

Consolidated Financial Statements of

# **TOWN OF HIGH LEVEL**

Year ended December 31, 2016

# **TOWN OF HIGH LEVEL**

## **Consolidated Financial Statements**

**Year ended December 31, 2016**

### **Financial Statements**

<b>Management's Responsibility for the Consolidated Financial Statements</b>	<b>1</b>
<b>Independent Auditors' Report</b>	<b>2</b>
<b>Consolidated Statement of Financial Position</b>	<b>3</b>
<b>Consolidated Statement of Operations and Accumulated Surplus</b>	<b>4</b>
<b>Consolidated Statement of Changes in Net Financial Assets</b>	<b>5</b>
<b>Consolidated Statement of Cash Flows</b>	<b>6</b>
<b>Notes to Consolidated Financial Statements</b>	<b>7</b>



10511-103 street  
High Level, Alberta  
T0H 1Z0  
Tel: (780) 926-2201  
Fax: (780) 926-2899

## **Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of the Town of High Level (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of the significant accounting policies are described in note 2 of the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to approval of the consolidated financial statements.

The consolidated financial statements have been audited by Hawkings Epp Dumont LLP, independent external auditors appointed by the Town. The accompanying Auditors' report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Dan Fletcher, Chief Administrative Officer

Brittany Stahl, Director of Finance

April 24<sup>th</sup>, 2017



**INDEPENDENT AUDITORS' REPORT**

To the Mayor and Members of Council of Town of High Level

We have audited the accompanying consolidated financial statements of Town of High Level, which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

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

*Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Town of High Level as at December 31, 2016, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Other Matters*

The consolidated financial statements of the Town of High Level for the year ended December 31, 2015 were audited by another auditor who expressed a qualified opinion pertaining to the Town's inability to adopt accounting standard PS3260 – Liability for Contaminated Sites on April 25, 2016.

*Hawkings Epp Dumont LLP*

Edmonton, Alberta  
April 24, 2017

Hawkings Epp Dumont LLP  
Chartered Accountants

**EDMONTON**

10476 Mayfield Road  
Edmonton, AB T5P 4P4  
1.877.489.9606  
T: 780.489.9606  
F: 780.484.9689

**LLOYDMINSTER**

5102 – 48 Street  
PO Box 10099  
Lloydminster, AB T9V 3A2  
T: 780.875.7433  
F: 780.875.5304

**WHITECOURT**

4927 – 51 Avenue  
PO Box 328  
Whitecourt, AB T7S 1N5  
T: 780.778.3091  
F: 780.778.3072

**HAWKINGS.COM**



# TOWN OF HIGH LEVEL

## Consolidated Statement of Financial Position

December 31, 2016, with comparative information for 2015 (as restated on Note 10)

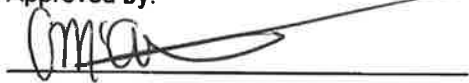
	2016	2015
<b>Financial assets:</b>		
Cash	\$ 1,717,780	\$ 217,772
Accounts receivable (note 3)	1,417,418	1,946,806
Investments (note 4)	7,520,582	6,004,417
	<u>10,655,780</u>	<u>8,168,945</u>
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	877,080	1,302,743
Wages and benefits payable	255,686	183,989
Deferred revenue (note 6)	1,519,556	493,827
Long-term debt (notes 7 and 8)	4,311,803	3,941,426
Landfill liability (note 9)	4,107,320	4,051,716
Deposit liabilities	56,830	36,370
	<u>11,128,275</u>	<u>10,010,071</u>
<b>Net financial debt</b>	<b>(472,495)</b>	<b>(1,841,126)</b>
<b>Non-financial assets:</b>		
Tangible capital assets (note 11)	114,122,612	118,690,225
Inventories of supplies	188,181	153,504
Prepaid expenses	229,798	485,383
	<u>114,540,591</u>	<u>119,329,112</u>
<b>Accumulated surplus (note 12)</b>	<b>\$ 114,068,097</b>	<b>\$ 117,487,986</b>

Operating line of credit (note 5)

Contingent liabilities (note 13)

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

Approved by:



Mayor



Councillor

# TOWN OF HIGH LEVEL

## Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2016, with comparative information for 2015 (as restated; Note 10)

