

THE CITY OF PRINCE ALBERT



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

TABLE OF CONTENTS
December 31, 2010 Consolidated Financial Statements

	<u>Schedule</u>	<u>Page</u>
Managements' Report		3
Auditor's Report		4
Consolidated Financial Statements		
Consolidated Statement of Financial Position		5
Consolidated Statement of Operations		6
Consolidated Statement of Change in Net Debt		7
Consolidated Statement of Cash Flows		8
Notes to the Consolidated Financial Statements		9
Schedule of Consolidated Statement of Financial Position		
Segmented by Fund	1	19
Schedule of Consolidated Statement of Financial Position - Prior Year		
Segmented by Fund	2	21
Schedule of Consolidated Statement of Operations		
Segmented by Fund	3	23
Schedule of Consolidated Statement of Operations - Prior Year		
Segmented by Fund	4	25
Schedule of General Fund Statement of Operations		
Segmented by Department	5	27
Schedule of General Fund Statement of Operations - Prior Year		
Segmented by Department	6	28
Schedule of Tangible Capital Assets		
Segmented by Fund	7	29
Schedule of Accumulated Surplus	8	31
Schedule of Funds Held in Trust	9	33
Schedule of Trust Fund Transactions	10	34

The management of The City of Prince Albert is responsible for the integrity of the accompanying consolidated financial statements and all other information within this Annual Report. The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The preparation of the consolidated financial statements necessarily includes some amounts which are based on the best estimates and judgments of management.

To assist in meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, in order that the integrity of financial records is maintained.

The consolidated financial statements have been audited by the independent firm of Deloitte & Touche LLP. Their report to the Mayor and City Council, stating the scope of their examination and opinion of the consolidated financial statements, follows.



Robert Cotterill, P.Eng.
City Manager



Joe Day, A.A.A.S, M.A.A.S.
Director of Financial Services



To His Worship the Mayor and Members of City Council

We have audited the accompanying consolidated financial statements of The City of Prince Albert, which comprise the consolidated statement of financial position as at December 31, 2010, and the consolidated statements of operations, changes in net 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 generally accepted accounting principles, 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 The City of Prince Albert as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads "Deloitte + Touche LLP".

Chartered Accountants
June 20, 2011
Prince Albert, Saskatchewan

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2010

	<u>2010</u>	<u>2009</u> (restated - Note 17)
FINANCIAL ASSETS		
Cash	\$ 6,000,276	\$ 1,087,902
Temporary investments	3,127,861	8,119,146
Taxes receivable	1,972,768	1,769,409
Accounts receivable (Note 2)	11,022,541	9,481,544
Long-term investments (Note 3)	162,390	270,703
Due from Trusts	<u>1,416</u>	<u>11,416</u>
	<u>22,287,252</u>	<u>20,740,120</u>
LIABILITIES		
Accounts payable and accrued liabilities	8,289,167	9,811,614
Wages and vacation payable	631,696	574,249
Deposits and deferred revenue (Note 5)	7,574,804	6,528,483
Due to local school divisions (Note 6)	829,699	1,091,729
Long-term debt (Note 7)	17,988,274	19,082,245
Vested sick leave	<u>2,804,475</u>	<u>2,525,637</u>
	<u>38,118,115</u>	<u>39,613,957</u>
NET DEBT	<u>(15,830,863)</u>	<u>(18,873,837)</u>
NON-FINANCIAL ASSETS		
Property acquired for taxes (Note 8)	487,766	495,028
Prepaid expenses	122,084	190,602
Supplies inventory	1,672,319	1,809,118
Land available for sale	4,772,927	4,944,428
Work in progress (Note 9)	10,998,786	20,157,772
Tangible Capital Assets (Note 10) (Schedule 7)	<u>244,136,390</u>	<u>224,121,996</u>
	<u>262,190,272</u>	<u>251,718,944</u>
ACCUMULATED SURPLUS (Schedule 8)	<u>\$ 246,359,409</u>	<u>\$ 232,845,107</u>

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2010

	<u>Budget</u> (unaudited)	<u>2010</u>	<u>2009</u> (restated - Note 17)
REVENUES			
Taxation (Note 11)	\$ 23,733,340	\$ 23,836,474	\$ 21,842,198
User charges and fees	22,214,960	22,609,828	19,982,384
(Loss) gain on disposal of capital assets	-	(4,418)	27,685
Operating grants and donations	7,841,210	8,735,098	7,809,271
Grants in lieu of taxes (Note 12)	8,909,700	9,517,222	9,458,029
Interest and penalties	394,800	583,816	527,209
Land sales	2,362,000	3,983,799	2,549,684
Sundry	<u>475,850</u>	<u>888,752</u>	<u>351,182</u>
	<u>65,931,860</u>	<u>70,150,571</u>	<u>62,547,642</u>
EXPENSES			
Airport operations	599,060	745,106	678,598
Community services	11,838,940	11,785,721	9,945,139
General government	7,699,660	6,583,350	6,463,550
Land development operations	2,593,000	462,617	2,197,647
Protective services - Emergency Call Centre	2,257,350	2,538,072	1,344,803
Protective services - Fire Services	5,213,340	5,166,259	4,806,717
Protective services - Police Services	13,349,080	13,488,675	12,171,625
Sanitation Utility Services	2,392,470	2,103,817	2,098,007
Transportation services	5,549,820	6,190,904	6,254,690
Water utility services	9,286,850	9,791,449	8,349,982
Consolidated entities	<u>-</u>	<u>479,580</u>	<u>399,234</u>
	<u>60,779,570</u>	<u>59,335,550</u>	<u>54,709,992</u>
SURPLUS OF REVENUES OVER EXPENSES			
BEFORE CAPITAL	<u>5,152,290</u>	<u>10,815,021</u>	<u>7,837,650</u>
Capital revenues	18,841,000	11,003,922	8,663,425
Amortization	<u>-</u>	<u>(8,228,392)</u>	<u>(7,714,011)</u>
	<u>18,841,000</u>	<u>2,775,530</u>	<u>949,414</u>
SURPLUS OF REVENUES OVER EXPENSES	<u>\$ 23,993,290</u>	<u>\$ 13,590,551</u>	<u>\$ 8,787,064</u>
Accumulated Surplus, beginning of Year		\$ 232,845,107	\$ 224,076,390
Change in Share of Equity of Consolidated Entities		<u>(76,249)</u>	<u>(18,346)</u>
ACCUMULATED SURPLUS, END OF YEAR (Schedule 8)		<u>\$ 246,359,409</u>	<u>\$ 232,845,107</u>

See accompanying notes

Page 6

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2010

	Budget	2010	2009
	(unaudited)		(restated - Note 17)
Surplus of Revenue over Expenses	\$ 23,993,290	\$ 13,590,551	\$ 8,787,064
Change in share of equity of consolidated entities	-	(76,249)	(18,346)
	23,993,290	13,514,302	8,768,718
Changes in Capital			
Acquisition of Tangible Capital Assets	(26,219,900)	(7,026,245)	(12,961,470)
Acquisition of Work in Progress	-	(12,465,403)	(9,689,747)
Amortization of Tangible Capital Assets	-	8,228,392	7,714,011
Proceeds on Disposal of Tangible Capital Assets	-	403,430	399,170
Loss (Gain) on Disposal of Tangible Capital Assets	-	4,418	(27,685)
Deficit from Tangible Capital Asset Transactions	(26,219,900)	(10,855,408)	(14,565,721)
Change in Non-Financial Assets			
Change in Property acquired for taxes	-	7,263	(13,239)
Change in Prepaid expenses	-	68,517	12,293
Change in Supplies Inventory	-	136,799	(68,045)
Land Available for Sale - developments during the year	-	(25,369)	(4,324)
Land Available for Sale - sold during the year	-	196,870	95,602
Surplus from Non-Financial Assets	-	384,080	22,287
DECREASE (INCREASE) IN NET DEBT	(2,226,610)	3,042,974	(5,774,716)
NET DEBT, BEGINNING OF YEAR	(18,873,837)	(18,873,837)	(13,099,121)
NET DEBT, END OF YEAR	\$ (21,100,447)	\$ (15,830,863)	\$ (18,873,837)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
		(restated - Note 17)
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Surplus of revenues over expenses	\$ 13,590,551	\$ 8,787,064
Adjusted for non-cash items		
Amortization	8,228,392	7,714,011
Opening equity adjustment	-	(555,469)
Change in equity of consolidated entities	<u>(76,249)</u>	<u>(18,346)</u>
	<u>21,742,694</u>	<u>15,927,260</u>
Change in non-cash working capital		
Taxes receivable	(203,359)	(256,557)
Accounts receivable	(1,540,997)	804,273
Due from Trusts	10,000	9,860
Accounts payable and accrued liabilities	(1,522,447)	71,440
Wages and vacation payable	57,447	73,431
Deposits and deferred revenue	1,046,321	2,660,889
Due to local school divisions	(262,030)	563,132
Vested sick leave	278,838	215,560
Property acquired for taxes	7,262	(13,239)
Prepaid expenses	68,518	12,293
Supplies inventory	136,799	(68,045)
Land available for sale	<u>171,501</u>	<u>91,278</u>
	<u>(1,752,147)</u>	<u>4,164,315</u>
CASH FLOWS FROM (USED IN) CAPITAL TRANSACTIONS		
Acquisition of Tangible Capital Assets	(7,026,244)	(12,961,470)
Proceeds from the disposal of Tangible Capital Assets	403,429	399,173
Loss (Gain) on disposal of Tangible Capital Assets	4,418	(27,685)
Development of work in progress	<u>(12,465,403)</u>	<u>(9,689,744)</u>
	<u>(19,083,800)</u>	<u>(22,279,726)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Long-term debt issued	113,080	13,275,000
Long-term debt repaid	<u>(1,207,051)</u>	<u>(609,613)</u>
	<u>(1,093,971)</u>	<u>12,665,387</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Long-term investments	<u>108,313</u>	<u>1,895</u>
NET (DECREASE) INCREASE IN CASH	(78,911)	10,479,131
CASH (BANK INDEBTEDNESS) AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>9,207,048</u>	<u>(1,272,083)</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 9,128,137</u>	<u>\$ 9,207,048</u>
CONSISTING OF:		
Cash	\$ 6,000,276	\$ 1,087,902
Temporary investments	<u>3,127,861</u>	<u>8,119,146</u>
	<u>\$ 9,128,137</u>	<u>\$ 9,207,048</u>

