

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Financial Statements**  
**Year Ended December 31, 2017**

**SUMMER VILLAGE OF BONDISS**  
**Index to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council of Summer Village of Bondiss

We have audited the accompanying consolidated financial statements of Summer Village of Bondiss, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended and 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.

### Auditor's 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 the auditor's 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, the auditor considers 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 financial position of Summer Village of Bondiss as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.


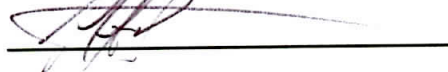
Edmonton, Alberta  
April 14, 2018

**Seniuk and Company**  
**Chartered Accountants**

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Statement of Financial Position**  
**December 31, 2017**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 2)	\$ 171,314	\$ 212,992
Term deposits (Note 2)	530,764	378,949
Taxes and grants in place of taxes (Note 3)	30,428	78,863
Grants and receivables from other governments (Note 4)	312,339	218,386
Interest receivable	1,611	698
	<b>\$ 1,046,456</b>	<b>\$ 889,888</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 19,268	\$ 19,022
Deferred income (Note 6)	337,499	253,130
	<b>356,767</b>	<b>272,152</b>
<b>NET FINANCIAL ASSET (DEBT)</b>	<b>689,689</b>	<b>617,736</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 5)	418,274	415,530
<b>ACCUMULATED SURPLUS</b>	<b>\$ 1,107,963</b>	<b>\$ 1,033,266</b>

On behalf of Council

  
 \_\_\_\_\_ Councilor  
  
 \_\_\_\_\_ Councilor



The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Statement of Financial Position**  
**December 31, 2017**

	2017	2016
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments <i>(Note 2)</i>	\$ 171,314	\$ 212,992
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<b>ACCUMULATED SURPLUS</b>	<b>\$ 1,107,963</b>	<b>\$ 1,033,266</b>

**On behalf of Council**

\_\_\_\_\_ *Councilor*

\_\_\_\_\_ *Councilor*

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Statement of Operations**  
**Year Ended December 31, 2017**

	Budget (Unaudited) 2017	2017	2016
<b>REVENUE</b>			
Net municipal taxes (Schedule 1)	\$ 160,720	\$ 161,800	\$ 160,247
Government transfers for operating	-	8,746	14,123
Investment income	1,500	2,728	4,143
Penalties and costs of taxes	-	4,642	12,030
Licenses and permits	800	450	625
Other	1,100	9,112	75
<b>Total revenue</b>	164,120	187,478	191,243
<b>EXPENSES</b>			
Administration and legislative	74,245	46,944	66,188
Fire service	10,500	10,500	15,408
Roads, streets, walks and lighting	38,783	17,593	7,404
Wastewater treatment and disposal	24,517	24,777	24,507
Parks and recreation	15,000	14,140	12,000
Libraries, museums and halls	1,075	1,075	1,075
<b>Total operating expenses</b>	164,120	115,029	126,582
<b>Excess (deficiency) of revenue over expenses before other</b>	-	72,449	64,661
<b>OTHER</b>			
Government transfers for capital	-	32,033	14,390
Amortization	-	(29,785)	(29,701)
Gains (losses) on disposal of assets	-	-	676
	-	2,248	(14,635)
<b>EXCESS OF REVENUE OVER EXPENSES</b>	-	74,697	50,026
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	-	1,033,266	983,240
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	\$ -	\$ 1,107,963	\$ 1,033,266

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2017**

	2017	2016
		-
<b>Excess (Shortfall) of Revenues Over Expenses</b>	<b>\$ 74,697</b>	<b>\$ 50,026</b>
	<b>74,698</b>	
Acquisition of tangible capital assets	<b>(32,530)</b>	(25,019)
Proceeds on disposal of tangible capital assets	-	1,000
Amortization of tangible capital assets	<b>29,785</b>	29,701
Gains (losses) on disposal of assets	-	(676)
<b>(INCREASE) DECREASE IN NET DEBT</b>	<b>71,953</b>	55,032
Net financial assets (debt), beginning of year	<b>617,736</b>	562,704
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 689,689</b>	<b>\$ 617,736</b>