	Budget	2016	2015
<b>Revenue:</b>			
Net municipal taxes (note 14)	\$ 4,592,101	\$ 4,612,620	\$ 4,550,313
User fees and sales of goods	4,449,693	5,075,502	4,560,842
Government transfers			
- operating (note 15)	1,117,606	998,299	877,945
Investment income	200,034	112,245	119,635
Penalties and costs of taxes	45,850	56,274	39,496
Development levies	-	-	44,774
Licenses and permits	127,600	113,905	81,177
Other	263,417	243,707	545,835
	10,796,301	11,212,552	10,820,017
<b>Expenses (note 16):</b>			
Legislative	334,581	325,249	321,958
Administration	1,767,065	1,748,014	1,641,341
Protective services	1,451,366	1,673,052	1,452,696
Transportation	5,568,490	5,054,642	5,127,035
Water supply and distribution	2,001,574	2,350,921	2,011,865
Wastewater treatment and disposal	736,638	696,461	845,871
Waste management	208,480	219,556	202,336
Family and community support	173,021	178,914	171,837
Planning and development	428,338	365,126	326,285
Parks and recreation	1,675,437	1,750,095	1,769,870
Culture and library	648,090	548,421	573,349
	14,993,080	14,910,451	14,444,443
Annual deficit before other	(4,196,779)	(3,697,899)	(3,624,426)
<b>Other:</b>			
Government transfers - capital (note 13)	972,400	278,010	2,870,036
Annual deficit	(3,224,379)	(3,419,889)	(754,390)
Accumulated surplus, beginning of year (As previously reported)	117,487,986	121,539,702	122,220,997
Prior Period Adjustment (Note 9)		(4,051,716)	(3,978,621)
Accumulated surplus, beginning of year (As restated)		117,487,986	118,242,376
Accumulated surplus, end of year	\$ 114,263,607	\$ 114,068,097	\$ 117,487,986

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

# TOWN OF HIGH LEVEL

## Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2016, with comparative information for 2015 (as restated on Note 10)

	Budget	2016	2015
Annual deficit	\$ (3,224,379)	\$ (3,419,889)	\$ (754,390)
Acquisition of tangible capital assets	(2,577,600)	(794,962)	(3,686,957)
Amortization of tangible capital assets	4,715,619	4,904,685	4,696,055
Loss on disposal of tangible capital assets	-	447,285	-
Proceeds on disposal of tangible capital assets	-	10,605	-
	(1,086,360)	1,147,724	254,708
Acquisition of inventories of supplies	-	(345,566)	(414,068)
Acquisition of prepaid expenses	-	(229,645)	(217,183)
Consumption of inventories of supplies	-	310,889	382,704
Use of prepaid expenses	-	485,230	197,720
	-	220,908	(50,827)
Change in net financial assets	(1,086,360)	1,368,632	203,881
Net financial assets (debt), beginning of year, as previously reported	(1,841,126)	(2,210,590)	1,933,614
Prior Period adjustment (Note 9)		(4,051,716)	(3,978,621)
Net financial assets (debt), beginning of year, as restated		(1,841,126)	(2,045,007)
Net financial assets, end of year	\$ (2,927,486)	\$ (472,494)	\$ (1,841,126)

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

# TOWN OF HIGH LEVEL

## Consolidated Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015 (as restated on Note 10)

	2016	2015
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (3,419,889)	\$ (754,390)
Items not involving cash:		
Amortization of tangible capital assets	4,904,685	4,696,055
Amortization of discount on investments	43,724	137,112
Loss on disposal of tangible capital assets	447,285	-
Gain on sale of investments	(9,867)	(44,960)
Landfill liability provision (note 9)	55,604	73,095
Change in non-cash assets and liabilities:		
Accounts receivable	529,388	(236,367)
Accounts payable and accrued liabilities	(425,663)	(275,421)
Deposit liabilities	20,460	(11,830)
Deferred revenue	1,025,729	125,341
Wages and benefits payable	71,697	(76,947)
Inventories of supplies	(34,677)	(31,364)
Prepaid expenses	255,585	(19,463)
Net change in cash from operating activities	3,464,061	3,580,861
Capital activities:		
Acquisition of tangible capital assets	(794,962)	(3,686,957)
Proceeds on disposal of tangible capital assets	10,605	-
Net change in cash from capital activities	(784,357)	(3,686,957)
Investing activities:		
Purchase of investments	(3,087,713)	(2,888,232)
Sale of investments	1,537,690	2,939,871
Net change in cash from investing activities	(1,550,023)	51,639
Financing activities:		
Long-term debt issued	750,000	-
Long-term debt repaid	(379,623)	(527,948)
Net change in cash from financing activities	370,377	(527,948)
Net change in cash	1,500,058	(582,405)
Cash, beginning of year	217,722	800,127
Cash, end of year	\$ 1,717,780	\$ 217,722
Cash paid for interest	\$ 178,272	\$ 205,878
Cash received from interest	144,817	233,228

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



# TOWN OF HIGH LEVEL

## Notes to Consolidated Financial Statements

Year ended December 31, 2016

---

### 1. Nature of organization:

On June 1, 1965, the Province of Alberta passed Order in Council 967/65 incorporating the New Town of High Level. Order in Council 750/83, passed August 31, 1983, changed the name to the Town of High Level (the "Town"). The Town is governed by the Municipal Government Act of the Province of Alberta.

### 2. Significant accounting policies:

The consolidated financial statements of the Town are prepared by the Town's management in accordance with Canadian Public Sector Accounting Standards ("PSAS"). Significant accounting policies adopted by the Town are as follows:

#### (a) Reporting entity:

##### i) Consolidated entities

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, communities and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. The reporting entity is comprised of the municipal operations of the Town and the High Level Municipal Library Board.

