THE CITY OF PRINCE ALBERT

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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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

June 6, 2012

Deloitte.

To His Worship the Mayor and Members of City Council

We have audited the accompanying consolidated financial statements of the City of Prince Albert and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2011, and the consolidated statements of operations, change 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Prince Albert and its subsidiaries as at December 31, 2011, and the results of its operations, change in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Deloitte + Touche LLP

Chartered Accountants
June 6, 2012
Prince Albert, Saskatchewan

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2011

	2011	2010 (Restated - Note 16)
FINANCIAL ASSETS		
Cash	$ 8,607,965	$ 6,000,276
Temporary investments	346,047	3,127,861
Taxes receivable	2,544,660	1,972,768
Accounts receivable (Note 2)	14,869,894	11,087,275
Long-term investments	169,676	162,390
Due from Trusts	-	1,416
	26,538,242	22,351,986
LIABILITIES		
Accounts payable and accrued liabilities	9,616,974	8,289,167
Wages and vacation payable	1,438,827	1,330,469
Deposits and deferred revenue (Note 3)	4,563,179	7,574,804
Due to local school divisions (Note 4)	796,829	829,699
Due to Trusts	8,584	-
Long-term debt (Note 5)	17,473,874	17,988,274
Vested sick leave	3,074,166	2,804,475
	36,972,433	38,816,888
NET DEBT	(10,434,191)	(16,464,902)
NON-FINANCIAL ASSETS		
Property acquired for taxes (Note 6)	415,783	487,766
Prepaid expenses	149,159	122,084
Supplies inventory	1,766,673	1,672,319
Land available for sale	4,625,335	4,772,927
Work in progress (Note 7)	12,820,560	10,998,786
Tangible Capital Assets (Note 8) (Schedule 7)	254,389,505	244,136,390
	274,167,015	262,190,272
ACCUMULATED SURPLUS	**$ 263,732,824**	**$ 245,725,370**

See accompanying notes

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2011

	Budget (unaudited)	2011	2010 (Restated - Note 16)
REVENUES			
Taxation (Note 10)	$ 25,375,550	$ 26,355,997	$ 23,836,474
User charges and fees	24,552,170	24,817,614	23,488,038
Operating grants and donations	9,130,660	9,978,507	7,856,888
Grants-in-lieu-of-taxes (Note 11)	9,381,410	9,663,703	9,517,222
Interest and penalties	445,800	709,264	583,816
Land sales	1,654,600	2,949,920	3,983,799
Sundry	197,200	2,253,528	888,752
	70,737,390	76,728,533	70,154,989
EXPENSES			
Airport operations	660,040	578,461	745,106
Community services	11,990,220	11,770,317	11,785,722
General government	7,737,030	8,314,294	6,583,350
Land development operations	1,028,830	700,020	462,617
Protective services - Emergency Call Centre	3,508,640	3,150,631	2,538,072
Protective services - Fire Services	5,402,410	5,357,805	5,166,259
Protective services - Police Services	14,232,900	15,484,255	13,488,675
Sanitation Utility Services	2,662,470	2,420,808	2,103,817
Transportation services	5,816,520	6,546,839	6,190,904
Water utility services	9,157,460	9,265,647	9,791,449
Consolidated entities	-	518,076	479,580
	62,196,520	64,107,153	59,335,551
SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL TRANSACTIONS	8,540,870	12,621,380	10,819,438
Capital revenues	7,766,700	14,485,889	11,003,922
Amortization	-	(9,366,017)	(8,228,392)
Gain (loss) on disposal of capital assets	-	314,580	(4,418)
Transfer from other Funds	22,460	-	-
	7,789,160	5,434,452	2,771,112
SURPLUS OF REVENUES OVER EXPENSES	**$ 16,330,030**	**$ 18,055,832**	**$ 13,590,550**
Accumulated surplus, beginning of year (Note 16)		$ 245,725,370	$ 232,211,069
Change in share of equity in consolidated entities		(48,378)	(76,248)
ACCUMULATED SURPLUS, END OF YEAR		**$ 263,732,824**	**$ 245,725,370**

See accompanying notes

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2011

	Budget (unaudited)	2011	2010 (Restated - Note 16)
Surplus of revenue over expenses	$ 16,330,030	$ 18,055,832	$ 13,590,550
Change in share of equity of consolidated entities	-	(48,378)	(76,248)
	16,330,030	18,007,454	13,514,302
Changes in Tangible Capital Assets			
Acquisition of tangible capital assets	(20,883,900)	(9,528,440)	(7,026,246)
Acquisition of work in progress	-	(12,438,662)	(12,465,402)
Amortization of tangible capital assets	-	9,366,017	8,228,392
Proceeds on disposal of tangible capital assets	-	840,777	403,430
Loss (gain) on disposal of tangible capital assets	-	(314,580)	4,418
	(20,883,900)	(12,074,888)	(10,855,408)
Change in Non-Financial Assets			
Change in property acquired for taxes	-	71,982	7,263
Change in prepaid expenses	-	(27,075)	68,517
Change in supplies inventory	-	(94,354)	136,799
Land available for sale - developments during the year	-	(120,549)	(25,369)
Land available for sale - sold during the year	-	268,141	196,870
	-	98,145	384,080
DECREASE (INCREASE) IN NET DEBT	**(4,553,870)**	**6,030,711**	**3,042,974**
NET DEBT, BEGINNING OF YEAR		**(16,464,902)**	**(19,507,876)**
NET DEBT, END OF YEAR		**$ (10,434,191)**	**$ (16,464,902)**

See accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2011

	2011	2010 (Restated - Note 16)
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Surplus of revenues over expenses	$ 18,055,832	$ 13,590,550
Adjusted for non-cash items		
Amortization	9,366,017	8,228,392
Change of share in equity in consolidated entities	(48,378)	(76,248)
	27,373,471	21,742,694
Changes in non-cash working capital		
Taxes receivable	(571,892)	(203,359)
Accounts receivable	(3,782,619)	(1,540,997)
Due from Trusts	10,000	10,000
Accounts payable and accrued liabilities	1,327,807	(1,522,446)
Wages and vacation payable	108,358	57,448
Deposits and deferred revenue	(3,011,625)	1,046,321
Due to local school divisions	(32,870)	(262,030)
Vested sick leave	269,691	278,837
Property acquired for taxes	71,983	7,263
Prepaid expenses	(27,075)	68,517
Supplies inventory	(94,354)	136,799
Land available for sale	147,592	171,501
	(5,585,004)	(1,752,146)
CASH FLOWS FROM (USED IN) CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(9,528,440)	(7,026,246)
Proceeds from the disposal of tangible capital assets	840,777	403,430
(Gain) loss on disposal of tangible capital assets	(314,580)	4,418
Development of work in progress	(12,438,663)	(12,465,403)
	(21,440,906)	(19,083,801)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Long-term debt issued	766,680	113,080
Long-term debt repaid	(1,281,080)	(1,207,051)
	(514,400)	(1,093,971)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Long-term investments	(7,286)	108,313
NET DECREASE IN CASH	**(174,125)**	**(78,911)**
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	9,128,137	9,207,048
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	**$ 8,954,012**	**$ 9,128,137**
CONSISTING OF:		
Cash	$ 8,607,965	$ 6,000,276
Temporary investments	346,047	3,127,861
	$ 8,954,012	**$ 9,128,137**

See accompanying notes

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, Water Utility, Land, 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. (2011 - 83.16%: 2010 - 83.64%)
Wapiti Regional Library (2011 - 59.51%: 2010 - 61.18%)

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

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 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.

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	5 to 15 years
Roads	10 to 100 years
Water, Sanitary and Storm Sewer Infrastructure	20 to 100 years

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Tangible Capital Assets and Work in Progress (continued)
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 10) and schedule of trust fund transactions (Schedule 11).

Budget Figures
The Council approved 2011 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.

2. ACCOUNTS RECEIVABLE

Accounts receivable have been reported net of an allowance for doubtful accounts of $1,211,389 (2010 - $1,115,329). The allowance has been determined through an annual review of outstanding amounts.

3. DEPOSITS AND DEFERRED REVENUE

Deposits and deferred revenue include funds that are externally restricted as follows:

	New Deal - Federal Gas Tax	Emergency Communications Centre	Other Deposits and Deferred Revenues	Building Canada Fund	Total
Opening balance	$ 4,193,028	$ -	$ 725,194	$ 2,656,582	$ 7,574,804
Funds received	2,054,084	716,868	433,189	-	3,204,141
Interest earned	53,105	-	-	-	53,105
Administration costs	(53,105)	-	-	-	(53,105)
Eligible project costs	(3,559,184)	-	-	(2,656,582)	(6,215,766)
	-	-	-	-	-
	-	-	-	-	-
Ending balance	$ 2,687,928	$ 716,868	$ 1,158,383	$ -	$ 4,563,179

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.

Emergency Communications Centre revenues are an accumulation of revenues collected for 2012 dispatching services, and are therefore deferred until earned.

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.

4. DUE TO LOCAL SCHOOL DIVISIONS

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

	Public School	Separate School	Total 2011	Total 2010
Taxes payable	$ 992,359	$ 167,285	$ 1,159,644	$ 1,192,870
Allowance for doubtful accounts	(362,784)	(31)	(362,815)	(363,171)
	$ 629,575	**$ 167,254**	**$ 796,829**	**$ 829,699**

5. LONG-TERM DEBT

	2011	2010
General Fund		
Loan payable - TrafCo (Canada) Ltd. monthly payments of $14,595 including interest, due November 1, 2016	$ 753,902	$ -
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	449,377	468,837
Loan payable - Danny's Golf Shop, monthly payments of $7,995 including interest at 3.00%, due December 15, 2012	94,409	186,049
Capital lease payable - Roynat Inc., monthly payments of $2,336 including interest at 9.89%, due May 1, 2015	80,994	99,993
	1,378,682	754,879
Water Utility Fund		
Loan payable - Canada Mortgage and Housing Corporation, annual payments of $718,523 including interest at 3.98%, due September 1, 2024	7,183,829	7,599,877
Loan payable - Saskatchewan Municipal Financing Corporation, annual payments of $871,846 including interest at 6%, due September 1, 2018	4,866,974	5,413,981
	12,050,803	13,013,858
Land Fund		
Loan payable - Canadian Imperial Bank of Commerce, monthly payments of $24,970 including interest at 3.01%, secured by a first assignment of water utility user fees and charges and land sales, due April 1, 2013	4,044,389	4,219,537
Total Long-Term Debt	**$ 17,473,874**	**$ 17,988,274**

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

	Principal	Interest	Total
2012	$ 1,481,691	$ 740,855	$ 2,222,546
2013	5,434,126	595,455	6,029,581
2014	1,298,083	495,463	1,793,546
2015	1,341,632	435,542	1,777,174
2016	1,378,275	372,639	1,750,914
Remainder	6,540,067	1,051,808	7,591,875
	$ 17,473,874	**$ 3,691,762**	**$ 21,165,636**

5. 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 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.

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

6. 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 $950,696 (2010 - $952,470) for unsaleable properties calculated through an annual review of cost and market value.

7. 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 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's capital asset policies. Work in progress is as follows:

	Opening Balance	Capitalized during year	Additions	Ending Balance
General Fund				
Roads	$ 105,673	$ (105,673)	$ 258,568	**$ 258,568**
Fire Sub-Station	-	-	9,450	**9,450**
Fencing	-	-	2,490	**2,490**
	105,673	(105,673)	270,508	**270,508**
Sanitation Fund				
Landfill	-	-	42,224	**42,224**
Water Utility Fund				
Water Treatment Plan	10,430,788	(10,478,038)	9,358,525	**9,311,275**
Waste Water Treatment Plant	36,000	-	215,582	**251,582**
Water Infrastructure	393,147	-	2,392,528	**2,785,675**
	10,859,935	(10,478,038)	11,966,635	**12,348,532**
Airport Fund				
Airport Capital Projects	33,178	(33,178)	159,295	**159,295**
	$ 10,998,786	$ (10,616,889)	$ 12,438,662	**$ 12,820,559**