See accompanying notes

Page 8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The City of Prince Albert (the City) are prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP") as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants ("CICA"). Significant aspects of the accounting policies adopted by the City are as follows:

Fund Accounting (Segment Disclosures)

The City's Financial Statements are prepared in accordance with PSAB Section PS 2700, Segment Disclosures. The City's segments are divided into different funds, a description of each is provided below:

General Operating Fund

The General Operating Fund accounts for the City's general operations and is funded by a variety of sources and is balanced by property tax revenue.

Sanitation Operating Fund

The Sanitation Operating Fund accounts for the City's sanitation utility (landfill and recycling) operations and is funded by user fees and sanitation surcharges. The fund is a self sustaining fund.

Water Utility Operating Fund

The Water Utility Operating Fund accounts for the City's water utility (water and waste water) operations and is funded by user fees. The fund is a self sustaining fund.

Land Operating Fund

The Land Operating Fund accounts for the development of residential, commercial and industrial properties and is funded by land sales. The Land Fund is self sustaining.

Airport Operating Fund

The Airport Operating Fund accounts for the operations at the Airport and is funded by user fees and a transfer from general operations.

Equipment Fund

The Equipment Fund accounts for the operations of the City's equipment and fleet. The fund earns revenues by charging the City's operational areas for the use of equipment and fleet units. The fund is also responsible for the operational costs and maintenance of the equipment and fleet. The net surplus in this fund is transferred to the equipment reserve at year end.

Reporting Entity and Basis of Consolidation

These financial statements consolidate the financial position, operations, changes in net debt and cash flows of the General, Sanitation, Land, Water Utility, and Airport Operating Funds of the City.

The following organizations are consolidated based on the City's control or ownership of the organization:

John M. Cuelenaere Public Library Board

The following organizations are government partnerships and are proportionately consolidated:

North Central Saskatchewan Waste Management Corp. (2010 - 83.64%: 2009 - 84.62%)

Wapiti Regional Library (2010 - 61.18%: 2009 - 63.31%)

All interfund assets, liabilities, revenues and expenses have been eliminated through consolidation (see Schedules 1, 2, 3 and 4).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP as recommended requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Cash

Cash and cash equivalents consist of cash on hand and balances with banks.

Temporary Investments

Temporary investments are recorded at cost which approximates their fair value due to their short-term maturity.

Deposits and Deferred Revenue

Deposits and deferred revenue includes monies received in advance for servicing and subdivision revenue, property sales, and external funding for capital projects to be completed in future years.

Vested Sick Leave

Sick leave is earned by employees through a bi-weekly allotment. Unused sick leave is accumulated and vests with the employee and is paid out upon termination of employment. The benefit vests with the employee after five years continuous service for permanent unionized employees and after ten years continuous service for management and non-permanent unionized employees. Payment calculations are limited by 194 days (148 for the Fire Department) of accumulated sick time and a maximum of 30 years of employment. The value of the vested sick leave reflects the present value of the liability of future employees' earnings.

Property Acquired for Taxes

Property acquired for taxes is recorded at the lower of carrying amount or fair value. Impairment losses are not reversed in subsequent years, if fair value subsequently increases.

Supplies Inventory

Inventory is valued at the lower of cost and market value.

Land Available for Sale

Land available for sale is recorded at the lower of cost to prepare the land for sale and the market value of the land. Costs to prepare the land for sale include leveling, grading and SaskPower and SaskEnergy service connections.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Tangible Capital Assets and Work in Progress

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 of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land Improvements	9 to 50 years
Buildings	20 to 100 years
Machinery and Equipment	5 to 15 years
Fleet	7 to 15 years
Roads	10 to 100 years
Water , Sanitary and Storm Sewer Infrastructure	20 to 100 years

One-half of the annual amortization is charged in the year that the asset is put into service and in the year of disposal. Assets under construction are recorded as Work in Progress and are not amortized until the asset is available for productive use.

Revenue and Expenses Recognition

Revenues are recorded using the accrual basis of accounting whereby revenues are recognized as they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified. Expenses are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

Property tax revenue is based on assessments determined in accordance with Provincial legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded net of a provision for potential losses on outstanding assessment appeals and uncollected taxes. By their nature, these provisions are subject to measurement uncertainty and the impact on the financial statements of future periods could be material. Penalties on overdue taxes are recorded in the period levied

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates can be made.

Land sales are recognized in the financial statements as revenues in the period in which the contract is signed and deposit is received. Although title does not transfer until all contract obligations are fulfilled, the property owner is responsible for property taxes upon contract signing, and has possession of the land.

Pension

Employees of the City participate in the Municipal Employees Pension Plan. Since this plan is a multi-employer defined benefit plan, defined contribution accounting has been applied and the City's pension expense is limited to its contributions to the plan.

Trust Funds

Trust funds and their related operations administered by the City are not consolidated, but are reported separately on the schedule of funds held in trust (Schedule 9) and schedule of trust fund transactions (Schedule 10).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Budget Figures

The Council approved 2010 operating budgets are reflected on the Consolidated Statement of Operations, and does not include budget figures for the consolidated entities.

The budget figures are not audited, and where applicable have been restated to conform to the new financial statement presentation.

2. ACCOUNTS RECEIVABLE

Accounts receivable have been reported net of an allowance for doubtful accounts of \$1,115,329 (2009 - \$1,091,785). The allowances have been determined through an annual review of outstanding amounts.

3. LONG TERM INVESTMENTS

Through the proportionate consolidation with Wapiti Regional Library, long term investments are recorded. The gross investments (before proportionate consolidation) consist of the following:

CIBC non-redeemable Guaranteed Investment Certificates:

	<u>2010</u>	<u>2009</u>
0.40%, maturing June 8, 2010	\$ -	\$ 60,657
6.00%, maturing June 6, 2011	116,608	116,608
7.00%, maturing June 6, 2010	-	106,938

Manulife non-redeemable Guaranteed Investment Certificates:

1.70%, maturing April 26, 2012	33,395	32,902
3.65%, maturing April 26, 2011	31,469	31,469
2.50%, maturing April 26, 2013	<u>33,958</u>	<u>29,009</u>
	<u>215,430</u>	<u>377,583</u>

Investment in Saskatchewan Information & Library Services Consortium ("SILS")

	<u>50,000</u>	<u>50,000</u>
	<u>\$ 265,430</u>	<u>\$ 427,583</u>

4. LINE OF CREDIT

The general bank account is covered by a \$12,000,000 revolving credit line. The interest on the credit line is prime less 0.75% per year. The credit line is secured by a hypothecation of taxes and grants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

5. DEPOSITS AND DEFERRED REVENUE

Deposits and Deferred Revenue include funds that are externally restricted as follows:

	<u>New Deal - Federal Gas Tax</u>	<u>Public Transit</u>	<u>Other Deposits and Deferred Revenues</u>	<u>Building Canada Fund</u>	<u>Total</u>
Opening balance	\$ 2,514,693	\$ 649,061	\$ 3,364,729	\$ -	\$ 6,528,483
Funds received	2,102,039	-	-	5,600,000	7,702,039
Interest earned	29,200	816	-	-	30,016
Administration costs	(29,200)	(816)	-	-	(30,016)
Eligible project costs	<u>(423,704)</u>	<u>(649,061)</u>	<u>(2,639,535)</u>	<u>(2,943,418)</u>	<u>(6,655,718)</u>
Ending balance	<u>\$ 4,193,028</u>	<u>\$ -</u>	<u>\$ 725,194</u>	<u>\$ 2,656,582</u>	<u>\$ 7,574,804</u>

New Deal - Federal Gas Tax Program is funding received by the City from the Funding Agreement on the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities. The use of these funds are restricted to eligible projects as identified in the funding agreement. Authorization and approval are required before the funds can be expended.

Public Transit deferred revenue is funding received by the City under the Canada Saskatchewan Agreement on the Transfer of Funds for Public Transit. The use of these funds are restricted to projects for the City's transit system and subject to terms and conditions contained in the funding agreement. Authorization and approval are required before the funds can be expended.

Other deposits and deferred revenues are funds received prior to related expenses being incurred, or revenues received before the year in which they are earned.

Building Canada Fund deferred revenue is the Province of Saskatchewan's portion of funding received under the Building Canada Fund - Communities Component Agreement. The use of these funds are restricted to the Water Treatment Plant upgrades and subject to terms and conditions contained in the funding agreement. The revenues are brought into income at the same time that the Federal portion of the claim is approved and paid. The Government of Canada's portion of the funding is applied for periodically during the year.