##### ii) Accounting for housing management bodies and school board transactions

Taxes levied include requisitions for the Alberta School Fund Foundation and the Mackenzie Housing Seniors Lodge. The taxation, other revenue, expenses, assets and liabilities with respect to the operations of the Alberta School Fund Foundation and Mackenzie Housing Seniors Lodge are not reflected in these consolidated financial statements.

##### iii) Mackenzie Regional Waste Management Commission

The Town is a member of the Mackenzie Regional Waste Management Commission (the "Commission"). The Province of Alberta under Alberta Regulation 264/2003 established the Commission pursuant to the Municipal Government Act. The nature of the establishment and operation is such that profits or any other income of the Commission is retained by the Commission. All financial transactions with the Commission are recognized and recorded in the consolidated financial statements of the Town.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## 2. Significant accounting policies (continued):

### (a) Reporting entity (continued):

#### iv) Trust funds

Trust funds and their related operations administered by the Town are not included in these consolidated financial statements.

### (b) Basis of accounting:

The Town follows the accrual basis of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

### (c) Government transfers:

Government transfers are recognized as revenue in the period, in which events giving rise to the transfer occur, provided the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. A transfer with or without eligibility criteria but stipulation is recognized in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability.

### (d) Tax revenue:

Tax revenues are recognized as assets and revenue when the taxable event occurs.

### (e) Requisition over-levy and under-levy:

Over 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 or under-levies of the prior year.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## 2. Significant accounting policies (continued):

### (f) Landfill liability & Post Closure Liability:

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 estimated life of the landfill site based on usage. The annual provision is reported as operating fund expenditure, and the accumulated provision is reported as a liability on the statement of financial position.

### (g) Prepaid local improvements charges :

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectable from property owners for work performed by the Town.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue as the expenses are incurred to complete the project.

### (h) Deferred revenue:

Deferred revenue represents government transfers, contributions and other amounts received from third parties pursuant to legislation, regulation or agreement that 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. These amounts will be recognized as revenues in the fiscal year when the related expense is incurred, services performed or the tangible capital assets are acquired.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 2. Significant accounting policies (continued):

### (i) 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.

### (j) Investments:

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

Investment income is reported as revenue in the period earned. When required by the funding government or by legislation, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

### (k) 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 ordinary course of operations.

#### (i) Tangible capital assets

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

Asset	Years
Land improvements	15-30
Buildings (includes building improvements)	15-50
Engineered structures	16-75
Machinery and equipment	5-20
Vehicles	10-20

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

# **TOWN OF HIGH LEVEL**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## **2. Significant accounting policies (continued):**

### **(k) Non-financial assets (continued):**

#### **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) Works of art and cultural and historic assets**

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

#### **iv) Interest capitalization**

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

#### **v) Inventories of supplies**

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost, with cost determined on an average cost basis.

### **(l) Use of estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the period. Significant estimates include assumptions used in estimating the provisions for uncollectible accounts receivable, assumptions related to recording accrued liabilities estimates of historical cost and useful lives of tangible capital assets and the assumptions related to the timing and cash flow estimates of the landfill liability. Actual results could differ from those estimates.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## 2. Significant accounting policies (continued):

### (m) Future accounting standard pronouncements:

The following summarizes upcoming changes to PSAS. In 2017, the Town will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently. The requirements in PS1201, Financial Statement Presentation, PS3450, Financial Instruments, PS2601, Foreign Currency Translation and PS3041, Portfolio Investments must be implemented at the same time. Related Party Disclosures PS2200 and Inter-Entity Transactions PS3420 also require concurrent adoption.

#### i) Introduction to Public Sector Accounting Standards

The Public Sector Accounting (PSA) Handbook was previously written primarily to address the financial reporting needs of governments in Canada. With the broadened scope of the PSA Handbook to include government organizations that previously reported under Part V of the CPA Handbook, it was necessary to update the introduction to clarify the applicability of the PSA Handbook to various public sector entities. The new introduction is applicable for fiscal years beginning on or after January 1, 2017.

#### ii) Assets

PS3210, Assets provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements. This standard is applicable for fiscal years beginning on or after April 1, 2017.

#### iii) Contingent Assets

PS3320, Contingent Assets establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. This standard is applicable for fiscal years beginning on or after April 1, 2017.

#### iv) Contractual Rights

PS3380, Contractual Rights establishes standards on the reporting , Contingent Assets establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. This standard is applicable for fiscal years beginning on or after April 1, 2017.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## 2. Significant accounting policies (continued):

### (m) Future Accounting Standard Pronouncements (continued):

#### v) Inter-Entity Transactions

PS3420, *Inter-Entity Transactions*, specifically covers how to account for and report transactions between entities controlled by a government and that comprise the government's reporting entity from both a provider and a recipient perspective. This standard is applicable to fiscal years beginning on or after April 1, 2017.

