

THE CITY OF PRINCE ALBERT



CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

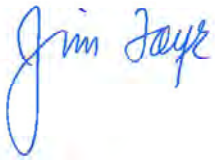
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The management of The City of Prince Albert is responsible for the integrity of the accompanying consolidated financial statements and all other information within this Annual Report. The consolidated financial statements have been prepared by management in accordance with Canadian 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.



Jim Toye
City Manager



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, 2013, 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, 2013, 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.

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements. The current year's supplementary information included in the schedules and appendices is not a required part of the basic consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

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

Chartered Accountants
May 20, 2014
Prince Albert, Saskatchewan

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2013

	<u>2013</u>	<u>2012</u>
FINANCIAL ASSETS		
Cash	\$ 11,786,440	\$ 7,529,545
Temporary investments	251,432	349,093
Taxes receivable	2,539,693	2,403,458
Accounts receivable (Note 2)	10,571,970	15,599,746
Long-term investments	<u>-</u>	<u>138,443</u>
	<u>25,149,535</u>	<u>26,020,285</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 3)	8,173,711	8,983,932
Wages and employee benefits payable	1,498,832	1,545,983
Deposits and deferred revenue (Note 4)	5,431,394	7,867,194
Due to local school divisions (Note 5)	653,238	849,643
Due to Trusts	10,455	10,455
Long-term debt (Note 6)	14,405,947	15,992,182
Vested sick leave	<u>3,145,973</u>	<u>3,147,878</u>
	<u>33,319,550</u>	<u>38,397,267</u>
NET DEBT	<u>(8,170,015)</u>	<u>(12,376,982)</u>
NON-FINANCIAL ASSETS		
Property acquired for taxes (Note 7)	650,882	525,657
Prepaid expenses	346,134	241,600
Supplies inventory	1,862,380	1,548,539
Land available for sale	3,854,019	4,423,725
Work in progress (Note 8)	7,906,306	19,825,846
Tangible Capital Assets (Note 9) (Schedule 7)	<u>273,610,811</u>	<u>259,662,385</u>
	<u>288,230,532</u>	<u>286,227,752</u>
ACCUMULATED SURPLUS	<u>\$ 280,060,517</u>	<u>\$ 273,850,770</u>

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2013

	<u>Budget</u> (unaudited)	<u>2013</u>	<u>2012</u>
REVENUES			
Taxation (Note 11)	\$ 32,380,850	\$ 32,573,998	\$ 28,621,409
User charges and fees	27,286,220	27,522,106	26,129,855
Operating grants and donations	10,968,700	11,431,772	11,303,901
Grants-in-lieu-of-taxes (Note 12)	9,057,870	9,517,472	8,901,853
Interest and penalties	701,060	740,641	802,994
Land sales	2,544,100	1,029,847	1,379,636
Sundry	<u>294,290</u>	<u>1,049,851</u>	<u>3,522,213</u>
	<u>83,233,090</u>	<u>83,865,687</u>	<u>80,661,861</u>
EXPENSES			
Airport operations	771,690	1,526,926	1,246,924
Community services	10,786,250	11,993,785	11,232,126
General government	11,284,680	10,260,701	16,450,763
Land development operations	634,150	546,173	637,066
Protective services - Emergency Call Centre	4,581,120	3,576,400	3,202,172
Protective services - Fire Services	6,417,030	6,667,001	6,424,957
Protective services - Police Services	17,340,350	17,230,474	17,062,981
Sanitation Utility Services	2,873,390	3,162,978	2,889,642
Transportation services	6,173,290	9,115,096	8,127,446
Water utility services	10,082,160	14,348,504	13,984,217
Consolidated entities (Note 1)	<u>-</u>	<u>178,090</u>	<u>1,258,549</u>
	<u>70,944,110</u>	<u>78,606,128</u>	<u>82,516,843</u>
(DEFICIT) SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL TRANSACTIONS			
	<u>12,288,980</u>	<u>5,259,559</u>	<u>(1,854,982)</u>
Capital revenue	4,677,200	3,336,732	11,908,287
(Loss) gain on disposal of TCAs	-	(898,598)	11,060
Transfer from other Funds	<u>(244,300)</u>	<u>-</u>	<u>-</u>
	<u>4,432,900</u>	<u>2,438,134</u>	<u>11,919,347</u>
SURPLUS OF REVENUES OVER EXPENSES	<u>\$ 16,721,880</u>	<u>\$ 7,697,693</u>	<u>\$ 10,064,365</u>
Accumulated surplus, beginning of year		\$ 273,850,770	\$ 263,732,824
Change in share of equity in consolidated entities (Note 1)		<u>(1,487,946)</u>	<u>53,581</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 280,060,517</u>	<u>\$ 273,850,770</u>

See accompanying notes

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**CONSOLIDATED STATEMENT OF
CHANGE IN NET DEBT**

For the year ended December 31, 2013

	<u>Budget</u> (unaudited)	<u>2013</u>	<u>2012</u>
Surplus of revenues over expenses	\$ 16,721,880	\$ 7,697,693	\$ 10,064,365
Consolidation equity adjustment (Note: 1)	-	1,126,447	-
Change in share of equity of consolidated entities	-	(1,487,946)	53,581
	<u>16,721,880</u>	<u>7,336,194</u>	<u>10,117,946</u>
Changes in Tangible Capital Assets			
Acquisition of tangible capital assets	(19,497,800)	(9,964,815)	(14,486,039)
Acquisition of work in progress	-	(4,200,916)	(7,209,295)
Amortization of tangible capital assets	-	10,039,128	9,284,702
Proceeds on disposal of tangible capital assets	-	72,672	143,527
Loss (gain) on disposal of TCAs	-	898,598	(11,060)
	<u>(19,497,800)</u>	<u>(3,155,333)</u>	<u>(12,278,165)</u>
Change in Non-Financial Assets			
Change in property acquired for taxes	-	(125,225)	(109,873)
Change in prepaid expenses	-	(104,534)	(92,441)
Change in supplies inventory	-	(313,841)	218,134
Land available for sale - developments during the year	-	(150,729)	(151,525)
Land available for sale - sold during the year	-	720,435	353,122
	<u>-</u>	<u>26,106</u>	<u>217,417</u>
DECREASE (INCREASE) IN NET DEBT	<u>(2,775,920)</u>	4,206,967	(1,942,802)
NET DEBT, BEGINNING OF YEAR		<u>(12,376,982)</u>	<u>(10,434,180)</u>
NET DEBT, END OF YEAR		<u>\$ (8,170,015)</u>	<u>\$ (12,376,982)</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Surplus of revenues over expenses	\$ 7,697,693	\$ 10,064,365
Adjusted for non-cash items		
Amortization	10,039,128	9,284,702
Loss (gain) on disposal of TCAs	898,598	(11,060)
Consolidation opening equity adjustment (Note: 1)	1,126,447	-
Change of share in equity in consolidated entities	<u>(1,487,946)</u>	<u>53,581</u>
	<u>18,273,920</u>	<u>19,391,588</u>
Net changes in non-cash working capital		
Taxes receivable	(136,235)	141,202
Accounts receivable	5,027,777	(729,849)
Due to Trusts	-	1,871
Accounts payable and accrued liabilities	(810,221)	(633,042)
Wages and employee benefits payable	(47,151)	107,156
Deposits and deferred revenue	(2,435,800)	3,664,965
Due to local school divisions	(196,405)	52,814
Vested sick leave	(1,905)	73,712
Property acquired for taxes	(125,225)	(109,873)
Prepaid expenses	(104,534)	(453,391)
Supplies inventory	(313,841)	218,134
Land available for sale - developments during the year	(150,729)	(151,525)
Land available for sale - sold during the year	<u>720,435</u>	<u>353,122</u>
	<u>1,426,166</u>	<u>2,535,296</u>
CASH FLOWS FROM (USED IN) CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(9,964,815)	(14,486,039)
Proceeds from the disposal of tangible capital assets	72,672	143,527
Development of work in progress	<u>(4,200,916)</u>	<u>(7,209,296)</u>
	<u>(14,093,059)</u>	<u>(21,551,808)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Long-term debt repaid	<u>(1,586,236)</u>	<u>(1,481,683)</u>
	<u>(1,586,236)</u>	<u>(1,481,683)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Long-term investments	<u>138,443</u>	<u>31,233</u>
NET INCREASE (DECREASE) IN CASH	4,159,234	(1,075,374)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>7,878,638</u>	<u>8,954,012</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ <u>12,037,872</u>	\$ <u>7,878,638</u>
CONSISTING OF:		
Cash	\$ 11,786,440	\$ 7,529,545
Temporary investments	<u>251,432</u>	<u>349,093</u>
	\$ <u>12,037,872</u>	\$ <u>7,878,638</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The City of Prince Albert ("the City") are prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS") as recommended by the Chartered Professional Accountants of Canada ("CPA Canada"). Significant aspects of the accounting policies adopted by the City are as follows:

Fund Accounting (Segment Disclosures)

The City's Consolidated financial statements are prepared in accordance with PSAS 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 organization is consolidated based on the City's control or ownership of the organization:

John M. Cuelenaere Public Library Board ("JMC")

The following organization is government partnerships and are proportionately consolidated:

North Central Saskatchewan Waste Management Corp. (2013 - 85.08% : 2012 - 74.72%)

In 2013, based on current developments, it was determined that the City no longer controlled Wapiti Regional Library ("Wapiti"), and therefore consolidated was no longer necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Reporting Entity and Basis of Consolidation (continued)

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

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.

Significant estimates made by management include allowances for doubtful accounts, amortization of tangible capital assets, employee benefits, closure and post closure costs of the landfill, and vested sick leave. 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 average cost method and are valued at 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 and is considered available for sale when all the land preparation is completed.

Land available for sale is not reported as a financial assets as the properties are typically held as inventory for more than one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Tangible Capital Assets and Work in Progress

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value 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

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

Contributed tangible capital assets are recorded at fair market value. The City has recorded nil contributed tangible capital assets (2012 - nil).

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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

1. SIGNIFICANT ACCOUNTING POLICIES (continued from previous page)

Budget Figures

The Council approved 2013 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.

New Standards and Amendments to Standards

The following new standards and amendments to standards, effective for annual periods ended on or after April 1, 2012, have been analyzed in preparing these financial statements:

PS 3410 Government Transfers

PS 3510 Tax Revenue

The prospective adoption of these standards had no material impact on the financial statements. The Statement of Remeasurement Gains and Losses has been omitted as there were no relevant transactions to report.

A number of new standards and amendments to standards which may impact the City are not yet effective for the year ended December 31, 2013, and have not been applied in preparing these consolidated financial statements. In particular, the following new standards and amendments to standards are effective for financial statements ended on or after April 1, 2016.

PS 1201 Financial Statement presentation

PS 2601 Financial Currency Translation

PS 3041 Portfolio Investments

PS 3450 Financial Instruments

The extent of the impact on the adoption of these standards is not known at this time.

2. ACCOUNTS RECEIVABLE

Accounts receivable have been reported net of an allowance for doubtful accounts of \$1,599,806 (2012 - \$1,299,175). The allowance has been determined through an annual review of outstanding amounts.

3. 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 as the cell reaches capacity. Once the landfill is closed, it is estimated that the total cost of post closure and remaining closure expenditures will be \$1,537,592 on a undiscounted basis.

The calculation of the liability in the amount of \$307,518 (2012 - \$150,000) is based on the cumulative capacity used at December 31, 2013 compared to the total estimated landfill capacity at the same date. The estimated capacity of the site is 4,000,000 cubic metres (2012 - estimated capacity was 4,000,000 cubic metres), of which 811,000 cubic metres (2012 - 750,000 cubic metres) have been used as of December 31, 2013 (20.00%) (2012 - 18.0%). The existing landfill site is expected to reach capacity in approximately 2053.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

4. 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	\$ 3,486,158	\$ 2,710,075	\$ 1,047,571	\$ 623,390	\$ 7,867,194
Funds received	994,151	2,391,833	908,711	668,224	4,962,919
Interest earned	46,015	-	-	-	46,015
Administration costs	-	-	-	-	-
Eligible project costs	<u>(1,683,315)</u>	<u>(4,090,458)</u>	<u>(1,047,571)</u>	<u>(623,390)</u>	<u>(7,444,734)</u>
Ending balance	<u>\$ 2,843,009</u>	<u>\$ 1,011,450</u>	<u>\$ 908,711</u>	<u>\$ 668,224</u>	<u>\$ 5,431,394</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 2013 dispatching services, which were not expended during the year, and are therefore deferred for use in 2014.

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 \$354,885 in Water Utility deposits, \$104,156 of Police Service's Community Mobilization funding, \$121,613 in Saskatchewan Lotteries Grants, \$137,500 from 2014 Business Licences, and \$85,709 in Urban Connector 2014 funding.

5. 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 2013</u>	<u>Total 2012</u>
Taxes payable	\$ 779,048	\$ 117,482	\$ 896,530	\$ 1,212,459
Allowance for doubtful accounts	<u>(241,917)</u>	<u>(1,375)</u>	<u>(243,292)</u>	<u>(362,815)</u>
	<u>\$ 537,131</u>	<u>\$ 116,107</u>	<u>\$ 653,238</u>	<u>\$ 849,644</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

6. LONG-TERM DEBT

	2013	2012
General Fund		
Loan payable - TrafCo (Canada) Ltd. monthly payments of \$14,595 including interest, due November 1, 2016	\$ 447,230	\$ 600,566
Loan payable - Bank of Montreal ("BMO"), monthly payments of \$40,466 including interest at 2.83%, secured by a first assignment of water utility user fees and charges and land sales, due April 1, 2018	394,789	429,322
Capital lease payable - Roynat Inc., monthly payments of \$2,336 including interest at 9.89%, due May 1, 2015	36,896	60,030
	878,915	1,089,918
Water Utility Fund		
Loan payable - Canada Mortgage and Housing Corporation ("CMHC"), annual payments of \$718,523 including interest at 3.98%, due September 1, 2024	6,301,399	6,751,223
Loan payable - Saskatchewan Municipal Financing Corporation ("SMFC"), annual payments of \$871,846 including interest at 6%, due September 1, 2018	3,672,531	4,287,147
	9,973,930	11,038,370
Land Fund		
Loan payable - Bank of Montreal ("BMO"), monthly payments of \$40,466 including interest at 2.83%, secured by a first assignment of water utility user fees and charges and land sales, due April 1, 2018	3,553,102	3,863,895
Total Long-Term Debt	\$ 14,405,947	\$ 15,992,183

Amounts due is as follows:

	Principal	Interest	Total
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
2018	1,793,348	282,617	2,075,965
Remainder	5,711,402	663,523	6,374,925
	\$ 14,405,947	\$ 2,899,330	\$ 17,305,277

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 balance at December 31, 2013 is nil (2012 - nil).