6. DUE TO LOCAL SCHOOL DIVISIONS

Amounts owing to each school division is shown net of an allowance for doubtful accounts. The net amounts owing are as follows:

	<u>Public School</u>	<u>Separate School</u>	<u>Total 2010</u>	<u>Total 2009</u>
Taxes payable	\$ 1,049,778	\$ 143,092	\$ 1,192,870	\$ 1,592,295
Allowance for doubtful accounts	<u>(363,139)</u>	<u>(32)</u>	<u>(363,171)</u>	<u>(500,566)</u>
Net taxes payable	<u>\$ 686,639</u>	<u>\$ 143,060</u>	<u>\$ 829,699</u>	<u>\$ 1,091,729</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

7. LONG-TERM DEBT

	2010	2009
General Fund		
Loan payable - Canadian Imperial Bank of Commerce, monthly payments of \$2,775 including interest at 3.01%, secured by a first assignment of water utility user fees and charges and land sales, due April 1, 2013.	\$ 468,837	\$ 487,722
Loan payable - Danny's Golf Shop, monthly payments of \$7,995 including interest at 3.00%, due December 15, 2012	186,049	275,000
Capital Lease payable - Roynat Inc., monthly payments of \$2,336 including interest at 9.89%, due May 1, 2015	99,993	-
	754,879	762,722
Water Utility Fund		
Loan payable - Canada Mortgage and Housing Corporation, annual payments of \$718,523 including interest at 3.98%, due September 1, 2024	7,599,877	8,000,000
Loan payable - Saskatchewan Municipal Financing Corporation, annual payments of \$871,846 including interest at 6%, due September 1, 2018.	5,413,981	5,930,025
	13,013,858	13,930,025
Land Fund		
Loan payable - Canadian Imperial Bank of Commerce, monthly payments of \$24,970 including interest at 3.01%, secured by a first assignment of water utility user fees and charges and land sales, due April 1, 2013.	4,219,537	4,389,498
Total Long-Term Debt	\$ 17,988,274	\$ 19,082,245

Due in each of the next five years is as follows:

	Principal	Interest	Total
2011	\$ 1,268,302	\$ 779,204	\$ 2,047,506
2012	1,328,355	719,051	2,047,406
2013	5,380,791	573,652	5,954,443
2014	1,144,747	473,659	1,618,406
2015	1,188,288	413,738	1,602,026
Remainder	7,677,791	1,404,462	9,082,253
	\$ 17,988,274	\$ 4,363,766	\$ 22,352,040

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

7. LONG-TERM DEBT (continued from previous page)

The regulation under The Cities Act requires that individual long term borrowing bylaws be submitted, reviewed and approved by the Saskatchewan Municipal Board ("SMB"). There is an exception of those cities that apply to the SMB for a pre-approved debt limit. The approved debt limit includes all amounts available to the City as a line of credit.

The City of Prince Albert has an SMB approved debt limit of \$40,000,000.

8. PROPERTY ACQUIRED FOR TAXES

Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of cost (cost equal to the outstanding taxes including any applicable penalties up to the date of acquisition plus any costs necessary to maintain after acquisition) and the net recoverable amount. This amount has been recorded net of an allowance of \$952,470 (2009 - \$963,330) for unsaleable properties calculated through an annual review of cost and market value.

9. WORK IN PROGRESS

Work in progress is comprised of tangible capital assets that have not yet been put into service because they are still being constructed or not ready for use. Work in progress is recorded at cost, which includes all amounts directly attributable to the asset. The City of Prince Albert does not capitalize interest costs.

In the year that the asset is ready for service, the asset is reallocated to the tangible capital assets and amortized based on The City of Prince Albert's capital asset policies. Work in progress is as follows:

	<u>2010</u>	<u>2009</u> (Restated - Note 17)
Alfred Jenkins Fieldhouse	\$ -	\$ 14,805,956
Roads	105,673	-
Water Treatment Plant	10,430,788	2,427,801
Waste Water Treatment Plant	36,000	-
Water Infrastructure	393,147	-
Land Development	-	2,924,015
Airport Capital Projects	<u>33,178</u>	<u>-</u>
	<u>\$ 10,998,786</u>	<u>\$ 20,157,772</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

10. TANGIBLE CAPITAL ASSETS

See Schedule 7: Tangible Capital Assets Segmented by Fund

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2010 Net Book Value</u>	<u>2009 Net Book Value</u> (restated)
Land	\$ 17,864,614	\$ -	\$ 17,864,614	\$ 16,691,570
Land Improvements	17,082,605	(7,733,421)	9,349,184	8,398,664
Buildings	50,015,572	(13,592,750)	36,422,822	20,003,317
Machinery and Equipment	4,759,260	(1,551,975)	3,207,285	1,887,773
Fleet	18,945,215	(9,143,526)	9,801,689	8,890,547
Roads	79,956,893	(38,095,454)	41,861,439	41,461,925
Water, Sanitary and Storm Sewer Infrastructure	212,303,841	(88,242,810)	124,061,031	125,199,989
Consolidated Entities Capital Assets	<u>2,296,677</u>	<u>(728,351)</u>	<u>1,568,326</u>	<u>1,588,211</u>
	<u>\$ 403,224,677</u>	<u>\$ (159,088,287)</u>	<u>\$ 244,136,390</u>	<u>\$ 224,121,996</u>

11. TAXATION REVENUE

	<u>Budget</u> (unaudited)	<u>2010</u>	<u>2009</u>
General Municipal Taxation Levy	\$ 21,872,160	\$ 21,869,327	\$ 19,808,349
General Municipal Taxation - Supplementals	180,000	165,281	336,055
General Municipal Taxation Surcharges	185,000	348,023	190,916
Abatements on Current Year Taxes	(5,000)	(482)	(19,133)
Discounts on Current Year Taxes	<u>(61,600)</u>	<u>(61,149)</u>	<u>(73,939)</u>
	<u>22,170,560</u>	<u>22,321,000</u>	<u>20,242,248</u>
Wellness Centre - Special Levy	1,377,780	1,361,703	1,353,991
Street Oiling Levies	85,000	93,386	92,666
Local Improvement Levies	-	-	61,521
Penalties on Tax Arrears	<u>100,000</u>	<u>84,715</u>	<u>123,889</u>
	<u>\$ 23,733,340</u>	<u>\$ 23,860,804</u>	<u>\$ 21,874,315</u>

The amounts in this note are before consolidation adjustments, for the adjustments please refer to Schedule 3 and Schedule 4.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

12. GRANTS-IN-LIEU

	Budget	2010	2009
	(unaudited)		
Grants-in-Lieu of Taxes			
Federal	\$ 148,670	\$ 160,462	\$ 149,543
Provincial	1,827,580	1,935,464	1,962,503
First Nations Reserve Lands	317,350	352,547	317,351
Domtar	1,580,000	1,933,730	1,781,948
	3,873,600	4,382,203	4,211,345
Franchise Fees			
Sask Power	3,966,000	4,186,669	3,973,087
Sask Energy	1,045,200	926,889	1,242,458
TransGas	24,900	21,461	31,140
	\$ 8,909,700	\$ 9,517,222	\$ 9,458,030

13. PENSION FUND

Employees of the City participate in the Municipal Employees Pension Plan ("MEPP") and contributions are a percentage of salary. Police and Firefighters contributed 8.75% of their salary. All other members contributed 6.4% to the plan. The City matches all the employees' contributions to the plan. Pension expense for the year included in the Salaries, Wages and Benefits expenses is \$2,104,042 (2009 - \$1,645,074).

Based on the latest information available (December 31, 2010 Audited Financial Statements) the Municipal Employee Pension Plan (MEPP) had a surplus in the net assets available for benefits of \$18,147,000 (2009 had a surplus of \$51,118,000). The City's portion of this is not readily determinable.

For 2011 the members contributions will increase to 10.20% for Police and Firefighters and 7.4% for other members.

14. CONTINGENT LIABILITIES

The City has received a statement of claim for economic losses incurred by land owners with respect to alleged former landfill sites. The outcome and economic impact of the losses, if any, are currently not determinable and no provision has been made in these financial statements.

Subsequent to Domtar taking possession of a property in Prince Albert, it took a position that it should not be bound by the Tax Agreement that was assigned to it as a result of its merger with Weyerhaeuser. The matter went to the Queen's Bench Court with a decision in 2010 that the Tax Agreement was valid and binding upon Domtar. Domtar has since advised that it intends to appeal the decision to the Saskatchewan Court of Appeal. An estimate of probability and value of any contingent liability is undeterminable and accordingly the financial statements do not include any provision for liabilities for this matter.

The City is also a third party, by way of being a member of the Municipal Employee Pension Plan, in a the legal proceeding between the Canadian Union of Public Employees (CUPE) and the Municipal Employees Pension Commission (the Commission). CUPE alleges that the Commission has inappropriately funded administration fees from the pension plan. The outcome and economic impact of the losses, if any, are currently not determinable and no provision has been made in these financial statements.

The City's four unionized work units are currently without contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2010

15. LANDFILL CLOSURE AND POST-CLOSURE

Environmental law requires closure and post-closure care of solid waste landfill sites. Closure care includes final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post-closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports. The landfill is broken into eight cells. Each cell will be decommissioned individually when cell capacity is reached at an estimated cost of \$70,000 per cell, for a total cost of \$560,000.