#### vi) Related Party Disclosures

PS2200, *Related Party Disclosures*, requires sufficient information be disclosed about the terms and conditions on which transactions between related parties are conducted and the relationship underlying them. The disclosure provides information necessary to assess the effect that the related party relationships have had, or, if not recognized, may have had on the entity's financial position and financial performance. This standard is applicable for fiscal years beginning on or after April 1, 2017.

#### vii) Restructuring Transactions

PS3430, *Restructuring Transactions* establishes standards on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. This standard is applicable for fiscal years beginning on or after April 1, 2018.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## 2. Significant accounting policies (continued):

### (m) Future Accounting Standard Pronouncements (continued):

#### viii) Portfolio Investments

PS3041, Portfolio Investments, has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS3450, Financial Instruments, and now includes pooled investments in its scope. Upon adoption of PS3450 and PS3041, PS3030 Temporary Investments will no longer apply. This standard is applicable for fiscal years beginning on or after April 1, 2019.

#### ix) Financial Instruments

PS3450, *Financial Instruments*, establishes recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities. This standard is applicable for fiscal years beginning on or after April 1, 2019.

#### x) Foreign Currency Translation

PS2601, Foreign Currency Translation, requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the new statement of re-measurement gains and losses. This standard is applicable for fiscal years beginning on or after April 1, 2019.



# TOWN OF HIGH LEVEL

## Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

### 3. Accounts receivable:

	2016	2015
Property taxes receivable (net of allowance \$30,288 ; 2015 - \$20,271)	\$ 185,636	\$ 124,519
Government transfers receivable	83,051	739,683
Other receivables (net of allowance \$6,266; 2015 - \$9,976)	1,119,094	1,044,772
Local improvements (interest at rates ranging from 3.53% to 5.88% due over the periods through 2020)	29,638	37,832
	<b>\$ 1,417,418</b>	<b>\$ 1,946,806</b>

### 4. Investments:

	2016		2015	
	Amortized Cost	Market value	Amortized Cost	Market value
Short-term notes and deposits	\$ 41,983	\$ 41,983	\$ 187,120	\$ 187,120
Corporate, government and government guaranteed bonds	7,478,599	7,439,423	5,817,297	5,748,454
	<b>\$ 7,520,582</b>	<b>\$ 7,481,406</b>	<b>\$ 6,004,417</b>	<b>\$ 5,935,574</b>

Short-term notes and deposits have effective interest rate of .75% (2015 – 0.65% to 1.80%) and mature in less than one year, Corporate, government and government guaranteed bonds have effective interest rates ranging from 2.58% to 9.976% (2015 – 2.58% to 10.22%) with maturity dates ranging from June 30, 2018 to September 29, 2026 (2015 – June 30, 2018 to May 20, 2022). The Town intends to hold these securities until maturity.

### 5. Operating line of credit:

The Town has established an operating line of credit up to \$3,000,000 (2015 - \$3,000,000). The Town had not drawn against this facility as at December 31, 2016. The operating line of credit is secured by borrowing bylaws. Outstanding amounts bear interest at the bank's prime lending rate plus 0.5%.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 6. Deferred revenue:

The deferred revenue reported on the consolidated statement of financial position is made up of the following:

	2016	2015
<b>Provincial government transfers:</b>		
Municipal Sustainability Incentive - Capital	\$ 1,165,161	\$ 310,296
Regional Collaboration Conditional Grant	-	63,342
Fire Smart Community Grant	-	33,425
Federal Gas Tax Fund	320,783	25,151
Alberta Municipal Infrastructure Program	-	1,289
Municipal Grant - Other	-	596
	1,485,944	434,099
<b>Other deferred revenues:</b>		
Prepaid deposits	24,238	37,241
Prepaid property taxes	9,374	22,487
	33,612	59,728
	\$ 1,519,556	\$ 493,827

Continuity of deferred revenue is as follows:

	2016	2015
<b>Deferred government transfers:</b>		
Deferred government transfers, beginning of year	\$ 434,099	\$ 318,698
Government transfers received during the year	2,328,154	3,863,382
Government transfers recognized during the year	(1,276,309)	(3,747,981)
Deferred government transfers, end of year	1,485,944	434,099
<b>Other deferred revenues:</b>		
Other deferred revenues, beginning of year	59,728	49,788
Other received during the year	40,816	64,540
Other recognized during the year	(66,932)	(54,600)
Other deferred revenues, end of year	33,612	59,728
Balance, end of year	\$ 1,519,556	\$ 493,827

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 7. Long-term debt:

	2016	2015
Alberta Capital Finance Authority debentures bearing interest at rates ranging from 1.6% to 5.75% (2015 - 3.84% to 5.75%) per annum and maturing in periods from 2021 through 2033 (2015 - 2016 through 2033)	\$ 4,311,803	\$ 3,941,426

Long-term debt is issued on the credit and security of the Town at large.

