

VILLAGE OF CLYDE
FINANCIAL STATEMENTS
DECEMBER 31, 2007

Clews, Shoemaker, Viney & Friesen

CHARTERED ACCOUNTANTS

Graham R. Clews Professional Corporation
John S. Shoemaker Professional Corporation

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Tina J. Viney Professional Corporation
Timothy J. Friesen Professional Corporation

AUDITORS' REPORT

To the Mayor and Council of
the Village of Clyde:

We have audited the statement of financial position of Village of Clyde as at December 31, 2007 and the consolidated statement of financial activities, consolidated statement of changes in fund balances and the statement of changes in financial position for the year then ended. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Village of Clyde as at December 31, 2007 and the results of its operations and its financial activities and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Westlock, Alberta
February 27, 2008

Clews, Shoemaker, Viney & Friesen
CHARTERED ACCOUNTANTS

**VILLAGE OF CLYDE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2007**

<u>ASSETS</u>	<u>2007</u>	<u>2006</u> (Note 10)
<u>FINANCIAL ASSETS</u>		
Cash and temporary investments	\$ 83,549	\$ 14,705
Cash held for reserves	-	183,940
Cash held in trust (Note 2)	6,346	417
Taxes and grants in place of taxes receivable	33,879	42,270
Trade and other receivables (Note 3)	<u>77,725</u>	<u>32,254</u>
 Total Financial Assets	 <u>201,499</u>	 <u>273,586</u>
<u>PHYSICAL ASSETS</u>		
INVENTORY OF MATERIALS AND SUPPLIES	1,496	4,428
LAND INVENTORY HELD FOR RESALE	16,500	16,500
PROPERTY, PLANT AND EQUIPMENT (Note 4)	<u>3,872,269</u>	<u>3,216,879</u>
 Total Physical Assets	 <u>3,890,265</u>	 <u>3,237,807</u>
 TOTAL ASSETS	 <u>\$ 4,091,764</u>	 <u>\$ 3,511,393</u>
<u>LIABILITIES</u>		
Accounts payable and accrued liabilities	\$ 59,900	\$ 19,862
Deposit liabilities	8,646	2,117
Deferred revenue (Note 5)	51,545	-
Current portion of callable debt (Note 6)	<u>12,428</u>	<u>12,428</u>
	132,519	34,407
 Callable debt due thereafter (Note 6)	 <u>12,429</u>	 <u>25,397</u>
	<u>144,948</u>	<u>59,804</u>
<u>MUNICIPAL EQUITY</u>		
<u>FUND BALANCES</u>		
Operating Fund	99,404	88,595
Reserve Fund (Note 8)	<u>-</u>	<u>183,940</u>
 Total Fund Balances	 99,404	 272,535
 Equity in Capital assets (Note 9)	 <u>3,847,412</u>	 <u>3,179,054</u>
	<u>3,946,816</u>	<u>3,451,599</u>
 TOTAL LIABILITIES AND MUNICIPAL EQUITY	 <u>\$ 4,091,764</u>	 <u>\$ 3,511,393</u>

APPROVED BY:

_____ Mayor

_____ Chief Administrative Officer

Bleas & Shoemaker

VILLAGE OF CLYDE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED DECEMBER 31, 2007