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2017**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 74,697	\$ 50,026
Items not affecting cash:		
Gain on disposal of assets	-	(676)
Amortization	29,785	29,701
	<b>104,482</b>	79,051
Changes in non-cash working capital:		
Current taxes and grants in place of taxes	48,435	(30,339)
Interest receivable	(913)	1,160
Grants and receivables from other governments	(93,953)	(192,725)
Accounts payable	246	(1,030)
Deferred income	84,369	211,529
	<b>38,184</b>	(11,405)
Cash flow from operating activities	<b>142,666</b>	67,646
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(32,530)	(25,019)
Proceeds on disposal of capital assets	-	1,000
Cash flow used by investing activities	<b>(32,530)</b>	(24,019)
<b>INCREASE IN CASH FLOW</b>	<b>110,136</b>	43,627
Cash - beginning of year	591,942	548,315
<b>CASH - END OF YEAR (Note 2)</b>	<b>\$ 702,078</b>	\$ 591,942

The accompanying notes form an integral part of these financial statements



**SUMMER VILLAGE OF BONDISS**  
**Consolidated Schedule of Property and Other Taxes**  
**Year Ended December 31, 2017**

**(Schedule 1)**

	Budget (Unaudited) 2017	2017	2016
<b>TAXATION</b>			
Real property tax	\$ 288,784	\$ <b>288,431</b>	\$ 288,883
Linear property taxes	2,260	<b>2,504</b>	2,712
Special assessments	22,330	<b>22,330</b>	22,220
	313,374	<b>313,265</b>	313,815
<b>REQUISITIONS</b>			
Alberta School Foundation	140,009	<b>140,009</b>	134,188
Seniors' housing requisition	12,645	<b>11,456</b>	19,380
	152,654	<b>151,465</b>	153,568
<b>NET MUNICIPAL TAXES</b>	\$ 160,720	\$ <b>161,800</b>	\$ 160,247

**Consolidated Schedule of Government Transfers**  
**Year Ended December 31, 2017**

**(Schedule 2)**

	Budget (Unaudited) 2017	2017	2016
<b>TRANSFERS FOR OPERATING</b>			
Provincial Government	\$ -	\$ <b>8,746</b>	\$ 14,123
	-	<b>8,746</b>	14,123
<b>TRANSFERS FOR CAPITAL</b>			
Provincial Government	-	<b>32,033</b>	14,390
<b>TOTAL GOVERNMENT TRANSFERS</b>	\$ -	\$ <b>40,779</b>	\$ 28,513

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**  
**Consolidated Schedule of Expenditures by Object**  
**Year Ended December 31, 2017**

**(Schedule 3)**

	Budget (Unaudited) 2017	2017	2016
<b>EXPENSES</b>			
Salaries, wages & benefits	\$ 28,850	\$ <b>27,600</b>	\$ 27,600
Contracted and general services	118,695	<b>83,799</b>	97,906
Materials, goods and utilities	15,500	<b>2,555</b>	-
Transfer to local boards and agencies	1,075	<b>1,075</b>	1,075
<b>Total Consolidated Expenditures by Object</b>	\$ 164,120	\$ <b>115,029</b>	\$ 126,582

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**

**Consolidated Schedule of Segmented Disclosure**

**Year Ended December 31, 2017**

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	Total
<b>REVENUE</b>								
Net municipal taxes	\$ 139,470	\$ -	\$ 22,330	\$ -	\$ -	\$ -	\$ -	\$ 161,800
Government transfers	-	-	-	-	-	8,746	-	8,746
Investment income	2,728	-	-	-	-	-	-	2,728
Other revenues	13,754	-	-	450	-	-	-	14,204
	155,952	-	22,330	450	-	8,746	-	187,478
<b>EXPENSES</b>								
Contract & general services	18,929	10,500	17,593	-	12,000	24,777	-	83,799
Salaries & wages	27,600	-	-	-	-	-	-	27,600
Materials, goods & utilities	415	-	-	-	2,140	-	-	2,555
Transfers to local boards	-	-	-	-	1,075	-	-	1,075
	46,944	10,500	17,593	-	15,215	24,777	-	115,029
<b>NET REVENUE, BEFORE OTHER</b>	109,008	(10,500)	4,737	450	(15,215)	(16,031)	-	72,449
<b>OTHER INCOME AND EXPENSE</b>								
Amortization	(118)	-	(26,694)	-	(1,325)	(1,648)	-	(29,785)
Government transfers for capital	-	-	32,033	-	-	-	-	32,033
	(118)	-	5,339	-	(1,325)	(1,648)	-	2,248
<b>EXCESS OF REVENUE OVER EXPENSES</b>	\$ 108,890	\$ (10,500)	\$ 10,076	\$ 450	\$ (16,540)	\$ (17,679)	\$ -	\$ 74,697