The calculation of the liability in the amount of \$69,340 (2009 - \$69,340) is based on the cumulative capacity used at December 31, 2010 compared to the total estimated landfill capacity at the same date. The estimated capacity of the site is 4,000,000 cubic metres (2009 - estimated capacity was 3,200,000 cubic metres), of which 460,000 cubic metres (2009 - 400,000 cubic metres) have been used to date (11.5%) (2009 - 12.5%). The existing landfill site is expected to reach capacity in approximately 2075. The liability recognized in the financial statement is subject to measurement uncertainty.

16. COMMITMENTS

The City is currently in the process of upgrading the Water Treatment Plant. The total project is budgeted at a total cost of \$24,000,000. The project is funded by \$8,000,000 each from the Government of Saskatchewan, the Government of Canada, and The City of Prince Albert. The project is estimated to be completed by the spring of 2013.

17. RESTATEMENT OF PRIOR YEARS

The Accumulated Surplus has been restated as follows:

2008 Accumulated Surplus, as originally reported	\$ 223,901,025
Increase in Tangible Capital Assets (from proportionately consolidated entity)	730,834
Adjustment for 2008 Cost of Land Sales	<u>(555,469)</u>
2008 Accumulated Surplus, as restated	<u>\$ 224,076,390</u>
2009 Accumulated Surplus, as originally reported	\$ 231,643,962
Adjustment for decrease in accounts payable and deferred revenues	640,506
Decrease in Land available for sale	(3,798,515)
Increase in Work in progress	3,593,484
Increase in Tangible Capital Assets (from proportionately consolidated entity)	<u>765,670</u>
2009 Accumulated Surplus, as restated	<u>\$ 232,845,107</u>

During the year, it was determined that identifiable tangible capital asset costs were included in land available for sale. The above adjustments are a result of reclassifying those tangible capital assets from the land available for sale, per PSAB 3150. In 2009 Wapiti Regional Library also restated its financial statements for compliance with PSAB 3150.

The 2009 restatements are also a result of reversing an over-accrual on land development expenditures and recognition of in-kind donations for the building of the Alfred Jenkins Fieldhouse.

18. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to the current year's presentation.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Schedule 1

SEGMENTED BY FUND

As at December 31, 2010

	<u>GENERAL OPERATING FUND</u>	<u>SANITATION OPERATING FUND</u>	<u>WATER UTILITY OPERATING FUND</u>	<u>LAND OPERATING FUND</u>	<u>AIRPORT OPERATING FUND</u>
FINANCIAL ASSETS					
Cash	\$ 4,610,252	\$ -	\$ -	\$ -	\$ 225,050
Temporary investments	-	-	3,008,223	-	-
Taxes receivable	1,972,768	-	-	-	-
Accounts receivable	4,811,743	297,112	4,377,408	1,093,215	388,674
Long-term investments	-	-	-	-	-
Due from Trusts	<u>1,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>11,396,179</u>	<u>297,112</u>	<u>7,385,631</u>	<u>1,093,215</u>	<u>613,724</u>
LIABILITIES					
Accounts payable and accrued liabilities	7,510,277	69,347	694,270	-	-
Wages and vacation payable	488,292	10,683	69,514	-	8,858
Deposits and deferred revenue	4,535,474	13,000	3,010,147	1,500	-
Due to local school divisions	829,699	-	-	-	-
Long-term debt	754,879	-	13,013,858	4,219,537	-
Vested sick leave	<u>2,175,633</u>	<u>119,452</u>	<u>409,593</u>	<u>-</u>	<u>65,990</u>
	<u>16,294,254</u>	<u>212,482</u>	<u>17,197,382</u>	<u>4,221,037</u>	<u>74,848</u>
NET FINANCIAL ASSETS (DEBT)	<u>(4,898,075)</u>	<u>84,630</u>	<u>(9,811,751)</u>	<u>(3,127,822)</u>	<u>538,876</u>
NON-FINANCIAL ASSETS					
Property acquired for taxes	487,766	-	-	-	-
Prepaid expenses	112,096	-	-	-	-
Supplies inventory	1,619,570	-	38,307	-	-
Land available for sale	-	-	-	4,772,927	-
Work in Progress	105,673	-	10,859,935	-	33,178
Tangible Capital Assets	101,481,069	5,023,414	125,671,949	-	10,391,632
Due from (to) other funds	<u>7,894,038</u>	<u>1,178,043</u>	<u>(3,459,398)</u>	<u>(5,585,063)</u>	<u>(27,620)</u>
	<u>111,700,212</u>	<u>6,201,457</u>	<u>133,110,793</u>	<u>(812,136)</u>	<u>10,397,190</u>
ACCUMULATED SURPLUS (Schedule 8)	<u>\$ 106,802,137</u>	<u>\$ 6,286,087</u>	<u>\$ 123,299,042</u>	<u>\$ (3,939,958)</u>	<u>\$ 10,936,066</u>

See accompanying notes

Schedule 1 (continued)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
SEGMENTED BY FUND
As at December 31, 2010**

	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	2010 TOTAL CONSOLIDATED
FINANCIAL ASSETS					
Cash	\$ 291,562	\$ 249,630	\$ 623,782	\$ -	\$ 6,000,276
Temporary investments	119,638	-	-	-	3,127,861
Taxes receivable	-	-	-	-	1,972,768
Accounts receivable	6,072	16,766	31,551	-	11,022,543
Long-term investments	-	-	162,390	-	162,390
Due from Trusts	-	-	-	-	1,416
	<u>417,272</u>	<u>266,396</u>	<u>817,723</u>	<u>-</u>	<u>22,287,254</u>
LIABILITIES					
Accounts payable and accrued liabilities	6,186	3,346	5,742	-	8,289,167
Wages and vacation payable	-	-	54,348	-	631,696
Deposits and deferred revenue	-	-	14,683	-	7,574,804
Due to local school divisions	-	-	-	-	829,699
Long-term debt	-	-	-	-	17,988,274
Vested sick leave	-	-	33,806	-	2,804,475
	<u>6,186</u>	<u>3,346</u>	<u>108,579</u>	<u>-</u>	<u>38,118,115</u>
NET FINANCIAL ASSETS (DEBT)	<u>411,086</u>	<u>263,050</u>	<u>709,144</u>	<u>-</u>	<u>(15,830,861)</u>
NON-FINANCIAL ASSETS					
Property acquired for taxes	-	-	-	-	487,766
Prepaid expenses	6,998	-	2,990	-	122,084
Supplies inventory	-	1,673	12,769	-	1,672,319
Land available for sale	-	-	-	-	4,772,927
Work in Progress	-	-	-	-	10,998,786
Tangible Capital Assets	-	729,781	838,545	-	244,136,389
Due from (to) other funds	-	-	-	-	-
	<u>6,998</u>	<u>731,454</u>	<u>854,304</u>	<u>-</u>	<u>262,190,271</u>
ACCUMULATED SURPLUS (Schedule 8)	<u>\$ 418,084</u>	<u>\$ 994,504</u>	<u>\$ 1,563,448</u>	<u>\$ -</u>	<u>\$ 246,359,410</u>

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR

Schedule 2

SEGMENTED BY FUND

As at December 31, 2009

	<u>GENERAL OPERATING FUND</u>	<u>SANITATION OPERATING FUND</u>	<u>WATER UTILITY OPERATING FUND</u>	<u>LAND OPERATING FUND</u>	<u>AIRPORT OPERATING FUND</u>
	(Restated - Note 17)			(Restated - Note 17)	
FINANCIAL ASSETS					
Cash (Bank Indebtedness)	\$ (119,129)	\$ -	\$ -	\$ -	\$ 225,050
Temporary investments	-	-	8,000,000	-	-
Taxes receivable	1,769,409	-	-	-	-
Accounts receivable	4,765,861	207,195	2,143,549	1,479,274	873,043
Long-term investments	-	-	-	-	-
Due to (from) related parties	<u>11,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,427,557</u>	<u>207,195</u>	<u>10,143,549</u>	<u>1,479,274</u>	<u>1,098,093</u>
LIABILITIES					
Accounts payable and accrued liabilities	9,441,345	69,347	117,951	150,011	-
Wages and vacation payable	464,351	10,934	36,179	-	10,499
Deposits and deferred revenue	5,362,683	-	1,164,072	1,500	-
Due to local school divisions	1,091,729	-	-	-	-
Long-term debt	762,722	-	13,930,025	4,389,498	-
Vested sick leave	<u>1,920,755</u>	<u>104,954</u>	<u>406,077</u>	<u>-</u>	<u>60,455</u>
	<u>19,043,585</u>	<u>185,235</u>	<u>15,654,304</u>	<u>4,541,009</u>	<u>70,954</u>
NET FINANCIAL ASSETS (DEBT)	<u>(12,616,028)</u>	<u>21,960</u>	<u>(5,510,755)</u>	<u>(3,061,735)</u>	<u>1,027,139</u>
NON-FINANCIAL ASSETS					
Property acquired for taxes	495,028	-	-	-	-
Prepaid expenses	178,881	-	-	-	-
Supplies inventory	1,775,824	-	19,027	-	-
Land available for sale	-	-	-	4,944,428	-
Work in Progress	14,805,956	-	2,427,801	2,924,015	-
Tangible Capital Assets	80,329,035	4,876,478	126,727,358	-	10,600,914
Due to (from) other funds	<u>15,021,460</u>	<u>809,103</u>	<u>(11,957,832)</u>	<u>(3,207,219)</u>	<u>(665,512)</u>
	<u>112,606,184</u>	<u>5,685,581</u>	<u>117,216,354</u>	<u>4,661,224</u>	<u>9,935,402</u>
ACCUMULATED SURPLUS (Schedule 8)	<u>\$ 99,990,156</u>	<u>\$ 5,707,541</u>	<u>\$ 111,705,599</u>	<u>\$ 1,599,489</u>	<u>\$ 10,962,541</u>