	<u>Capital</u>	<u>Reserves</u>	<u>Operating</u>	<u>2007</u>	<u>2006</u>
REVENUES					
Net Municipal Taxes	\$ -	\$ -	\$ 256,324	\$ 256,324	\$ 224,272
Administration	-	-	7,094	7,094	17,508
Penalties and cost of taxes	-	-	8,118	8,118	9,290
Franchise revenue	-	-	10,326	10,326	10,814
By-law	-	-	1,765	1,765	1,767
Development	-	-	14,458	14,458	31,247
Sanitary sewer	-	-	19,391	19,391	14,774
Roads and streets	459,702	-	345	460,047	235
Water supply and distribution	-	-	130,899	130,899	111,464
Waste management	-	-	34,072	34,072	18,942
Recreation	-	-	2,840	2,840	3,382
Provincial unconditional grants	-	-	-	-	50,000
Other revenues and sundry functions	-	-	14,567	14,567	9,564
Municipal assistance grant	-	-	5,771	5,771	5,882
Interest earned	459,702	-	505,970	965,672	509,141
	<u>459,702</u>	<u>-</u>	<u>505,970</u>	<u>965,672</u>	<u>509,141</u>
EXPENDITURES					
Administration	\$ -	\$ -	\$ 151,389	\$ 151,389	\$ 129,503
Ambulance services	-	-	8,625	8,625	2,796
By-law	-	-	10,391	10,391	10,204
Common services	14,406	-	9,686	24,092	34,323
Community services	-	-	2,816	2,816	1,408
Council	-	-	14,615	14,615	10,633
Family and Community Support Services	-	-	7,881	7,881	-
Preventative services	-	-	11,490	11,490	13,015
Recreation and parks	-	-	14,192	14,192	16,593
Roads, streets, walks, lighting	640,982	-	69,728	710,710	72,071
Sanitary sewage	-	-	19,671	19,671	28,332
Subdivision land and development	-	-	14,333	14,333	34
Waste management	-	-	30,113	30,113	26,310
Water supply and distribution	-	-	105,517	105,517	150,488
	<u>655,388</u>	<u>-</u>	<u>470,447</u>	<u>1,125,835</u>	<u>495,710</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ (195,686)	\$ -	\$ 35,523	\$ (160,163)	\$ 13,431

VILLAGE OF CLYDE
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2007

	Capital	Reserves	Operating	2007	2006
EXCESS OF REVENUES OVER EXPENDITURES	\$ (195,686)	\$ -	\$ 35,523	\$ (160,163)	\$ 13,431
NET INTERFUND TRANSFERS					
From (to) Capital callable debt	-	-	(12,968)	(12,968)	(11,888)
From (to) Reserves	120,348	(183,940)	63,592	-	-
From (to) Operations	75,338	-	(75,338)	-	-
	<u>195,686</u>	<u>(183,940)</u>	<u>(24,714)</u>	<u>(12,968)</u>	<u>(11,888)</u>
Change in fund balances	-	(183,940)	10,809	(173,131)	1,543
Balance, beginning of year	-	183,940	88,595	272,535	270,993
Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,404</u>	<u>\$ 99,404</u>	<u>\$ 272,536</u>

**VILLAGE OF CLYDE
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
OPERATIONS		
Excess of revenue over expenditures before financing activities	\$ <u>(160,163)</u>	\$ <u>13,431</u>
Net change in non-cash operating working capital balances		
(Increase) decrease in taxes and grants in place of taxes receivable	8,391	1,756
(Increase) decrease in trade and other receivables	(45,470)	(11,696)
(Increase) decrease in inventory of materials and supplies	2,932	(2,410)
Increase (decrease) in accounts payable and security deposits	40,038	(4,787)
Increase (decrease) in deposit liabilities	6,528	(5,884)
Increase (decrease) in deferred revenue	<u>51,545</u>	<u>(11,600)</u>
	<u>63,964</u>	<u>(34,621)</u>
	<u>(96,199)</u>	<u>(21,190)</u>
FINANCING		
Repayment of long-term debt	<u>(12,968)</u>	<u>(11,887)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(109,167)	(33,077)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>199,062</u>	<u>232,139</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 89,895</u>	<u>\$ 199,062</u>
REPRESENTED BY:		
Cash	\$ 300	\$ 300
Bank - Operating	83,249	14,405
Bank - Reserves	-	183,940
Trust accounts	<u>6,346</u>	<u>417</u>
	<u>\$ 89,895</u>	<u>\$ 199,062</u>

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

1. SIGNIFICANT ACCOUNTING POLICIES

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

a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned by the Village that are, therefore, accountable to 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.

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 revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the municipality has met any eligibility criteria, and reasonable estimates of the amounts can be made.

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

c) Use of Estimates

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

d) Fund Accounting

Management funds consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund account. Proceeds from subdivision development land sales are recorded as operating fund revenues.

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

e) Inventories

Inventories of materials and supplies for consumption are valued at the lower of cost or net realizable value with cost determined by the average cost method.

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 their respective function.

f) Property, Plant and Equipment

Property, Plant and Equipment are reported as expenditures in the capital fund in the period they are acquired. Property, Plant and Equipment are reported at cost except for donated assets, which are reported at estimated fair value.