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**

**Consolidated Schedule of Changes in Accumulated Surplus**  
**Year Ended December 31, 2017**

*(Schedule 5)*

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	<b>Total 2017</b>	Total 2016
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 594,842	\$ 22,895	\$ 415,529	\$ <b>1,033,266</b>	\$ 983,240
Excess (deficiency) of revenues over expenses	74,697	-	-	<b>74,697</b>	50,026
Current year funds used for tangible capital assets	(32,530)	-	32,530	-	-
Annual amortization expense	29,785	-	(29,785)	-	-
Transfer to/from reserves	(150,000)	150,000	-	-	-
	(78,048)	150,000	2,745	<b>74,697</b>	50,026
<b>BALANCE, END OF YEAR</b>	\$ 516,794	\$ 172,895	\$ 418,274	\$ <b>1,107,963</b>	\$ 1,033,266

The accompanying notes form an integral part of these financial statements

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the Summer Village of Bondiss (the "Summer Village"). The entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Summer Village and are; therefore, accountable to the Summer Village Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

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

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

*(continues)*

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Tax Revenue

Annually, the Summer Village bills and collects property tax revenues for municipal purposes. Tax revenues are based on market value assessments determined in accordance with the Municipal Government Act (MGA) and annually established tax rates. Municipal tax rates are set each year by Summer Village Council in accordance with legislation and Summer Village Council approved policies to raise the tax revenue required to meet the Summer Village's budget requirements. Tax revenues are recorded at the time tax billings are issued. Property assessments are subject to tax appeal. Expenses related to tax appeals and allowances are separately disclosed in the Consolidated Schedule of Property and Other Taxes.

The Summer Village also bills and collects education tax on behalf of the Province of Alberta (the Province). Education tax rates are established by the Province each year in order to fund the cost of education on a province-wide basis. Education taxes collected are remitted to the Province and are excluded from revenues and expenses in the Consolidated Schedule of Property and Other Taxes (Schedule 1).

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 expenditure 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.

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.

Debt Charges Recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long term debt less actuarial requirements for the retirement of any sinking fund debentures.

(*continues*)

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Requisition Over-levy and Under-levy

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

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

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

Inventories for Resale

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under the respective function.

Landfill Closure and Post-Closure Liability

Pursuant to the Alberta Environmental Protection and Enhancement Act, the Summer Village 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 remaining life of the landfill site based on usage. The Summer Village of Bondiss uses the Regional Landfill Authority at the County of Athabasca and as such, is not directly responsible for landfill closure and post-closure liabilities but is assessed by the County of Athabasca Commission for its proportionate share of all landfill costs including any closure or post-closure costs incurred. At present, no landfill or post-closure liabilities have been assessed.

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.

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 has been met and reasonable estimates of the amounts can be determined.

(*continues*)

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 Changes in Net Financial Assets (Debt) for the year.

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:

Land improvements	15 years
Buildings	50 years
Machinery and equipment	10 years
Engineered structures	10 - 20 years

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.

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.

Cultural and Historical Tangible Capital Assets

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

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.

2. CASH AND TEMPORARY INVESTMENTS

	<b>2017</b>	2016
Cash and temporary investments	\$ 109,007	\$ 201,946
Temporary investments	530,764	378,949
Restricted cash	62,307	11,047
	<b>\$ 702,078</b>	<b>\$ 591,942</b>

Temporary investments are short term deposits with original maturities of one year or less.

Included in cash are restricted amounts received from the Municipal grants and are held exclusively for future approved projects (Note 6).



**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

3. TAXES AND GRANTS IN PLACE OF TAXES

Taxes and grants in place of taxes are comprised of:

	<b>2017</b>	2016
Current taxes and grants in place of taxes	\$ 17,638	\$ 32,300
Arrears taxes and grants in place of taxes	12,790	46,563
	<b>\$ 30,428</b>	<b>\$ 78,863</b>

4. GRANTS AND RECEIVABLES FROM OTHER GOVERNMENTS

Grants receivable are comprised of:

	<b>2017</b>	2016
Municipal Sustainability Initiative - Capital	\$ 295,862	\$ 198,697
Basic Municipal Transportation Grant	11,533	11,533
Subtotal	<b>307,395</b>	210,230
Goods and Services Tax receivable	4,944	8,156
	<b>\$ 312,339</b>	<b>\$ 218,386</b>