8. TANGIBLE CAPITAL ASSETS

See Schedule 7: Tangible Capital Assets Segmented by Fund

	Cost	Accumulated Amortization	2011 Net Book Value	2010 Net Book Value
Land	$ 18,782,897	$ -	$ 18,782,897	$ 17,864,614
Land Improvements	20,073,491	(8,439,794)	11,633,697	9,349,184
Buildings	51,197,172	(14,496,801)	36,700,371	36,422,822
Machinery and Equipment	5,122,364	(2,007,242)	3,115,122	3,220,733
Fleet	18,850,625	(9,138,259)	9,712,366	9,788,241
Roads	82,535,888	(40,430,896)	42,104,992	41,861,439
Water, Sanitary and Storm Sewer Infrastructure	222,154,554	(91,397,047)	130,757,507	124,061,031
Consolidated Entities Capital Assets	2,312,203	(729,650)	1,582,553	1,568,326
	$ 421,029,194	**$ (166,639,689)**	**$ 254,389,505**	**$ 244,136,390**

9. ACCUMULATED SURPLUS

	2011	2010 (restated - Note 16)
General Operating Fund		
Fund Balance (Schedule 8)	$ 101,223,395	$ 98,096,913
Reserves (Schedule 9)	9,543,227	8,071,185
	110,766,622	**106,168,098**
Sanitation Operating Fund		
Fund Balance (Schedule 8)	6,939,250	5,560,980
Reserves (Schedule 9)	1,527,430	725,107
	8,466,680	**6,286,087**
Water Utility Operating Fund		
Fund Balance (Schedule 8)	129,841,911	120,037,556
Reserves (Schedule 9)	2,498,680	3,261,486
	132,340,591	**123,299,042**
Land Operating Fund		
Fund Balance (Schedule 8)	(2,543,235)	(5,433,903)
Reserves (Schedule 9)	390,381	1,493,944
	(2,152,854)	**(3,939,959)**
Airport Operating Fund		
Fund Balance (Schedule 8)	10,870,266	10,436,944
Reserves (Schedule 9)	398,885	499,121
	11,269,151	**10,936,065**
John M. Cuelenaere Public Library Board	**364,770**	**418,084**
North Central Saskatchewan Waste Management Corporation	**1,096,415**	**994,504**
Wapiti Regional Library	**1,581,449**	**1,563,448**
	$ 263,732,824	**$ 245,725,369**

10. TAXATION REVENUE

	Budget (unaudited)	2011	2010
General Municipal Taxation Levy	$ 23,577,450	$ 24,387,191	$ 21,869,327
General Municipal Taxation - Supplementals	130,000	289,132	165,281
General Municipal Taxation Surcharges	185,000	224,779	348,023
Abatements on Current Year Taxes	(5,000)	(9,813)	(482)
Discounts on Current Year Taxes	(61,600)	(62,964)	(61,149)
	23,825,850	**24,828,325**	**22,321,000**
Wellness Centre - Special Levy	1,364,700	1,302,038	1,361,703
Street Oiling Levies	85,000	84,176	93,386
Local Improvement Levies	-	-	-
Penalties on Tax Arrears	100,000	177,098	84,715
	$ 25,375,550	**26,391,637**	**23,860,804**

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

11. GRANTS-IN-LIEU

	Budget (unaudited)	2011	2010
Grants-in-Lieu of Taxes			
Federal	$ 147,000	$ 155,999	$ 160,462
Provincial	1,848,000	1,887,449	1,935,464
First Nations Reserve Lands	358,000	386,255	352,547
Domtar	1,933,730	1,871,047	1,933,730
	4,286,730	**4,300,750**	**4,382,203**
Franchise Fees			
Sask Power	4,101,480	4,454,854	4,186,669
Sask Energy	979,400	891,373	926,889
TransGas	13,800	16,727	21,461
	$ 9,381,410	**$ 9,663,704**	**$ 9,517,222**

12. 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 10.20% of their salary. All other members contributed 7.4% 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 $2,658,216 (2010 - $2,104,042).

Based on the latest information available (December 31, 2011 Audited Financial Statements) the Municipal Employee Pension Plan (MEPP) had a deficit in the net assets available for benefits of $232,756,000 (2010 had a surplus of $18,147,000). The City's portion of this is not readily determinable.

For 2013 the members contributions will increase to 11.35% for Police and Firefighters and 8.4% for other members.

13. CONTINGENT LIABILITIES AND GUARANTEES

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.

The City is 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 is in receipt of a statement of claim from Domtar Pulp and Paper Inc. ("Domtar") with respect to property taxes it paid in 2009 and 2010. Domtar alleges that they have been over-charged for property taxes for those respective years. 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 has an agreement with the Prince Albert Raiders Hockey Club Inc.(the "Raiders") dated January 2011, stating that the City of Prince Albert will ensure the financial sustainability of the Raiders, to a maximum amount of $750,000. The agreement also includes minimum and maximum amounts that the Raiders may report on their annual audited financial statements for each of their operating and capital funds.

Various other lawsuits and claims are pending by and against the City, however no provisions have been recorded in the financial statements. It is not expected that the final determination of any pending claims will materially affect the financial position of the City

14. 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 $254,684 per cell, for a total cost at time of decomissioning of $2,037,477.

The calculation of the liability in the amount of $102,000 (2010 - $69,340) is based on the cumulative capacity used at December 31, 2011 compared to the total estimated landfill capacity at the same date. The estimated capacity of the site is 4,000,000 cubic metres (2010 - estimated capacity was 4,000,000 cubic metres), of which 505,800 cubic metres (2010 - 460,000 cubic metres) have been used to date (12.6%) (2010 - 11.5%). The existing landfill site is expected to reach capacity in approximately 2053 and liability calculation uses the discount rate of the City's borrowing rate, which is prime minus 0.75%. The liability recognized within the Sanitation Fund's accounts payable and accrued liabilities and is subject to measurement uncertainty.

15. 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.

16. RESTATEMENT OF PRIOR YEARS

The Accumulated Surplus has been restated as follows:

During the year, it was determined that accruals for banked time earned and accumulated sick leave should be made. This retroactive adjustment was made directly to accumulated surplus as at January 1, 2010. There was no impact recorded to surplus of revenues over expenses for the year ended December 31, 2010. The receivable adjustment recognizes a receivable for the Emergency Communication Centre's portion of the accrual, as it will be fully reimbursed.