Government contributions for the acquisition of Property, Plant and Equipment are reported as capital revenue and do not reduce the related asset costs.

Property, Plant and Equipment for government purposes are not amortized.

Effective January 1, 2009, the Village of Clyde will adopt Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible Property, Plant and Equipment of local governments. PSG-7 provides transitional guidance on presenting information related to tangible Property, Plant and Equipment until Section 3150 - Tangible Property, Plant and Equipment of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

As at December 31, 2007, the Village has not yet begun implementing PSG-7. During 2008, the Village of Clyde will work toward compliance with the new recommendations for accounting for tangible Property, Plant and Equipment.

As of January 1, 2009, Property, Plant and Equipment including assets held under capital leases will be recorded at cost in the period they are acquired and recorded as an expenditure within the capital fund. Donated assets will be capitalized and recorded at their estimated fair value upon acquisition. Certain Property, Plant and Equipment for which historical cost information is not available will be recorded at current fair market value discounted by a relevant inflation factor.

g) 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.

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

h) Operating Fund

Operating fund represents the amounts available to offset future operational revenue requirements (or the shortfall which will be financed from future operational revenues).

i) Capital Fund

Capital fund represents the amounts available to finance (or the shortfall in financing available for) capital projects.

j) Reserve Fund

Reserve fund represents the amounts set aside to finance future operating and capital expenditures. Reserves are established at the discretion of Council. Transfers to and/or from the reserve fund are reflected as an adjustment to the respective fund.

k) Equity in Property, Plant and Equipment

Equity in Property, Plant and Equipment represents the Village's net investment in its Property, Plant and Equipment after deducting the portion financed by third parties through debenture, bond and mortgage debts, long-term capital borrowings, capitalized leases and other capital liabilities which will be repaid by the Village.

l) Adjustments to Accumulated Surplus

Council may authorize appropriations for accumulated surplus to fund current year operating expenditures. Such appropriations are recorded as an adjustment in the Consolidated Statement of Financial Activities with Change in Fund Balances.

Adjustments related to operations of prior periods are recorded an adjustment to prior years' on the Consolidated Statement of Changes in Fund Balances.

2. CASH HELD IN TRUST

This amount consists of the excess of proceeds received over property taxes and applicable penalties owed on those properties sold for tax recovery. The Municipal Government Act requires that unpaid excess funds be held for a minimum period of ten years before the Village can use the funds for their own purposes.

3. TRADE AND OTHER RECEIVABLES

	<u>2007</u>	<u>2006</u>
Trade accounts	\$ 3,905	\$ 1,625
Utility accounts	19,428	13,251
GST rebate receivable	<u>54,392</u>	<u>17,378</u>
	<u>\$ 77,725</u>	<u>\$ 32,254</u>

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

4. PROPERTY, PLANT AND EQUIPMENT

	<u>2007</u>	<u>2006</u>
Land	\$ 25,421	\$ 25,421
Buildings	213,825	213,825
Engineering structures	2,913,795	2,272,811
Machinery and equipment	599,469	599,469
Vehicles	<u>119,759</u>	<u>105,353</u>
	<u>\$ 3,872,269</u>	<u>\$ 3,216,879</u>

5. DEFERRED REVENUE

	<u>2007</u>	<u>2006</u>
Alberta Municipal Affairs and Housing - Land Use Review	\$ 7,641	\$ -
Alberta Municipal Sustainability Initiative - Capital Grant	<u>43,904</u>	<u>-</u>
	<u>\$ 51,545</u>	<u>\$ -</u>

- Land use review grant received in 2007 has not yet been fully expended.

- Alberta Municipal Sustainability Initiative capital grant received in 2007 has not yet been expended.

6. CALLABLE DEBT

	<u>2007</u>	<u>2006</u>
Alberta Treasury Branch loan with interest at prime; annual repayments of \$12,428 plus interest; secured by general security agreement;	\$ 24,857	\$ 37,825
Less: Current portion	<u>12,428</u>	<u>12,428</u>
	<u>\$ 12,429</u>	<u>\$ 25,397</u>

Principal and interest payments for the next two years to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 12,428	\$ 935	\$ 13,363
2009	<u>12,429</u>	<u>466</u>	<u>12,895</u>
	<u>\$ 24,857</u>	<u>\$ 1,401</u>	<u>\$ 26,258</u>

