

**Summer Village of
Silver Beach
Financial Statements**

December 31, 2014

Management's Responsibility

To the Mayor and Councillors of the Summer Village of Silver Beach:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Council is composed entirely of individuals who are neither management nor employees of the Summer Village. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Council is also responsible for the appointment of the Summer Village's external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Council and management to discuss their audit findings.

April 27, 2015



Chief Administrative Officer

Independent Auditors' Report

To the Mayor and Councillors of the Summer Village of Silver Beach:

We have audited the accompanying financial statements of the Summer Village of Silver Beach, which comprise the statement of financial position at December 31, 2014, the statements of operations, change in net financial assets, cash flows, and schedules I through VI for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Summer Village of Silver Beach as at December 31, 2014, and the results of its operations, change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

April 27, 2015
Leduc, Alberta

MNP LLP
Chartered Accountants

MNP

**Summer Village of Silver Beach
Statement of Financial Position**

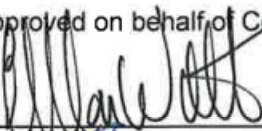
As at December 31, 2014

	2014	2013
Financial assets		
Cash	488,541	551,344
Investments (Note 2)	5,000	5,000
Property taxes receivable (Note 3)	4,561	2,581
Trade and other accounts receivable (Note 4)	39,065	71,231
	537,167	630,156
Liabilities		
Accounts payable and accrued liabilities	18,072	31,737
Deposit liabilities	5,000	7,760
Deferred revenue (Note 5)	276,470	288,389
Landfill closure and post-closure liability (Note 6)	60,507	60,507
	360,049	388,393
Net financial assets	177,118	241,763
Non-financial assets		
Tangible capital assets (Schedule II)	1,347,174	1,369,194
Prepaid expenses	6,770	601
	1,353,944	1,369,795
Accumulated surplus (Schedule I)	1,531,062	1,611,558

Contingencies (Note 7)

Commitments (Note 8)

Approved on behalf of Council:


_____ Mayor


_____ Councillor

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Statement of Operations

For the year ended December 31, 2014

	2014 Budget	2014	2013
Revenue			
Net municipal property taxes <i>(Schedule III)</i>	190,543	191,556	185,406
Sales, user charges and costs	278,915	84,280	201,556
Franchise fees	9,700	8,434	9,750
Penalties and costs on taxes	800	2,406	777
Other	650	1,165	637
Licenses and permits	1,000	385	947
Fines	1,350	340	1,361
Interest income	120	218	234
Government transfers <i>(Schedule IV)</i>	6,990	-	93,926
	490,068	288,784	494,594
Expenses			
Administrative	108,803	151,419	135,207
Protective services	285,460	124,715	257,307
Wastewater	35,545	34,825	39,630
Roads, streets, walks and lighting	6,800	27,856	23,996
Waste management	18,000	19,992	18,460
Parks and recreation	9,000	12,744	11,525
Legislative	8,000	7,526	4,704
Planning and development	500	283	14,461
Library	150	-	112
	472,258	379,360	505,402
Excess (deficiency) of revenue before other	17,810	(90,576)	(10,808)
Other			
Government transfers for capital <i>(Schedule IV)</i>	118,919	10,080	-
Excess (deficiency) of revenue over expenses	136,729	(80,496)	(10,808)
Accumulated surplus, beginning of year	1,611,558	1,611,558	1,622,366
Accumulated surplus, end of year	1,748,287	1,531,062	1,611,558

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Statement of Change in Net Financial Assets

For the year ended December 31, 2014

	2014 Budget	2014	2013
Excess (deficiency) of revenue over expenses	136,729	(80,496)	(10,808)
Acquisition of tangible capital assets	(118,919)	(4,800)	-
Amortization of tangible capital assets	-	26,820	25,860
Use (acquisition) of prepaid assets	-	(6,169)	2,158
Increase (decrease) in net financial assets	17,810	(64,645)	17,210
Net financial assets, beginning of year	241,763	241,763	224,553
Net financial assets, end of year	259,573	177,118	241,763

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Statement of Cash Flows
For the year ended December 31, 2014