Principal and interest repayment requirements on long-term debt over the next five years and thereafter are as follows:

	Principal	Interest	Total
2017	\$ 423,723	\$ 172,751	\$ 605,474
2018	449,102	156,372	605,474
2019	466,220	139,254	605,474
2020	484,122	121,362	605,474
2021	502,816	102,657	605,474
Thereafter	1,976,830	395,802	2,372,632
	\$ 4,311,803	\$ 1,088,199	\$ 5,400,002

# TOWN OF HIGH LEVEL

## Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

### 8. Debt and debt service 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 be disclosed as follows:

	2016	2015
Total debt limit	\$ 16,818,828	\$ 16,230,026
Total debt	4,311,803	3,941,426
Amount by which debt limit unused	12,507,025	12,288,600
Percentage used (%)	25.63%	24.28%
Debt servicing limit	2,803,138	2,705,004
Debt servicing	605,474	557,895
Amount by which debt servicing limit unused	2,197,664	2,147,109
Percentage used (%)	21.59%	20.62%

The debt limit is calculated at 1.5 times revenue of the Town (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 that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Town. Rather, the financial statements must be interpreted as a whole.

### 9. Landfill Closure and post-closure liability

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

The Town owns two landfills that are within 500 meters of each other. Landfill one was created and owned by the Province (being represented by the department of Municipal Affairs) but transferred to the Town in 1966. Landfill two was owned by the Town and was approved for a landfill site in 1967. During the mid-1980's, both landfills were no longer accepting waste and were closed. Since then, the Town began utilizing the services of the county's landfill operations.

In 2010, an engineering firm established the Town's closure cost to be \$3,101,200, yearly post-closure monitoring cost of \$29,400 for the next 25 years associated with a final post-closure date of 2035. The estimated total liability is based on the sum of discounted future cash flows for closure and post-closure activities for 25 years after closure using a discount rate of 3% and assuming an annual information rate of 3.2%. The change in the Town's accrued liability portion for the year was \$55,604 (2014 - \$73,095).

# TOWN OF HIGH LEVEL

## Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

	2016	2015
Estimated Closure costs	\$ 3,417,445	\$ 3,381,935
Estimated post-closure liability	689,875	669,781
Estimated total liability	4,107,320	4,051,716

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

### 10. Prior period adjustment

During the 2016 fiscal year, it was discovered that the Town did not comply with Public Sector Accounting Standard 3270 – solid waste landfill closure and post-closure liability. Under environmental law, there is a liability for closure and post-closure care. It is not sufficient to disclose closure and post-closure care liability as a contingency as the existence of the liability is known with certainty. Prior to 2010, both landfills were deemed to have been closed as the landfills have been inactive for a long period of time. As environmental standards change overtime and with improvement of new technology, 2010's engineering report identified that the two landfills that were deemed closed still require closure and post-closure costs. As this information was available in 2010, retroactive adjustment will be required resulting in a change in prior year comparative figures.

The 2015 financial statements were adjusted as follows:

- Decrease in accumulated operating surplus and increase in landfill liability - \$3,978,621;
- Increase in landfill closure and post-closure provision and liability - \$73,095;

Certain comparative figures have been restated to conform to current year's presentation.

## TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

### 11. Tangible capital assets:

	2016							
	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	Assets under construction	Total
<b>Cost:</b>								
Balance, beginning of year	\$ 5,554,731	\$ 7,967,856	\$ 20,225,586	\$ 151,089,822	\$ 7,315,896	\$ 3,610,038	\$ 2,488,195	\$ 198,252,124
Additions	271,500	-	6,700	55,349	30,203	75,232	355,978	794,962
Disposals	(60,915)	-	(2,600)	(434,587)	-	(442,873)	-	(940,975)
Transfers	-	-	60,762	133,787	858,380	1,510,415	(2,563,344)	-
Balance, end of year	5,765,316	7,967,856	20,290,448	150,844,371	8,204,479	4,752,812	280,829	198,106,111
<b>Accumulated amortization:</b>								
Balance, beginning of year	-	4,070,644	6,431,482	63,239,322	3,935,970	1,884,481	-	79,561,899
Amortization	-	301,013	557,719	3,409,689	423,598	212,666	-	4,904,685
Disposals	-	-	(1,205)	(127,450)	-	(354,430)	-	(483,085)
Balance, end of year	-	4,371,657	6,987,996	66,521,561	4,359,568	1,742,717	-	83,983,499
Net book value, end of year	\$ 5,765,316	\$ 3,596,199	\$ 13,302,452	\$ 84,322,810	\$ 3,844,911	\$ 3,010,095	\$ 280,829	\$ 114,122,612

## TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

### 11. Tangible capital assets (continued):

2015									
	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	Assets under construction	Total	
<b>Cost:</b>									
Balance, beginning of year	\$ 5,554,731	\$ 5,281,337	\$ 19,842,145	\$ 146,465,633	\$ 6,645,071	\$ 3,610,038	\$ 7,166,212	\$ 194,565,167	
Additions	-	2,686,519	383,441	4,624,189	670,825	-	(4,678,017)	3,686,957	
Balance, end of year	5,554,731	7,967,856	20,225,586	151,089,822	7,315,896	3,610,038	2,488,195	198,252,124	
<b>Accumulated amortization:</b>									
Balance, beginning of year	-	3,911,608	5,876,009	59,832,912	3,545,084	1,700,231	-	74,865,844	
Amortization	-	159,036	555,473	3,406,410	390,886	184,250	-	4,696,055	
Balance, end of year	-	4,070,644	6,431,482	63,239,322	3,935,970	1,884,481	-	79,561,899	
<b>Net book value, end of year</b>									
	\$ 5,554,731	\$ 3,897,212	\$ 13,794,104	\$ 87,850,500	\$ 3,379,926	\$ 1,725,557	\$ 2,488,195	\$ 118,690,225	