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR

Schedule 2 (continued)

SEGMENTED BY FUND

As at December 31, 2009

	ART HAUSER CENTRE <u>BOARD INC.</u>	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE <u>MGMT CORP</u>	WAPITI REGIONAL <u>LIBRARY</u>	CONSOLIDATION <u>ADJUSTMENTS</u>	2009 TOTAL <u>CONSOLIDATED</u>
				(Restated - Note 17)		
FINANCIAL ASSETS						
Cash (Bank Indebtedness)	\$ 25,318	\$ 52,876	\$ 155,290	\$ 748,497	\$ -	\$ 1,087,902
Temporary investments	-	119,146	-	-	-	8,119,146
Taxes receivable	-	-	-	-	-	1,769,409
Accounts receivable	27	5,508	-	43,473	(36,382)	9,481,549
Long-term investments	-	-	-	270,703	-	270,703
Due to (from) related parties	-	-	-	-	-	11,416
	<u>25,345</u>	<u>177,530</u>	<u>155,290</u>	<u>1,062,673</u>	<u>(36,382)</u>	<u>20,740,125</u>
LIABILITIES						
Accounts payable and accrued liabilities	37,382	21,306	3,385	7,269	(36,382)	9,811,614
Wages and vacation payable	-	-	-	52,285	-	574,249
Deposits and deferred revenue	-	-	-	228	-	6,528,483
Due to local school divisions	-	-	-	-	-	1,091,729
Long-term debt	-	-	-	-	-	19,082,245
Vested sick leave	-	-	-	33,396	-	2,525,637
	<u>37,382</u>	<u>21,306</u>	<u>3,385</u>	<u>93,178</u>	<u>(36,382)</u>	<u>39,613,957</u>
NET FINANCIAL ASSETS (DEBT)	<u>(12,037)</u>	<u>156,224</u>	<u>151,905</u>	<u>969,495</u>	<u>-</u>	<u>(18,873,832)</u>
NON-FINANCIAL ASSETS						
Property acquired for taxes	-	-	-	-	-	495,028
Prepaid expenses	-	7,674	4,047	-	-	190,602
Supplies inventory	-	-	1,884	12,383	-	1,809,118
Land available for sale	-	-	-	-	-	4,944,428
Work in Progress	-	-	-	-	-	20,157,772
Tangible Capital Assets	17,481	-	765,700	805,029	-	224,121,995
Due to (from) other funds	-	-	-	-	-	-
	<u>17,481</u>	<u>7,674</u>	<u>771,631</u>	<u>817,412</u>	<u>-</u>	<u>251,718,943</u>
ACCUMULATED SURPLUS (Schedule 8)	<u>\$ 5,444</u>	<u>\$ 163,898</u>	<u>\$ 923,536</u>	<u>\$ 1,786,907</u>	<u>\$ -</u>	<u>\$ 232,845,111</u>

See accompanying notes

Schedule 3

CONSOLIDATED STATEMENT OF OPERATIONS

SEGMENTED BY FUND

For the year ended December 31, 2010

	GENERAL OPERATING FUND (SCHEDULE 5)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND	EQUIPMENT FUND
REVENUES						
Taxation	\$ 23,860,804	\$ -	\$ -	\$ -	\$ -	\$ -
User charges and fees	8,191,577	3,028,053	10,590,706	83,567	660,978	-
Gain (loss) on disposal of capital assets	3,764	5	(8,856)	-	669	-
Operating Grants and donations	7,765,559	-	-	-	-	-
Grants in lieu of taxes	9,517,222	-	-	-	-	-
Interest and penalties	312,914	14,553	259,426	-	6,364	-
Land sales	-	-	-	3,983,799	-	-
Sundry	453,041	3,070	488,608	-	2,015	-
	<u>50,104,881</u>	<u>3,045,681</u>	<u>11,329,884</u>	<u>4,067,366</u>	<u>670,026</u>	<u>-</u>
EXPENSES						
Council Remuneration	\$ 318,630	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, Wages and Benefits	29,892,676	884,162	4,400,292	-	235,756	-
Contracted and General Services	2,309,777	54,167	27,179	-	241,308	-
Financial Charges	9,785	837	2,868	-	20	-
Grants and Donations	3,211,736	182,597	-	-	-	-
Utilities	2,372,436	74,726	781,839	-	93,274	-
Interest on Long Term Debt	53,318	-	657,850	129,792	-	-
Fleet Expenses	2,198,996	666,037	856,276	-	114,450	(1,329,105)
Maintenance, Material and Supplies	3,384,419	146,003	2,126,259	-	42,443	-
Operating Costs	2,620,831	78,309	777,316	-	10,846	-
Insurance	435,624	9,131	116,221	-	24,966	-
Bad Debt Expense	273,857	7,848	45,349	250	(17,957)	-
Cost of Land Sales	-	-	-	332,575	-	-
	<u>47,082,085</u>	<u>2,103,817</u>	<u>9,791,449</u>	<u>462,617</u>	<u>745,106</u>	<u>(1,329,105)</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>3,022,796</u>	<u>941,864</u>	<u>1,538,435</u>	<u>3,604,749</u>	<u>(75,080)</u>	<u>1,329,105</u>
Capital Revenues	3,563,715	-	6,938,237	170,644	331,327	-
Amortization	(3,977,263)	(230,258)	(3,277,782)	-	(462,442)	-
Interfund Transactions	2,186,820	(133,060)	(535,000)	(369,375)	179,720	(1,329,105)
	<u>1,773,272</u>	<u>(363,318)</u>	<u>3,125,455</u>	<u>(198,731)</u>	<u>48,605</u>	<u>(1,329,105)</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>4,796,068</u>	<u>578,546</u>	<u>4,663,890</u>	<u>3,406,018</u>	<u>(26,475)</u>	<u>-</u>

See accompanying notes

Schedule 3 (continued)

**CONSOLIDATED STATEMENT OF OPERATIONS
SEGMENTED BY FUND
For the year ended December 31, 2010**

	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	2010 TOTAL CONSOLIDATED
REVENUES					
Taxation	\$ -	\$ -	\$ -	\$ (24,330)	\$ 23,836,474
User charges and fees	54,948	182,605	-	(182,605)	22,609,828
Gain (loss) on disposal of capital assets	-	-	-	-	(4,418)
Operating Grants and donations	751,602	112,309	1,975,062	(1,869,434)	8,735,098
Grants in lieu of taxes	-	-	-	-	9,517,222
Interest and penalties	492	1,521	11,746	(23,200)	583,816
Land sales	-	-	-	-	3,983,799
Sundry	-	186	157,332	(215,500)	888,752
	<u>807,042</u>	<u>296,621</u>	<u>2,144,140</u>	<u>(2,315,069)</u>	<u>70,150,571</u>
EXPENSES					
Council Remuneration	\$ -	\$ -	\$ -	\$ -	\$ 318,630
Salaries, Wages and Benefits	-	-	1,414,576	-	36,827,462
Contracted and General Services	106,967	120,054	6,100	-	2,865,552
Financial Charges	1,142	276	1,696	-	16,624
Grants and Donations	-	-	47,648	(1,724,083)	1,717,898
Utilities	49,807	-	12,638	-	3,384,720
Interest on Long Term Debt	-	-	-	(23,200)	817,759
Fleet Expenses	-	-	-	-	2,506,654
Maintenance, Material and Supplies	26,859	5,468	-	-	5,731,451
Operating Costs	368,081	60,455	560,441	(567,786)	3,908,493
Insurance	-	1,657	10,784	-	598,383
Bad Debt Expense	-	-	-	-	309,347
Cost of Land Sales	-	-	-	-	332,575
	<u>552,856</u>	<u>187,910</u>	<u>2,053,883</u>	<u>(2,315,069)</u>	<u>59,335,548</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>254,186</u>	<u>108,711</u>	<u>90,257</u>	<u>-</u>	<u>10,815,023</u>
Capital Revenues	-	-	-	-	11,003,922
Amortization	-	(27,047)	(253,600)	-	(8,228,392)
Interfund Transactions	-	-	-	-	-
	<u>-</u>	<u>(27,047)</u>	<u>(253,600)</u>	<u>-</u>	<u>2,775,530</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>254,186</u>	<u>81,664</u>	<u>(163,343)</u>	<u>-</u>	<u>13,590,553</u>

