



Box 157, 4918 50 Avenue, Vegreville, Alberta T9C 1R2

INDEPENDENT AUDITOR'S REPORT

To the Members of Village of Myrnam

We have audited the accompanying consolidated financial statements of Village of Myrnam, which comprise the consolidated statement of financial position as at December 31, 2016 and the consolidated statements of operations, changes in net financial debt 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.

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Independent Auditor's Report to the Members of Village of Myrnam *(continued)*

Opinion

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

Emphasis of Matter

The accompanying consolidated financial statements have been prepared on the going concern assumption that the Village will be able to realize its assets and discharge its liabilities in the normal course of business. Uncertainty exists that may cast significant doubt on the ability to continue as a going concern. We draw attention to Note 2 to the consolidated financial statements.

Vegreville, Alberta
June 28, 2017

Synergy
Chartered Professional Accountants

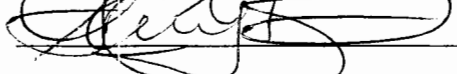
VILLAGE OF MYRNAM
Consolidated Statement of Financial Position
Year Ended December 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash (Note 3)	\$ 22,210	\$ 426,409
Taxes and grants in place of taxes receivable (Note 4)	65,396	48,434
Trade and other receivables	176,567	115,542
Receivables from other governments	64,544	22,221
Land for resale inventory	23	23
	328,740	612,629
LIABILITIES		
Accounts payable and accrued liabilities	30,814	54,716
Funds held in trust	9,169	9,169
Deferred revenue (Note 5)	214,974	465,574
Obligations under capital lease (Note 6)	31,962	60,130
Long term debt (Note 7)	255,036	260,518
	541,955	850,107
NET FINANCIAL DEBT	(213,215)	(237,478)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 8)	2,353,997	2,004,679
ACCUMULATED SURPLUS (Note 9)	\$ 2,140,782	\$ 1,767,201

COMMITMENTS AND SUBSEQUENT EVENTS (Note 13)

ON BEHALF OF THE VILLAGE OF MYRNAM

 Mayor

 Chief Administrative Officer

See notes to financial statements

VILLAGE OF MYRNAM**Consolidated Statement of Change in Net Financial Debt****Year Ended December 31, 2016**

	(Unaudited) Budget	2016	2015
EXCESS OF REVENUES OVER EXPENSES	\$ 10,269	\$ 373,581	\$ 169,495
Acquisition of tangible capital assets	(40,500)	(480,206)	(214,430)
Proceeds on sale of tangible capital assets	-	24,700	-
Amortization of tangible capital assets	-	124,388	122,348
Loss on sale of tangible capital assets	(8,500)	(18,200)	-
	(38,731)	24,263	77,413
Net financial debt, beginning of year	-	(237,478)	(314,891)
NET FINANCIAL DEBT, END OF YEAR	\$ (38,731)	\$ (213,215)	\$ (237,478)

VILLAGE OF MYRNAM
Consolidated Statement of Operations
Year Ended December 31, 2016

	(Unaudited) Budget	2016	2015
REVENUES			
Net municipal taxes <i>(Schedule 1)</i>	\$ 235,828	\$ 233,372	\$ 236,306
Sales of goods and services	292,625	331,047	315,274
Government Transfers for Operating <i>(Schedule 2)</i>	418,016	285,884	183,018
Investment income	1,875	1,305	2,040
Penalties and costs of taxes	7,200	8,249	7,019
Other	8,500	18,200	-
	964,044	878,057	743,657
EXPENSES			
Legislative	16,725	19,968	16,752
Administration	215,250	210,651	152,437
Protective services	36,350	38,614	36,122
Roads, streets, walks, lighting	239,145	337,717	252,409
Water supply and distribution	96,900	144,995	209,651
Wastewater treatment and disposal	6,500	16,652	19,482
Waste management	35,000	35,715	40,717
Family and community support	4,450	2,792	4,631
Land use planning, zoning and development	284,000	165,454	-
Recreation and culture	19,455	11,970	15,835
	953,775	984,528	748,036
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE TRANSFERS FOR CAPITAL.	10,269	(106,471)	(4,379)
Government transfers for capital <i>(Schedule 3)</i>	-	480,052	173,874
EXCESS OF REVENUES OVER EXPENSES	\$ 10,269	\$ 373,581	\$ 169,495

VILLAGE OF MYRNAM
Consolidated Statement of Cash Flows
Year Ended December 31, 2016