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

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 Village of Clyde to be disclosed as follows:

	<u>2007</u>	<u>2006</u>
Total debt limit	\$ 668,973	\$ 688,712
Total debt	<u>24,857</u>	<u>37,825</u>
Amount of debt limit unused	<u>\$ 644,116</u>	<u>\$ 650,887</u>
Debt servicing limit	\$ 111,496	\$ 114,785
Debt servicing	<u>13,363</u>	<u>13,826</u>
Amount of debt servicing limit unused	<u>\$ 124,859</u>	<u>\$ 100,959</u>

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. RESERVE FUNDS

	<u>2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>2007</u>
<u>Operating Reserves</u>				
Fire Department	\$ 5,544	\$ -	(5,544)	-
Ambulance	1,593	-	(1,593)	-
Hospital	1,368	-	(1,368)	-
General reserve	46,470	-	(46,470)	-
Garbage	<u>8,617</u>	<u>-</u>	<u>(8,617)</u>	<u>-</u>
Total Operating Reserves	<u>63,592</u>	<u>-</u>	<u>(63,592)</u>	<u>-</u>
<u>Capital Reserves</u>				
Capital Reserve	20,226	-	(20,226)	-
Infrastructure & Public works	<u>100,122</u>	<u>-</u>	<u>(100,122)</u>	<u>-</u>
Total Capital Reserves	<u>120,348</u>	<u>-</u>	<u>(120,348)</u>	<u>-</u>
Total Reserves	<u>\$ 183,940</u>	<u>\$ -</u>	<u>(183,940)</u>	<u>-</u>

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

9. EQUITY IN PROPERTY, PLANT AND EQUIPMENT

	<u>2007</u>	<u>2006</u>
<u>Acquisition of Property, Plant and Equipment</u>		
Roads	\$ 640,982	\$ -
Common service vehicles	18,906	-
Administration equipment	-	740
Water equipment	-	1,033
Fire vehicles	-	<u>28,000</u>
	<u>659,888</u>	<u>29,773</u>
<u>Disposal of capital assets (cost)</u>		
Common service vehicles	4,500	-
<u>Capital financing</u>		
Operating fund payments on callable capital debt	<u>12,970</u>	<u>11,888</u>
Change in equity balance	668,358	41,661
Equity balance at beginning of year	<u>3,179,054</u>	<u>3,137,393</u>
Equity balance at end of year	<u>\$ 3,847,412</u>	<u>\$ 3,179,054</u>
<u>Equity in capital assets is represented by:</u>		
Property, Plant and Equipment (Note 4)	\$ 3,872,269	\$ 3,216,879
Long term debt (Note 6)	<u>24,857</u>	<u>37,825</u>
	<u>\$ 3,847,412</u>	<u>\$ 3,179,054</u>

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

10. 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:

			<u>2007</u>	<u>2006</u>
	<u>Salary</u>	<u>Mileage & Subsistence</u>	<u>Total</u>	<u>Total</u>
<u>Mayor</u>				
Nyal	3,125	2,023	5,148	2,250
<u>Councillors</u>				
Bottolfs	3,125	1,495	4,620	2,966
Sieben	2,375	-	2,375	1,750
Jamieson	750	-	750	800
Lorencz	600	-	600	-
Graves	400	-	400	-
Williams	300	-	300	400
Chief Administrative Officer	16,667	566	17,233	-

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

2. The Chief Administrative Officer's position was outsourced to the Town of Westlock for 2006 as a part of the shared services agreement. The 2007 amounts are for the period from September 1, 2007 to December 31, 2007.

11. LOCAL AUTHORITIES PENSION PLAN

Employees of the Village of Clyde participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The LAPP serves about 168,334 people and 401 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Village of Clyde is required to make current service contributions to the LAPP of 7.75% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 10.64% on pensionable earnings above this amount. Employees of the Village of Clyde are required to make current service contributions of 6.75% of pensionable salary up to the year's maximum pensionable salary of \$124,221, and 9.64% on pensionable salary above this amount.

Total current service contributions by the Village of Clyde to the LAPP in 2007 were \$7,602 (2006 - \$5,593). Total current service contributions by the employees of the Village of Clyde to the Local Authorities Pension Plan in 2007 were \$6,646 (2006 - \$4,880).