See accompanying notes

Schedule 4

CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR

SEGMENTED BY FUND

For the year ended December 31, 2009

	GENERAL OPERATING FUND (SCHEDULE 6) (restated)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND (Restated - Note 17)	AIRPORT OPERATING FUND	EQUIPMENT FUND	GENERAL CAPITAL FUND	SANITATION CAPITAL FUND
REVENUES								
Taxation	\$ 21,874,315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
User charges and fees	6,458,060	3,402,073	9,532,968	23,689	542,607	-	-	-
Gain (loss) on disposal of capital assets	220,521	(56,390)	(136,445)	-	-	-	-	-
Operating Grants and donations	7,055,462	-	-	-	-	-	-	-
Grants in lieu of taxes	9,458,030	-	-	-	-	-	-	-
Interest and penalties	278,216	13,341	212,847	-	9,060	-	-	-
Land sales	-	-	-	2,549,684	-	-	-	-
Sundry	205,243	-	59,305	3,365	495	-	-	-
	<u>45,549,847</u>	<u>3,359,024</u>	<u>9,668,675</u>	<u>2,576,738</u>	<u>552,162</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES								
Council Remuneration	\$ 307,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, Wages and Benefits	26,227,254	934,210	3,442,136	-	223,325	-	-	-
Contracted and General Services	1,835,621	82,781	11,643	-	91,846	-	-	-
Financial Charges	9,500	799	2,816	-	20	-	-	-
Grants and Donations	3,194,394	167,340	-	-	-	-	-	-
Utilities	2,120,759	105,079	807,685	-	85,832	-	-	-
Interest on Long Term Debt	9,288	-	482,518	89,334	-	-	9,926	-
Fleet Expenses	769,619	519,176	237,522	-	42,757	(889,763)	-	-
Maintenance, Material and Supplies	2,407,836	54,928	1,121,669	-	38,352	-	1,391,707	127,045
Operating Costs	2,026,690	87,037	613,366	-	8,061	-	-	-
Insurance	424,483	8,430	88,931	-	23,985	-	-	-
Bad Debt Expense	252,302	11,182	87,886	7,676	26,499	-	-	-
Cost of Land Sales	-	-	-	2,100,637	-	-	-	-
	<u>39,584,890</u>	<u>1,970,962</u>	<u>6,896,172</u>	<u>2,197,647</u>	<u>540,677</u>	<u>(889,763)</u>	<u>1,401,633</u>	<u>127,045</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>5,964,957</u>	<u>1,388,062</u>	<u>2,772,503</u>	<u>379,091</u>	<u>11,485</u>	<u>889,763</u>	<u>(1,401,633)</u>	<u>(127,045)</u>
Capital Revenues	669,469	-	-	-	-	-	5,316,262	-
Amortization	(3,616,050)	(188,897)	(3,195,067)	-	(425,310)	-	-	-
Interfund Transactions	5,508,934	(256,185)	(144,232)	(231,861)	886,655	(889,763)	(3,914,629)	127,045
	<u>2,562,353</u>	<u>(445,082)</u>	<u>(3,339,299)</u>	<u>(231,861)</u>	<u>461,345</u>	<u>(889,763)</u>	<u>1,401,633</u>	<u>127,045</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>8,527,310</u>	<u>942,980</u>	<u>(566,796)</u>	<u>147,230</u>	<u>472,830</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes

CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR

Schedule 4 (continued)

SEGMENTED BY FUND

For the year ended December 31, 2009

	WATER UTILITY	AIRPORT	ART HAUSER	J MC	NORTH CENTRAL	WAPITI		2009
	CAPITAL	CAPITAL	CENTRE	PUBLIC LIBRARY	SASK WASTE	REGIONAL	CONSOLIDATION	TOTAL
	FUND	FUND	BOARD INC.	BOARD	MGMT CORP	LIBRARY	ADJUSTMENTS	CONSOLIDATED
(Restated - Note 17)								
REVENUES								
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (32,117)	\$ 21,842,198
User charges and fees	-	-	(26,031)	49,018	167,340	-	(167,340)	19,982,384
Gain (loss) on disposal of capital assets	-	-	-	-	-	-	-	27,685
Operating Grants and donations	-	-	-	225,520	79,679	1,962,744	(1,514,134)	7,809,271
Grants in lieu of taxes	-	-	-	-	-	-	-	9,458,029
Interest and penalties	-	-	-	1,205	904	11,637	-	527,209
Land sales	-	-	-	-	-	-	-	2,549,684
Sundry	-	-	-	-	63	82,711	-	351,182
	<u>-</u>	<u>-</u>	<u>(26,031)</u>	<u>275,743</u>	<u>247,986</u>	<u>2,057,092</u>	<u>(1,713,591)</u>	<u>62,547,642</u>
EXPENSES								
Council Remuneration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 307,144
Salaries, Wages and Benefits	-	-	-	-	-	1,381,382	-	32,208,308
Contracted and General Services	-	-	-	59,740	138,080	5,744	-	2,225,455
Financial Charges	-	-	-	974	305	1,687	-	16,101
Grants and Donations	-	-	-	-	-	56,898	(1,681,474)	1,737,158
Utilities	-	-	-	54,140	-	13,565	-	3,187,060
Interest on Long Term Debt	-	-	-	-	-	-	-	591,065
Fleet Expenses	-	-	-	-	-	-	-	1,569,074
Maintenance, Material and Supplies	1,453,810	137,921	-	18,314	9,928	-	(32,117)	6,729,393
Operating Costs	-	-	14,232	120,210	64,597	155,930	-	3,090,124
Insurance	-	-	-	-	1,674	15,425	-	562,928
Bad Debt Expense	-	-	-	-	-	-	-	385,545
Cost of Land Sales	-	-	-	-	-	-	-	2,100,637
	<u>1,453,810</u>	<u>137,921</u>	<u>14,232</u>	<u>253,378</u>	<u>214,584</u>	<u>1,630,631</u>	<u>(1,713,591)</u>	<u>54,709,992</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>(1,453,810)</u>	<u>(137,921)</u>	<u>(40,263)</u>	<u>22,365</u>	<u>33,402</u>	<u>426,461</u>	<u>-</u>	<u>7,837,650</u>
Capital Revenues	1,811,058	866,636	-	-	-	-	-	8,663,425
Amortization	-	-	-	-	(27,364)	(261,324)	-	(7,714,011)
Interfund Transactions	(357,248)	(728,715)	-	-	-	-	-	-
	<u>1,453,810</u>	<u>137,921</u>	<u>-</u>	<u>-</u>	<u>(27,364)</u>	<u>(261,324)</u>	<u>-</u>	<u>949,414</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>-</u>	<u>-</u>	<u>(40,263)</u>	<u>22,365</u>	<u>6,038</u>	<u>165,137</u>	<u>-</u>	<u>8,787,064</u>

See accompanying notes

Schedule 5

**GENERAL FUND STATEMENT OF OPERATIONS
SEGMENTED BY DEPARTMENT
For the year ended December 31, 2010**

	GENERAL GOVERNMENT	PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)	PROTECTIVE SERVICES (POLICE SERVICE)	PROTECTIVE SERVICES (FIRE SERVICES)	TRANSPORTATION SERVICES (PUBLIC WORKS)	COMMUNITY SERVICES	2010 TOTAL GENERAL FUND
REVENUES							
Taxation	\$ 23,860,804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,860,804
User charges and fees	1,027,530	2,538,072	934,285	150,683	599,716	2,941,290	8,191,577
Gain (loss) on disposal of capital assets	2,050	-	(36,335)	42,232	(6,323)	2,140	3,764
Operating Grants and donations	4,929,676	-	1,820,886	34,925	181,770	798,302	7,765,559
Grants in lieu of taxes	9,517,222	-	-	-	-	-	9,517,222
Interest and penalties	312,914	-	-	-	-	-	312,914
Sundry	280,477	-	-	1,100	(4)	171,468	453,041
	<u>39,930,673</u>	<u>2,538,072</u>	<u>2,718,836</u>	<u>228,940</u>	<u>775,159</u>	<u>3,913,200</u>	<u>50,104,881</u>
EXPENSES							
Council Remuneration	\$ 318,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318,630
Salaries, Wages and Benefits	5,496,294	1,751,095	11,567,557	4,533,929	1,898,926	4,644,875	29,892,676
Contracted and General Services	35,004	295	133,703	4,357	1,417,052	719,367	2,309,777
Financial Charges	(1,604)	100	590	260	560	9,879	9,785
Grants and Donations	476,383	-	42,500	-	471,269	2,221,584	3,211,736
Utilities	2,324	-	105,695	34,596	1,094,158	1,135,664	2,372,436
Interest on Long Term Debt	16,999	-	23,200	-	-	13,120	53,318
Fleet Expenses	57,236	-	513,373	262,534	723,837	642,017	2,198,996
Maintenance, Material and Supplies	307,684	407,307	367,427	201,764	632,457	1,467,779	3,384,419
Operating Costs	738,713	379,275	718,501	122,943	(66,421)	727,819	2,620,831
Insurance	190,935	-	16,129	5,876	19,066	203,617	435,624
Bad Debt Expense	273,857	-	-	-	-	-	273,857
	<u>7,912,455</u>	<u>2,538,072</u>	<u>13,488,675</u>	<u>5,166,259</u>	<u>6,190,904</u>	<u>11,785,721</u>	<u>47,082,085</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>32,018,218</u>	<u>-</u>	<u>(10,769,839)</u>	<u>(4,937,319)</u>	<u>(5,415,745)</u>	<u>(7,872,521)</u>	<u>3,022,796</u>
Capital Revenues	25	-	32,035	-	1,937,285	1,594,369	3,563,715
Amortization	(212,328)	-	(260,523)	(201,198)	(2,474,089)	(829,126)	(3,977,263)
Interfund Transactions	2,186,820	-	-	-	-	-	2,186,820
	<u>1,974,517</u>	<u>-</u>	<u>(228,488)</u>	<u>(201,198)</u>	<u>(536,804)</u>	<u>765,243</u>	<u>1,773,272</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>33,992,735</u>	<u>-</u>	<u>(10,998,327)</u>	<u>(5,138,517)</u>	<u>(5,952,549)</u>	<u>(7,107,278)</u>	<u>4,796,068</u>