# **TOWN OF HIGH LEVEL**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## **11. Tangible capital assets (continued):**

### **a) Assets under construction**

Assets under construction having a value of \$280,829 (2015 - \$2,488,195) have not been amortized. Amortization of these assets will commence when the asset is available for productive use.

### **b) Tangible capital assets disclosed at nominal values**

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category where nominal values were assigned.



# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 12. Accumulated surplus:

The Town's accumulated surplus is comprised of the following:

	2016	2015
<b>Operating reserves:</b>		
General reserve	\$ 2,798,610	\$ 1,948,762
<b>Capital reserves:</b>		
Airport	13,482	15,850
Fire equipment	120,703	163,575
Future development	418,456	418,456
Municipal recreation	37,295	37,295
Offsite levy	97,502	97,502
Parking lot	38,448	38,448
Tourism improvement fee	601,017	518,559
Utility distribution	3,126,092	2,932,471
	<u>4,452,994</u>	<u>4,222,156</u>
<b>Total reserves</b>	7,251,604	6,170,918
<b>Invested in tangible capital assets</b>	109,810,809	114,748,799
<b>Unrestricted surplus</b>	(2,994,316)	(3,431,731)
	<u>\$ 114,068,097</u>	<u>\$ 117,487,986</u>

## 13. Contingent liabilities:

The Town is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of membership, the Town 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. There has been no change to the Town's contingent liabilities in 2016.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 14. Net municipal taxes:

Taxation revenue reported on the consolidated statement of operations and accumulated surplus is made up of the following:

	Budget	2016	2015
	(Note 22)		
<b>Taxation</b>			
Real property taxes	\$ 5,689,128	\$ 5,698,344	\$ 5,638,933
Linear property taxes	236,462	237,742	238,971
Government grants in place of property taxes	97,545	97,316	82,450
	6,023,135	6,033,402	5,960,354
<b>Requisitions</b>			
Alberta School Foundation Fund	1,287,294	1,264,913	1,266,294
Mackenzie Housing Seniors Lodge	143,740	155,869	143,747
	1,431,034	1,420,782	1,410,041
<b>Net municipal taxes</b>	\$ 4,592,101	\$ 4,612,620	\$ 4,550,313

# TOWN OF HIGH LEVEL

## Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

### 15. Government transfers:

	Budget	2016	2015
	(Note 22)		
<b>Transfers for operating</b>			
Provincial government	\$ 355,906	\$ 271,770	\$ 286,771
Federal government	228,700	180,483	38,250
Other local government	533,000	546,046	552,924
	1,117,606	998,299	877,945
<b>Transfers for capital</b>			
Provincial government	920,000	231,640	1,843,930
Federal government	-	-	243,200
Other local government	52,400	46,370	782,906
	972,400	278,010	2,870,036
<b>Total government transfers</b>	<b>\$ 2,090,006</b>	<b>\$ 1,276,309</b>	<b>\$ 3,747,981</b>

### 16. Expenses by object:

	Budget	2016	2015
	(Note 22)		(Restated)
Salaries, wages and benefits	\$ 4,673,397	\$ 4,492,665	\$ 4,343,278
Contract and general services	2,941,881	2,631,786	3,042,666
Materials, goods and utilities	2,371,064	2,171,286	2,108,885
Provision for (recovery on) allowances	2,000	4,546	(14,054)
Transfers to local boards and agencies	112,200	77,335	69,468
Bank charges and short-term interest	19,010	17,838	18,532
Interest on long-term debt	184,909	172,892	196,465
Amortization of tangible capital assets	4,715,619	4,904,685	4,696,055
Loss on disposal of tangible capital assets	-	447,285	-
Loss on disposal of investments	-	(9,867)	(44,960)
	<b>\$ 14,993,080</b>	<b>\$ 14,910,451</b>	<b>\$ 14,444,443</b>

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 17. Salary and benefits disclosure:

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

	Salary	Benefits	2016 Total	2015 Total
Mayor - McAteer	\$ 41,500	\$ 83	\$ 41,583	\$ 35,253
Deputy Mayor - Macleod	17,000	83	17,083	17,633
Councillor - Forest	17,650	83	17,733	18,133
Councillor - Chandler	10,900	83	10,983	15,036
Councillor - Morgan	15,500	83	15,583	15,733
Councillor - Milton	11,200	83	11,283	16,833
Councillor - Rapke	20,250	83	20,333	14,033
Chief Administrative Officer <sup>1</sup>	145,318	24,395	169,714	43,775
Chief Administrative Officer <sup>2</sup>	-	-	-	64,813
Chief Administrative Officer <sup>3</sup>	-	-	-	62,891
Designated Officers (2 positions)	171,803	26,954	198,756	258,684
	\$ 451,121	\$ 51,930	\$ 503,051	\$ 562,817

<sup>1</sup>CAO from October 2015-December 2016 (resigned January 2017)

<sup>2</sup>CAO from May 2015-October 2015

<sup>3</sup>CAO from March 2014-April 2015

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

Employer's share of employee benefits and contributions made on behalf of the employees includes RSP amounts, health care including vision care, dental coverage, and directors' liability, group life insurance, accidental disability and dismemberment insurance and life insurance.

