</u>
Trade payables	\$ 282,243	\$ 158,970
Lac Ste. Anne County	100,000	200,000
Accrued interest on long-term debt	19,166	20,333
	<u>\$ 401,409</u>	<u>\$ 379,303</u>

During 2018, the Town entered into a cost participation agreement with Lac Ste. Anne County for improvements to Township Road 544 from RR 11 east to RR 21 and RR 21 from Township Road 544 north to Township Road 545. Under the terms of the agreement, the Town agreed to reimburse the County for \$500,000 of the total costs of the project repayable in annual instalments of \$100,000 from 2018 - 2022.

**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

**5. DEFERRED REVENUE**

Deferred revenue consists of externally restricted unspent funds received which relate to costs of future periods.

	2020	Received	Used	2021
Municipal Sustainability Initiative	200,470	352,774	(485,435)	<b>67,809</b>
Other	77,625	6,892	(14,803)	<b>69,714</b>
Municipal Operating Support				
Transfer	62,195	-	(62,195)	-
Canada Community-Building Fund	(60,255)	295,624	(235,290)	<b>79</b>
	<u>\$ 280,035</u>	<u>\$ 655,290</u>	<u>\$ (797,723)</u>	<u>\$ 137,602</u>

**6. LONG-TERM DEBT**

	<u>2021</u>	<u>2020</u>
Government of Alberta debenture, repayable in bi-annual instalments of \$76,783 including interest at a fixed rate of 4.676%, due September 15, 2033. Debenture debt is issued on the credit and security of Town at large.	<u>\$ 1,398,161</u>	<u>\$ 1,483,350</u>

Principal and interest payments are as follows:

	Principal	Interest	Total
2022	\$ 89,219	\$ 64,347	\$ 153,566
2023	93,439	59,126	152,565
2024	97,859	55,706	153,565
2025	102,489	51,077	153,566
2026	107,337	46,228	153,565
Thereafter	907,818	167,143	1,074,961
	<u>\$ 1,398,161</u>	<u>\$ 443,627</u>	<u>\$ 1,841,788</u>

The Town's cash payments for interest in 2021 were \$68,377 (2020 - \$72,225).

**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

**7. TANGIBLE CAPITAL ASSETS**

	<u>2021</u>	<u>2020</u>
Engineered structures		
Water systems	4,011,852	4,135,399
Wastewater systems	4,200,814	4,145,956
Roadways	1,741,537	1,482,299
Storm systems	581,646	590,594
	<u>10,535,849</u>	<u>10,354,248</u>
Machinery, equipment, and furnishings	489,487	563,915
Buildings	313,023	296,139
Land	196,380	196,380
Vehicles	107,276	91,677
	<u>\$ 11,642,015</u>	<u>\$ 11,502,359</u>

	Cost Beginning of Year	Additions	Disposals	Write-downs	Cost End of Year
Engineered structures					
Roadways	3,713,865	369,498	-	-	4,083,363
Water systems	7,018,810	-	-	-	7,018,810
Wastewater systems	5,061,499	127,550	-	-	5,189,049
Storm systems	671,119	-	-	-	671,119
	<u>16,465,293</u>	<u>497,048</u>	<u>-</u>	<u>-</u>	<u>16,962,341</u>
Land	196,380	-	-	-	196,380
Buildings	1,280,827	43,477	-	-	1,324,304
Machinery, equipment, and furnishings	1,362,137	16,150	-	-	1,378,287
Vehicles	352,367	39,316	-	-	391,683
	<u>\$ 19,657,004</u>	<u>\$ 595,991</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,252,995</u>

	Accumulated Amortization Beginning of Year	Current Amortization	Disposals	Write-downs	Accumulated Amortization End of Year
Engineered structures					
Roadways	2,231,566	110,260	-	-	2,341,826
Water systems	2,883,411	123,547	-	-	3,006,958
Wastewater systems	915,543	72,692	-	-	988,235
Storm systems	80,525	8,948	-	-	89,473
	<u>6,111,045</u>	<u>315,447</u>	<u>-</u>	<u>-</u>	<u>6,426,492</u>
Buildings	984,688	26,593	-	-	1,011,281
Machinery, equipment, and furnishings	798,222	90,578	-	-	888,800
Vehicles	260,690	23,717	-	-	284,407
	<u>\$ 8,154,645</u>	<u>\$ 456,335</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,610,980</u>

**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

**8. ACCUMULATED SURPLUS**

	<u>2021</u>	<u>2020</u>
Unrestricted surplus (deficit)	(82,232)	(200,000)
Restricted surplus		
Operating reserves (Note 9)	590,427	483,073
Capital reserves (Note 9)	448,865	377,608
Equity in tangible capital assets (Schedule 1)	<u>10,243,854</u>	<u>10,019,009</u>
	<u>\$ 11,200,914</u>	<u>\$ 10,679,690</u>

