

# **THE CITY OF PRINCE ALBERT**



**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

**TABLE OF CONTENTS**  
December 31, 2012 Consolidated Financial Statements

	<u>Schedule</u>	<u>Page</u>
<b>Management's Report</b>		3
<b>Auditor's Report</b>		4
<b>Consolidated Financial Statements</b>		
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
<b>Notes to the Consolidated Financial Statements</b>		9
<b>Schedule of Consolidated Statement of Financial Position</b>		
<b>Segmented by Fund</b>	1	19
<b>Schedule of Consolidated Statement of Financial Position - Prior Year</b>		
<b>Segmented by Fund</b>	2	21
<b>Schedule of Consolidated Statement of Operations</b>		
<b>Segmented by Fund</b>	3	23
<b>Schedule of Consolidated Statement of Operations - Prior Year</b>		
<b>Segmented by Fund</b>	4	25
<b>Schedule of General Fund Statement of Operations</b>		
<b>Segmented by Department</b>	5	27
<b>Schedule of General Fund Statement of Operations - Prior Year</b>		
<b>Segmented by Department</b>	6	28
<b>Schedule of Tangible Capital Assets</b>		
<b>Segmented by Fund</b>	7	29
<b>Schedule of Fund Balances</b>		
<b>Segmented by Fund</b>	8	31
<b>Schedule of Reserves</b>		
<b>Segmented by Fund</b>	9	33
<b>Schedule of Funds Held in Trust</b>	10	35
<b>Schedule of Trust Fund Transactions</b>	11	36

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 Public Sector Accounting Standards. 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 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  
May 27, 2013



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



INDEPENDENT AUDITOR'S REPORT

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, 2012, 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 as at December 31, 2012, and the results of its operations, changes in net debt and cash flow for the year then ended in accordance with Canadian Public Sector Accounting Standards.

A handwritten signature in blue ink that reads "Deloitte LLP".

Chartered Accountants  
May 27, 2013  
Prince Albert, Saskatchewan

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2012

	<u>2012</u>	<u>2011</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 7,529,545	\$ 8,607,965
Temporary investments	349,093	346,047
Taxes receivable	2,403,448	2,544,660
Accounts receivable (Note 2)	15,599,746	14,869,895
Long-term investments	<u>138,443</u>	<u>169,676</u>
	<u>26,020,275</u>	<u>26,538,243</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	8,983,932	9,616,975
Wages payable	1,545,983	1,438,827
Deposits and deferred revenue (Note 3)	7,867,194	4,563,179
Due to local school divisions (Note 4)	849,643	796,829
Due to Trusts	10,455	8,584
Long-term debt (Note 5)	15,992,182	17,473,874
Vested sick leave	<u>3,147,878</u>	<u>3,074,166</u>
	<u>38,397,267</u>	<u>36,972,434</u>
<b>NET DEBT</b>	<u>(12,376,992)</u>	<u>(10,434,191)</u>
<b>NON-FINANCIAL ASSETS</b>		
Property acquired for taxes (Note 6)	525,657	415,783
Prepaid expenses	241,600	149,159
Supplies inventory	1,548,539	1,766,673
Land available for sale	4,423,725	4,625,335
Work in progress (Note 7)	19,825,846	12,820,560
Tangible Capital Assets (Note 8) (Schedule 7)	<u>259,662,384</u>	<u>254,389,505</u>
	<u>286,227,751</u>	<u>274,167,015</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 273,850,759</u>	<u>\$ 263,732,824</u>

# CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2012

	<u>Budget</u> (unaudited)	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>			
Taxation (Note 10)	\$ 27,689,600	\$ 28,621,409	\$ 26,355,997
User charges and fees	24,614,630	26,129,855	24,817,614
Operating grants and donations	9,967,990	11,303,901	9,978,507
Grants-in-lieu-of-taxes (Note 11)	9,156,280	8,901,853	9,663,703
Interest and penalties	613,500	802,994	709,264
Land sales	1,581,000	1,379,636	2,949,920
Sundry	<u>297,190</u>	<u>3,522,213</u>	<u>2,253,528</u>
	<u>73,920,190</u>	<u>80,661,861</u>	<u>76,728,533</u>
<b>EXPENSES</b>			
Airport operations	743,700	756,507	578,461
Community services	9,979,570	9,916,262	9,878,854
General government	13,216,520	16,260,927	10,730,008
Land development operations	449,800	637,066	700,020
Protective services - Emergency Call Centre	3,508,640	3,202,389	3,150,631
Protective services - Fire Services	5,531,490	6,212,672	5,357,965
Protective services - Police Services	15,651,140	16,743,520	15,484,255
Sanitation Utility Services	2,733,400	2,399,816	2,420,808
Transportation services	5,547,490	5,649,978	6,022,428
Water utility services	9,422,880	10,531,715	9,265,647
Consolidated entities (Note 1)	<u>-</u>	<u>921,300</u>	<u>518,076</u>
	<u>66,784,630</u>	<u>73,232,152</u>	<u>64,107,153</u>
<b>SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL TRANSACTIONS</b>			
	<u>7,135,560</u>	<u>7,429,709</u>	<u>12,621,380</u>
Capital revenue	2,495,000	11,908,287	14,485,889
Amortization	-	(9,284,702)	(9,366,017)
Gain on disposal of capital assets	-	11,060	314,580
Transfer from other Funds	<u>16,600</u>	<u>-</u>	<u>-</u>
	<u>2,511,600</u>	<u>2,634,645</u>	<u>5,434,452</u>
<b>SURPLUS OF REVENUES OVER EXPENSES</b>			
	<u>\$ 9,647,160</u>	<u>\$ 10,064,354</u>	<u>\$ 18,055,832</u>
Accumulated surplus, beginning of year		\$ 263,732,824	\$ 245,725,370
Change in share of equity in consolidated entities		<u>53,581</u>	<u>(48,378)</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>			
		<u>\$ 273,850,759</u>	<u>\$ 263,732,824</u>

See accompanying notes

Page 6

## CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Surplus of revenue over expenses	\$ 10,064,354	\$ 18,055,832
Change in share of equity of consolidated entities	<u>53,581</u>	<u>(48,378)</u>
	<u>10,117,935</u>	<u>18,007,454</u>
Changes in Tangible Capital Assets		
Acquisition of tangible capital assets	(14,486,039)	(9,528,440)
Acquisition of work in progress	(7,209,295)	(12,438,662)
Amortization of tangible capital assets	9,284,702	9,366,017
Proceeds on disposal of tangible capital assets	143,527	840,777
Gain on disposal of tangible capital assets	<u>(11,060)</u>	<u>(314,580)</u>
	<u>(12,278,165)</u>	<u>(12,074,888)</u>
Change in Non-Financial Assets		
Change in property acquired for taxes	(109,874)	71,982
Change in prepaid expenses	(92,441)	(27,075)
Change in supplies inventory	218,134	(94,354)
Land available for sale - developments during the year	(151,524)	(120,549)
Land available for sale - sold during the year	<u>353,134</u>	<u>268,141</u>
	<u>217,429</u>	<u>98,145</u>
<b>(INCREASE) DECREASE IN NET DEBT</b>	<b>(1,942,801)</b>	<b>6,030,711</b>
<b>NET DEBT, BEGINNING OF YEAR</b>	<b><u>(10,434,191)</u></b>	<b><u>(16,464,902)</u></b>
<b>NET DEBT, END OF YEAR</b>	<b><u><u>\$ (12,376,992)</u></u></b>	<b><u><u>\$ (10,434,191)</u></u></b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Surplus of revenues over expenses	\$ 10,064,354	\$ 18,055,832
<b>Adjusted for non-cash items</b>		
Amortization	9,284,702	9,366,017
Change of share in equity in consolidated entities	<u>53,581</u>	<u>(48,378)</u>
	<u>19,402,637</u>	<u>27,373,471</u>
<b>Net changes in non-cash working capital</b>		
Taxes receivable	141,212	(571,892)
Accounts receivable	(729,852)	(3,782,619)
Due to Trusts	1,871	10,000
Accounts payable and accrued liabilities	(633,043)	1,327,807
Wages payable	107,156	108,358
Deposits and deferred revenue	3,304,015	(3,011,625)
Due to local school divisions	52,814	(32,870)
Vested sick leave	73,712	269,691
Property acquired for taxes	(109,874)	71,983
Prepaid expenses	(92,441)	(27,075)
Supplies inventory	218,134	(94,354)
Land available for sale	<u>201,610</u>	<u>147,592</u>
	<u>2,535,314</u>	<u>(5,585,004)</u>
<b>CASH FLOWS FROM (USED IN) CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	(14,486,039)	(9,528,440)
Proceeds from the disposal of tangible capital assets	143,527	840,777
Gain on disposal of tangible capital assets	(11,060)	(314,580)
Development of work in progress	<u>(7,209,295)</u>	<u>(12,438,663)</u>
	<u>(21,562,867)</u>	<u>(21,440,906)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Long-term debt issued	-	766,680
Long-term debt repaid	<u>(1,481,691)</u>	<u>(1,281,080)</u>
	<u>(1,481,691)</u>	<u>(514,400)</u>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		
Long-term investments	<u>31,233</u>	<u>(7,286)</u>
<b>NET DECREASE IN CASH</b>	<b>(1,075,374)</b>	<b>(174,125)</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>8,954,012</u>	<u>9,128,137</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<b>\$ <u>7,878,638</u></b>	<b>\$ <u>8,954,012</u></b>
<b>CONSISTING OF:</b>		
Cash	\$ 7,529,545	\$ 8,607,965
Temporary investments	<u>349,093</u>	<u>346,047</u>
	<b>\$ <u>7,878,638</u></b>	<b>\$ <u>8,954,012</u></b>