January 1, 2010 Accumulated Surplus, as reported	$ 232,845,107
Increase in Accounts Receivable	64,734
Increase in Wages and Vacation Payable	(698,772)
January 1, 2010 Accumulated Surplus, as restated	**$ 232,211,069**

17. 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
SEGMENTED BY FUND
Schedule 1

As at December 31, 2011

	GENERAL OPERATING FUND	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND
FINANCIAL ASSETS					
Cash	$ 7,251,265	$ -	$ -	$ -	$ 348,886
Temporary investments	-	-	-	-	-
Taxes receivable	2,544,650	-	-	-	-
Accounts receivable	7,489,626	38,865	5,009,077	1,845,237	445,481
Long-term investments	-	-	-	-	-
	-	-	-	-	-
	17,285,541	38,865	5,009,077	1,845,237	794,367
LIABILITIES					
Accounts payable and accrued liabilities	9,266,537	102,000	197,907	-	-
Wages and vacation payable	1,319,354	7,228	59,747	-	6,301
Deposits and deferred revenue	4,167,118	13,900	373,685	5,500	-
Due to local school divisions	796,829	-	-	-	-
Due to Trusts	8,584	-	-	-	-
Long-term debt	1,378,682	-	12,050,804	4,044,389	-
Vested sick leave	2,470,651	121,828	381,288	-	70,154
	19,407,755	244,956	13,063,431	4,049,889	76,455
NET FINANCIAL ASSETS (DEBT)	(2,122,214)	(206,091)	(8,054,354)	(2,204,652)	717,912
NON-FINANCIAL ASSETS					
Property acquired for taxes	415,783	-	-	-	-
Prepaid expenses	135,986	-	-	-	-
Supplies inventory	980,851	-	774,121	-	-
Land available for sale	-	-	-	4,625,335	-
Work in progress	270,508	42,224	12,348,533	-	159,295
Tangible Capital Assets	101,344,818	7,457,171	133,470,046	-	10,534,918
Due from (to) other funds	9,740,890	1,173,376	(6,197,755)	(4,573,537)	(142,974)
	112,888,836	8,672,771	140,394,945	51,798	10,551,239
ACCUMULATED SURPLUS	**$ 110,766,622**	**$ 8,466,680**	**$ 132,340,591**	**$ (2,152,854)**	**$ 11,269,151**

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
SEGMENTED BY FUND
As at December 31, 2011

Schedule 1 (continued)

	J MC PUBLIC LIBRARY BOARD	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	TOTAL CONSOLIDATED
FINANCIAL ASSETS					
Cash	$ 48,136	$ 400,204	$ 559,474	$ -	$ 8,607,965
Temporary investments	346,047	-	-	-	346,047
Taxes receivable	-	-	-	-	2,544,650
Accounts receivable	6,322	-	35,294	-	14,869,903
Long-term investments	-	-	169,676	-	169,676
	-	-	-	-	-
	400,505	400,204	764,444	-	26,538,241
LIABILITIES					
Accounts payable and accrued liabilities	42,733	3,326	4,470	-	9,616,974
Wages and vacation payable	-	-	46,196	-	1,438,827
Deposits and deferred revenue	-	-	2,976	-	4,563,179
Due to local school divisions	-	-	-	-	796,829
Due to Trusts	-	-	-	-	8,584
Long-term debt	-	-	-	-	17,473,874
Vested sick leave	-	-	30,245	-	3,074,166
	42,733	3,326	83,887	-	36,972,433
NET FINANCIAL ASSETS (DEBT)	357,772	396,878	680,557	-	(10,434,192)
NON-FINANCIAL ASSETS					
Property acquired for taxes	-	-	-	-	415,783
Prepaid expenses	6,998	-	6,175	-	149,159
Supplies inventory	-	832	10,869	-	1,766,673
Land available for sale	-	-	-	-	4,625,335
Work in progress	-	-	-	-	12,820,560
Tangible Capital Assets	-	698,705	883,848	-	254,389,506
Due from (to) other funds	-	-	-	-	-
	6,998	699,537	900,892	-	274,167,016
ACCUMULATED SURPLUS	**$ 364,770**	**$ 1,096,415**	**$ 1,581,449**	**$ -**	**$ 263,732,824**

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR
Schedule 2
SEGMENTED BY FUND
As at December 31, 2010

	GENERAL OPERATING FUND (Restated - Note 16)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND
FINANCIAL ASSETS					
Cash	$ 4,610,252	$ -	$ -	$ -	$ 225,050
Temporary investments	-	-	3,008,223	-	-
Taxes receivable	1,972,768	-	-	-	-
Accounts receivable	4,876,477	297,112	4,377,408	1,093,214	388,673
Long-term investments	-	-	-	-	-
Due from Trusts	1,416	-	-	-	-
	11,460,913	297,112	7,385,631	1,093,214	613,723
LIABILITIES					
Accounts payable and accrued liabilities	7,510,277	69,347	694,270	-	-
Wages and vacation payable	1,187,065	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	2,175,633	119,452	409,593	-	65,990
	16,993,027	212,482	17,197,382	4,221,037	74,848
NET FINANCIAL ASSETS (DEBT)	(5,532,114)	84,630	(9,811,751)	(3,127,823)	538,875
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 to (from) other funds	7,894,038	1,178,043	(3,459,398)	(5,585,063)	(27,620)
	111,700,212	6,201,457	133,110,793	(812,136)	10,397,190
ACCUMULATED SURPLUS	**$ 106,168,098**	**$ 6,286,087**	**$ 123,299,042**	**$ (3,939,959)**	**$ 10,936,065**

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR
SEGMENTED BY FUND
As at December 31, 2010

Schedule 2 (continued)

	J MC PUBLIC LIBRARY BOARD	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	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	-	11,087,275
Long-term investments	-	-	162,390	-	162,390
Due from Trusts	-	-	-	-	1,416
	417,272	266,396	817,723	-	22,351,986
LIABILITIES					
Accounts payable and accrued liabilities	6,186	3,346	5,742	-	8,289,167
Wages and vacation payable	-	-	54,348	-	1,330,469
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
	6,186	3,346	108,579	-	38,816,888
NET FINANCIAL ASSETS (DEBT)	411,086	263,050	709,144	-	(16,464,902)
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 to (from) other funds	-	-	-	-	-
	6,998	731,454	854,304	-	**262,190,271**
ACCUMULATED SURPLUS	**$ 418,084**	**$ 994,504**	**$ 1,563,448**	**$ -**	**$ 245,725,369**