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	<b>2017 Net book value</b>	2016 Net book value
Land improvements	\$ 36,146	\$ 4,580	<b>\$ 31,566</b>	\$ 361
Buildings	4,124	2,805	<b>1,319</b>	1,402
Machinery and equipment	4,111	2,639	<b>1,472</b>	1,590
Engineered structures	587,798	203,881	<b>383,917</b>	412,177
	<b>\$ 632,179</b>	<b>\$ 213,905</b>	<b>\$ 418,274</b>	<b>\$ 415,530</b>

The net book value of the tangible capital assets at year end also represents the amount of equity in tangible capital assets.

Equity in tangible capital assets equals the tangible capital assets balance.

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

6. DEFERRED REVENUE

Deferred revenue is comprised of:

	2017	2016
Basic Municipal Transportation Grant	\$ 11,363	\$ 11,363
Federal Gas Tax Fund	10,733	32,033
Municipal Sustainability Initiative - Capital	305,602	208,437
FireSmart Community Grant	9,801	1,297
	<b>\$ 337,499</b>	<b>\$ 253,130</b>

**Basic Municipal Transportation Grant**

The Basic Municipal Transportation Grant is restricted to eligible capital transportation projects as approved under the funding agreement. Funds from this grant are being deferred for a future road paving project. Unexpended funds related to the advance are supported by restricted cash exclusively for these projects (refer to Note 2).

**Federal Gas Tax Fund**

The Federal Gas Tax Fund and is restricted to eligible capital projects as approved under the funding agreement. Unexpended funds related to the advance are supported by restricted cash exclusively for these projects (refer to Note 2).

**Municipal Sustainability Initiative - Capital**

The Municipal Sustainability Initiative - Capital is restricted to eligible capital projects, as approved under the funding agreement, which are scheduled for completion in the next 3 to 5 years. Unexpended funds related to the advance are supported by restricted cash exclusively for these projects (refer to Note 2).

**FireSmart Community Grant**

The FireSmart Community Grant is restricted to eligible projects as approved under the funding agreement. Funds from this grant are being deferred for future wildfire reduction projects. Unexpended funds related to the advance are supported by restricted cash exclusively for these projects (refer to Note 2).

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

7. 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 Summer Village of Bondiss be disclosed as follows:

	<b>2017</b>	2016
Total debt limit	<b>\$ 281,217</b>	\$ 286,865
Total debt	-	-
Amount of debt limit unused	<b>281,217</b>	286,865
Debt servicing limit	<b>46,870</b>	47,811
Debt servicing	-	-
Amount of debt servicing limit unused	<b>\$ 46,870</b>	\$ 47,811

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 that 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.

8. SEGMENTED DISCLOSURE

The Summer Village of Bondiss 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 4).

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

9. 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:

			2017	2016
	Salary (1)	Benefits & allowances (2)	Total	Total
P. Golanski - Councilor	\$ 1,200	\$ -	\$ 1,200	\$ 1,200
F. Harmatys - Councilor	1,200	-	1,200	1,200
L. Habiak - Councilor	1,200	-	1,200	1,200
Chief Administrative Officer	24,000	-	24,000	24,000
	\$ 27,600	\$ -	\$ 27,600	\$ 27,600

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

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

10. RELATED PARTY TRANSACTIONS

The Summer Village made purchases of \$12,000 (2016 - \$12,000) from the Chief Administration Office for annual grass cutting services.

11. FINANCIAL INSTRUMENTS

The Summer Village's financial instruments consist of cash and temporary investments, accounts receivable, investments, bank indebtedness, accounts payable and accrued liabilities, deposit liabilities, and requisition over-levy.

**(a) Credit risk**

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

**(b) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the summer village manages exposure through its normal operating and financing activities. The summer village is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

(continues)

**SUMMER VILLAGE OF BONDISS**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2017**

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11. FINANCIAL INSTRUMENTS *(continued)*

*(c) Fair value*

The Summer Village's carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

Unless otherwise noted, it is management's opinion that the summer village is not exposed to significant other price risks arising from these financial instruments.

12. CONTINGENT LIABILITY

The municipality is a member of the MUNIX Reciprocal Insurance Exchange. Under the terms of the membership, the municipality 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.

13. APPROVAL OF FINANCIAL STATEMENTS

Council and management have approved these financial statements.

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

15. BUDGET AMOUNTS

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