See accompanying notes

Page 8



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The City of Prince Albert ("the City") are prepared by management in accordance with Public Sector Accounting Standards ("PSAS") 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, and Equipment 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 ("JMC")

The following organizations are government partnerships and are proportionately consolidated:

North Central Saskatchewan Waste Management Corp. (2012 - 74.72%: 2011 - 83.16%)

Wapiti Regional Library (2012 - 58.55%: 2011 - 59.51%)

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, 2012

## 1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

### Use of Estimates

The preparation of financial statements in conformity with PSAS 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 net recoverable amount. Impairment losses are not reversed in subsequent years, if net recoverable value subsequently increases.

### Supplies Inventory

Inventory is valued using the cost method and is evaluated for the lower of cost and net realizable 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 100 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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 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.

### **Pension**

Employees of the City participate in the Municipal Employees Pension Plan ("MEPP"). 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 2012 operating budgets are reflected on the Statement of Operations, and does not include budget figures for the consolidated entities.

The budget figures are not audited.

### **Future Accounting Policies**

The new Section PS 1201, Financial Statement Presentation includes a new statement of remeasurement gains and losses. The new standard will report unrealized gains and losses associated with financial instruments in the fair value category, exchange gains and losses associated with monetary assets and liabilities denominated in a foreign currency that have not been settled, and amounts reclassified to the statement of operations upon derecognition or settlement.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

### Future Accounting Policies (continued)

The revised Section PS 3410, Government Transfers establishes standards on how governments should account for and report government transfers to individuals, organizations and other governments from both a transferring government and a recipient government perspective.

The New Section PS 3450, Financial Instruments provides comprehensive guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives, by government organizations.

The new Section PS 3510, Tax Revenue establishes recognition, measurement, presentation and disclosure standards relating to tax revenue reported in financial statements.

These new and revised standards will be adopted by the City as of January 1, 2013.

## 2. ACCOUNTS RECEIVABLE

Accounts receivable have been reported net of an allowance for doubtful accounts of \$1,299,175 (2011 - \$1,211,389). 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:

	<u>New Deal - Federal Gas Tax</u>	<u>Emergency Communications Centre</u>	<u>Other Deposits and Deferred Revenues</u>	<u>Deferred Property Tax</u>	<u>Total</u>
Opening balance	\$ 2,687,928	\$ 716,868	\$ 895,369	\$ 263,014	\$ 4,563,179
Funds received	2,021,193	2,710,075	152,202	623,390	5,506,860
Interest earned	37,104	-	-	-	37,104
Administration costs	(37,104)	-	-	-	(37,104)
Eligible project costs	<u>(1,222,963)</u>	<u>(716,868)</u>	<u>-</u>	<u>(263,014)</u>	<u>(2,202,845)</u>
Ending balance	<u>\$ 3,486,158</u>	<u>\$ 2,710,075</u>	<u>\$ 1,047,571</u>	<u>\$ 623,390</u>	<u>\$ 7,867,194</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.

Emergency Communications Centre revenues are an accumulation of revenues collected in 2012 dispatching services, which were not expended during the year, and are therefore deferred for use in 2013.

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. Included in the other amount is \$364,295 in Water Utility deposits, \$204,982 of Police Service's Community Mobilization funding, \$126,166 in Saskatchewan Lotteries Grants, \$123,400 from 2013 Business Licences, and \$85,709 in Urban Connector 2013 funding.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 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:

	<u>Public School</u>	<u>Separate School</u>	<u>Total 2012</u>	<u>Total 2011</u>
Taxes payable	\$ 1,041,304	\$ 171,155	\$ 1,212,459	\$ 1,159,644
Allowance for doubtful accounts	<u>(362,785)</u>	<u>(31)</u>	<u>(362,816)</u>	<u>(362,815)</u>
	<u>\$ 678,519</u>	<u>\$ 171,124</u>	<u>\$ 849,643</u>	<u>\$ 796,829</u>

## 5. LONG-TERM DEBT

	<u>2012</u>	<u>2011</u>
<b>General Fund</b>		
Loan payable - TrafCo (Canada) Ltd. monthly payments of \$14,595 including interest, due November 1, 2016	\$ 600,566	\$ 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	429,322	449,377
Loan payable - Danny's Golf Shop, monthly payments of \$7,995 including interest at 3.00%, due December 15, 2012	-	94,409
Capital lease payable - Roynat Inc., monthly payments of \$2,336 including interest at 9.89%, due May 1, 2015	<u>60,030</u>	<u>80,994</u>
	<u>1,089,918</u>	<u>1,378,682</u>
<b>Water Utility Fund</b>		
Loan payable - Canada Mortgage and Housing Corporation ("CMHC"), annual payments of \$718,523 including interest at 3.98%, due September 1, 2024	6,751,223	7,183,829
Loan payable - Saskatchewan Municipal Financing Corporation ("SMFC"), annual payments of \$871,846 including interest at 6%, due September 1, 2018	<u>4,287,147</u>	<u>4,866,974</u>
	<u>11,038,370</u>	<u>12,050,803</u>
<b>Land Fund</b>		
Loan payable - Canadian Imperial Bank of Commerce ("CIBC"), 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	<u>3,863,895</u>	<u>4,044,389</u>
<b>Total Long-Term Debt</b>	<u>\$ 15,992,183</u>	<u>\$ 17,473,874</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 5. LONG-TERM DEBT (continued)

The CIBC loan due on April 1, 2013 was refinanced with the Bank of Montreal in early 2013 at an interest rate of 2.83% for a 5 year term, with monthly interest and principal payments of \$40,466.