Benefits and allowance figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, travel allowances and car allowances.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 18. Transactions with Mackenzie Regional Waste Management Commission:

	2016	2015
Included in accounts payable:		
Due to Mackenzie Regional Waste Management Commission	\$ 5,088	\$ 12,093
Revenue and expense transactions:		
Contracted and general services expense	82,015	78,680

## 19. Financial instruments:

The Town's financial instruments consist of cash, accounts receivable, investments, accounts payable and accrued liabilities, deposit liabilities, wages and benefits payable and long-term debt. It is management's opinion that the Town is not exposed to significant interest or currency risks arising from these financial instruments. The Town is subject to credit risk with respect to taxes and grants in place of tax receivables, 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 financial instruments approximates their fair value.

## 20. Segmented information:

Segmented information has been identified based upon lines of service provided by the Town. Town services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### i) Protective Services:

Protective Services include fire, law enforcement and health and safety. The Fire Department is responsible to provide fire suppression services, fire prevention programs, motor vehicle accident response training and education related to prevention. Town peace officers enforce the Town's by-laws and some provincial statutes.

# **TOWN OF HIGH LEVEL**

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

---

## **20. Segmented information (continued):**

### **ii) Public Works and Transportation:**

The Public Works department is responsible for the delivery of municipal public works services related to transportation, including maintenance of roadway pedestrian systems, the High Level Airport and the maintenance of parks and open spaces.

### **iii) Water and Waste Management:**

The Town is responsible for environmental programs such as the engineering and operation of water and wastewater systems and waste management, the latter of which encompasses solid waste collection disposal and recycling.

### **iv) Planning and Development:**

The Planning and Development department manages all aspects of land use planning including long range forecasting and planning, processing development permits and compliance certificates. The department is also responsible for corporate mapping functions.

### **(v) Community Services:**

The Community Services department provides public services that sustains and supports individuals, families and communities. This includes programs run through Family and Community Support Services, the R.E. Walter Memorial Aquatics Center, High Level Sports Complex, recreation programs and the Town's outdoor baseball diamonds, playgrounds and parks.

### **vi) Culture and Library:**

As part of community services, the Town operates and maintains the Museum and Visitor's Centre and supports the Library.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segments' budgeted net expenditure. User charges and other revenue are allocated to the segments based upon the segment that generated the revenue. Government transfers are allocated to segments based upon the purpose for which the transfers were made. Development levies earned and developer contributions received are allocated to the segment for which the charge was collected.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 2.

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 20. Segmented information (continued):

	2016							
	Protective Services	Public Works and Transportation	Water and Waste Management	Planning and Development	Community Services	Culture and Library	Other Municipal	Total
<b>Revenue:</b>								
Net municipal taxes	\$ 544,477	\$ 2,648,817	\$ -	\$ 110,116	\$ 933,324	\$ 271,765	\$ 104,121	\$ 4,612,620
User fees and sales of goods	668,735	602,045	2,044,274	128,638	291,276	58,210	1,282,324	5,075,502
Government transfers	109,925	101,483	-	-	104,597	43,793	638,501	998,299
Investment income	-	-	-	-	-	1,387	110,858	112,245
Penalties and costs of taxes	-	-	-	-	-	-	56,274	56,274
Other	5,833	21,004	380	80,406	11,928	153,948	84,113	357,612
<b>Total revenues</b>	<b>1,328,970</b>	<b>3,373,349</b>	<b>2,044,654</b>	<b>319,160</b>	<b>1,341,125</b>	<b>529,103</b>	<b>2,276,191</b>	<b>11,212,552</b>
<b>Expenses:</b>								
Salaries, wages and benefits	594,705	1,131,251	576,804	98,070	1,014,008	267,704	808,677	4,492,665
Contracted and general services	579,901	450,096	375,902	192,759	169,256	94,734	769,138	2,631,786
Materials, goods and utilities	193,741	797,722	527,421	12,091	376,561	120,283	143,467	2,171,286
Provision for allowances	-	-	2,209	-	-	-	2,337	4,546
Transfers to local boards and agencies	2,238	-	-	38,000	-	37,097	-	77,335
Interest on long-term debt and other charges	9,215	19,935	132,649	-	-	8,932	19,999	190,730
Amortization	215,414	2,655,638	1,344,816	24,206	367,789	18,225	278,597	4,904,685
Loss on disposal of investments	-	-	-	-	-	-	(9,867)	(9,867)
Loss on disposal of tangible capital assets	77,838	-	307,137	-	1,395	-	60,915	447,285
<b>Total expenses</b>	<b>1,673,052</b>	<b>5,054,642</b>	<b>3,266,938</b>	<b>365,126</b>	<b>1,929,009</b>	<b>548,421</b>	<b>2,073,263</b>	<b>14,910,451</b>
<b>Annual surplus before other</b>	<b>(300,378)</b>	<b>(1,468,679)</b>	<b>(1,222,284)</b>	<b>(395,139)</b>	<b>(512,968)</b>	<b>2,496</b>	<b>199,054</b>	<b>(3,697,899)</b>
<b>Other</b>								
Government transfers for capital obligations	43,582	42,976	150,328	-	41,124	-	-	278,010
<b>Annual surplus</b>	<b>\$ (256,796)</b>	<b>\$ (1,425,703)</b>	<b>\$ (1,071,956)</b>	<b>\$ (395,139)</b>	<b>\$ (471,844)</b>	<b>\$ 2,496</b>	<b>\$ 199,054</b>	<b>\$ (3,419,889)</b>