See accompanying notes

Schedule 3

CONSOLIDATED STATEMENT OF OPERATIONS SEGMENTED BY FUND

For the year ended December 31, 2011

	GENERAL OPERATING FUND (SCHEDULE 5)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND	EQUIPMENT FUND
REVENUES						
Taxation	$ 26,391,637	$ -	$ -	$ -	$ -	$ -
User charges and fees	9,953,875	2,902,901	10,897,680	86,142	918,687	-
Operating grants and donations	9,197,282	-	-	-	-	-
Grants in lieu of taxes	9,663,704	-	-	-	-	-
Interest and penalties	446,548	2,359	254,543	-	9,125	-
Land sales	-	-	-	2,949,920	-	-
Sundry	1,699,012	252	432,004	-	2,593	-
	57,352,058	2,905,512	11,584,227	3,036,062	930,405	-
EXPENSES						
Council remuneration	$ 312,773	$ -	$ -	$ -	$ -	$ -
Salaries, wages and benefits	33,631,379	938,055	4,280,221	111,978	241,690	-
Contracted and general services	2,264,395	128,493	92,089	-	85,283	-
Financial charges	30,395	3,573	376	-	40	-
Grants and donations	3,256,968	182,600	-	-	-	-
Utilities	2,390,352	48,639	856,030	-	100,373	-
Interest on long term debt	49,979	-	616,434	124,605	-	-
Fleet expenses	2,526,297	739,969	748,537	-	65,304	(1,220,834)
Maintenance, material and supplies	6,463,589	290,429	2,485,761	195,296	56,460	-
Insurance	448,311	9,811	118,825	-	22,925	-
Bad debt expense	470,534	79,239	67,374	-	6,386	-
Cost of land sales	-	-	-	268,141	-	-
	51,844,972	2,420,808	9,265,647	700,020	578,461	(1,220,834)
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	5,507,086	484,704	2,318,580	2,336,042	351,944	1,220,834
Capital revenues	1,618,353	2,148,946	7,558,220	2,858,931	301,439	-
Amortization	(4,890,115)	(321,441)	(3,361,191)	-	(506,055)	-
Gain (loss) on disposal of capital assets	334,914	-	(8,094)	-	(12,240)	-
Interfund transactions	2,015,864	(149,930)	(600,000)	(243,100)	198,000	(1,220,834)
	(920,984)	1,677,575	3,588,935	2,615,831	(18,856)	(1,220,834)
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	4,586,102	2,162,279	5,907,515	4,951,873	333,088	-

See accompanying notes

Schedule 3 (continued)

CONSOLIDATED STATEMENT OF OPERATIONS
SEGMENTED BY FUND
For the year ended December 31, 2011

	J MC PUBLIC LIBRARY BOARD	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	TOTAL CONSOLIDATED
REVENUES					
Taxation	$ -	$ -	$ -	$ (35,639)	$ 26,355,997
User charges and fees	58,321	182,610	-	(182,600)	24,817,614
Operating grants and donations	291,402	114,846	1,923,060	(1,548,083)	9,978,507
Grants in lieu of taxes	-	-	-	-	9,663,703
Interest and penalties	2,909	3,610	11,147	(20,978)	709,264
Land sales	-	-	-	-	2,949,920
Sundry	-	62	119,606	-	2,253,528
	352,632	301,128	2,053,813	(1,787,300)	76,728,533
EXPENSES					
Council remuneration	$ -	$ -	$ -	$ -	$ 312,773
Salaries, wages and benefits	-	-	1,420,025	-	40,623,348
Contracted and general services	111,403	101,247	6,124	-	2,789,034
Financial charges	1,230	-	1,615	-	37,230
Grants and donations	-	-	70,772	(1,730,683)	1,779,657
Utilities	43,502	-	12,024	-	3,450,920
Interest on long term debt	-	-	-	(20,978)	770,040
Fleet expenses	-	-	-	-	2,859,273
Maintenance, material and supplies	249,811	63,657	208,976	(35,639)	9,978,341
Insurance	-	1,714	13,276	-	614,863
Bad debt expense	-	-	-	-	623,534
Cost of land sales	-	-	-	-	268,141
	405,946	166,618	1,732,812	(1,787,300)	64,107,154
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	(53,314)	134,510	321,001	-	12,621,379
Capital revenues	-	-	-	-	14,485,889
Amortization	-	(26,891)	(260,325)	-	(9,366,017)
Gain (loss) on disposal of capital assets	-	-	-	-	314,580
Interfund transactions	-	-	-	-	-
	-	(26,891)	(260,325)	-	5,434,452
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	(53,314)	107,619	60,676	-	18,055,831

See accompanying notes

Schedule 4

CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR SEGMENTED BY FUND

For the year ended December 31, 2010

	GENERAL OPERATING FUND (SCHEDULE 6) (Restated - Note 16)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND	EQUIPMENT FUND
REVENUES						
Taxation	$ 23,860,804	$ -	$ -	$ -	$ -	$ -
User charges and fees	9,069,786	3,028,053	10,590,706	83,567	660,978	-
Operating grants and donations	6,887,349	-	-	-	-	-
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	-
	50,101,116	3,045,676	11,338,740	4,067,366	669,357	-
EXPENSES						
Council remuneration	$ 318,630	$ -	$ -	$ -	$ -	$ -
Salaries, wages and benefits	29,892,676	884,162	4,400,292	103,363	235,756	-
Contracted and general services	2,309,777	54,167	166,185	-	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	6,005,250	224,312	2,764,569	(117,630)	53,289	-
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	-	-	-	346,842	-	-
	47,082,085	2,103,817	9,791,449	462,617	745,106	(1,329,105)
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	3,019,031	941,859	1,547,291	3,604,749	(75,749)	1,329,105
Capital revenues	3,563,715	-	6,938,237	170,644	331,327	-
Amortization	(3,977,263)	(230,258)	(3,277,782)	-	(462,442)	-
Gain (loss) on disposal of capital assets	3,764	5	(8,856)	-	669	-
Interfund transactions	2,186,820	(133,060)	(535,000)	(369,375)	179,720	(1,329,105)
	1,777,036	(363,313)	3,116,599	(198,731)	49,274	(1,329,105)
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	4,796,067	578,546	4,663,890	3,406,018	(26,475)	-

See accompanying notes

Schedule 4 (continued)

CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR SEGMENTED BY FUND

For the year ended December 31, 2010

	J MC PUBLIC LIBRARY BOARD	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	TOTAL CONSOLIDATED
REVENUES					
Taxation	$ -	$ -	$ -	$ (24,330)	$ 23,836,474
User charges and fees	54,948	182,605	-	(182,605)	23,488,038
Operating grants and donations	751,602	112,309	1,975,062	(1,869,434)	7,856,888
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
	807,042	296,621	2,144,140	(2,315,069)	70,154,989
EXPENSES					
Council remuneration	$ -	$ -	$ -	$ -	$ 318,630
Salaries, wages and benefits	-	-	1,414,576	-	36,930,825
Contracted and general services	106,967	120,054	6,100	-	3,004,558
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	394,940	65,923	560,441	-	9,951,094
Operating Costs	-	-	-	(567,786)	(567,786)
Insurance	-	1,657	10,784	-	598,383
Bad debt expense	-	-	-	-	309,347
Cost of land sales	-	-	-	-	346,842
	552,856	187,910	2,053,883	(2,315,069)	59,335,548
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	254,186	108,711	90,257	-	10,819,441
Capital revenues	-	-	-	-	11,003,922
Amortization	-	(27,047)	(253,600)	-	(8,228,392)
Gain (loss) on disposal of capital assets	-	-	-	-	(4,418)
Interfund transactions	-	-	-	-	-
	-	(27,047)	(253,600)	-	2,771,112
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	254,186	81,664	(163,343)	-	13,590,553

See accompanying notes

Schedule 5

GENERAL FUND STATEMENT OF OPERATIONS SEGMENTED BY DEPARTMENT

For the year ended December 31, 2011

	GENERAL GOVERNMENT	PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)	PROTECTIVE SERVICES (POLICE SERVICE)	PROTECTIVE SERVICES (FIRE SERVICES)	TRANSPORTATION SERVICES (PUBLIC WORKS)	COMMUNITY SERVICES	TOTAL GENERAL FUND
REVENUES							
Taxation	$ 26,391,637	$ -	$ -	$ -	$ -	$ -	$ 26,391,637
User charges and fees	864,057	3,150,631	1,664,527	258,748	693,054	3,322,857	9,953,875
Operating grants and donations	6,384,432	-	2,003,897	-	194,834	614,119	9,197,282
Grants in lieu of taxes	9,663,703	-	-	-	-	-	9,663,703
Interest and penalties	446,548	-	-	-	-	-	446,548
Sundry	1,347,670	-	-	7,705	206,975	136,662	1,699,012
	45,098,047	3,150,631	3,668,424	266,453	1,094,863	4,073,638	57,352,057
EXPENSES							
Council remuneration	$ 312,773	$ -	$ -	$ -	$ -	$ -	$ 312,773
Salaries, wages and benefits	6,045,800	2,712,968	13,419,462	4,613,867	2,003,590	4,835,692	33,631,379
Contracted and general services	49,515	279	178,795	3,191	1,316,784	715,831	2,264,395
Financial charges	10,320	120	497	180	500	18,778	30,395
Grants and donations	313,023	-	49,183	-	524,411	2,370,352	3,256,968
Utilities	3,239	-	121,628	44,255	1,027,519	1,193,711	2,390,352
Interest on long term debt	15,662	-	20,977	-	-	13,340	49,979
Fleet expenses	50,461	-	545,738	363,273	890,285	676,541	2,526,297
Maintenance, material and supplies	2,090,110	437,264	1,131,747	326,909	763,112	1,714,447	6,463,589
Operating Costs	-	-	-	-	-	-	-
Insurance	173,691	-	16,228	6,130	20,638	231,625	448,311
Bad debt expense	470,534	-	-	-	-	-	470,534
	9,535,128	3,150,631	15,484,255	5,357,805	6,546,839	11,770,317	51,844,972
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	35,562,919	-	(11,815,831)	(5,091,352)	(5,451,976)	(7,696,679)	5,507,085
Capital revenues	-	-	-	-	658,202	960,151	1,618,353
Amortization	(213,213)	-	(299,156)	(253,236)	(2,796,989)	(1,327,521)	(4,890,115)
Gain (loss) on disposal of capital assets	896	-	(49,580)	180,618	176,668	26,313	334,914
Interfund transactions	2,015,864	-	-	-	-	-	2,015,864
	1,803,547	-	(348,736)	(72,618)	(1,962,119)	(341,057)	(920,984)
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	37,366,466	-	(12,164,567)	(5,163,970)	(7,414,095)	(8,037,736)	4,586,101

See accompanying notes

Schedule 6

GENERAL FUND STATEMENT OF OPERATIONS - PRIOR YEAR SEGMENTED BY DEPARTMENT

For the year ended December 31, 2010

	GENERAL GOVERNMENT (Restated - Note 16)	PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)	PROTECTIVE SERVICES (POLICE SERVICE)	PROTECTIVE SERVICES (FIRE SERVICES)	TRANSPORTATION SERVICES (PUBLIC WORKS)	COMMUNITY SERVICES	TOTAL GENERAL FUND
REVENUES							
Taxation	$ 23,860,804	$ -	$ -	$ -	$ -	$ -	$ 23,860,804
User charges and fees	1,027,530	2,538,072	1,812,495	150,683	599,716	2,941,290	9,069,786
Operating grants and donations	4,929,676	-	942,676	34,925	181,770	798,302	6,887,349
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
	39,928,623	2,538,072	2,755,171	186,708	781,482	3,911,060	50,101,116
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	1,046,397	786,582	1,085,928	324,707	566,036	2,195,599	6,005,250
Operating Costs	-	-	-	-	-	-	-
Insurance	190,935	-	16,129	5,876	19,066	203,617	435,624
Bad debt expense	273,857	-	-	-	-	-	273,857
	7,912,455	2,538,072	13,488,675	5,166,259	6,190,904	11,785,722	47,082,085
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	32,016,168	-	(10,733,504)	(4,979,551)	(5,409,422)	(7,874,662)	3,019,031
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)
Gain (loss) on disposal of capital assets	2,050	-	(36,335)	42,232	(6,323)	2,140	3,764
Interfund transactions	2,186,820	-	-	-	-	-	2,186,820
	1,976,567	-	(264,823)	(158,966)	(543,127)	767,383	1,777,036
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	33,992,735	-	(10,998,327)	(5,138,517)	(5,952,549)	(7,107,279)	4,796,067

See accompanying notes

TANGIBLE CAPITAL ASSETS - COST
Segmented by Fund
For the year ended December 31, 2011