Amounts due is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,586,235	\$ 682,527	\$ 2,268,762
2014	1,676,841	602,301	2,279,142
2015	1,731,250	531,521	2,262,771
2016	1,779,063	457,447	2,236,510
2017	1,714,043	361,921	2,075,964
Remainder	<u>7,504,751</u>	<u>946,140</u>	<u>8,450,891</u>
	<u>\$ 15,992,183</u>	<u>\$ 3,581,857</u>	<u>\$ 19,574,040</u>

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 carrying amount (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 \$860,433 (2011 - \$950,696) 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 7. WORK IN PROGRESS (continued from previous page)

Work in progress is as follows:

	<u>Opening Balance</u>	<u>Capitalized during year</u>	<u>Additions</u>	<u>Ending Balance</u>
<b>General Fund</b>				
Roads	\$ 258,568	\$ -	\$ 128,778	\$ 387,346
Machinery and Equipment	-	-	8,350	8,350
Buildings	-	-	66,338	66,338
Fire Sub-Station	9,450	-	-	9,450
Fencing	<u>2,490</u>	<u>(2,490)</u>	<u>-</u>	<u>-</u>
	<u>270,508</u>	<u>(2,490)</u>	<u>203,466</u>	<u>471,484</u>
<b>Sanitation Fund</b>				
Landfill	<u>42,224</u>	<u>(42,224)</u>	<u>-</u>	<u>-</u>
<b>Water Utility Fund</b>				
Water Treatment Plan	9,311,275	-	6,307,060	15,618,335
Waste Water				
Treatment Plant	251,582	-	37,490	289,072
Water Infrastructure	<u>2,785,675</u>	<u>-</u>	<u>661,278</u>	<u>3,446,953</u>
	<u>12,348,532</u>	<u>-</u>	<u>7,005,828</u>	<u>19,354,360</u>
<b>Airport Fund</b>				
Airport Capital Projects	<u>159,295</u>	<u>(159,295)</u>	<u>-</u>	<u>-</u>
	<u>\$ 12,820,559</u>	<u>\$ (204,009)</u>	<u>\$ 7,209,294</u>	<u>\$ 19,825,844</u>

## 8. TANGIBLE CAPITAL ASSETS

See Schedule 7: Tangible Capital Assets Segmented by Fund

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2012 Net Book Value</u>	<u>2011 Net Book Value</u>
Land	\$ 18,953,280	\$ -	\$ 18,953,280	\$ 18,782,897
Land Improvements	26,467,005	(8,378,259)	18,088,746	11,633,698
Buildings	51,641,389	(15,447,370)	36,194,019	36,700,370
Machinery and Equipment	5,417,435	(2,433,828)	2,983,607	3,115,122
Fleet	20,276,888	(9,372,730)	10,904,158	9,712,366
Roads	84,943,960	(41,692,183)	43,251,777	42,104,992
Water, Sanitary and Storm Sewer				
Infrastructure	222,389,025	(94,732,011)	127,657,014	130,757,507
Consolidated Entities Capital Assets	<u>2,529,068</u>	<u>(899,285)</u>	<u>1,629,783</u>	<u>1,582,553</u>
	<u>\$ 432,618,050</u>	<u>\$ (172,955,666)</u>	<u>\$ 259,662,384</u>	<u>\$ 254,389,505</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 9. ACCUMULATED SURPLUS

	<u>2012</u>	<u>2011</u>
<b>General Operating Fund</b>		
Fund Balance (Schedule 8)	\$ 106,748,491	\$ 101,223,393
Reserves (Schedule 9)	<u>6,936,861</u>	<u>9,543,227</u>
	<b>113,685,352</b>	<b>110,766,620</b>
<b>Sanitation Operating Fund</b>		
Fund Balance (Schedule 8)	8,863,582	6,939,250
Reserves (Schedule 9)	<u>-</u>	<u>1,527,430</u>
	<b>8,863,582</b>	<b>8,466,680</b>
<b>Water Utility Operating Fund</b>		
Fund Balance (Schedule 8)	135,423,473	129,841,911
Reserves (Schedule 9)	<u>579,650</u>	<u>2,498,680</u>
	<b>136,003,123</b>	<b>132,340,591</b>
<b>Land Operating Fund</b>		
Fund Balance (Schedule 8)	(2,992,569)	(2,543,235)
Reserves (Schedule 9)	<u>(1,712,510)</u>	<u>390,381</u>
	<b>(4,705,079)</b>	<b>(2,152,854)</b>
<b>Airport Operating Fund</b>		
Fund Balance (Schedule 8)	16,210,044	10,870,266
Reserves (Schedule 9)	<u>700,343</u>	<u>398,885</u>
	<b>16,910,387</b>	<b>11,269,151</b>
<b>John M. Cuelenaere Public Library Board</b>		
	<b>413,585</b>	<b>364,770</b>
<b>North Central Saskatchewan Waste Management Corporation</b>		
	<b>1,038,710</b>	<b>1,096,415</b>
<b>Wapiti Regional Library</b>		
	<u><b>1,641,099</b></u>	<u><b>1,581,449</b></u>
	<b>\$ <u>273,850,759</u></b>	<b>\$ <u>263,732,822</u></b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 10. TAXATION REVENUE

	<u>Budget</u>	<u>2012</u>	<u>2011</u>
	(unaudited)		
General Municipal Taxation Levy	\$ 25,920,100	\$ 24,848,692	\$ 24,387,191
Special Levy Base Tax	-	1,243,290	-
Special Levy - Pineview Terrace	-	637,266	-
General Municipal Taxation - Supplementals	80,000	114,999	289,132
General Municipal Taxation Surcharges	185,000	255,249	224,779
Abatements on Current Year Taxes	(5,000)	(15,006)	(9,813)
Discounts on Current Year Taxes	<u>(61,600)</u>	<u>(69,175)</u>	<u>(62,964)</u>
	<b>26,118,500</b>	<b>27,015,315</b>	<b>24,828,325</b>
Wellness Centre - Special Levy	1,386,100	1,386,714	1,302,038
Street Oiling Levies	85,000	33,889	84,176
Penalties on Tax Arrears	100,000	223,350	177,097
Less consolidation eliminations	<u>-</u>	<u>(37,859)</u>	<u>(35,639)</u>
	<b>\$ 27,689,600</b>	<b>\$ 28,621,409</b>	<b>\$ 26,355,997</b>

Refer to Schedule 3 and Schedule 4 for the consolidation adjustments.

## 11. GRANTS-IN-LIEU

	<u>Budget</u>	<u>2012</u>	<u>2011</u>
	(unaudited)		
<b>Grants-in-Lieu of Taxes</b>			
Federal	\$ 166,800	\$ 151,217	\$ 155,999
Provincial	1,861,000	1,702,814	1,887,449
First Nations Reserve Lands	430,460	410,161	386,255
Domtar	<u>1,330,000</u>	<u>1,330,000</u>	<u>1,871,047</u>
	<b>3,788,260</b>	<b>3,594,192</b>	<b>4,300,750</b>
<b>Franchise Fees</b>			
Sask Power	4,406,530	4,417,518	4,454,854
Sask Energy	952,190	881,078	891,373
TransGas	<u>9,300</u>	<u>9,065</u>	<u>16,727</u>
	<b>\$ 9,156,280</b>	<b>\$ 8,901,853</b>	<b>\$ 9,663,704</b>

## 12. PENSION FUND

Employees of the City participate in MEPP and contributions are a percentage of salary. Police and Firefighters contributed 10.20% (2011 - 10.2%) of their salary. All other members contributed 7.4% (2011 - 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 \$2,882,490 (2011 - \$2,658,216).

Based on the latest information available (December 31, 2012 Audited Financial Statements) MEPP had a surplus in the net assets available for benefits of \$158,218,000 (2011 had a deficit of \$232,756,000). 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2012

## 13. CONTINGENT LIABILITIES AND GUARANTEES

The City is a third party, by way of being a member of MEPP 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.

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 \$248,959 per cell, for a total cost at time of decommissioning of \$1,991,668.

The calculation of the liability in the amount of \$150,000 (2011 - \$102,000) is based on the cumulative capacity used at December 31, 2012 compared to the total estimated landfill capacity at the same date. The estimated capacity of the site is 4,000,000 cubic metres (2011 - estimated capacity was 4,000,000 cubic metres), of which 750,000 cubic metres (2011 - 505,800 cubic metres) have been used to date (18.75%) (2011 - 12.6%). 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 end of 2013.