	2016	2015
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING TRANSACTIONS:		
OPERATING		
Excess of revenues over expenses	\$ 373,581	\$ 169,495
Non-cash items included in excess of revenues over expenses:		
Amortization of tangible capital assets	124,388	122,348
Loss on disposal of tangible capital assets	(18,200)	-
	479,769	291,843
Non-cash changes to operations:		
Taxes and grants in place of taxes receivable	(16,962)	(11,752)
Trade and other receivables	(61,025)	(18,309)
Receivables from other governments	(42,323)	10,393
Accounts payable and accrued liabilities	(23,902)	(247,417)
Deferred revenue	(250,600)	282,764
	(394,812)	15,679
Cash provided by operating transactions	84,957	307,522
CAPITAL		
Acquisition of tangible capital assets	(480,206)	(214,430)
Proceeds on sale of tangible capital assets	24,700	-
Cash applied to capital transactions	(455,506)	(214,430)
INVESTING		
Cash provided by (applied to) investing transactions	250,600	(282,764)
FINANCING		
Long term debt issued	-	263,196
Long term debt repaid	(5,482)	(2,678)
Repayment of obligations under capital lease	(28,168)	(26,945)
Cash provided by (applied to) financing transactions	(33,650)	233,573
CHANGE IN CASH EQUIVALENTS DURING THE YEAR	(153,599)	43,901
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	(48,334)	(92,235)
DEFICIENCY - END OF YEAR	(201,933)	(48,334)
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 108	\$ 922
Interest paid	\$ (12,724)	\$ (9,986)
CASH CONSISTS OF:		
Cash (Note 3)	\$ 22,210	\$ 426,409
Less: restricted cash or cash equivalents (Note 3)	(224,143)	(474,743)
	\$ (201,933)	\$ (48,334)

See notes to financial statements

VILLAGE OF MYRNAM

Consolidated Schedule of Property and Other Taxes

(Schedule 1)

Year Ended December 31, 2016

	(Unaudited) Budget	2016	2015
TAXATION			
Residential	\$ 263,500	\$ 260,065	\$ 252,861
Non-residential	15,900	15,818	18,406
Machinery and equipment	-	568	602
Linear property	9,600	9,427	9,873
Farmland	-	666	697
	289,000	286,544	282,439
REQUISITIONS			
Alberta School Foundation	43,774	43,774	38,662
Eagle Hill Foundation	9,398	9,398	7,471
	53,172	53,172	46,133
	\$ 235,828	\$ 233,372	\$ 236,306

VILLAGE OF MYRNAM

**Consolidated Schedule of Government Transfers for Operating
Year Ended December 31, 2016**

(Schedule 2)

	(Unaudited) Budget	2016	2015
TRANSFERS FOR OPERATING			
Federal grants	\$ 13,586	\$ -	\$ 964
Provincial grants	329,430	210,884	182,054
Local grants	75,000	75,000	-
	\$ 418,016	\$ 285,884	\$ 183,018

**Consolidated Schedule of Government Transfers for Capital
Year Ended December 31, 2016**

(Schedule 3)

	(Unaudited) Budget	2016	2015
TRANSFERS FOR CAPITAL			
Provincial grants	\$ -	\$ 480,052	\$ 173,874

**Consolidated Schedule of Expenses by Object
Year Ended December 31, 2016**

(Schedule 4)

	(Unaudited) Budget	2016	2015
EXPENSES			
Salaries, wages and benefits	\$ 288,709	\$ 301,247	\$ 261,089
Contracted and general services	399,200	290,937	121,061
Materials, goods, supplies and utilities	260,366	254,782	233,526
Provision for allowances	1,100	450	26
Bank charges and short term interest	600	2,111	2,541
Amortization of tangible capital assets	-	124,388	122,348
Interest on long term debt	3,800	10,613	7,445
	\$ 953,775	\$ 984,528	\$ 748,036

VILLAGE OF MYRNAM

Consolidated Schedule of Segmented Disclosures

(Schedule 5)

Year Ended December 31, 2016

	General Government	Protective Services	Transportation Services	Environmental Services	Planning & Development	Family & Community Support Services	Recreation & Culture	2016 Total
REVENUE								
Net municipal taxes	\$ 233,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 233,372
User fees & sales of goods	9,653	36,146	13,500	269,495	2,253	-	-	331,047
Government transfers	95,230	21,827	334,000	134,725	169,954	3,200	7,000	765,936
Investment income	1,305	-	-	-	-	-	-	1,305
Other revenues	8,249	-	18,200	-	-	-	-	26,449
	347,809	57,973	365,700	404,220	172,207	3,200	7,000	1,358,109
EXPENSES								
Salaries & wages	126,854	-	161,652	11,934	-	-	807	301,247
Contract & general services	42,641	33,223	3,830	41,935	165,454	-	3,854	290,937
Goods & supplies	43,290	5,391	116,800	79,200	-	2,792	7,309	254,782
Provision for allowances	450	-	-	-	-	-	-	450
Other expenses	2,514	-	10,210	-	-	-	-	12,724
	215,749	38,614	292,492	133,069	165,454	2,792	11,970	860,140
NET REVENUE, BEFORE AMORTIZATION	132,060	19,359	73,208	271,151	6,753	408	(4,970)	497,969
Amortization expense	14,869	-	45,225	64,294	-	-	-	124,388
EXCESS OF REVENUES OVER EXPENSES	\$ 117,191	\$ 19,359	\$ 27,983	\$ 206,857	\$ 6,753	\$ 408	\$ (4,970)	\$ 373,581