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

7. 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 \$575,862 (2012 - \$860,433) for unsaleable properties calculated through an annual review of cost and market value.

8. 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:

	<u>Opening Balance</u>	<u>Capitalized during year</u>	<u>Additions</u>	<u>Ending Balance</u>
General Fund				
Roads	\$ 387,346	\$ (63,242)	\$ 72,706	\$ 396,810
Machinery and Equipment	8,350	(8,350)	-	-
Buildings	66,338	(66,338)	49,220	49,220
Fleet	-	-	16,386	16,386
Fire Sub-Station	9,450	-	6,090	15,540
Fencing	-	-	-	-
	<u>471,484</u>	<u>137,930</u>	<u>144,402</u>	<u>477,956</u>
Sanitation Fund				
Garbage	-	-	24,873	24,873
Water Utility Fund				
Water Treatment Plan	15,618,335	(15,618,336)	21,449	21,448
Waste Water				
Treatment Plant	289,072	-	1,553,588	1,842,660
Water Infrastructure	<u>3,446,953</u>	<u>(364,190)</u>	<u>2,456,604</u>	<u>5,539,367</u>
	<u>19,354,360</u>	<u>(15,982,526)</u>	<u>4,031,641</u>	<u>7,403,475</u>
	<u>\$ 19,825,844</u>	<u>\$ 16,120,456</u>	<u>\$ 4,200,916</u>	<u>\$ 7,906,304</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

9. TANGIBLE CAPITAL ASSETS

For segmented detail, please refer to Schedule 7: Tangible Capital Assets Segmented by Fund

	<u>Closing Cost</u>	<u>Accumulated Amortization</u>	<u>2013 Net Book Value</u>	<u>2012 Net Book Value</u>
Land	\$ 19,547,496	\$ -	\$ 19,547,496	\$ 18,953,280
Land Improvements	26,758,591	(9,555,678)	17,202,913	18,088,746
Buildings	51,957,571	(16,117,551)	35,840,020	36,194,019
Machinery and Equipment	5,656,833	(2,809,510)	2,847,323	2,983,606
Fleet	20,299,509	(9,911,126)	10,388,383	10,904,156
Roads	88,241,942	(42,401,292)	45,840,650	43,251,777
Water, Sanitary and Storm Sewer Infrastructure	235,967,728	(94,708,699)	141,259,029	127,657,018
Consolidated Entities Capital Assets	<u>957,655</u>	<u>(272,658)</u>	<u>684,997</u>	<u>1,629,783</u>
	<u>\$ 449,387,325</u>	<u>\$ (175,776,514)</u>	<u>\$ 273,610,811</u>	<u>\$ 259,662,385</u>

10. ACCUMULATED SURPLUS

	<u>2013</u>	<u>2012</u>
General Operating Fund		
Fund Balance (Schedule 8)	\$ 112,747,978	\$ 106,748,492
Reserves (Schedule 9)	<u>8,749,986</u>	<u>6,936,863</u>
	121,497,964	113,685,355
Sanitation Operating Fund		
Fund Balance (Schedule 8)	9,161,123	8,863,582
Reserves (Schedule 9)	<u>45,127</u>	<u>-</u>
	9,206,250	8,863,582
Water Utility Operating Fund		
Fund Balance (Schedule 8)	137,077,534	135,423,472
Reserves (Schedule 9)	<u>1,683,546</u>	<u>579,650</u>
	138,761,080	136,003,122
Land Operating Fund		
Fund Balance (Schedule 8)	(5,909,124)	(2,992,569)
Reserves (Schedule 9)	<u>(1,574,970)</u>	<u>(1,712,510)</u>
	(7,484,094)	(4,705,079)
Airport Operating Fund		
Fund Balance (Schedule 8)	15,696,344	16,210,044
Reserves (Schedule 9)	<u>829,401</u>	<u>700,342</u>
	16,525,745	16,910,386
John M. Cuelenaere Public Library Board	297,803	413,585
North Central Saskatchewan Waste Management Corporation	1,255,769	1,038,710
Wapiti Regional Library	<u>-</u>	<u>1,641,099</u>
	<u>\$ 280,060,517</u>	<u>\$ 273,850,760</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

11. TAXATION REVENUE

	Budget	2013	2012
	(unaudited)		
General Municipal Taxation Levy	\$ 24,760,800	\$ 24,802,549	\$ 24,848,692
Special Levy Base Tax	1,242,260	1,311,316	1,243,290
Special Levy - Pineview Terrace	645,830	678,041	637,266
Special Levy - Paving	4,000,000	4,007,881	-
General Municipal Taxation - Supplementals	80,000	101,461	114,999
General Municipal Taxation Surcharges	185,000	239,195	255,249
Abatements on Current Year Taxes	(30,000)	(55,628)	(15,006)
Discounts on Current Year Taxes	(72,500)	(72,879)	(69,175)
	30,811,390	31,011,936	27,015,315
Wellness Centre - Special Levy	1,384,460	1,408,152	1,386,714
Street Oiling Levies	85,000	29,561	33,889
Penalties on Tax Arrears	100,000	175,012	223,349
	\$ 32,380,850	\$ 32,624,661	\$ 28,659,267
Less consolidation eliminations	-	(50,664)	(37,859)
	\$ 32,380,850	\$ 32,573,997	\$ 28,621,408

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

12. GRANTS-IN-LIEU-OF-TAXES

	Budget	2013	2012
	(unaudited)		
Grants-in-Lieu of Taxes			
Federal	\$ 161,920	\$ 300,063	\$ 151,217
Provincial	1,997,330	2,128,415	1,702,814
First Nations Reserve Lands	427,270	421,796	410,161
Domtar	1,103,330	1,103,325	1,330,000
	3,689,850	3,953,599	3,594,192
Franchise Fees			
Sask Power	4,406,530	4,694,362	4,417,518
Sask Energy	952,190	800,722	881,078
TransGas	9,300	68,789	9,065
	\$ 9,057,870	\$ 9,517,472	\$ 8,901,853

13. PENSION FUND

Employees of the City participate in MEPP and contributions are a percentage of salary. Police and Firefighters contributed 11.35% (2012 - 10.2%) of their salary. All other members contributed 8.4% (2012 - 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 \$3,228,809 (2012 - \$2,882,490).

Based on the latest information available (December 31, 2013 Audited Financial Statements) MEPP had a surplus in the net assets available for benefits of \$186,314,000 (2012 had a surplus of \$140,648,000 as restated by MEPP). The City's portion of this is not readily determinable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

14. 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.