## 16. 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, 2012

	<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>
<b>FINANCIAL ASSETS</b>					
Cash	\$ 5,777,867	\$ -	\$ -	\$ -	\$ 353,027
Temporary investments	-	-	-	-	-
Taxes receivable	2,403,448	-	-	-	-
Accounts receivable	9,145,404	104,433	3,659,447	1,253,948	1,343,674
Long-term investments	-	-	-	-	-
	<u>17,326,719</u>	<u>104,433</u>	<u>3,659,447</u>	<u>1,253,948</u>	<u>1,696,701</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	8,580,949	150,000	175,789	-	-
Wages payable	1,424,417	14,632	56,277	-	3,670
Deposits and deferred revenue	7,459,834	13,400	364,295	5,500	-
Due to local school divisions	849,643	-	-	-	-
Due to Trusts	10,455	-	-	-	-
Long-term debt	1,089,917	-	11,038,370	3,863,895	-
Vested sick leave	<u>2,668,511</u>	<u>61,291</u>	<u>344,700</u>	<u>-</u>	<u>43,042</u>
	<u>22,083,726</u>	<u>239,323</u>	<u>11,979,431</u>	<u>3,869,395</u>	<u>46,712</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>(4,757,007)</u>	<u>(134,890)</u>	<u>(8,319,984)</u>	<u>(2,615,447)</u>	<u>1,649,989</u>
<b>NON-FINANCIAL ASSETS</b>					
Property acquired for taxes	525,657	-	-	-	-
Prepaid expenses	589,549	-	-	-	-
Supplies inventory	691,077	-	846,248	-	-
Land available for sale	-	-	-	4,423,725	-
Work in progress	471,485	-	19,354,361	-	-
Tangible Capital Assets	102,885,372	8,827,432	130,449,035	-	15,870,763
Due from (to) other funds	<u>13,279,219</u>	<u>171,040</u>	<u>(6,326,537)</u>	<u>(6,513,357)</u>	<u>(610,365)</u>
	<u>118,442,359</u>	<u>8,998,472</u>	<u>144,323,107</u>	<u>(2,089,632)</u>	<u>15,260,398</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 113,685,352</u>	<u>\$ 8,863,582</u>	<u>\$ 136,003,123</u>	<u>\$ (4,705,079)</u>	<u>\$ 16,910,387</u>

See accompanying notes

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**Schedule 1 (continued)**

**SEGMENTED BY FUND**

As at December 31, 2012

	<b>J MC</b>	<b>NORTH CENTRAL</b>	<b>WAPITI</b>	<b>CONSOLIDATION</b>	<b>TOTAL</b>
	<b>PUBLIC LIBRARY</b>	<b>SASK WASTE</b>	<b>REGIONAL</b>	<b>ADJUSTMENTS</b>	<b>CONSOLIDATED</b>
	<u>BOARD</u>	<u>MGMT CORP</u>	<u>LIBRARY</u>		
<b>FINANCIAL ASSETS</b>					
Cash	\$ 437,140	\$ 435,981	\$ 525,530	\$ -	\$ 7,529,545
Temporary investments	349,093	-	-	-	349,093
Taxes receivable	-	-	-	-	2,403,448
Accounts receivable	49,222	-	43,616	-	15,599,745
Long-term investments	<u>-</u>	<u>-</u>	<u>138,443</u>	<u>-</u>	<u>138,443</u>
	<u>835,455</u>	<u>435,981</u>	<u>707,589</u>	<u>-</u>	<u>26,020,274</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	66,800	3,064	7,330	-	8,983,932
Wages payable	-	-	46,986	-	1,545,983
Deposits and deferred revenue	360,950	-	24,165	(360,950)	7,867,194
Due to local school divisions	-	-	-	-	849,643
Due to Trusts	-	-	-	-	10,455
Long-term debt	-	-	-	-	15,992,182
Vested sick leave	<u>-</u>	<u>-</u>	<u>30,334</u>	<u>-</u>	<u>3,147,878</u>
	<u>427,750</u>	<u>3,064</u>	<u>108,815</u>	<u>360,950</u>	<u>38,397,267</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>407,705</u>	<u>432,917</u>	<u>598,774</u>	<u>(360,950)</u>	<u>(12,376,993)</u>
<b>NON-FINANCIAL ASSETS</b>					
Property acquired for taxes	-	-	-	-	525,657
Prepaid expenses	5,880	-	7,121	(360,950)	241,600
Supplies inventory	-	598	10,616	-	1,548,539
Land available for sale	-	-	-	-	4,423,725
Work in progress	-	-	-	-	19,825,846
Tangible Capital Assets	-	605,195	1,024,588	-	259,662,385
Due from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>5,880</u>	<u>605,793</u>	<u>1,042,325</u>	<u>(360,950)</u>	<u>286,227,752</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 413,585</u>	<u>\$ 1,038,710</u>	<u>\$ 1,641,099</u>	<u>\$ -</u>	<u>\$ 273,850,759</u>

See accompanying notes

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR**

**Schedule 2**

**SEGMENTED BY FUND**

As at December 31, 2011

	<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>
<b>FINANCIAL ASSETS</b>					
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	-	-	-	-	-
	<u>17,285,541</u>	<u>38,865</u>	<u>5,009,077</u>	<u>1,845,237</u>	<u>794,367</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	9,266,539	102,000	197,907	-	-
Wages 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	<u>2,470,651</u>	<u>121,828</u>	<u>381,288</u>	<u>-</u>	<u>70,154</u>
	<u>19,407,757</u>	<u>244,956</u>	<u>13,063,431</u>	<u>4,049,889</u>	<u>76,455</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>(2,122,216)</u>	<u>(206,091)</u>	<u>(8,054,354)</u>	<u>(2,204,652)</u>	<u>717,912</u>
<b>NON-FINANCIAL ASSETS</b>					
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 to (from) other funds	<u>9,740,890</u>	<u>1,173,376</u>	<u>(6,197,755)</u>	<u>(4,573,537)</u>	<u>(142,974)</u>
	<u>112,888,836</u>	<u>8,672,771</u>	<u>140,394,945</u>	<u>51,798</u>	<u>10,551,239</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 110,766,620</u>	<u>\$ 8,466,680</u>	<u>\$ 132,340,591</u>	<u>\$ (2,152,854)</u>	<u>\$ 11,269,151</u>

See accompanying notes

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR**

**Schedule 2 (continued)**

**SEGMENTED BY FUND**

As at December 31, 2011

	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	TOTAL CONSOLIDATED
<b>FINANCIAL ASSETS</b>					
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	-	14,869,902
Long-term investments	-	-	169,676	-	169,676
Due from Trusts	-	-	-	-	-
	<u>400,505</u>	<u>400,204</u>	<u>764,444</u>	<u>-</u>	<u>26,538,240</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	42,733	3,326	4,470	-	9,616,975
Wages 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
	<u>42,733</u>	<u>3,326</u>	<u>83,887</u>	<u>-</u>	<u>36,972,434</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>357,772</u>	<u>396,878</u>	<u>680,557</u>	<u>-</u>	<u>(10,434,194)</u>
<b>NON-FINANCIAL ASSETS</b>					
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 to (from) other funds	-	-	-	-	-
	<u>6,998</u>	<u>699,537</u>	<u>900,892</u>	<u>-</u>	<u>274,167,016</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 364,770</u>	<u>\$ 1,096,415</u>	<u>\$ 1,581,449</u>	<u>\$ -</u>	<u>\$ 263,732,822</u>