# TOWN OF HIGH LEVEL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2016

## 20. Segmented information (continued):

	2015 (Restated- Note 10)							
	Protective Services	Public Works and Transportation	Water and Waste Management	Planning and Development	Community Services	Culture and Library	Other Municipal	Total
<b>Revenue:</b>								
Net municipal taxes	\$ 692,114	\$ 2,531,373	\$ -	\$ 121,102	\$ 861,675	\$ 276,108	\$ 67,941	\$ 4,550,313
User fees and sales of goods	186,880	697,887	2,089,198	41,299	280,444	50,448	1,214,646	4,560,842
Government transfers	54,825	-	-	-	153,588	39,756	629,776	877,945
Investment income	-	-	-	-	-	1,413	118,222	119,635
Penalties and costs of taxes	-	-	-	-	-	-	39,496	39,496
Other	217,232	26,764	400	93,048	47,790	167,237	119,315	671,786
<b>Total revenues</b>	<b>1,151,051</b>	<b>3,256,024</b>	<b>2,089,598</b>	<b>255,449</b>	<b>1,343,497</b>	<b>535,002</b>	<b>2,189,396</b>	<b>10,820,017</b>
<b>Expenses:</b>								
Salaries, wages and benefits	665,585	1,021,619	547,961	65,037	989,546	268,882	784,648	4,343,278
Contracted and general services	439,521	510,228	581,491	206,208	402,668	125,378	777,172	3,042,666
Materials, goods and utilities	148,734	841,180	557,347	1,966	316,548	109,244	133,866	2,108,885
Provision for allowances (recovery)	-	-	2,209	-	-	-	11,845	14,054
Transfers to local boards and agencies	2,142	-	-	28,000	-	39,326	-	69,468
Interest on long-term debt and other changes	10,798	25,980	143,606	-	-	9,315	25,298	214,997
Amortization	185,916	2,728,028	1,227,458	25,074	232,945	21,204	275,430	4,696,055
(Gain) on disposal of investments	-	-	-	-	-	-	(44,960)	(44,960)
<b>Total expenses</b>	<b>1,452,696</b>	<b>5,127,035</b>	<b>3,060,072</b>	<b>326,285</b>	<b>1,941,707</b>	<b>573,349</b>	<b>1,963,299</b>	<b>14,444,443</b>
<b>Annual surplus (deficit) before other</b>	<b>(301,645)</b>	<b>(1,871,011)</b>	<b>(970,474)</b>	<b>(70,836)</b>	<b>(598,210)</b>	<b>(38,347)</b>	<b>226,097</b>	<b>(3,624,426)</b>
<b>Other</b>								
Government transfers for capital obligations	1,273,601	1,249,220	111,217	-	235,998	-	-	2,870,036
<b>Annual surplus (deficit)</b>	<b>\$ 971,956</b>	<b>\$ (621,791)</b>	<b>\$ (859,257)</b>	<b>\$ (70,836)</b>	<b>\$ (362,212)</b>	<b>\$ (38,347)</b>	<b>\$ 226,097</b>	<b>\$ (754,390)</b>



# **TOWN OF HIGH LEVEL**

## **Notes to Consolidated Financial Statements (continued)**

Year ended December 31, 2016

---

### **21. Comparative information:**

Certain comparative information has been reclassified to conform to the 2016 consolidated financial statement presentation.

### **22. Budget data:**

The budget data presented in the consolidated financial statements of the Town represents the original budget approved by Council on March 14, 2016. The data includes the budget of the Library and excludes capital expenditures, principal debt transactions and transfers to and from reserve accounts. Council approved capital expenditures of \$2,796,300 on March 14, 2016.

### **23. Approval of financial statements**

Council and management have approved these consolidated financial statements on April 24<sup>th</sup>, 2017.