	Opening Cost	Current Year Additions	Disposals	Cost
General Fund				
Land	$ 11,263,372	$ -	$ (5,747)	$ 11,257,625
Land improvements	7,623,417	106,763	-	7,730,180
Buildings	48,450,128	988,693	(297,529)	49,141,292
Machinery and equipment	3,906,914	422,096	(115,478)	4,213,532
Fleet	12,150,064	1,038,014	(1,386,459)	11,801,619
Roads	79,956,893	2,651,060	(72,065)	82,535,888
	163,350,788	**5,206,626**	**(1,877,278)**	**166,680,136**
Sanitation Fund				
Land	1	-	-	1
Land improvements	1,661,156	2,736,883	-	4,398,039
Buildings	922,335	-	-	922,335
Machinery and equipment	349,446	-	-	349,446
Fleet	3,401,070	18,315	-	3,419,385
	6,334,008	**2,755,198**	**-**	**9,089,206**
Water Utility Fund				
Land	372,868	924,030	-	1,296,898
Land improvements	196,472	12,074	-	208,546
Buildings	295,237	-	-	295,237
Machinery and equipment	97,105	19,300	-	116,405
Fleet	2,347,124	336,681	(87,693)	2,596,112
Water, sanitary and storm Sewer infrastructure	212,303,841	9,913,924	(63,211)	222,154,554
	215,612,647	**11,206,009**	**(150,904)**	**226,667,752**
Airport Capital Fund				
Land	6,228,373	-	-	6,228,373
Land improvements	7,601,560	135,166	-	7,736,726
Buildings	347,872	490,436	-	838,308
Machinery and equipment	419,243	23,738	-	442,981
Fleet	1,033,509	-	-	1,033,509
	15,630,557	**649,340**	**-**	**16,279,897**
Consolidated Entities Capital				
North Central Saskatchewan Waste Management Corporation	897,535	-	5,151	892,384
Wapiti Regional Library	1,399,142	328,156	307,479	1,419,819
	2,296,677	**328,156**	**(312,630)**	**2,312,203**
	$ 403,224,677	**$ 20,145,329**	**$ (1,715,552)**	**$ 421,029,194**

See accompanying notes

TANGIBLE CAPITAL ASSETS- ACCUMULATED AMORTIZATION

Schedule 7 (continued) **Segmented by Fund**

For the year ended December 31, 2011

	Opening Accumulated Amortization	Amortization	Disposals	Closing Accumulated Amortization	2011 Net Book Value	2010 Net Book Value
General Fund						
Land	$ -	$ -	$ -	$ -	$ 11,257,625	$ 11,263,372
Land improvements	(3,081,981)	(260,356)	-	(3,342,337)	4,387,843	4,541,435
Buildings	(13,194,497)	(923,650)	52,982	(14,065,165)	35,076,127	35,255,632
Machinery and equipment	(1,322,494)	(519,077)	114,944	(1,726,627)	2,486,905	2,584,420
Fleet	(6,175,290)	(777,208)	1,182,205	(5,770,293)	6,031,326	5,974,774
Roads	(38,095,454)	(2,406,565)	71,123	(40,430,896)	42,104,992	41,861,439
	(61,869,716)	**(4,886,856)**	**1,421,254**	**(65,335,318)**	**101,344,818**	**101,481,072**
Sanitation Fund						
Land	-	-	-	-	1	1
Land improvements	(127,900)	(16,699)	-	(144,599)	4,253,440	1,533,256
Buildings	(164,006)	(20,104)	-	(184,110)	738,225	758,329
Machinery and equipment	(184,096)	(23,155)	-	(207,251)	142,195	165,350
Fleet	(834,594)	(261,482)	-	(1,096,076)	2,323,309	2,566,476
	(1,310,596)	**(321,440)**	**-**	**(1,632,036)**	**7,457,170**	**5,023,412**
Water Utility Fund						
Land	-	-	-	-	1,296,898	372,868
Land improvements	(98,480)	(6,533)	-	(105,013)	103,533	97,992
Buildings	(81,423)	(7,403)	-	(88,826)	206,411	213,814
Machinery and equipment	(20,230)	(10,022)	-	(30,252)	86,153	76,875
Fleet	(1,497,754)	(131,356)	52,545	(1,576,565)	1,019,547	849,370
Water, sanitary and storm Sewer infrastructure	(88,242,808)	(3,209,135)	54,896	(91,397,047)	130,757,507	124,061,031
	(89,940,695)	**(3,364,449)**	**107,441**	**(93,197,703)**	**133,470,049**	**125,671,950**
Airport Capital Fund						
Land	-	-	-	-	6,228,373	6,228,373
Land improvements	(4,425,060)	(422,785)	-	(4,847,845)	2,888,881	3,176,501
Buildings	(152,824)	(5,876)	-	(158,700)	679,608	195,047
Machinery and equipment	(25,155)	(17,957)	-	(43,112)	399,869	394,088
Fleet	(635,888)	(59,437)	-	(695,325)	338,184	397,621
	(5,238,927)	**(506,055)**	**-**	**(5,744,982)**	**10,534,915**	**10,391,630**
Consolidated Entities Capital						
North Central Saskatchewan Waste Management Corporation	(167,754)	(26,891)	966	(193,679)	698,705	729,781
Wapiti Regional Library	(560,597)	(260,325)	284,951	(535,971)	883,848	838,545
	(728,351)	**(287,216)**	**285,917**	**(729,650)**	**1,582,553**	**1,568,326**
	$ (159,088,285)	**$ (9,366,016)**	**$ 1,814,612**	**$ (166,639,689)**	**$ 254,389,505**	**$ 244,136,390**