See accompanying notes

**Schedule 3**

**CONSOLIDATED STATEMENT OF OPERATIONS  
SEGMENTED BY FUND  
For the year ended December 31, 2012**

	<b>GENERAL OPERATING FUND</b>	<b>SANITATION OPERATING FUND</b>	<b>WATER UTILITY OPERATING FUND</b>	<b>LAND OPERATING FUND</b>	<b>AIRPORT OPERATING FUND</b>	<b>EQUIPMENT FUND</b>
	<u>(SCHEDULE 5)</u>					
<b>REVENUES</b>						
Taxation	\$ 28,659,268	\$ -	\$ -	\$ -	\$ -	\$ -
User charges and fees	10,091,264	3,432,556	11,284,044	86,213	932,282	-
Operating grants and donations	10,544,438	-	-	-	-	-
Grants in lieu of taxes	8,901,853	-	-	-	-	-
Interest and penalties	505,833	(704)	275,142	-	6,101	-
Land sales	-	-	-	1,379,636	-	-
Sundry	<u>3,085,676</u>	<u>3,770</u>	<u>201,231</u>	<u>15,831</u>	<u>1,667</u>	<u>-</u>
	<u>61,788,332</u>	<u>3,435,622</u>	<u>11,760,417</u>	<u>1,481,680</u>	<u>940,050</u>	<u>-</u>
<b>EXPENSES</b>						
Council remuneration	\$ 313,503	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, wages and benefits	35,656,286	1,006,174	4,798,802	105,090	320,124	-
Contracted and general services	2,688,249	138,927	347,722	-	79,972	-
Financial charges	30,768	3,571	360	-	40	-
Grants and donations	6,984,975	182,600	-	-	-	-
Utilities	2,321,414	64,488	860,797	-	99,889	-
Interest on long term debt	64,445	-	555,837	119,260	-	-
Fleet expenses	2,475,429	651,359	778,541	-	129,455	(1,305,395)
Maintenance, material and supplies	7,784,596	329,575	2,987,527	59,583	83,289	-
Insurance	540,889	9,563	119,862	-	23,979	-
Bad debt expense	430,590	13,559	82,267	-	19,759	-
Cost of land sales	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,133</u>	<u>-</u>	<u>-</u>
	<u>59,291,144</u>	<u>2,399,816</u>	<u>10,531,715</u>	<u>637,066</u>	<u>756,507</u>	<u>(1,305,395)</u>
<b>SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS</b>	<u>2,497,188</u>	<u>1,035,806</u>	<u>1,228,702</u>	<u>844,614</u>	<u>183,543</u>	<u>1,305,395</u>
Capital revenue	1,300,119	-	4,061,779	821,389	5,725,001	-
Amortization	(4,514,708)	(489,826)	(3,452,502)	-	(490,417)	-
Gain on disposal of capital assets	10,164	363	533	-	-	-
Interfund transactions	<u>2,141,415</u>	<u>(149,440)</u>	<u>(614,000)</u>	<u>(295,690)</u>	<u>223,110</u>	<u>(1,305,395)</u>
	<u>(1,063,010)</u>	<u>(638,903)</u>	<u>(4,190)</u>	<u>525,699</u>	<u>5,457,694</u>	<u>(1,305,395)</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	\$ <u>1,434,178</u>	\$ <u>396,903</u>	\$ <u>1,224,512</u>	\$ <u>1,370,313</u>	\$ <u>5,641,237</u>	\$ <u>-</u>

See accompanying notes

**Schedule 3 (continued)**

**CONSOLIDATED STATEMENT OF OPERATIONS**

**SEGMENTED BY FUND**

**For the year ended December 31, 2012**

	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE <u>MGMT CORP</u>	WAPITI REGIONAL <u>LIBRARY</u>	CONSOLIDATION <u>ADJUSTMENTS</u>	TOTAL <u>CONSOLIDATED</u>
<b>REVENUES</b>					
Taxation	\$ -	\$ -	\$ -	\$ (37,859)	\$ 28,621,409
User charges and fees	303,497	182,601	-	(182,601)	26,129,855
Operating grants and donations	299,841	70,770	1,997,333	(1,608,481)	11,303,901
Grants in lieu of taxes	-	-	-	-	8,901,853
Interest and penalties	3,046	4,518	9,058	-	802,994
Land sales	-	-	-	-	1,379,636
Sundry	-	5,218	208,820	-	3,522,213
	<u>606,384</u>	<u>263,107</u>	<u>2,215,211</u>	<u>(1,828,941)</u>	<u>80,661,861</u>
<b>EXPENSES</b>					
Council remuneration	\$ -	\$ -	\$ -	\$ -	\$ 313,503
Salaries, wages and benefits	-	-	1,471,692	-	43,358,169
Contracted and general services	108,115	131,760	7,236	-	3,501,981
Financial charges	1,002	-	1,634	-	37,375
Grants and donations	-	-	60,165	(1,791,082)	5,436,658
Utilities	45,966	-	10,674	-	3,403,229
Interest on long term debt	-	-	-	-	739,542
Fleet expenses	-	-	-	-	2,729,389
Maintenance, material and supplies	402,486	53,489	441,009	(37,859)	12,103,696
Insurance	-	1,692	13,321	-	709,305
Bad debt expense	-	-	-	-	546,175
Cost of land sales	-	-	-	-	353,133
	<u>557,569</u>	<u>186,941</u>	<u>2,005,731</u>	<u>(1,828,941)</u>	<u>73,232,155</u>
<b>SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS</b>	<u>48,815</u>	<u>76,166</u>	<u>209,480</u>	<u>-</u>	<u>7,429,706</u>
Capital revenue	-	-	-	-	11,908,287
Amortization	-	(22,595)	(314,654)	-	(9,284,702)
Gain on disposal of capital assets	-	-	-	-	11,060
Interfund transactions	-	-	-	-	-
	<u>-</u>	<u>(22,595)</u>	<u>(314,654)</u>	<u>-</u>	<u>2,634,645</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<u>\$ 48,815</u>	<u>\$ 53,571</u>	<u>\$ (105,174)</u>	<u>\$ -</u>	<u>\$ 10,064,351</u>

See accompanying notes



**CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR**

**Schedule 4**

**SEGMENTED BY FUND**

For the year ended December 31, 2011

	GENERAL OPERATING FUND (SCHEDULE 6)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND	EQUIPMENT FUND
<b>REVENUES</b>						
Taxation	\$ 26,355,997	\$ -	\$ -	\$ -	\$ -	\$ -
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	<u>1,699,012</u>	<u>252</u>	<u>432,004</u>	<u>-</u>	<u>2,593</u>	<u>-</u>
	<u>57,316,418</u>	<u>2,905,512</u>	<u>11,584,227</u>	<u>3,036,062</u>	<u>930,405</u>	<u>-</u>
<b>EXPENSES</b>						
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	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,141</u>	<u>-</u>	<u>-</u>
	<u>51,844,972</u>	<u>2,420,808</u>	<u>9,265,647</u>	<u>700,020</u>	<u>578,461</u>	<u>(1,220,834)</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS</b>	<u>5,471,446</u>	<u>484,704</u>	<u>2,318,580</u>	<u>2,336,042</u>	<u>351,944</u>	<u>1,220,834</u>
Capital revenue	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	<u>2,015,864</u>	<u>(149,930)</u>	<u>(600,000)</u>	<u>(243,100)</u>	<u>198,000</u>	<u>(1,220,834)</u>
	<u>(920,984)</u>	<u>1,677,575</u>	<u>3,588,935</u>	<u>2,615,831</u>	<u>(18,856)</u>	<u>(1,220,834)</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<u>\$ 4,550,462</u>	<u>\$ 2,162,279</u>	<u>\$ 5,907,515</u>	<u>\$ 4,951,873</u>	<u>\$ 333,088</u>	<u>\$ -</u>

See accompanying notes

**Schedule 4 (continued)**

**CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR**

**SEGMENTED BY FUND**

**For the year ended December 31, 2011**

	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE <u>MGMT CORP</u>	WAPITI REGIONAL <u>LIBRARY</u>	CONSOLIDATION <u>ADJUSTMENTS</u>	TOTAL <u>CONSOLIDATED</u>
<b>REVENUES</b>					
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
	<u>352,632</u>	<u>301,128</u>	<u>2,053,813</u>	<u>(1,787,300)</u>	<u>76,728,533</u>
<b>EXPENSES</b>					
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
	<u>405,946</u>	<u>166,618</u>	<u>1,732,812</u>	<u>(1,787,300)</u>	<u>64,107,154</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS</b>	<u>(53,314)</u>	<u>134,510</u>	<u>321,001</u>	<u>-</u>	<u>12,621,379</u>
Capital revenue	-	-	-	-	14,485,889
Amortization	-	(26,891)	(260,325)	-	(9,366,017)
Gain (loss) on disposal of capital assets	-	-	-	-	314,580
Interfund transactions	-	-	-	-	-
	<u>-</u>	<u>(26,891)</u>	<u>(260,325)</u>	<u>-</u>	<u>5,434,452</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<u>\$ (53,314)</u>	<u>\$ 107,619</u>	<u>\$ 60,676</u>	<u>\$ -</u>	<u>\$ 18,055,831</u>