15. 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, 2013

	<u>GENERAL OPERATING FUND</u>	<u>SANITATION OPERATING FUND</u>	<u>WATER UTILITY OPERATING FUND</u>	<u>LAND OPERATING FUND</u>	<u>AIRPORT OPERATING FUND</u>
FINANCIAL ASSETS					
Cash	\$ 10,675,275	\$ -	\$ -	\$ -	\$ 357,466
Temporary investments	-	-	-	-	-
Taxes receivable	2,539,693	-	-	-	-
Accounts receivable	<u>5,696,275</u>	<u>159,623</u>	<u>4,383,549</u>	<u>240,744</u>	<u>84,269</u>
	<u>18,911,243</u>	<u>159,623</u>	<u>4,383,549</u>	<u>240,744</u>	<u>441,735</u>
LIABILITIES					
Accounts payable and accrued liabilities	7,555,104	307,518	157,479	-	-
Wages and employee benefits payable	1,442,448	12,591	38,862	-	4,930
Deposits and deferred revenue	5,054,959	14,600	356,835	5,000	-
Due to local school divisions	653,238	-	-	-	-
Due to Trusts	10,455	-	-	-	-
Long-term debt	878,915	-	9,973,929	3,553,102	-
Vested sick leave	<u>2,717,757</u>	<u>89,934</u>	<u>276,545</u>	<u>-</u>	<u>61,737</u>
	<u>18,312,876</u>	<u>424,643</u>	<u>10,803,650</u>	<u>3,558,102</u>	<u>66,667</u>
NET FINANCIAL ASSETS (DEBT)	<u>598,367</u>	<u>(265,020)</u>	<u>(6,420,101)</u>	<u>(3,317,358)</u>	<u>375,068</u>
NON-FINANCIAL ASSETS					
Property acquired for taxes	650,882	-	-	-	-
Prepaid expenses	337,100	-	-	-	-
Supplies inventory	1,447,730	-	414,139	-	-
Land available for sale	-	-	-	3,854,019	-
Work in progress	477,955	24,873	7,403,477	-	-
Tangible Capital Assets	105,103,896	8,323,066	144,118,508	-	15,380,344
Due from (to) other funds	<u>12,882,034</u>	<u>1,123,331</u>	<u>(6,754,943)</u>	<u>(8,020,755)</u>	<u>770,333</u>
	<u>120,899,597</u>	<u>9,471,270</u>	<u>145,181,181</u>	<u>(4,166,736)</u>	<u>16,150,677</u>
ACCUMULATED SURPLUS	\$ <u>121,497,964</u>	\$ <u>9,206,250</u>	\$ <u>138,761,080</u>	\$ <u>(7,484,094)</u>	\$ <u>16,525,745</u>

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Schedule 1 (continued)

SEGMENTED BY FUND

As at December 31, 2013

	J MC PUBLIC LIBRARY <u>BOARD</u>	NORTH CENTRAL SASK WASTE MGMT CORP	WAPITI REGIONAL LIBRARY	CONSOLIDATION ADJUSTMENTS	TOTAL CONSOLIDATED
FINANCIAL ASSETS					
Cash	\$ 164,826	\$ 588,873	\$ -	\$ -	\$ 11,786,440
Temporary investments	251,432	-	-	-	251,432
Taxes receivable	-	-	-	-	2,539,693
Accounts receivable	<u>7,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,571,969</u>
	<u>423,767</u>	<u>588,873</u>	<u>-</u>	<u>-</u>	<u>25,149,534</u>
LIABILITIES					
Accounts payable and accrued liabilities	149,525	4,084	-	-	8,173,711
Wages and employee benefits payable	-	-	-	-	1,498,832
Deposits and deferred revenue	-	-	-	-	5,431,394
Due to local school divisions	-	-	-	-	653,238
Due to Trusts	-	-	-	-	10,455
Long-term debt	-	-	-	-	14,405,947
Vested sick leave	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,145,973</u>
	<u>149,525</u>	<u>4,084</u>	<u>-</u>	<u>-</u>	<u>33,319,550</u>
NET FINANCIAL ASSETS (DEBT)	<u>274,242</u>	<u>584,789</u>	<u>-</u>	<u>-</u>	<u>(8,170,016)</u>
NON-FINANCIAL ASSETS					
Property acquired for taxes	-	-	-	-	650,882
Prepaid expenses	9,034	-	-	-	346,134
Supplies inventory	-	510	-	-	1,862,380
Land available for sale	-	-	-	-	3,854,019
Work in progress	-	-	-	-	7,906,306
Tangible Capital Assets	14,527	670,470	-	-	273,610,811
Due from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>23,561</u>	<u>670,980</u>	<u>-</u>	<u>-</u>	<u>288,230,532</u>
ACCUMULATED SURPLUS	<u>\$ 297,803</u>	<u>\$ 1,255,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,060,517</u>

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR

Schedule 2

SEGMENTED BY FUND

As at December 30, 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>
FINANCIAL ASSETS					
Cash	\$ 5,777,867	\$ -	\$ -	\$ -	\$ 353,027
Temporary investments	-	-	-	-	-
Taxes receivable	2,403,448	-	-	-	-
Accounts receivable	9,145,407	104,433	3,659,446	1,253,948	1,343,673
Long-term investments	-	-	-	-	-
	<u>17,326,722</u>	<u>104,433</u>	<u>3,659,446</u>	<u>1,253,948</u>	<u>1,696,700</u>
LIABILITIES					
Accounts payable and accrued liabilities	8,580,949	150,000	175,789	-	-
Wages and employee benefits 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	2,668,511	61,291	344,700	-	43,042
	<u>22,083,726</u>	<u>239,323</u>	<u>11,979,431</u>	<u>3,869,395</u>	<u>46,712</u>
NET FINANCIAL ASSETS (DEBT)	<u>(4,757,004)</u>	<u>(134,890)</u>	<u>(8,319,985)</u>	<u>(2,615,447)</u>	<u>1,649,988</u>
NON-FINANCIAL ASSETS					
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 to (from) other funds	13,279,219	171,040	(6,326,537)	(6,513,357)	(610,365)
	<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>
ACCUMULATED SURPLUS	<u>\$ 113,685,355</u>	<u>\$ 8,863,582</u>	<u>\$ 136,003,122</u>	<u>\$ (4,705,079)</u>	<u>\$ 16,910,386</u>

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - PRIOR YEAR

Schedule 2 (continued)

SEGMENTED BY FUND

As at December 30, 2012

	J MC	NORTH CENTRAL	WAPITI	CONSOLIDATION	TOTAL
	PUBLIC LIBRARY	SASK WASTE	REGIONAL	ADJUSTMENTS	CONSOLIDATED
	<u>BOARD</u>	<u>MGMT CORP</u>	<u>LIBRARY</u>		
FINANCIAL ASSETS					
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	-	15,599,746
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>26,020,275</u>
LIABILITIES					
Accounts payable and accrued liabilities	66,800	3,064	7,330	-	8,983,932
Wages and employee benefits 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>
NET FINANCIAL ASSETS (DEBT)	<u>407,705</u>	<u>432,917</u>	<u>598,774</u>	<u>360,950</u>	<u>(12,376,992)</u>
NON-FINANCIAL ASSETS					
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 to (from) 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>
ACCUMULATED SURPLUS	<u>\$ 413,585</u>	<u>\$ 1,038,710</u>	<u>\$ 1,641,099</u>	<u>\$ -</u>	<u>\$ 273,850,760</u>