	2014	2013
Cash provided by (used for) the following activities:		
Operating		
Deficiency of revenue over expenses	(80,496)	(10,808)
Non-cash items:		
Amortization of tangible capital assets	26,820	25,860
Provision for allowances	-	14,460
Net change in non-cash operating working capital balances:		
Increase (decrease) in deferred revenue	(11,919)	10,933
Decrease (increase) in prepaid expenses	(6,169)	2,158
Decrease in accounts payable and accrued liabilities	(13,665)	(5,794)
Decrease in trade and other accounts receivable	32,166	1,466
Decrease (increase) in property taxes receivable	(1,980)	7,495
Increase (decrease) in deposit liabilities	(2,760)	2,760
	(58,003)	48,530
Capital		
Acquisition of tangible capital assets <i>(Schedule II)</i>	(4,800)	-
	(62,803)	48,530
Increase (decrease) in cash		
	(62,803)	48,530
Cash, beginning of year	551,344	502,814
	488,541	551,344
Cash, end of year		

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Schedule I - Schedule of Changes in Accumulated Surplus

For the year ended December 31, 2014

	<i>Unrestricted Surplus</i>	<i>Restricted Surplus</i>	<i>Equity in Tangible Capital Assets</i>	<i>2014</i>	<i>2013</i>
Balance, beginning of year	211,337	31,027	1,369,194	1,611,558	1,622,366
Excess (deficiency) of revenue over expenses	(80,496)	-	-	(80,496)	(10,808)
Current year funds used for tangible capital assets	(4,800)	-	4,800	-	-
Annual amortization expense	26,820	-	(26,820)	-	-
Change in accumulated surplus	(58,476)	-	(22,020)	(80,496)	(10,808)
Balance, end of year	152,861	31,027	1,347,174	1,531,062	1,611,558

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Schedule II - Schedule of Tangible Capital Assets
For the year ended December 31, 2014

	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>	<i>Engineered Structures</i>	<i>Machinery & Equipment</i>	<i>Vehicles</i>	<i>Construction in Progress</i>	<i>2014</i>	<i>2013</i>
Cost:									
Balance, beginning of year	1,025,380	27,150	8,500	596,871	28,030	52,992	235,734	1,974,657	1,974,657
Acquisition of tangible capital assets	-	-	-	-	4,800	-	-	4,800	-
Balance, end of year	1,025,380	27,150	8,500	596,871	32,830	52,992	235,734	1,979,457	1,974,657
Accumulated amortization:									
Balance, beginning of year	-	19,242	4,930	545,769	5,606	29,916	-	605,463	579,603
Annual amortization	-	1,719	340	11,356	6,566	6,839	-	26,820	25,860
Balance, end of year	-	20,961	5,270	557,125	12,172	36,755	-	632,283	605,463
Net book value	1,025,380	6,189	3,230	39,746	20,658	16,237	235,734	1,347,174	1,369,194
2013 net book value	1,025,380	7,908	3,570	51,102	22,424	23,076	235,734	1,369,194	

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Schedule III - Schedule of Property Taxes Levied
For the year ended December 31, 2014

	2014 Budget	2014	2013
Taxation			
Requisitions	217,773	217,721	250,459
Real property taxes	189,757	189,957	184,008
Non-residential and linear property taxes	786	786	786
	408,316	408,464	435,253
Requisitions			
Alberta School Foundation Fund	217,773	216,908	249,847
Net municipal property taxes	190,543	191,556	185,406

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Schedule IV - Schedule of Government Transfers
For the year ended December 31, 2014

	2014 Budget	2014	2013
Operating			
Provincial	6,990	-	93,926
Capital			
Provincial	118,919	10,080	-
Total government transfers	125,909	10,080	93,926

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Schedule V - Schedule of Expenses by Object
For the year ended December 31, 2014

	2014 Budget	2014	2013
Expenses by object			
Contracted and general services	215,565	214,659	198,261
Salaries, wages and benefits	206,270	97,842	223,849
Materials and goods	49,423	39,194	42,076
Amortization of tangible capital assets	-	26,820	25,860
Bank charges and short-term interest	1,000	845	896
Provision for allowances	-	-	14,460
	472,258	379,360	505,402

The accompanying notes are an integral part of these financial statements

Summer Village of Silver Beach
Schedule VI - Schedule of Segmented Disclosure
For the year ended December 31, 2014