See accompanying notes

**Schedule 5**

**GENERAL FUND STATEMENT OF OPERATIONS  
SEGMENTED BY DEPARTMENT  
For the year ended December 31, 2012**

	<b>GENERAL GOVERNMENT INCLUDING EXTERNAL AGENCIES</b>	<b>PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)</b>	<b>PROTECTIVE SERVICES (POLICE SERVICE)</b>	<b>PROTECTIVE SERVICES (FIRE SERVICES)</b>	<b>TRANSPORTATION SERVICES (PUBLIC WORKS)</b>	<b>COMMUNITY SERVICES</b>	<b>TOTAL GENERAL FUND</b>
<b>REVENUES</b>							
Taxation	\$ 28,659,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,659,268
User charges and fees	1,254,197	3,202,389	1,322,296	196,253	740,108	3,376,020	10,091,264
Operating grants and donations	6,677,445	-	2,612,240	-	695,760	558,993	10,544,438
Grants in lieu of taxes	8,901,853	-	-	-	-	-	8,901,853
Interest and penalties	505,833	-	-	-	-	-	505,833
Sundry	<u>2,655,046</u>	<u>-</u>	<u>-</u>	<u>11,031</u>	<u>286,598</u>	<u>133,001</u>	<u>3,085,676</u>
	<u>48,653,642</u>	<u>3,202,389</u>	<u>3,934,536</u>	<u>207,284</u>	<u>1,722,466</u>	<u>4,068,014</u>	<u>61,788,332</u>
<b>EXPENSES</b>							
Council remuneration	\$ 313,503	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313,503
Salaries, wages and benefits	6,406,433	2,904,361	14,450,044	5,337,442	1,867,052	4,690,954	35,656,286
Contracted and general services	126,561	2,404	129,827	28,271	1,659,318	741,868	2,688,249
Financial charges	12,221	105	480	120	420	17,421	30,768
Grants and donations	6,417,629	-	44,728	-	-	522,618	6,984,975
Utilities	-	-	108,347	41,692	1,036,326	1,135,049	2,321,414
Interest on long term debt	37,136	-	18,704	-	-	8,605	64,445
Fleet expenses	47,920	-	562,423	433,040	664,530	767,516	2,475,429
Maintenance, material and supplies	3,517,573	295,519	1,410,433	365,664	401,354	1,794,053	7,784,596
Operating Costs	-	-	-	-	-	-	-
Insurance	256,756	-	18,534	6,443	20,978	238,178	540,889
Bad debt expense	<u>430,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>430,590</u>
	<u>17,566,322</u>	<u>3,202,389</u>	<u>16,743,520</u>	<u>6,212,672</u>	<u>5,649,978</u>	<u>9,916,262</u>	<u>59,291,144</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS</b>	<u>31,087,320</u>	<u>-</u>	<u>(12,808,984)</u>	<u>(6,005,388)</u>	<u>(3,927,512)</u>	<u>(5,848,248)</u>	<u>2,497,188</u>
Capital revenue	-	-	-	-	121,800	1,178,319	1,300,119
Amortization	(189,835)	-	(319,461)	(212,079)	(2,477,468)	(1,315,865)	(4,514,708)
Gain (loss) on disposal of capital assets	-	-	(25,925)	69,520	(46,603)	13,172	10,164
Interfund transactions	<u>2,141,415</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,141,415</u>
	<u>1,951,580</u>	<u>-</u>	<u>(345,386)</u>	<u>(142,559)</u>	<u>(2,402,271)</u>	<u>(124,374)</u>	<u>(1,063,010)</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<u>\$ 33,038,900</u>	<u>\$ -</u>	<u>\$ (13,154,370)</u>	<u>\$ (6,147,947)</u>	<u>\$ (6,329,783)</u>	<u>\$ (5,972,622)</u>	<u>\$ 1,434,178</u>

See accompanying notes

**Schedule 6**

**GENERAL FUND STATEMENT OF OPERATIONS - PRIOR YEAR  
SEGMENTED BY DEPARTMENT  
For the year ended December 31, 2011**

	<b>GENERAL GOVERNMENT INCLUDING EXTERNAL AGENCIES</b>	<b>PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)</b>	<b>PROTECTIVE SERVICES (POLICE SERVICE)</b>	<b>PROTECTIVE SERVICES (FIRE SERVICES)</b>	<b>TRANSPORTATION SERVICES (PUBLIC WORKS)</b>	<b>COMMUNITY SERVICES</b>	<b>TOTAL GENERAL FUND</b>
<b>REVENUES</b>							
Taxation	\$ 26,355,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,355,997
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	<u>1,347,670</u>	<u>-</u>	<u>-</u>	<u>7,705</u>	<u>206,975</u>	<u>136,662</u>	<u>1,699,012</u>
	<u>45,062,407</u>	<u>3,150,631</u>	<u>3,668,424</u>	<u>266,453</u>	<u>1,094,863</u>	<u>4,073,638</u>	<u>57,316,417</u>
<b>EXPENSES</b>							
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	2,728,737	-	49,183	-	-	479,049	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	327,069	763,112	1,714,287	6,463,590
Operating Costs	-	-	-	-	-	-	-
Insurance	173,691	-	16,228	6,130	20,638	231,625	448,311
Bad debt expense	<u>470,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>470,534</u>
	<u>11,950,842</u>	<u>3,150,631</u>	<u>15,484,255</u>	<u>5,357,965</u>	<u>6,022,428</u>	<u>9,878,854</u>	<u>51,844,973</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS</b>	<u>33,111,565</u>	<u>-</u>	<u>(11,815,831)</u>	<u>(5,091,512)</u>	<u>(4,927,565)</u>	<u>(5,805,216)</u>	<u>5,471,444</u>
Capital revenue	-	-	-	-	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	<u>2,015,864</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,015,864</u>
	<u>1,803,547</u>	<u>-</u>	<u>(348,736)</u>	<u>(72,618)</u>	<u>(1,962,119)</u>	<u>(341,057)</u>	<u>(920,984)</u>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	\$ <u>34,915,112</u>	\$ <u>-</u>	\$ <u>(12,164,567)</u>	\$ <u>(5,164,130)</u>	\$ <u>(6,889,684)</u>	\$ <u>(6,146,273)</u>	\$ <u>4,550,460</u>