See accompanying notes

Schedule 3

CONSOLIDATED STATEMENT OF OPERATIONS

SEGMENTED BY FUND

For the year ended December 31, 2013

	GENERAL OPERATING FUND	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND	EQUIPMENT FUND
	(SCHEDULE 5)					
REVENUES						
Taxation	\$ 32,624,661	\$ -	\$ -	\$ -	\$ -	\$ -
User charges and fees	10,276,544	3,660,702	12,481,588	82,144	963,924	-
Operating grants and donations	11,327,622	-	-	-	-	-
Grants-in-lieu-of-taxes	9,517,472	-	-	-	-	-
Interest and penalties	448,368	750	270,394	-	13,072	-
Land sales	-	-	-	1,029,847	-	-
Sundry	437,158	825	530,795	72,176	1,439	-
	<u>64,631,825</u>	<u>3,662,277</u>	<u>13,282,777</u>	<u>1,184,167</u>	<u>978,435</u>	<u>-</u>
EXPENSES						
Council remuneration	\$ 366,101	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, wages and benefits	36,860,762	1,035,082	4,689,954	79,389	341,193	-
Contracted and general services	2,734,828	196,006	300,333	52,535	93,404	-
Financial charges	20,612	5,770	391	-	63	-
Grants and donations	3,546,742	182,600	-	-	-	-
Utilities	2,366,927	52,223	929,157	-	107,132	-
Interest on long term debt	54,522	-	507,618	120,365	-	-
Fleet expenses	2,890,169	728,262	856,365	-	199,611	(1,473,429)
Maintenance, material and supplies	5,409,215	446,855	3,069,784	33,245	71,694	-
Insurance	448,221	9,666	123,878	-	22,857	-
Bad debt expense	545,204	(7,909)	132,890	5,523	3,215	-
Cost of land sales	-	-	-	255,116	-	-
Amortization	5,073,584	514,423	3,738,134	-	687,757	-
	<u>60,316,887</u>	<u>3,162,978</u>	<u>14,348,504</u>	<u>546,173</u>	<u>1,526,926</u>	<u>(1,473,429)</u>
SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>4,314,938</u>	<u>499,299</u>	<u>(1,065,727)</u>	<u>637,994</u>	<u>(548,491)</u>	<u>1,473,429</u>
Capital revenue	619,080	-	2,798,867	(13,563)	(67,651)	-
(Loss) on disposal of TCAs	(80,811)	-	(817,786)	-	-	-
Interfund transactions	2,228,458	(156,630)	(614,000)	(215,899)	231,500	(1,473,429)
	<u>2,766,727</u>	<u>(156,630)</u>	<u>1,367,081</u>	<u>(229,462)</u>	<u>163,849</u>	<u>(1,473,429)</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 7,081,665</u>	<u>\$ 342,669</u>	<u>\$ 301,354</u>	<u>\$ 408,532</u>	<u>\$ (384,642)</u>	<u>\$ -</u>

See accompanying notes

Schedule 3 (continued)

CONSOLIDATED STATEMENT OF OPERATIONS

SEGMENTED BY FUND

For the year ended December 31, 2013

	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>
REVENUES					
Taxation	\$ -	\$ -	\$ -	\$ (50,664)	\$ 32,573,998
User charges and fees	57,211	182,593	-	(182,600)	27,522,106
Operating grants and donations	1,459,846	88,204	-	(1,443,900)	11,431,772
Grants-in-lieu-of-taxes	-	-	-	-	9,517,472
Interest and penalties	2,339	5,717	-	-	740,641
Land sales	-	-	-	-	1,029,847
Sundry	-	7,459	-	-	1,049,851
	<u>1,519,396</u>	<u>283,973</u>	<u>-</u>	<u>(1,677,164)</u>	<u>83,865,687</u>
EXPENSES					
Council remuneration	\$ -	\$ -	\$ -	\$ -	\$ 366,101
Salaries, wages and benefits	1,122,537	-	-	-	44,128,915
Contracted and general services	115,258	122,326	-	-	3,614,690
Financial charges	1,656	-	-	-	28,492
Grants and donations	-	-	-	(1,626,500)	2,102,842
Utilities	52,032	-	-	-	3,507,472
Interest on long term debt	-	-	-	-	682,505
Fleet expenses	-	-	-	-	3,200,978
Maintenance, material and supplies	346,246	67,976	-	(50,664)	9,394,351
Insurance	-	1,993	-	-	606,615
Bad debt expense	-	-	-	-	678,922
Cost of land sales	-	-	-	-	255,116
Amortization	6,592	18,638	-	-	10,039,128
	<u>1,644,321</u>	<u>210,933</u>	<u>-</u>	<u>(1,677,164)</u>	<u>78,606,127</u>
SURPLUS OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>(124,925)</u>	<u>73,040</u>	<u>-</u>	<u>-</u>	<u>5,259,560</u>
Capital revenue	-	-	-	-	3,336,732
(Loss) on disposal of TCAs	-	-	-	-	(898,598)
Interfund transactions	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,438,134</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ (124,925)</u>	<u>\$ 73,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,697,694</u>

See accompanying notes

Page 24

CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR

Schedule 4

SEGMENTED BY FUND

For the year ended December 30, 2012

	GENERAL OPERATING FUND (SCHEDULE 6)	SANITATION OPERATING FUND	WATER UTILITY OPERATING FUND	LAND OPERATING FUND	AIRPORT OPERATING FUND	EQUIPMENT FUND
REVENUES						
Taxation	\$ 28,659,267	\$ -	\$ -	\$ -	\$ -	\$ -
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>61,788,331</u>	<u>3,435,622</u>	<u>11,760,417</u>	<u>1,481,680</u>	<u>940,050</u>	<u>-</u>
EXPENSES						
Council remuneration	\$ 313,503	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, wages and benefits	35,678,734	1,006,174	4,798,802	105,090	320,124	-
Contracted and general services	3,057,202	138,927	347,722	49,461	79,972	-
Financial charges	29,158	3,571	360	-	40	-
Grants and donations	6,984,975	182,600	-	-	-	-
Utilities	2,320,390	64,488	860,797	-	99,889	-
Interest on long term debt	64,405	-	555,837	119,260	-	-
Fleet expenses	2,482,246	651,359	778,541	-	129,455	(1,305,395)
Maintenance, material and supplies	7,389,052	329,575	2,987,527	10,122	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	-	-	-	353,133	-	-
Amortization	<u>4,514,708</u>	<u>489,826</u>	<u>3,452,502</u>	<u>-</u>	<u>490,417</u>	<u>-</u>
	<u>63,805,852</u>	<u>2,889,642</u>	<u>13,984,217</u>	<u>637,066</u>	<u>1,246,924</u>	<u>(1,305,395)</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>(2,017,521)</u>	<u>545,980</u>	<u>(2,223,800)</u>	<u>844,614</u>	<u>(306,874)</u>	<u>1,305,395</u>
Capital revenue	1,300,119	-	4,061,779	821,389	5,725,001	-
Gain on disposal of TCAs	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>3,451,698</u>	<u>(149,077)</u>	<u>3,448,312</u>	<u>525,699</u>	<u>5,948,111</u>	<u>(1,305,395)</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 1,434,177</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 4 (continued)

CONSOLIDATED STATEMENT OF OPERATIONS - PRIOR YEAR

SEGMENTED BY FUND

For the year ended December 30, 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>
REVENUES					
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>
EXPENSES					
Council remuneration	\$ -	\$ -	\$ -	\$ -	\$ 313,503
Salaries, wages and benefits	-	-	1,471,692	-	43,380,617
Contracted and general services	108,115	131,760	7,236	-	3,920,395
Financial charges	1,002	-	1,634	-	35,765
Grants and donations	-	-	60,165	(1,791,082)	5,436,658
Utilities	45,966	-	10,674	-	3,402,205
Interest on long term debt	-	-	-	-	739,502
Fleet expenses	-	-	-	-	2,736,206
Maintenance, material and supplies	402,486	53,489	441,009	(37,859)	11,658,690
Insurance	-	1,692	13,321	-	709,305
Bad debt expense	-	-	-	-	546,175
Cost of land sales	-	-	-	-	353,133
Amortization	-	22,595	314,654	-	9,284,702
	<u>557,569</u>	<u>209,536</u>	<u>2,320,385</u>	<u>(1,828,941)</u>	<u>82,516,856</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>48,815</u>	<u>53,571</u>	<u>(105,174)</u>	<u>-</u>	<u>(1,854,995)</u>
Capital revenue	-	-	-	-	11,908,287
Gain on disposal of TCAs	-	-	-	-	11,060
Interfund transactions	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,919,347</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 48,815</u>	<u>\$ 53,571</u>	<u>\$ (105,174)</u>	<u>\$ -</u>	<u>\$ 10,064,352</u>