	General Government	Administration	Legislative	Environmental services	Protective services	Roads, streets, walks & lighting	Parks and recreation	Planning & development	Total
Revenue									
Net municipal property taxes	191,556	-	-	-	-	-	-	-	191,556
Sales, user charges, and costs	-	160	-	-	83,249	-	-	871	84,280
Government transfers	-	-	-	-	-	4,276	5,804	-	10,080
Franchise fees	-	8,434	-	-	-	-	-	-	8,434
Penalties and costs on taxes	-	2,406	-	-	-	-	-	-	2,406
Other	-	1,165	-	-	-	-	-	-	1,165
Licenses and permits	-	-	-	-	-	-	-	385	385
Fines	-	257	-	-	83	-	-	-	340
Interest income	-	218	-	-	-	-	-	-	218
	191,556	12,640	-	-	83,332	4,276	5,804	1,256	298,864
Expenses									
Contracted and general services	-	129,930	1,898	54,817	19,840	3,350	4,541	283	214,659
Salaries, wages and benefits	-	-	5,628	-	87,985	-	4,229	-	97,842
Materials and goods	-	15,038	-	-	13,810	9,016	1,330	-	39,194
Bank charges and short-term interest	-	845	-	-	-	-	-	-	845
	-	145,813	7,526	54,817	121,635	12,366	10,100	283	352,540
Net revenue, before amortization	191,556	(133,173)	(7,526)	(54,817)	(38,303)	(8,090)	(4,296)	973	(53,676)
Amortization of tangible capital assets	-	5,606	-	-	3,079	15,491	2,644	-	26,820
Net revenue	191,556	(138,779)	(7,526)	(54,817)	(41,382)	(23,581)	(6,940)	973	(80,496)

1. Significant accounting policies

The financial statements of the Summer Village of Silver Beach (the "Summer Village") are the representations of management prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board ("PSAB") of CPA Canada. Significant aspects of the accounting policies adopted by the Summer Village are as follows:

Reporting entity

The financial statements reflect the assets, liabilities, revenue, expenses, and changes in financial position of the reporting entity. This entity is comprised of the municipal operations.

The schedule of taxes levied also includes requisitions for education that are not part of the municipal reporting entity.

The financial 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 of 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.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 expenses during the year. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Trade and other accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Landfill closure and post-closure liability is based on engineer's estimates of costs to close the landfill.

1. Significant accounting policies *(continued)*

Cash

Cash includes balances held with banks.

Revenue recognition

i. Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal year are reflected as deferred revenue on the statement of financial position in the year of receipt.

ii. 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.

The Summer Village recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Summer Village recognizes revenue as the liability is settled.

iii. Tax revenue

The Summer Village recognizes taxes as assets and revenue when they meet the definition of an asset, are authorized by Council, and the taxable event has occurred. Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the Summer Village evaluates the tax receivable for collectibility and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

iv. Other revenue

Other sources of revenue are recorded when received or receivable.

Landfill closure and post-closure liability

Pursuant to the Alberta Environmental Protection and Enhancement Act, the Summer Village is required to fund the closure and post-closure of its landfill site. Closure activities include the final soil cover and landscaping and post-closure activities include surface and ground water monitoring, leachate control and visual inspection.

1. Significant accounting policies *(continued)*

Non-financial assets

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations.

i. 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:

	<u>Rate</u>
Land improvements	15-20 years
Buildings	25 years
Engineered structures	10-40 years
Machinery and equipment	5 years
Vehicles	5-10 years

Amortization is not charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

ii. Prepaid expenses

Prepaid expenses include pre-payments on goods and services which will be utilized in the following fiscal year.

Segments

The Summer Village conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the Summer Village's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

Recent accounting pronouncements

i. Liability for contaminated sites

In June 2010, the Public Sector Accounting Board ("PSAB") issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Summer Village does not expect the adoption of the new section to have a material impact on its financial statements.

Summer Village of Silver Beach
Notes to the Financial Statements
For the year ended December 31, 2014

1. Significant accounting policies *(continued)*

ii. Financial instruments

In June 2011, PSAB issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections.

PS 3450 is effective for fiscal years beginning on or after April 1, 2016. Earlier adoption is permitted. The Summer Village does not expect the adoption of the new section to have a material impact on its financial statements.

iii. Financial statement presentation

In June 2011, as a result of the issuance of PS 3450 *Financial Instruments*, PSAB issued new PS 1201 *Financial Statement Presentation*, which revises and replaces PS 1200 *Financial Statement Presentation*.

This Section is effective in the same period PS 3450 is adopted. PS 1201 and PS 3450 are to be adopted together and are effective for fiscal years beginning on or after April 1, 2016. Early adoption is permitted. The Summer Village does not expect the adoption of the new section to have a material impact on its consolidated financial statements.