See notes to financial statements

VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village of Myrnam 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 Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the municipality are as follows:

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 or controlled by the municipality and are, therefore, accountable to the municipal 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 transfer, 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 generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada 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.

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VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

1. 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 cost for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges.

Tax revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Requisitions operate as a flow through and are excluded from municipal revenue.

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

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VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

1. 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 Change in Net Financial Debt for the year.

a) **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:

	YEARS
Buildings	
Permanent	50
Portable	25
Engineered structures	
Roads	30
Water system	40-75
Wastewater system	40-75
Machinery and equipment	10
Vehicles	10

Assets under construction are not amortized until the asset is available for productive use.

b) **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.

c) **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.

Budget figures

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

VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

2. GOING CONCERN

The accompanying financial statements have been prepared on the going concern assumption that the municipality will be able to realize its assets and discharge its liabilities in the normal course of business. Due to continued operating losses, a material uncertainty exists that may cause significant doubt on the ability to continue as a going concern. The municipality's ability to continue as a going concern is dependent upon it's ability to sustain operations, and increase amounts charged to ratepayers to a level sufficient to meet current and future obligations.

During the year the municipality received a \$75,000 grant from the County of Two Hills No. 21 for operational assistance and is expected to receive this assistance in 2017. These financial statements do not reflect the adjustments or reclassification of assets and liabilities, which would be necessary if the municipality was unable to continue its operations.

3. CASH

	2016	2015
Cash	\$ 22,210	\$ 426,409

Included in cash is a restricted amount of \$224,143 (2015 - \$474,743) comprised of \$9,169 (2015 - \$9,169) of funds held in trust and \$214,974 (2015 - \$465,574) of deferred revenue received from various sources and held exclusively for approved projects (Note 5).

4. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE

	2016	2015
Current:	\$ 35,801	\$ 30,574
Arrears	29,595	17,860
	\$ 65,396	\$ 48,434

5. DEFERRED REVENUE

Deferred revenue is comprised of the funds noted below, the use of which are externally restricted. These funds are recognized as revenue in the period they are used for in the purpose specified.

	2016	2015
Regional Collaboration Program (ACP - Rapid)	\$ 169,705	\$ 335,000
Municipal Sustainability Initiative	38,245	95,958
Federal Gas Tax Fund	-	24,254
Basic Municipal Transportation Grant	5,560	10,361
Myrnam Agricultural Society lease	1	1
County of Two Hills - Library grant support	1,463	-
	\$ 214,974	\$ 465,574

Funding from various grant programs, organizations and individuals, remained unspent at the end of the current year. The use of these funds is restricted to eligible operating and capital projects as approved under the funding agreements or as indicated by the donors.

VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

6. OBLIGATIONS UNDER CAPITAL LEASE

	2016	2015
Finning lease bearing interest at 4.45% per annum, repayable in monthly blended payments of \$2,523. The lease matures on February 27, 2018 and is secured by Finning Backhoe 420F.	\$ 31,962	\$ 60,130

Total payments of obligations under capital lease are as follows:

	Principal	Interest	Total
2017	\$ 29,448	\$ 828	\$ 30,276
2018	2,514	8	2,522
	\$ 31,962	\$ 836	\$ 32,798

Interest on obligations under capital lease was \$2,106 (2015 - \$3,330) equal to actual cash payments.

7. LONG TERM DEBT

	2016	2015
Alberta Capital Finance Authority loan bearing interest at 3.127% per annum, repayable in semi-annual blended payments of \$6,793. The loan matures on June 15, 2045.	\$ 255,036	\$ 260,518

Principal and interest repayments are as follows:

	Principal	Interest	Total
2017	\$ 5,655	\$ 7,931	\$ 13,586
2018	5,833	7,753	13,586
2019	6,017	7,569	13,586
2020	6,207	7,379	13,586
2021	6,402	7,184	13,586
Thereafter	224,922	94,311	319,233
	\$ 255,036	\$ 132,127	\$ 387,163

Interest on long-term debt was \$8,104 (2015 - \$4,155) equal to actual cash payments. Debenture debt is issued on the credit and security of the municipality at large.

VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

8. TANGIBLE CAPITAL ASSETS

	2015			2016
	Opening	Additions/	Disposals/	Closing
	Balance	Amortization	Adjustments	Balance
<u>COST</u>				
Land	\$ 89,058	\$ 540	\$ -	\$ 89,598
Buildings				
Permanent	700,119	-	-	700,119
Portable	5,217	-	-	5,217
Machinery and equipment	206,438	26,183	(29,300)	203,321
Vehicles	327,413	65,780	(30,500)	362,693
Engineered structures				
Roads	585,742	16,132	-	601,874
Water system	1,405,791	102,034	74,754	1,582,579
Wastewater system	462,706	-	-	462,706
Assets under construction	374,454	269,537	(74,754)	569,237
	4,156,938	480,206	(59,800)	4,577,344
<u>ACCUMULATED AMORTIZATION</u>				
Buildings				
Permanent	158,519	14,002	-	172,521
Portable	104	209	-	313
Machinery and equipment	106,446	16,713	(22,800)	100,359
Vehicles	137,686	34,269	(30,500)	141,455
Engineered structures				
Roads	491,839	20,062	-	511,901
Water system	829,945	30,377	-	860,322
Wastewater system	427,720	8,756	-	436,476
	2,152,259	124,388	(53,300)	2,223,347
	\$ 2,004,679	\$ 355,818	\$ (6,500)	\$ 2,353,997

9. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2016	2015
Unrestricted surplus		
Unrestricted surplus, beginning of year	\$ (177,348)	\$ (227,816)
Excess of revenues over expenses	373,581	169,495
Increase in tangible capital assets	(377,486)	(119,027)
Unrestricted surplus, end of year	(181,253)	(177,348)

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VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

9 ACCUMULATED SURPLUS (continued)

	2016	2015
Equity in tangible capital assets		
Equity in tangible capital assets, beginning of year	1,944,549	1,825,522
Current funds used for tangible capital assets	480,206	214,430
Proceeds on sale of tangible capital assets	(24,700)	-
Loss on sale of tangible capital assets	18,200	-
Capital lease repayment	28,168	26,945
Amortization of tangible capital assets	(124,388)	(122,348)
Equity in tangible capital assets, end of year	2,322,035	1,944,549
	\$ 2,140,782	\$ 1,767,201
Equity in tangible capital assets consists of the following:		
Obligations under capital lease (Note 6)	\$ (31,962)	\$ (60,130)
Tangible capital assets (Note 8)	2,353,997	2,004,679
	\$ 2,322,035	\$ 1,944,549

10. SEGMENTED DISCLOSURE

The Village of Myrnam 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 5).

11. 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 Myrnam be disclosed as follows:

	2016	2015
Total debt limit	\$ 2,037,164	\$ 1,376,297
Total debt	(286,998)	(320,648)
Amount of debt limit unused	1,750,166	1,055,649
Debt servicing limit	339,527	229,383
Debt servicing	(43,860)	(43,860)
Amount of debt servicing limit unused	\$ 295,667	\$ 185,523

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.

VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

12. 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 & Allowances	2016	2015
Mayor	Sosnowski	\$ 6,750	\$ 2,393	\$ 9,143	\$ 5,687
	Rudolf	5,600	337	5,937	4,939
	Yaremchuk	4,550	288	4,838	4,499
Administrator	Dupuis	70,123	9,265	79,388	72,659

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
2. Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional memberships and tuition.
3. If an automobile is provided, no amount is included in the benefits and allowances figure.
4. 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.

13. COMMITMENTS AND SUBSEQUENT EVENTS

The municipality intends to create a Construction Trades Education Centre within the New Myrnam School. The cost of the project is estimated at \$700,000 and is expected to be funded by loan proceeds to be repaid within a year.

The municipality has committed to sidewalk replacements. The project is estimated to cost \$50,000 and is to be completed in 2017. To date, the project is approximately seventy-five percent complete with actual costs of \$38,000. Federal Gas Tax Grant funding will be allocated to cover the cost of the project.

14. FINANCIAL INSTRUMENTS

The municipality's financial assets consist of cash, accounts receivable and financial liabilities consists of accounts payable and accrued liabilities, funds held in trust, obligations under capital lease, and long term debt. It is management's opinion that the municipality is not exposed to significant interest or currency risks arising from these financial instruments.

The municipality 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 municipality 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.

VILLAGE OF MYRNAM
Notes to Consolidated Financial Statements
Year Ended December 31, 2016

15. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.

16. COMPARATIVE FIGURES

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