See accompanying notes

Schedule 5

**GENERAL FUND STATEMENT OF OPERATIONS
SEGMENTED BY DEPARTMENT
For the year ended December 31, 2013**

	GENERAL GOVERNMENT INCLUDING EXTERNAL AGENCIES	PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)	PROTECTIVE SERVICES (POLICE SERVICE)	PROTECTIVE SERVICES (FIRE SERVICES)	TRANSPORTATION SERVICES (PUBLIC WORKS)	COMMUNITY SERVICES	TOTAL GENERAL FUND
REVENUES							
Taxation	\$ 32,624,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,624,661
User charges and fees	1,065,299	3,576,400	1,158,757	293,323	819,791	3,362,974	10,276,544
Operating grants and donations	7,487,336	-	2,900,648	-	523,008	416,630	11,327,622
Grants-in-lieu-of-taxes	9,517,472	-	-	-	-	-	9,517,472
Interest and penalties	448,368	-	-	-	-	-	448,368
Sundry	<u>337,790</u>	<u>-</u>	<u>-</u>	<u>9,145</u>	<u>(34,355)</u>	<u>124,577</u>	<u>437,158</u>
	<u>51,480,926</u>	<u>3,576,400</u>	<u>4,059,405</u>	<u>302,468</u>	<u>1,308,444</u>	<u>3,904,181</u>	<u>64,631,825</u>
EXPENSES							
Council remuneration	\$ 366,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 366,101
Salaries, wages and benefits	5,898,356	3,209,140	14,797,511	5,631,148	2,244,094	5,080,512	36,860,762
Contracted and general services	362,653	3,090	87,069	3,005	1,529,469	749,542	2,734,828
Financial charges	2,528	106	554	158	544	16,723	20,612
Grants and donations	3,070,968	-	45,500	-	-	430,274	3,546,742
Utilities	-	-	109,941	39,703	1,082,358	1,134,925	2,366,927
Interest on long term debt	33,361	-	16,256	-	-	4,904	54,522
Fleet expenses	44,411	-	576,537	433,422	1,028,940	806,859	2,890,169
Maintenance, material and supplies	1,064,431	364,064	1,254,616	336,977	195,788	2,193,338	5,409,215
Operating Costs	-	-	-	-	-	-	-
Insurance	171,748	-	16,266	3,946	19,823	236,438	448,221
Bad debt expense	545,204	-	-	-	-	-	545,204
Amortization	<u>174,368</u>	<u>-</u>	<u>326,224</u>	<u>218,642</u>	<u>3,014,080</u>	<u>1,340,270</u>	<u>5,073,584</u>
	<u>11,734,129</u>	<u>3,576,400</u>	<u>17,230,474</u>	<u>6,667,001</u>	<u>9,115,096</u>	<u>11,993,785</u>	<u>60,316,887</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>39,746,797</u>	<u>-</u>	<u>(13,171,069)</u>	<u>(6,364,533)</u>	<u>(7,806,652)</u>	<u>(8,089,604)</u>	<u>4,314,938</u>
Capital revenue	-	-	-	-	63,930	555,150	619,080
Gain (loss) on disposal of capital assets	-	-	(20,357)	-	(51,010)	(9,445)	(80,811)
Interfund transactions	<u>2,228,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,228,458</u>
	<u>2,228,458</u>	<u>-</u>	<u>(20,357)</u>	<u>-</u>	<u>12,920</u>	<u>545,705</u>	<u>2,766,727</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 41,975,255</u>	<u>\$ -</u>	<u>\$ (13,191,426)</u>	<u>\$ (6,364,533)</u>	<u>\$ (7,793,732)</u>	<u>\$ (7,543,899)</u>	<u>\$ 7,081,665</u>

See accompanying notes

Schedule 6

**GENERAL FUND STATEMENT OF OPERATIONS - PRIOR YEAR
SEGMENTED BY DEPARTMENT
For the year ended December 30, 2012**

	GENERAL GOVERNMENT INCLUDING EXTERNAL AGENCIES	PROTECTIVE SERVICES (EMERGENCY COMM. CENTRE)	PROTECTIVE SERVICES (POLICE SERVICE)	PROTECTIVE SERVICES (FIRE SERVICES)	TRANSPORTATION SERVICES (PUBLIC WORKS)	COMMUNITY SERVICES	TOTAL GENERAL FUND
REVENUES							
Taxation	\$ 28,659,267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 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>48,653,641</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>
EXPENSES							
Council remuneration	\$ 313,503	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313,503
Salaries, wages and benefits	6,428,940	2,904,361	14,450,044	5,337,442	1,866,994	4,690,954	35,678,734
Contracted and general services	493,864	2,404	129,827	28,271	1,659,318	743,518	3,057,202
Financial charges	12,221	105	520	120	420	15,771	29,158
Grants and donations	6,417,629	-	44,728	-	-	522,618	6,984,975
Utilities	-	-	107,651	41,692	1,036,326	1,134,722	2,320,390
Interest on long term debt	37,136	-	18,664	-	-	8,605	64,405
Fleet expenses	47,920	-	562,423	433,040	665,038	773,824	2,482,246
Maintenance, material and supplies	3,127,763	295,302	1,411,129	365,883	400,904	1,788,071	7,389,052
Operating Costs	-	-	-	-	-	-	-
Insurance	256,756	-	18,534	6,443	20,978	238,178	540,889
Bad debt expense	430,590	-	-	-	-	-	430,590
Amortization	<u>189,835</u>	<u>-</u>	<u>319,461</u>	<u>212,079</u>	<u>2,477,468</u>	<u>1,315,865</u>	<u>4,514,708</u>
	<u>17,756,157</u>	<u>3,202,172</u>	<u>17,062,981</u>	<u>6,424,970</u>	<u>8,127,446</u>	<u>11,232,126</u>	<u>63,805,852</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE CAPITAL AND INTERFUND TRANSACTIONS	<u>30,897,484</u>	<u>217</u>	<u>(13,128,445)</u>	<u>(6,217,686)</u>	<u>(6,404,980)</u>	<u>(7,164,112)</u>	<u>(2,017,520)</u>
Capital revenue	-	-	-	-	121,800	1,178,319	1,300,119
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>2,141,415</u>	<u>-</u>	<u>(25,925)</u>	<u>69,520</u>	<u>75,197</u>	<u>1,191,491</u>	<u>3,451,698</u>
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 33,038,899</u>	<u>\$ 217</u>	<u>\$ (13,154,370)</u>	<u>\$ (6,148,166)</u>	<u>\$ (6,329,783)</u>	<u>\$ (5,972,621)</u>	<u>\$ 1,434,178</u>