See accompanying notes

SCHEDULE OF FUND BALANCES

For the year ended December 31, 2011

	2010 Balance	Unallocated	Net allocations	2011 Balance
GENERAL FUND				
General Fund - Accumulated Surplus	$ 5,455,301	$ 4,586,102	$ (3,311,530)	$ 6,729,873
Police Surplus	(109,948)	-	391,520	281,572
Net Investment in Tangible Capital Assets - General Fund (Schedule 7)	101,481,069	-	(136,251)	101,344,818
Tangible Capital Assets - Work in Progress	105,673	-	164,835	270,508
Amount to be recovered from future revenues - CIBC Loan	(468,837)	-	19,461	(449,376)
Amount to be recovered from future revenues - Danny's Golf Shop Loan	(186,049)	-	91,640	(94,409)
Amount to be recovered from future revenues - Equipment Loan	(99,993)	-	18,999	(80,994)
Amount to be recovered from future revenues - Parking Meter Loan	-	-	(753,902)	(753,902)
Police Building Reserve	(550,264)	-	56,779	(493,485)
Funding from future budgets - Alfred Jenkins Fieldhouse	(7,530,039)	-	1,998,829	(5,531,210)
	98,096,913	4,586,102	(1,459,620)	101,223,395
SANITATION FUND				
Net Investment in Tangible Capital Assets - Sanitation Utility Fund (Schedule 7)	5,023,413	-	2,433,758	7,457,171
Sanitation - Work in Progress	-	-	42,224	42,224
Sanitation Improvement	537,567	2,162,279	(3,259,991)	(560,145)
	5,560,980	2,162,279	(784,009)	6,939,250
WATER UTILITY FUND				
Amount to be recovered from future revenues - CMHC Loan	(7,599,877)	-	416,048	(7,183,829)
Amount to be recovered from future revenues - SMFC Loan	(5,413,981)	-	547,007	(4,866,974)
Net Investment in Tangible Capital Assets - Water Utility Fund (Schedule 7)	125,671,949	-	7,798,097	133,470,046
Waterworks - Work in Progress	10,859,935	-	1,488,598	12,348,533
Waterworks Improvement	(3,480,470)	5,907,515	(6,352,910)	(3,925,865)
	120,037,556	5,907,515	3,896,840	129,841,911
LAND FUND				
Amount to be recovered from future revenues - CIBC Loan	(4,219,537)	-	175,148	(4,044,389)
Land Development	(1,214,366)	4,951,873	(2,236,353)	1,501,154
	(5,433,903)	4,951,873	(2,061,205)	(2,543,235)

See accompanying notes

Schedule 8 (continued)

For the year ended December 31, 2011

	2010 Balance	Unallocated	Net allocations	2011 Balance
AIRPORT OPERATING FUND				
Airport Improvement	12,134	333,088	(169,169)	176,053
Airport - Work in Progress	33,178	-	126,117	159,295
Net Investment in Tangible Capital Assets - Airport Fund (Schedule 7)	10,391,632	-	143,286	10,534,918
	10,436,944	333,088	100,234	10,870,266
CONSOLIDATED ENTITIES				
John M. Cuelenaere Public Library Board	418,084	(53,314)	-	364,770
North Central Saskatchewan Waste Management Corporation	994,504	107,619	(5,708)	1,096,415
Wapiti Regional Library	1,563,448	60,676	(42,675)	1,581,449
	2,976,036	114,981	(48,383)	3,042,634
	$ 231,674,526	**$ 18,055,838**	**$ (356,144)**	**$ 249,374,221**

See accompanying notes

	2010 Balance	Net allocations	2011 Balance
GENERAL FUND			
Affordable Housing	$ 40,850	$ 40,850	$ 81,700
Capital Works Committed	1,662,106	431,435	2,093,541
Civic Facilities	1,357,732	15,699	1,373,431
Community Clubs Mechanical Equipment	52,389	(5,000)	47,389
Community Services Building	11,938	-	11,938
Community Services Land Fund	770,758	125,690	896,448
Dedicated Lands	18,401	-	18,401
E.A. Rawlinson Mechanical Equipment	79,970	10,000	89,970
Equipment and Fleet Reserve	2,504,764	(375,508)	2,129,256
Fire Equipment	181,802	464,714	646,516
Future Infrastructure	-	620,000	620,000
Golf Course Improvements	209,999	43,516	253,515
In Lieu of Public Reserve	9,834	-	9,834
Land Development	100,020	-	100,020
Little Red River	9,510	-	9,510
Minor Softball	26,173	2,500	28,673
Northern Housing Development	99,043	-	99,043
PAGCC Mechanical Equipment	78,784	10,000	88,784
Park Development	56,050	-	56,050
Pehonan Parkway	491,348	42,073	533,421
Police Capital Reserve	246,622	(73,293)	173,329
Police Equipment Reserve	12,083	13,786	25,869
Savings - emergency	-	155,580	155,580
Community Services - Special Events Marketing	50,000	(50,000)	-
Tourism	1,009	-	1,009
	8,071,185	1,472,042	9,543,227
SANITATION FUND			
Sanitation Capital Works	200,947	1,326,483	1,527,430
Sanitation Cutoff Wall Reserve	524,160	(524,160)	-
	725,107	802,323	1,527,430
WATER UTILITY FUND			
Waterworks Capital Works	3,261,486	(762,806)	2,498,680
LAND FUND			
Development Levies	927,704	(1,211,340)	(283,636)
Future Land Purchases	377,421	73,899	451,320
Planning and Marketing	188,819	33,878	222,697
	1,493,944	(1,103,563)	390,381

Schedule 9 (continued)

For the year ended December 31, 2011

	2010 Balance	Net allocations	2011 Balance
AIRPORT OPERATING FUND			
Airport Capital Works	450,401	(400,401)	50,000
Airport - Passenger Facilities Fees	48,720	300,165	348,885
	499,121	(100,236)	398,885
	$ 14,050,843	**$ 307,759**	**$ 14,358,603**

See accompanying notes

	2011	2010
FINANCIAL ASSETS		
Cash	$ 76,108	$ 75,436
Temporary investments	142,293	141,272
Loans receivable from Prince Albert Golf and Curling Club	1,871	11,871
Due from General Fund	8,584	-
NET ASSETS	**$ 228,856**	**$ 228,579**
LIABILITIES		
Trust funds held for others (Schedule 11)	$ 228,856	$ 227,163
Due to General Fund	-	1,416
NET LIABILITIES	**$ 228,856**	**$ 228,579**

SCHEDULE OF TRUST FUND TRANSACTIONS

Schedule 11

For the year ended December 31, 2011

	2010 Balance	Additions	Expenses	2011 Balance
J. Vandale [1][3]	$ 3,807	$ 45	$ 219	$ 3,633
Lenore Partridge Estate [1]	141,272	1,021	-	142,293
Prince Albert Golf and Curling Club [2][4]	1,819	10,022	10,000	1,841
Uniting to Heal	455	-	-	455
Veteran's Graves [1]	69,810	824	-	70,634
Winterburn Estate	10,000	-	-	10,000
	$ 227,163	$ 11,912	$ 10,219	$ 228,856

[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

See accompanying notes