See accompanying notes

**Schedule 7**

**TANGIBLE CAPITAL ASSETS - COST**

**Segmented by Fund**

**For the year ended December 31, 2012**

	<u>Opening Cost</u>	<u>Current Year Additions</u>	<u>Disposals</u>	<u>Cost</u>
<b>General Fund</b>				
Land	\$ 11,257,625	\$ 4,490	\$ -	\$ 11,262,115
Land improvements	7,730,180	27,979	(95)	7,758,064
Buildings	49,141,292	481,647	(37,430)	49,585,509
Machinery and equipment	4,213,532	360,357	(132,731)	4,441,158
Fleet	11,801,619	1,952,390	(716,511)	13,037,498
Roads	<u>82,535,888</u>	<u>3,335,350</u>	<u>(927,278)</u>	<u>84,943,960</u>
	<b><u>166,680,136</u></b>	<b><u>6,162,213</u></b>	<b><u>(1,814,045)</u></b>	<b><u>171,028,304</u></b>
<b>Sanitation Fund</b>				
Land	1	-	-	1
Land improvements	4,398,039	1,652,040	-	6,050,079
Buildings	922,335	-	-	922,335
Machinery and equipment	349,446	-	-	349,446
Fleet	<u>3,419,385</u>	<u>209,064</u>	<u>(20,320)</u>	<u>3,608,129</u>
	<b><u>9,089,206</u></b>	<b><u>1,861,104</u></b>	<b><u>(20,320)</u></b>	<b><u>10,929,990</u></b>
<b>Water Utility Fund</b>				
Land	1,296,898	165,893	-	1,462,791
Land improvements	208,546	-	-	208,546
Buildings	295,237	-	-	295,237
Machinery and equipment	116,405	-	-	116,405
Fleet	2,596,112	18,763	(35,886)	2,578,989
Water, sanitary and storm sewer infrastructure	<u>222,154,554</u>	<u>305,349</u>	<u>(70,878)</u>	<u>222,389,025</u>
	<b><u>226,667,752</u></b>	<b><u>490,005</u></b>	<b><u>(106,764)</u></b>	<b><u>227,050,993</u></b>
<b>Airport Capital Fund</b>				
Land	6,228,373	-	-	6,228,373
Land improvements	7,736,726	5,740,055	(1,026,465)	12,450,316
Buildings	838,308	-	-	838,308
Machinery and equipment	442,981	67,445	-	510,426
Fleet	<u>1,033,509</u>	<u>18,763</u>	<u>-</u>	<u>1,052,272</u>
	<b><u>16,279,897</u></b>	<b><u>5,826,263</u></b>	<b><u>(1,026,465)</u></b>	<b><u>21,079,695</u></b>
<b>Consolidated Entities Capital</b>				
North Central Saskatchewan Waste Management Corporation	892,384	-	(90,570)	801,814
Wapiti Regional Library	<u>1,419,819</u>	<u>350,462</u>	<u>(43,027)</u>	<u>1,727,254</u>
	<b><u>2,312,203</u></b>	<b><u>350,462</u></b>	<b><u>(133,597)</u></b>	<b><u>2,529,068</u></b>
	<b><u>\$ 421,029,194</u></b>	<b><u>\$ 14,690,047</u></b>	<b><u>\$ (3,101,191)</u></b>	<b><u>\$ 432,618,050</u></b>

**TANGIBLE CAPITAL ASSETS- ACCUMULATED AMORTIZATION**  
**Schedule 7 (continued)** **Segmented by Fund**  
**For the year ended December 31, 2012**

	<b>Opening Accumulated Amortization</b>	<b>Amortization</b>	<b>Disposals</b>	<b>Closing Accumulated Amortization</b>	<b>2012 Net Book Value</b>	<b>2011 Net Book Value</b>
<b>General Fund</b>						
Land	\$ -	\$ -	\$ -	\$ -	\$ 11,262,115	\$ 11,257,625
Land improvements	(3,342,337)	(262,545)	95	(3,604,787)	4,153,277	4,387,842
Buildings	(14,065,165)	(945,097)	37,431	(14,972,831)	34,612,678	35,076,127
Machinery and equipment	(1,726,627)	(503,724)	132,737	(2,097,614)	2,343,544	2,486,906
Fleet	(5,770,293)	(624,327)	619,103	(5,775,517)	7,261,981	6,031,326
Roads	<u>(40,430,896)</u>	<u>(2,179,014)</u>	<u>917,727</u>	<u>(41,692,183)</u>	<u>43,251,777</u>	<u>42,104,992</u>
	<b><u>(65,335,318)</u></b>	<b><u>(4,514,707)</u></b>	<b><u>1,707,093</u></b>	<b><u>(68,142,932)</u></b>	<b><u>102,885,372</u></b>	<b><u>101,344,818</u></b>
<b>Sanitation Fund</b>						
Land	-	-	-	-	1	1
Land improvements	(144,599)	(266,682)	-	(411,281)	5,638,798	4,253,441
Buildings	(184,110)	(20,104)	-	(204,214)	718,121	738,225
Machinery and equipment	(207,251)	(23,155)	-	(230,406)	119,040	142,194
Fleet	<u>(1,096,076)</u>	<u>(179,884)</u>	<u>19,304</u>	<u>(1,256,656)</u>	<u>2,351,473</u>	<u>2,323,309</u>
	<b><u>(1,632,036)</u></b>	<b><u>(489,825)</u></b>	<b><u>19,304</u></b>	<b><u>(2,102,557)</u></b>	<b><u>8,827,433</u></b>	<b><u>7,457,170</u></b>
<b>Water Utility Fund</b>						
Land	-	-	-	-	1,462,791	1,296,898
Land improvements	(105,013)	(7,136)	-	(112,149)	96,397	103,533
Buildings	(88,826)	(7,403)	-	(96,229)	199,008	206,411
Machinery and equipment	(30,252)	(11,952)	-	(42,204)	74,201	86,153
Fleet	(1,576,565)	(77,924)	35,124	(1,619,365)	959,624	1,019,547
Water, sanitary and storm Sewer infrastructure	<u>(91,397,047)</u>	<u>(3,348,086)</u>	<u>13,122</u>	<u>(94,732,011)</u>	<u>127,657,014</u>	<u>130,757,507</u>
	<b><u>(93,197,703)</u></b>	<b><u>(3,452,501)</u></b>	<b><u>48,246</u></b>	<b><u>(96,601,958)</u></b>	<b><u>130,449,035</u></b>	<b><u>133,470,049</u></b>
<b>Airport Capital Fund</b>						
Land	-	-	-	-	6,228,373	6,228,373
Land improvements	(4,847,845)	(428,662)	1,026,465	(4,250,042)	8,200,274	2,888,882
Buildings	(158,700)	(15,396)	-	(174,096)	664,212	679,607
Machinery and equipment	(43,112)	(20,492)	-	(63,604)	446,822	399,869
Fleet	<u>(695,325)</u>	<u>(25,867)</u>	<u>-</u>	<u>(721,192)</u>	<u>331,080</u>	<u>338,184</u>
	<b><u>(5,744,982)</u></b>	<b><u>(490,417)</u></b>	<b><u>1,026,465</u></b>	<b><u>(5,208,934)</u></b>	<b><u>15,870,761</u></b>	<b><u>10,534,915</u></b>
<b>Consolidated Entities Capital</b>						
North Central Saskatchewan Waste Management Corporation	(193,679)	(22,595)	19,655	(196,619)	605,195	698,705
Wapiti Regional Library	<u>(535,971)</u>	<u>(314,654)</u>	<u>147,959</u>	<u>(702,666)</u>	<u>1,024,588</u>	<u>883,848</u>
	<b><u>(729,650)</u></b>	<b><u>(337,249)</u></b>	<b><u>167,614</u></b>	<b><u>(899,285)</u></b>	<b><u>1,629,783</u></b>	<b><u>1,582,553</u></b>
	<b><u>\$ (166,639,689)</u></b>	<b><u>\$ (9,284,699)</u></b>	<b><u>2,968,722</u></b>	<b><u>\$ (172,955,666)</u></b>	<b><u>\$ 259,662,384</u></b>	<b><u>\$ 254,389,505</u></b>