See accompanying notes

Schedule 6

**GENERAL FUND STATEMENT OF OPERATIONS - PRIOR YEAR
SEGMENTED BY DEPARTMENT
For the year ended December 31, 2009**

	GENERAL GOVERNMENT	PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)	PROTECTIVE SERVICES (POLICE SERVICE)	PROTECTIVE SERVICES (FIRE SERVICES)	TRANSPORTATION SERVICES (PUBLIC WORKS)	COMMUNITY SERVICES	2009 TOTAL GENERAL FUND
REVENUES							
Taxation	\$ 21,874,315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,874,315
User charges and fees	886,292	1,344,647	846,317	111,031	533,740	2,736,031	6,458,060
Gain (loss) on disposal of capital assets	-	-	(28,661)	-	76,059	173,123	220,521
Operating Grants and donations	4,931,676	-	1,392,874	23,466	180,921	526,526	7,055,462
Grants in lieu of taxes	9,458,030	-	-	-	-	-	9,458,030
Interest and penalties	278,216	-	-	-	-	-	278,216
Sundry	180,519	-	-	-	5,135	19,589	205,243
	<u>37,609,048</u>	<u>1,344,647</u>	<u>2,210,530</u>	<u>134,497</u>	<u>795,855</u>	<u>3,455,269</u>	<u>45,549,847</u>
EXPENSES							
Council Remuneration	\$ 307,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 307,144
Salaries, Wages and Benefits	4,413,547	1,120,463	10,635,780	4,378,574	1,782,514	3,896,376	26,227,254
Contracted and General Services	106,107	-	89,188	3,568	987,692	649,067	1,835,621
Financial Charges	6,668	60	540	160	538	1,534	9,500
Grants and Donations	474,529	-	42,500	-	473,530	2,203,835	3,194,394
Utilities	2,342	-	92,677	37,233	967,105	1,021,401	2,120,759
Interest on Long Term Debt	9,288	-	-	-	-	-	9,288
Fleet Expenses	(122,135)	-	6,663	255	422,967	461,868	769,619
Maintenance, Material and Supplies	209,864	26,184	327,253	165,298	491,424	1,187,814	2,407,836
Operating Costs	622,410	197,999	960,524	215,965	(291,063)	320,856	2,026,690
Insurance	181,484	97	16,500	5,664	18,350	202,388	424,483
Bad Debt Expense	252,302	-	-	-	-	-	252,302
	<u>6,463,550</u>	<u>1,344,803</u>	<u>12,171,625</u>	<u>4,806,717</u>	<u>4,853,057</u>	<u>9,945,139</u>	<u>39,584,890</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>31,145,498</u>	<u>(156)</u>	<u>(9,961,095)</u>	<u>(4,672,220)</u>	<u>(4,057,202)</u>	<u>(6,489,870)</u>	<u>5,964,957</u>
Capital Revenues	-	-	-	-	-	669,469	669,469
Amortization	(184,494)	-	(220,850)	(183,621)	(2,301,512)	(725,574)	(3,616,050)
Interfund Transactions	5,508,934	-	-	-	-	-	5,508,934
	<u>5,324,440</u>	<u>-</u>	<u>(220,850)</u>	<u>(183,621)</u>	<u>(2,301,512)</u>	<u>(56,105)</u>	<u>2,562,353</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>36,469,938</u>	<u>(156)</u>	<u>(10,181,945)</u>	<u>(4,855,841)</u>	<u>(6,358,714)</u>	<u>(6,545,975)</u>	<u>8,527,310</u>

See accompanying notes

Schedule 7

TANGIBLE CAPITAL ASSETS - COST

Segmented by Fund

For the year ended December 31, 2010

	<u>Opening Cost</u>	<u>Current Year Additions</u>	<u>Current Year Disposals</u>	<u>Cost</u>
General Fund				
Land	10,171,813	1,091,559	-	11,263,372
Land Improvement	6,158,100	1,465,317	-	7,623,417
Buildings	31,604,540	16,888,468	(42,880)	48,450,128
Machinery and Equipment	2,850,988	1,265,208	(222,730)	3,893,466
Fleet	11,338,185	1,618,434	(793,107)	12,163,512
Roads	<u>77,016,496</u>	<u>2,941,026</u>	<u>(629)</u>	<u>79,956,893</u>
	<u>139,140,122</u>	<u>25,270,012</u>	<u>(1,059,346)</u>	<u>163,350,788</u>
Sanitation Fund				
Land	1	-	-	1
Land Improvement	1,661,156	-	-	1,661,156
Buildings	922,335	-	-	922,335
Machinery and Equipment	236,830	112,616	-	349,446
Fleet	<u>3,287,099</u>	<u>292,542</u>	<u>(178,571)</u>	<u>3,401,070</u>
	<u>6,107,421</u>	<u>405,158</u>	<u>(178,571)</u>	<u>6,334,008</u>
Water Utility Fund				
Land	291,383	81,485	-	372,868
Land Improvement	98,480	97,992	-	196,472
Buildings	295,237	-	-	295,237
Machinery and Equipment	97,105	-	-	97,105
Fleet	2,347,124	-	-	2,347,124
Water, Sanitary and Storm Sewer Infrastructure	<u>210,272,827</u>	<u>2,057,875</u>	<u>(26,861)</u>	<u>212,303,841</u>
	<u>213,402,156</u>	<u>2,237,352</u>	<u>(26,861)</u>	<u>215,612,647</u>
Airport Capital Fund				
Land	6,228,373	-	-	6,228,373
Land Improvement	7,402,639	198,921	-	7,601,560
Buildings	293,102	54,770	-	347,872
Machinery and Equipment	419,243	-	-	419,243
Fleet	<u>1,046,238</u>	<u>-</u>	<u>(12,729)</u>	<u>1,033,509</u>
	<u>15,389,595</u>	<u>253,691</u>	<u>(12,729)</u>	<u>15,630,557</u>
Consolidated Entities Capital				
Art Hauser Centre	27,246	-	(27,246)	-
North Central Saskatchewan Waste Management Corporation	900,812	-	(3,277)	897,535
Wapiti Regional Library (RESTATED - NOTE 17)	<u>1,084,942</u>	<u>314,200</u>	<u>-</u>	<u>1,399,142</u>
	<u>2,013,000</u>	<u>314,200</u>	<u>(30,523)</u>	<u>2,296,677</u>
	<u>\$ 376,052,294</u>	<u>\$ 28,480,413</u>	<u>\$ (1,246,984)</u>	<u>\$ 403,224,677</u>

See accompanying notes

TANGIBLE CAPITAL ASSETS- ACCUMULATED AMORTIZATION
Schedule 7 (continued) **Segmented by Fund**
For the year ended December 31, 2010

	Opening Accumulated Amortization	Current Year Amortization	Current Year Disposals	Closing Accumulated Amortization	2010 Net Book Value	2009 Net Book Value
General Fund						
Land	-	-	-	-	11,263,372	10,171,813
Land Improvement	(2,876,935)	(205,047)	-	(3,081,982)	4,541,435	3,281,166
Buildings	(12,673,637)	(560,887)	40,028	(13,194,496)	35,255,632	18,930,903
Machinery and Equipment	(1,114,078)	(429,632)	221,216	(1,322,494)	2,570,972	1,736,909
Fleet	(6,287,847)	(544,202)	656,759	(6,175,290)	5,988,222	5,050,338
Roads	(35,858,589)	(2,237,494)	629	(38,095,454)	41,861,439	41,157,907
	<u>(58,811,086)</u>	<u>(3,977,262)</u>	<u>918,632</u>	<u>(61,869,716)</u>	<u>101,481,072</u>	<u>80,329,036</u>
Sanitation Fund						
Land	-	-	-	-	1	1
Land Improvement	-	-	(127,900)	(127,900)	1,533,256	1,661,156
Buildings	(143,902)	(20,104)	-	(164,006)	758,329	778,433
Machinery and Equipment	(277,772)	(34,224)	127,900	(184,096)	165,350	(40,942)
Fleet	(809,270)	(175,930)	150,606	(834,594)	2,566,476	2,477,829
	<u>(1,230,944)</u>	<u>(230,258)</u>	<u>150,606</u>	<u>(1,310,596)</u>	<u>5,023,412</u>	<u>4,876,477</u>
Water Utility Fund						
Land	-	-	-	-	372,868	291,383
Land Improvement	(98,480)	-	-	(98,480)	97,992	-
Buildings	(74,020)	(7,403)	-	(81,423)	213,814	221,217
Machinery and Equipment	(12,138)	(8,092)	-	(20,230)	76,875	84,967
Fleet	(1,417,321)	(80,433)	-	(1,497,754)	849,370	929,803
Water, Sanitary and Storm Sewer Infrastructure	(85,072,838)	(3,181,854)	11,882	(88,242,810)	124,061,031	125,199,989
	<u>(86,674,797)</u>	<u>(3,277,782)</u>	<u>11,882</u>	<u>(89,940,697)</u>	<u>125,671,950</u>	<u>126,727,359</u>
Airport Capital Fund						
Land	-	-	-	-	6,228,373	6,228,373
Land Improvement	(4,017,306)	(407,753)	-	(4,425,059)	3,176,501	3,385,332
Buildings	(149,330)	(3,495)	-	(152,825)	195,047	143,773
Machinery and Equipment	(8,385)	(16,770)	-	(25,155)	394,088	410,858
Fleet	(613,661)	(34,424)	12,197	(635,888)	397,621	432,577
	<u>(4,788,682)</u>	<u>(462,442)</u>	<u>12,197</u>	<u>(5,238,927)</u>	<u>10,391,630</u>	<u>10,600,913</u>
Consolidated Entities Capital						
Art Hauser Centre	(9,764)	-	9,764	-	-	17,482
North Central Saskatchewan Waste Management Corporation	(135,112)	(27,047)	(5,595)	(167,754)	729,781	765,700
Wapiti Regional Library (RESTATED - NOTE 17)	(306,997)	(253,600)	-	(560,597)	838,545	805,029
	<u>(451,873)</u>	<u>(280,647)</u>	<u>4,169</u>	<u>(728,351)</u>	<u>1,568,326</u>	<u>1,588,211</u>
	<u>\$ (151,957,382)</u>	<u>\$ (8,228,391)</u>	<u>\$ 1,097,486</u>	<u>\$ (159,088,287)</u>	<u>\$ 244,136,390</u>	<u>\$ 224,121,996</u>