2. Investments

The Summer Village placed \$5,000 in trust as security for its obligations under an agreement with the County of Wetaskiwin dated August 1978. Under this agreement, the Summer Village was to complete local improvements for a planned subdivision, however, the development never commenced and the funds are being held in a guaranteed investment certificate until the work is done.

3. Property taxes receivable

	2014	2013
Current taxes	4,561	2,200
Arrears taxes	-	381
	4,561	2,581

4. Trade and other accounts receivable

	2014	2013
Good and Services Tax	36,060	26,592
Due from other Summer Villages	3,005	57,302
Trade and other accounts receivable	-	1,797
Less allowance for doubtful accounts	-	(14,460)
	39,065	71,231

Summer Village of Silver Beach
Notes to the Financial Statements
For the year ended December 31, 2014

5. Deferred revenue

	2014	2013
Municipal Sustainability Initiative capital grant	248,769	258,848
Basic Municipal Transportation capital grant	19,155	19,155
Prepaid taxes	8,546	10,386
	276,470	288,389

The funds received are restricted to eligible capital projects, as approved under the funding agreements, which are scheduled for completion in 2015. Prepaid taxes includes municipal property taxes paid in advance.

6. Landfill closure and post-closure liability

Alberta environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping. The estimated total liability is based on the cubic metres in place which is 2,770.

7. Contingencies

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

8. Commitments

The Summer Village has entered into various service agreements with annual payments as follows:

2015	19,838
2016	20,022
2017	8,671
2018	6,719

9. Equity in tangible capital assets

	2014	2013
Tangible capital assets (<i>Schedule II</i>)	1,979,457	1,974,657
Accumulated amortization (<i>Schedule II</i>)	(632,283)	(605,463)
	1,347,174	1,369,194

Summer Village of Silver Beach
Notes to the Financial Statements
For the year ended December 31, 2014

10. 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 Silver Beach be disclosed as follows:

	2014	2013
Total debt limit	433,176	741,891
Total debt	-	-
<hr/>		
Amount of debt limit unused	433,176	741,891
<hr/>		
Service on debt limit	72,196	123,649
Service on debt	-	-
<hr/>		
Amount of debt servicing limit unused	72,196	123,649
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The debt limit is calculated at 1.5 times revenue of the Summer Village (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be a financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Summer Village. Rather, the financial statements must be interpreted as a whole.

11. Salary and benefits disclosure

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

	Honoraria	Benefits & allowances	2014	2013
Councillor Martinson	2,850	-	2,850	750
Mayor Watt	2,700	-	2,700	1,950
Councillor Hill	-	-	-	1,350
Councillor Clough	-	-	-	-
Chief Administrative Officer	45,000	-	45,000	45,000

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

Benefits and allowances includes employer's share of all employee benefits and contributions or payments made on behalf of employees including RRSP's, dental coverage, vision coverage, group life insurance and accidental disability and dismemberment insurance.

Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits.

The Summer Village CAO is paid as a contractor and therefore the above amount is included in contracted and general services.

12. Local Authorities Pension Plan

Employees of the Summer Village 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 230,534 people and 418 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

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

The Summer Village is required to make current service contributions to the LAPP of 11.39% of pensionable earnings up to the the year's maximum pensionable earnings under the Canada Pension Plan and 15.84% on pensionable earnings above this amount. Employees of the Summer Village are required to make current service contributions of 10.39% of pensionable salary up to the year's maximum pensionable salary and 14.84% on pensionable salary above this amount.

Total current service contributions by the Summer Village to the LAPP in 2014 were \$5,545 (2013 - \$18,910). Total current service contributions by the employees of the Summer Village to the Local Authorities Pension Plan in 2014 were \$5,100 (2013 - \$17,248).

At December 31, 2013, the LAPP disclosed an actuarial deficiency of \$4,861,516,000 (2012 - \$4,977,303,000).

13. Segments

The Summer Village provides a range of services to its ratepayers. For each reported segment, the revenue 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 Schedule VI - Schedule of Segmented Disclosure.

14. Budget information

The disclosed budget information has been approved by Council. The approved budget includes \$17,810 of transfers to reserves in expenses. These have been removed from the budget on the statement of operations in order to show a more accurate comparison to actual expenses incurred in the year. The Village does not budget for amortization. Included in the actual expenses on the statement of operations is amortization of \$26,820 (2013 - \$25,860).