At December 31, 2006, the LAPP disclosed an actuarial deficiency of \$746.7 million.

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

7. CONTINGENCIES

The Village of Clyde is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Village of Clyde 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.

The Village of Clyde is a member of the Westlock and District Waste Management Commission. Under the terms of this agreement, the Village is liable for its proportionate share of closure and post closure costs associated with the landfill. Due to the uncertainty surrounding this potential liability and since the closure and post-closure costs are not determinable at this time, no amount has been recorded in the financial statements to reflect this contingency.

The Village has access to a bank line of credit of \$120,000.

8. COMMITMENT - OFFICE EQUIPMENT LEASE

In November 2004, the Village entered into a lease agreement for office equipment which includes a photocopier, fax machine, scanner and printer. The lease term is 60 months with a 12 month renewal period, for monthly payments of \$193. The lease has been classified as an operating lease for financial statement purposes.

9. FINANCIAL INSTRUMENTS

The Village of Clyde's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, deposit liabilities, and callable debt. It is management's opinion that the Village of Clyde is not exposed to significant interest or currency risks arising from these financial instruments.

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

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

10. AMENDED PRIOR YEAR BALANCES

The prior year balances have been amended for the following items:

Accounts payable has been decreased by \$18,846. There was a payable amount to the Province of Alberta which was approximately 25 years old. In 2007, management investigated the payable and determined that no outstanding amount existed. Consequently, the operating fund has increased by \$18,846.

Equity in Property, Plant and Equipment has been decreased by \$16,500 to remove land inventory held for resale which has been incorrectly included in past years. Consequently, the operating fund has increased by \$16,500.

VILLAGE OF CLYDE

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2007

11. BUDGET FIGURES

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

12. APPROVAL OF FINANCIAL STATEMENTS

Council and management have approved these financial statements.

13. COMPARATIVE FIGURES

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

VILLAGE OF CLYDE

PROPERTY TAXES LEVIED AND EXPENDITURES BY OBJECT

YEAR ENDED DECEMBER 31, 2007

SCHEDULE 1

	<u>2007</u>	[REDACTED]	<u>2006</u>
TAXES LEVIED	\$ 309,725		<u>274,870</u>
REQUISITIONS			
Alberta School Foundation Fund	\$ 51,237		\$ 50,599
Westlock Foundation	<u>2,165</u>		<u>-</u>
Total Requisitions	<u>53,402</u>		<u>50,599</u>
Net taxes for municipal operations	256,323	[REDACTED]	224,271
Less:			
Special assessments and local improvements	<u>(4,680)</u>	[REDACTED])	<u>(5,654)</u>
NET TAXES AVAILABLE FOR GENERAL OPERATIONS	<u>\$ 251,643</u>	\$ [REDACTED]	<u>\$ 218,617</u>
CONSOLIDATED EXPENDITURES BY OBJECT			
Salaries, wages and benefits	\$ 154,954	\$ [REDACTED]	\$ 112,113
Contracted and general services	170,954	[REDACTED]	234,169
Purchases from other governments	28,500	[REDACTED]	27,000
Materials, goods, supplies and utilities	84,241	[REDACTED]	75,454
Transfers to local boards and agencies	29,849	[REDACTED]	13,189
Bank charges and interest	1,949	[REDACTED]	4,010
Capital fund purchases	<u>655,388</u>	[REDACTED]	<u>29,775</u>
TOTAL EXPENDITURES	<u>\$ 1,125,835</u>	\$ [REDACTED]	<u>\$ 495,710</u>

VILLAGE OF CLYDE

UTILITY REVENUES AND EXPENDITURES

YEAR ENDED DECEMBER 31, 2007

SCHEDULE 2

WATER, WASTEWATER AND WASTE MANAGEMENT SERVICES

	<u>2007</u>		<u>2006</u>
REVENUE			
Sale of water	\$ 68,492	\$	\$ 58,543
Sale of sewer services	19,391		14,774
Sale of garbage and recycling services	34,072		18,942
Penalties	<u>2,419</u>		<u>2,921</u>
	124,374		95,180
EXPENDITURES			
Operations and maintenance	<u>124,468</u>		<u>125,251</u>
DEFICIT FOR THE YEAR	\$ <u>(94)</u>	\$	\$ <u>(30,071)</u>