See accompanying notes

Schedule 7

TANGIBLE CAPITAL ASSETS - COST

Segmented by Fund

For the year ended December 31, 2013

	<u>Opening Cost</u>	<u>Current Year Additions</u>	<u>Disposals</u>	<u>Closing Cost</u>
General Fund				
Land	\$ 11,262,115	\$ 544,270	\$ -	\$ 11,806,385
Land improvements	7,758,063	291,587	-	8,049,650
Buildings	49,585,509	484,023	(272,690)	49,796,842
Machinery and equipment	4,441,159	366,085	(148,772)	4,658,472
Fleet	13,037,498	505,049	(714,451)	12,828,096
Roads	<u>84,943,960</u>	<u>5,286,072</u>	<u>(1,988,090)</u>	<u>88,241,942</u>
	<u>171,028,304</u>	<u>7,477,086</u>	<u>(3,124,003)</u>	<u>175,381,387</u>
Sanitation Fund				
Land	1	-	-	1
Land improvements	6,050,079	-	-	6,050,079
Buildings	922,335	-	-	922,335
Machinery and equipment	349,446	-	-	349,446
Fleet	<u>3,608,127</u>	<u>-</u>	<u>20,782</u>	<u>3,628,909</u>
	<u>10,929,988</u>	<u>-</u>	<u>20,782</u>	<u>10,950,770</u>
Water Utility Fund				
Land	1,462,791	29,356	-	1,492,147
Land improvements	208,546	-	-	208,546
Buildings	295,237	-	-	295,237
Machinery and equipment	116,405	-	-	116,405
Fleet	2,578,989	118,587	89,725	2,787,301
Water, sanitary and storm Sewer infrastructure	<u>222,389,029</u>	<u>18,048,722</u>	<u>(4,470,023)</u>	<u>235,967,728</u>
	<u>227,050,997</u>	<u>18,196,665</u>	<u>(4,380,298)</u>	<u>240,867,364</u>
Airport Capital Fund				
Land	6,228,373	20,590	-	6,248,963
Land improvements	12,450,316	-	-	12,450,316
Buildings	838,308	161,954	(57,105)	943,157
Machinery and equipment	510,425	22,085	-	532,510
Fleet	<u>1,052,272</u>	<u>-</u>	<u>2,931</u>	<u>1,055,203</u>
	<u>21,079,694</u>	<u>204,629</u>	<u>(54,174)</u>	<u>21,230,149</u>
Consolidated Entities Capital				
JMC Public Library Board	-	44,666	-	44,666
North Central Saskatchewan Waste Management Corporation	801,814	111,175	-	912,989
Wapiti Regional Library	<u>1,727,254</u>	<u>-</u>	<u>(1,727,254)</u>	<u>-</u>
	<u>2,529,068</u>	<u>155,841</u>	<u>(1,727,254)</u>	<u>957,655</u>
	<u>\$ 432,618,051</u>	<u>\$ 26,034,221</u>	<u>\$ (9,264,947)</u>	<u>\$ 449,387,325</u>

TANGIBLE CAPITAL ASSETS- ACCUMULATED AMORTIZATION
Schedule 7 (continued) **Segmented by Fund**
For the year ended December 31, 2013

	Opening Accumulated Amortization	Amortization	Disposals	Closing Accumulated Amortization	2013 Net Book Value	2012 Net Book Value
General Fund						
Land	\$ -	\$ -	\$ -	\$ -	\$ 11,806,385	\$ 11,262,115
Land improvements	(3,604,787)	(262,511)	-	(3,867,298)	4,182,352	4,153,276
Buildings	(14,972,830)	(955,302)	270,918	(15,657,214)	34,139,628	34,612,679
Machinery and equipment	(2,097,614)	(467,062)	148,772	(2,415,904)	2,242,568	2,343,545
Fleet	(5,775,517)	(698,007)	537,742	(5,935,782)	6,892,314	7,261,981
Roads	(41,692,183)	(2,690,702)	1,981,593	(42,401,292)	45,840,650	43,251,777
	<u>(68,142,931)</u>	<u>(5,073,584)</u>	<u>2,939,025</u>	<u>(70,277,490)</u>	<u>105,103,897</u>	<u>102,885,373</u>
Sanitation Fund						
Land	-	-	-	-	1	1
Land improvements	(411,280)	(283,073)	-	(694,353)	5,355,726	5,638,799
Buildings	(204,215)	(20,104)	-	(224,319)	698,016	718,121
Machinery and equipment	(230,406)	(23,155)	-	(253,561)	95,885	119,039
Fleet	(1,256,657)	(188,091)	(10,725)	(1,455,473)	2,173,436	2,351,470
	<u>(2,102,558)</u>	<u>(514,423)</u>	<u>(10,725)</u>	<u>(2,627,706)</u>	<u>8,323,064</u>	<u>8,827,430</u>
Water Utility Fund						
Land	-	-	-	-	1,492,147	1,462,791
Land improvements	(112,150)	(7,136)	-	(119,286)	89,260	96,396
Buildings	(96,229)	(7,403)	-	(103,632)	191,605	199,008
Machinery and equipment	(42,205)	(11,952)	-	(54,157)	62,248	74,201
Fleet	(1,619,365)	(80,433)	(63,281)	(1,763,079)	1,024,222	959,624
Water, sanitary and storm Sewer infrastructure	(94,732,011)	(3,631,208)	3,654,520	(94,708,699)	141,259,029	127,657,018
	<u>(96,601,960)</u>	<u>(3,738,132)</u>	<u>3,591,239</u>	<u>(96,748,853)</u>	<u>144,118,511</u>	<u>130,449,038</u>
Airport Capital Fund						
Land	-	-	-	-	6,248,963	6,228,373
Land improvements	(4,250,043)	(624,698)	-	(4,874,741)	7,575,575	8,200,275
Buildings	(174,095)	(15,396)	57,105	(132,386)	810,771	664,211
Machinery and equipment	(63,605)	(22,283)	-	(85,888)	446,622	446,821
Fleet	(721,191)	(25,380)	(10,221)	(756,792)	298,411	331,081
	<u>(5,208,934)</u>	<u>(687,757)</u>	<u>46,884</u>	<u>(5,849,807)</u>	<u>15,380,342</u>	<u>15,870,761</u>
Consolidated Entities Capital						
JMC Public Library Board	-	(6,592)	(23,547)	(30,139)	14,527	-
North Central Saskatchewan Waste Management Corporation	(196,619)	(18,638)	(27,262)	(242,519)	670,470	605,195
Wapiti Regional Library	(702,666)	-	702,666	-	-	1,024,588
	<u>(899,285)</u>	<u>(25,230)</u>	<u>651,857</u>	<u>(272,658)</u>	<u>684,997</u>	<u>1,629,783</u>
	<u>\$ (172,955,668)</u>	<u>\$ (10,039,126)</u>	<u>\$ 7,218,280</u>	<u>\$ (175,776,514)</u>	<u>\$ 273,610,811</u>	<u>\$ 259,662,385</u>