See accompanying notes

Page 30

SCHEDULE OF ACCUMULATED SURPLUS

Schedule 8

For the year ended December 31, 2010

	<u>2009 Balance</u>	<u>Unallocated</u>	<u>Net Change</u>	<u>2010 Balance</u>
	(RESTATED - NOTE 17)			
GENERAL FUND				
Affordable Housing	\$ -	\$ -	\$ 40,850	\$ 40,850
Capital Works Committed	1,877,102	-	(214,996)	1,662,106
Capital Works Uncommitted	136,985	-	(136,985)	-
Civic Facilities	1,347,842	-	9,890	1,357,732
Community Clubs Mechanical Equipment	68,390	-	(16,000)	52,390
Community Services Building	11,938	-	-	11,938
Community Services Land Fund	620,400	-	150,358	770,758
Dedicated Lands	18,401	-	-	18,401
E.A. Rawlinson Mechanical Equipment	69,970	-	10,000	79,970
Equipment and Fleet Reserve	2,494,680	-	10,084	2,504,764
Fire Equipment	921	-	180,881	181,802
Fiscal Stabilization				
Fiscal Stabilization	5,783,896	4,796,068	(4,713,001)	5,866,963
Amount to be recovered from future revenues	(487,722)	-	18,885	(468,837)
Amount to be recovered from future revenues	(275,000)	-	88,951	(186,049)
Amount to be recovered from future revenues	-	-	(99,993)	(99,993)
Funding from future budgets	<u>(6,734,568)</u>	<u>-</u>	<u>(795,471)</u>	<u>(7,530,039)</u>
Net Fiscal Stabilization	(1,713,394)	4,796,068	(5,500,629)	(2,417,955)
Golf Course Improvements	179,463	-	30,536	209,999
In Lieu of Public Reserve	9,834	-	-	9,834
Land Development	100,020	-	-	100,020
Little Red River	9,510	-	-	9,510
Minor Softball	23,673	-	2,500	26,173
Northern Housing Development	279,043	-	(180,000)	99,043
Net Investment in Tangible Capital				
Assets - General Fund (Schedule 7)	80,329,035	-	21,152,034	101,481,069
Tangible Capital Assets - Work in Progress	14,136,487	-	(14,030,814)	105,673
PAGCC Mechanical Equipment	68,784	-	10,000	78,784
Park Development	56,050	-	-	56,050
Pehonan Parkway	460,307	-	31,040	491,347
Police Capital Reserve	8,527	-	238,095	246,622
Police Reserve	-	-	112,430	112,430
Police Equipment Reserve	-	-	12,083	12,083
Police Building Reserve	(604,821)	-	54,556	(550,265)
Community Services - Special Events Marketing	-	-	50,000	50,000
Tourism	<u>1,009</u>	<u>-</u>	<u>-</u>	<u>1,009</u>
	<u>99,990,156</u>	<u>4,796,068</u>	<u>2,015,913</u>	<u>106,802,137</u>

See accompanying notes

Page 31

SCHEDULE OF ACCUMULATED SURPLUS

Schedule 8 (continued)

For the year ended December 31, 2010

	<u>2009 Balance</u>	<u>Unallocated</u>	<u>Net Change</u>	<u>2010 Balance</u>
	(RESTATED - NOTE 17)			
SANITATION FUND				
Sanitation Capital Works	-	-	200,947	200,947
Net Investment in Tangible Capital Assets - Sanitation Utility Fund (Schedule 7)	4,876,478	-	146,935	5,023,413
Sanitation Cutoff Wall Reserve	524,160	-	-	524,160
Sanitation Improvement	<u>306,903</u>	<u>578,546</u>	<u>(347,882)</u>	<u>537,567</u>
	<u>5,707,541</u>	<u>578,546</u>	<u>-</u>	<u>6,286,087</u>
WATER UTILITY FUND				
Amount to be recovered from future revenues	(8,000,000)	-	400,123	(7,599,877)
Amount to be recovered from future revenues	(5,930,025)	-	516,044	(5,413,981)
Net Investment in Tangible Capital Assets - Water Utility Fund (Schedule 7)	126,727,358	-	(1,055,409)	125,671,949
Waterworks Capital Works	6,712,970	-	(3,451,484)	3,261,486
Waterworks - Work in Progress	2,427,801	-	8,432,134	10,859,935
Waterworks Improvement	<u>(10,232,505)</u>	<u>4,663,890</u>	<u>2,088,145</u>	<u>(3,480,470)</u>
	<u>111,705,599</u>	<u>4,663,890</u>	<u>6,929,553</u>	<u>123,299,042</u>
LAND FUND				
Amount to be recovered from future revenues	(4,389,498)	-	169,961	(4,219,537)
Development Levies	770,612	-	157,093	927,705
Future Land Purchases	317,342	-	60,079	377,421
Land Development	4,776,753	3,406,018	(9,397,137)	(1,214,366)
Planning and Marketing	<u>124,280</u>	<u>-</u>	<u>64,539</u>	<u>188,819</u>
	<u>1,599,489</u>	<u>3,406,018</u>	<u>(8,945,465)</u>	<u>(3,939,958)</u>
AIRPORT OPERATING FUND				
Airport Improvement	-	-	450,402	450,402
Airport Improvement	361,627	(26,475)	(323,018)	12,134
Airport - Passenger Facilities Fees	-	-	48,720	48,720
Airport - Work in Progress	-	-	33,178	33,178
Net Investment in Tangible Capital Assets - Airport Fund (Schedule 7)	<u>10,600,914</u>	<u>-</u>	<u>(209,282)</u>	<u>10,391,632</u>
	<u>10,962,541</u>	<u>(26,475)</u>	<u>-</u>	<u>10,936,066</u>
CONSOLIDATED ENTITIES				
Art Hauser Centre Board Inc.	5,444	-	(5,444)	-
John M. Cuelenaere Public Library Board	163,898	254,186	-	418,084
North Central Saskatchewan Waste Management Corporation	923,536	81,664	(10,696)	994,504
Wapiti Regional Library	<u>1,786,907</u>	<u>(163,343)</u>	<u>(60,116)</u>	<u>1,563,448</u>
	<u>2,879,785</u>	<u>172,507</u>	<u>(76,256)</u>	<u>2,976,036</u>
	<u>\$ 232,845,111</u>	<u>\$ 13,590,554</u>	<u>\$ (76,256)</u>	<u>\$ 246,359,410</u>

See accompanying notes

Page 32

SCHEDULE OF FUNDS HELD IN TRUST**Schedule 9**

As At December 31, 2010

	<u>2010</u>	<u>2009</u>
FINANCIAL ASSETS		
Cash	\$ 75,436	\$ 74,973
Temporary investments	141,272	140,783
Loans receivable from Prince Albert Golf and Curling Club	<u>11,871</u>	<u>21,871</u>
NET ASSETS	<u>\$ 228,579</u>	<u>\$ 237,627</u>
LIABILITIES		
Trust funds held for others (Schedule 10)	\$ 227,163	\$ 226,211
Due to General Fund	<u>1,416</u>	<u>11,416</u>
NET LIABILITIES	<u>\$ 228,579</u>	<u>\$ 237,627</u>

SCHEDULE OF TRUST FUND TRANSACTIONS**Schedule 10****For the year ended December 31, 2010**

	<u>2009 Balance</u>	<u>Additions</u>	<u>Expenses</u>	<u>2010 Balance</u>
J. Vandale [1][3]	\$ 3,879	\$ 28	\$ 100	\$ 3,807
Lenore Partridge Estate [1]	140,783	489	-	141,272
Prince Albert Golf and Curling Club [2][4]	1,796	10,023	10,000	1,819
Uniting to Heal	455	-	-	455
Veteran's Graves [1]	69,298	512	-	69,810
Winterburn Estate	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
	<u>\$ 226,211</u>	<u>\$ 11,052</u>	<u>\$ 10,100</u>	<u>\$ 227,163</u>

- [1] Interest earned on investment and/or bank account balance
[2] Transfer from General Operating Fund of \$10,000 plus interest on bank account
[3] Payment of John Vandale Memorial Award
[4] Payment of \$10,000 on loan advanced by The City of Prince Albert