**9. RESERVES**

	<u>2021</u>	<u>2020</u>
<b>Operating Reserves</b>		
Lagoon	215,773	154,107
Roads and streets	163,130	160,988
Future development	112,359	79,211
Tax stabilization	44,783	34,783
Water upgrades	34,840	34,840
Special projects	16,000	16,000
Recreation	3,542	1,104
Election	-	2,040
	<u>\$ 590,427</u>	<u>\$ 483,073</u>
<b>Capital Reserves</b>		
Utilities	157,647	119,767
Machinery and equipment	76,165	69,025
Recreation venue / opportunity	60,000	60,000
Building - administration	39,851	29,750
Parks, recreation and playgrounds	32,195	32,195
Parks improvements - Fortis	28,711	28,711
Vehicle - public works	17,991	11,870
Onoway Regional Fire Services	17,124	9,761
Building - public works	7,509	5,877
Culture and hall	5,940	4,920
Parks beautification	4,130	4,130
Fire	1,602	1,602
	<u>\$ 448,865</u>	<u>\$ 377,608</u>



**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

**10. TRUST FUNDS**

The Town administers the following trusts on behalf of third parties. As related trust assets are not owned by the Town, the trusts have been excluded from the financial statements. The following table provides a summary of the transactions within these trusts during the year:

	Opening	Receipts	Disbursements	Ending
Tax sale property funds	\$ 74,430	\$ 2,210	\$ -	\$ 76,640
Collaboration Program Grants	2,002	97,425	(49,949)	49,478
Seniors Housing	1,000	-	-	1,000
	<u>\$ 77,432</u>	<u>\$ 99,635</u>	<u>\$ (49,949)</u>	<u>\$ 127,118</u>

**11. SALARIES AND BENEFITS DISCLOSURE**

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

	2021		2020	
	Salary	Benefits and Allowances	Total	Total
Town Council				
Kwasny (Mayor) (Oct - Dec)	1,600	516	2,116	-
Tracy (Mayor) (Dec - Sep)	8,825	4,928	13,753	20,631
Johnson	10,700	5,919	16,619	16,657
Tonita	8,425	4,906	13,331	17,395
St. Hilaire	7,625	1,945	9,570	12,406
Mickle	3,100	4,629	7,729	8,046
Coninx	2,250	551	2,801	-
Murray	1,850	529	2,379	-
Winterford	1,525	361	1,886	-
	<u>\$ 45,900</u>	<u>\$ 24,284</u>	<u>\$ 70,184</u>	<u>\$ 75,135</u>
Chief Administrative Officer				
Wildman	<u>\$ 153,925</u>	<u>\$ -</u>	<u>\$ 153,925</u>	<u>\$ 135,425</u>
Designated Officers	<u>\$ 12,394</u>	<u>\$ -</u>	<u>\$ 12,394</u>	<u>\$ 11,923</u>

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

Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, and the employer's share of the costs of any additional taxable benefits.

**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

**12. CONTRACTUAL OBLIGATIONS**

*(a) Emergency Services*

The Town has entered into an agreement for the provision of emergency first response, fire suppression, and emergency rescue services for the period January 1, 2021 - December 31, 2025. The basic annual fee for these services is approximately \$260,000 annually.

*(b) Waste Collection*

The Town has entered into an agreement for waste collection services for the period January 1, 2021 - December 31, 2025. Estimated annual charges for \$65,000 annually.

**13. UTILITY FRANCHISE AGREEMENTS**

Disclosure of utility franchise agreement annual revenues as required by Alberta Regulation 313/2000 is as follows:

	<u>2021</u>	<u>2020</u>
Fortis Alberta Inc.	\$ 84,459	\$ 62,130
Atco Gas	<u>31,497</u>	<u>24,672</u>
	<u>\$ 115,956</u>	<u>\$ 86,802</u>

**14. FINANCIAL INSTRUMENTS**

The Town's financial instruments consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

The Town is exposed to credit risk with respect to receivables. Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of customers minimizes the Town's credit risk.

**15. BUDGET**

The 2021 budget data presented in these financial statements is based on the operating and capital budgets approved by Council on April 22, 2021. The chart below reconciles the approved financial plan to the figures reported in these financial statements.

	<u>2021</u> <u>(Budget)</u>	<u>2021</u> <u>(Actual)</u>
Annual surplus	868,410	521,224
Add back:		
Amortization expense	-	456,335
Net transfers from (to) reserves	(5,431)	(178,611)
Deduct:		
Principal debt repayments	(80,979)	(85,189)
Purchase of tangible capital assets	(782,000)	(595,991)
	<u>\$ -</u>	<u>\$ 117,768</u>

**TOWN OF ONOWAY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2021**

---

**16. 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 Town be disclosed as follows:

	<u>2021</u>	<u>2020</u>
Total debt limit	<b>\$ 5,485,706</b>	\$ 4,679,184
Total debt	<b>(1,398,161)</b>	(1,483,350)
Amount of debt limit unused	<b>\$ 4,087,545</b>	\$ 3,195,834
Service on debt limit	<b>\$ 914,284</b>	\$ 779,864
Service on debt	<b>(153,566)</b>	(153,565)
Amount of debt servicing limit unused	<b>\$ 760,718</b>	\$ 626,299

---

**17. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by Council and administration.

---