See accompanying notes

Page 30

# SCHEDULE OF FUND BALANCES

## Schedule 8

For the year ended December 31, 2012

	<u>2011 Balance</u>	<u>Unallocated</u>	<u>Net allocations</u>	<u>2012 Balance</u>
<b>GENERAL FUND</b>				
General Fund -				
Accumulated Surplus	\$ 6,729,871	\$ 1,434,178	\$ 998,082	\$ 9,162,131
Police Surplus	281,573	-	(17,207)	264,366
Net Investment in Tangible Capital				
Assets - General Fund (Schedule 7)	101,344,818	-	1,540,554	102,885,372
Tangible Capital Assets - Work in Progress	270,508	-	200,976	471,484
Amount to be recovered from future revenues - CIBC Loan	(449,377)	-	20,055	(429,322)
Amount to be recovered from future revenues - Danny's Golf Shop Loan	(94,409)	-	94,409	-
Amount to be recovered from future revenues - Equipment Loan	(80,994)	-	20,964	(60,030)
Amount to be recovered from future revenues - Parking Meter Loan	(753,902)	-	153,336	(600,566)
Police Building Reserve	(493,485)	-	59,092	(434,393)
Funding from future budgets - Alfred Jenkins Fieldhouse	<u>(5,531,210)</u>	<u>-</u>	<u>1,020,659</u>	<u>(4,510,551)</u>
	<u>101,223,393</u>	<u>1,434,178</u>	<u>4,090,920</u>	<u>106,748,491</u>
<b>SANITATION FUND</b>				
Net Investment in Tangible Capital Assets - Sanitation Utility Fund (Schedule 7)	7,457,171	-	1,370,261	8,827,432
Sanitation - Work in Progress	42,224	-	(42,224)	-
Sanitation Improvement	<u>(560,145)</u>	<u>396,903</u>	<u>199,392</u>	<u>36,150</u>
	<u>6,939,250</u>	<u>396,903</u>	<u>1,527,429</u>	<u>8,863,582</u>
<b>WATER UTILITY FUND</b>				
Amount to be recovered from future revenues - CMHC Loan	(7,183,829)	-	432,607	(6,751,222)
Amount to be recovered from future revenues - SMFC Loan	(4,866,974)	-	579,827	(4,287,147)
Net Investment in Tangible Capital Assets - Water Utility Fund (Schedule 7)	133,470,046	-	(3,021,011)	130,449,035
Waterworks - Work in Progress	12,348,533	-	7,005,828	19,354,361
Waterworks Improvement	<u>(3,925,865)</u>	<u>1,224,512</u>	<u>(640,201)</u>	<u>(3,341,554)</u>
	<u>129,841,911</u>	<u>1,224,512</u>	<u>4,357,050</u>	<u>135,423,473</u>
<b>LAND FUND</b>				
Amount to be recovered from future revenues - CIBC Loan	(4,044,389)	-	180,494	(3,863,895)
Land Development	<u>1,501,154</u>	<u>1,370,313</u>	<u>(2,000,141)</u>	<u>871,326</u>
	<u>(2,543,235)</u>	<u>1,370,313</u>	<u>(1,819,647)</u>	<u>(2,992,569)</u>

See accompanying notes

Page 31

**SCHEDULE OF FUND BALANCES****Schedule 8 (continued)**

For the year ended December 31, 2012

	<u>2011 Balance</u>	<u>Unallocated</u>	<u>Net allocations</u>	<u>2012 Balance</u>
<b>AIRPORT OPERATING FUND</b>				
Airport Improvement	176,053	5,641,237	(5,478,009)	339,281
Airport - Work in Progress	159,295	-	(159,295)	-
Net Investment in Tangible Capital				
Assets - Airport Fund (Schedule 7)	<u>10,534,918</u>	<u>-</u>	<u>5,335,845</u>	<u>15,870,763</u>
	<u>10,870,266</u>	<u>5,641,237</u>	<u>(301,459)</u>	<u>16,210,044</u>
<b>CONSOLIDATED ENTITIES</b>				
John M. Cuelenaere Public Library Board	364,770	48,815	-	413,585
North Central Saskatchewan Waste				
Management Corporation	1,096,415	53,571	(111,276)	1,038,710
Wapiti Regional Library	<u>1,581,449</u>	<u>(105,174)</u>	<u>164,824</u>	<u>1,641,099</u>
	<u>3,042,634</u>	<u>(2,788)</u>	<u>53,548</u>	<u>3,093,394</u>
	<b><u>\$ 249,374,219</u></b>	<b><u>\$ 10,064,355</u></b>	<b><u>\$ 7,907,840</u></b>	<b><u>\$ 267,346,415</u></b>



**SCHEDULE OF RESERVES****Schedule 9**

For the year ended December 31, 2012

	<u>2011 Balance</u>	<u>Net allocations</u>	<u>2012 Balance</u>
<b>GENERAL FUND</b>			
Affordable Housing	\$ 81,700	\$ 40,850	\$ 122,550
Capital Works Committed	2,093,541	(829,641)	1,263,900
Civic Facilities	1,373,431	(1,373,431)	-
Community Clubs Mechanical Equipment	47,389	(16,648)	30,741
Community Services Building	11,938	-	11,938
Community Services Land Fund	896,448	73,388	969,836
Dedicated Lands	18,401	-	18,401
E.A. Rawlinson Mechanical Equipment	89,970	10,000	99,970
Equipment and Fleet Reserve	2,129,256	(372,271)	1,756,985
Fire Equipment	646,516	(523,020)	123,496
Future Infrastructure	620,000	(75,456)	544,544
Golf Course Improvements	253,515	65,215	318,730
In Lieu of Public Reserve	9,834	-	9,834
Information Technology Reserve	-	21,880	21,880
Land Development	100,020	-	100,020
Little Red River	9,510	-	9,510
Minor Softball	28,673	2,500	31,173
Northern Housing Development	99,043	-	99,043
PAGCC Mechanical Equipment	88,784	10,000	98,784
Park Development	56,050	-	56,050
Pehonan Parkway	533,421	61,242	594,663
Police Capital Reserve	173,329	78,098	251,427
Police Equipment Reserve	25,869	19,238	45,107
Savings - emergency	155,580	151,690	307,270
Community Services - Special Events Marketing	-	50,000	50,000
Tourism	1,009	-	1,009
	<u>9,543,227</u>	<u>(2,606,366)</u>	<u>6,936,861</u>
<b>SANITATION FUND</b>			
Sanitation Capital Works	<u>1,527,430</u>	<u>(1,527,430)</u>	<u>-</u>
	<u>1,527,430</u>	<u>(1,527,430)</u>	<u>-</u>
<b>WATER UTILITY FUND</b>			
Waterworks Capital Works	<u>2,498,680</u>	<u>(1,919,030)</u>	<u>579,650</u>
<b>LAND FUND</b>			
Development Levies	(283,636)	(2,168,648)	(2,452,284)
Future Land Purchases	451,320	27,207	478,527
Planning and Marketing	<u>222,697</u>	<u>38,550</u>	<u>261,247</u>
	<u>390,381</u>	<u>(2,102,891)</u>	<u>(1,712,510)</u>

See accompanying notes

Page 33

**SCHEDULE OF RESERVES****Schedule 9 (continued)**

For the year ended December 31, 2012

	<u>2011 Balance</u>	<u>Net allocations</u>	<u>2012 Balance</u>
<b>AIRPORT OPERATING FUND</b>			
Airport Capital Works	50,000	6,500	56,500
Airport - Passenger Facilities Fees	<u>348,885</u>	<u>294,958</u>	<u>643,843</u>
	<u>398,885</u>	<u>301,458</u>	<u>700,343</u>
	<u>\$ 14,358,603</u>	<u>\$ (7,854,260)</u>	<u>\$ 6,504,344</u>

**SCHEDULE OF FUNDS HELD IN TRUST****Schedule 10**

As At December 31, 2012

	<u>2012</u>	<u>2011</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 85,000	\$ 76,108
Temporary investments	143,249	142,293
from Prince Albert Golf and Curling Club	-	1,871
Due from General Fund	<u>10,455</u>	<u>8,584</u>
<b>NET ASSETS</b>	<b><u>\$ 238,704</u></b>	<b><u>\$ 228,856</u></b>
<b>LIABILITIES</b>		
Trust funds held for others (Schedule 11)	\$ <u>238,704</u>	\$ <u>228,856</u>
<b>NET LIABILITIES</b>	<b><u>\$ 238,704</u></b>	<b><u>\$ 228,856</u></b>

**SCHEDULE OF TRUST FUND TRANSACTIONS****Schedule 11**

For the year ended December 31, 2012

	<u>2011 Balance</u>	<u>Additions</u>	<u>Expenses</u>	<u>2012 Balance</u>
J. Vandale [1][3]	\$ 3,633	\$ 45	\$ 216	\$ 3,462
Lenore Partridge Estate [1]	142,293	956	-	143,249
Prince Albert Golf and Curling Club [2][4]	1,841	10,046	1,871	10,016
Uniting to Heal	455	-	-	455
Veteran's Graves [1]	70,634	888	-	71,522
Winterburn Estate	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
	<u>\$ 228,856</u>	<u>\$ 11,935</u>	<u>\$ 2,087</u>	<u>\$ 238,704</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

See accompanying notes

Page 36