See accompanying notes

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SCHEDULE OF FUND BALANCES

Schedule 8

For the year ended December 31, 2013

	<u>2012 Balance</u>	<u>Surplus (Deficit)</u>	<u>Net allocations</u>	<u>2013 Balance</u>
GENERAL FUND				
General Fund -				
Accumulated Surplus	\$ 9,162,131	\$ 7,081,665	\$ (7,160,846)	\$ 9,082,950
Police Surplus	264,366	-	1,045,977	1,310,343
Net Investment in Tangible Capital				
Assets - General Fund (Schedule 7)	102,885,372	-	2,218,524	105,103,896
Tangible Capital Assets - Work in				
Progress	471,485	-	6,471	477,956
Amount to be recovered from future				
revenues - CIBC Loan	(429,322)	-	34,533	(394,789)
Amount to be recovered from future				
revenues - Equipment Loan	(60,030)	-	23,133	(36,897)
Amount to be recovered from future				
revenues - Parking Meter Loan	(600,566)	-	153,336	(447,230)
Police Building Reserve	(434,393)	-	61,500	(372,893)
Funding from future budgets	<u>(4,510,551)</u>	<u>-</u>	<u>2,535,193</u>	<u>(1,975,358)</u>
	<u>106,748,492</u>	<u>7,081,665</u>	<u>(1,082,179)</u>	<u>112,747,978</u>
SANITATION FUND				
Net Investment in Tangible Capital Assets -				
Sanitation Utility Fund (Schedule 7)	8,827,432	-	(504,366)	8,323,066
Sanitation Improvement	<u>36,150</u>	<u>342,669</u>	<u>459,238</u>	<u>838,057</u>
	<u>8,863,582</u>	<u>342,669</u>	<u>(45,128)</u>	<u>9,161,123</u>
WATER UTILITY FUND				
Amount to be recovered from future				
revenues - CMHC Loan	(6,751,223)	-	449,824	(6,301,399)
Amount to be recovered from future				
revenues - SMFC Loan	(4,287,147)	-	614,617	(3,672,530)
Net Investment in Tangible Capital Assets -				
Water Utility Fund (Schedule 7)	130,449,035	-	13,669,474	144,118,509
Waterworks - Work in Progress	19,354,361	-	(11,950,914)	7,403,447
Waterworks Improvement	<u>(3,341,554)</u>	<u>301,354</u>	<u>(1,430,293)</u>	<u>(4,470,493)</u>
	<u>135,423,472</u>	<u>301,354</u>	<u>1,352,708</u>	<u>137,077,534</u>
LAND FUND				
Amount to be recovered from future				
revenues - CIBC Loan	(3,863,895)	-	310,793	(3,553,102)
Land Development	<u>871,326</u>	<u>408,532</u>	<u>(3,635,880)</u>	<u>(2,356,022)</u>
	<u>(2,992,569)</u>	<u>408,532</u>	<u>(3,325,087)</u>	<u>(5,909,124)</u>

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

For the year ended December 31, 2013

	<u>2012 Balance</u>	<u>Surplus (Deficit)</u>	<u>Net allocations</u>	<u>2013 Balance</u>
AIRPORT OPERATING FUND				
Airport Improvement	339,281	(384,642)	361,361	316,000
Net Investment in Tangible Capital Assets - Airport Fund (Schedule 7)	<u>15,870,763</u>	<u>-</u>	<u>(490,419)</u>	<u>15,380,344</u>
	<u>16,210,044</u>	<u>(384,642)</u>	<u>(129,058)</u>	<u>15,696,344</u>
CONSOLIDATED ENTITIES				
John M. Cuelenaere Public Library Board	413,585	(124,925)	9,143	297,803
North Central Saskatchewan Waste Management Corporation	1,038,710	73,040	144,019	1,255,769
Wapiti Regional Library	<u>1,641,099</u>	<u>-</u>	<u>(1,641,099)</u>	<u>-</u>
	<u>3,093,394</u>	<u>(51,885)</u>	<u>(1,487,937)</u>	<u>1,553,572</u>
	<u>\$ 267,346,415</u>	<u>\$ 7,697,693</u>	<u>\$ (4,716,682)</u>	<u>\$ 270,327,427</u>

SCHEDULE OF RESERVES**Schedule 9**

For the year ended December 31, 2013

	<u>2012 Balance</u>	<u>Net allocations</u>	<u>2013 Balance</u>
GENERAL FUND			
Affordable Housing	\$ 122,550	\$ 60,643	\$ 183,193
Capital Works Committed	1,263,900	53,268	1,317,168
Community Clubs Mechanical Equipment	30,741	(20,000)	10,741
Community Services Building	11,938	-	11,938
Community Services Land Fund	969,836	38,435	1,008,271
Dedicated Lands	18,401	-	18,401
E.A. Rawlinson Mechanical Equipment	99,970	1,432	101,402
Equipment and Fleet Reserve	1,756,986	455,075	2,212,061
Fire Equipment	123,495	361,423	484,918
Future Infrastructure	544,544	576,319	1,120,863
Golf Course Improvements	318,731	109,185	427,916
In Lieu of Public Reserve	9,834	-	9,834
Information Technology Reserve	21,880	113,866	135,746
Land Development	100,020	-	100,020
Little Red River	9,510	-	9,510
Minor Softball	31,173	(21,196)	9,977
Northern Housing Development	99,043	-	99,043
PAGCC Mechanical Equipment	98,784	(93,238)	5,546
Park Development	56,050	-	56,050
Pehonan Parkway	594,663	82,000	676,663
Police Capital Reserve	251,428	(92,113)	159,315
Police Equipment Reserve	45,107	(6,226)	38,881
Savings - emergency	307,270	199,250	506,520
Community Services - Special Events Marketing	50,000	(5,000)	45,000
Tourism	1,009	-	1,009
	<u>6,936,863</u>	<u>1,813,123</u>	<u>8,749,986</u>
SANITATION FUND			
Sanitation Capital Works	<u>-</u>	<u>45,127</u>	<u>45,127</u>
	<u>-</u>	<u>45,127</u>	<u>45,127</u>
WATER UTILITY FUND			
Waterworks Capital Works	<u>579,650</u>	<u>1,103,896</u>	<u>1,683,546</u>
LAND FUND			
Development Levies	(2,452,284)	85,963	(2,366,321)
Future Land Purchases	478,527	16,430	494,957
Planning and Marketing	<u>261,247</u>	<u>35,147</u>	<u>296,394</u>
	<u>(1,712,510)</u>	<u>137,540</u>	<u>(1,574,970)</u>

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

For the year ended December 31, 2013

	<u>2012 Balance</u>	<u>Net allocations</u>	<u>2013 Balance</u>
AIRPORT OPERATING FUND			
Airport Capital Works	56,500	-	56,500
Airport - Passenger Facilities Fees	<u>643,842</u>	<u>129,059</u>	<u>772,901</u>
	<u>700,342</u>	<u>129,059</u>	<u>829,401</u>
	<u>\$ 6,504,345</u>	<u>\$ 3,228,744</u>	<u>\$ 9,733,090</u>

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

As At December 31, 2013

	<u>2013</u>	<u>2012</u>
FINANCIAL ASSETS		
Cash	\$ 95,882	\$ 85,000
Temporary investments	144,251	143,249
Due from General Fund	<u>10,455</u>	<u>10,455</u>
NET ASSETS	<u>\$ 250,588</u>	<u>\$ 238,704</u>
LIABILITIES		
Trust funds held for others (Schedule 11)	\$ <u>250,588</u>	\$ <u>238,704</u>
NET LIABILITIES	<u>\$ 250,588</u>	<u>\$ 238,704</u>

SCHEDULE OF TRUST FUND TRANSACTIONS**Schedule 11****For the year ended December 31, 2013**

	<u>2012 Balance</u>	<u>Additions</u>	<u>Expenses</u>	<u>2013 Balance</u>
J. Vandale [1][3]	\$ 3,462	\$ 41	\$ 219	\$ 3,284
Lenore Partridge Estate [1]	143,250	1,002	-	144,252
Prince Albert Golf and Curling Club [1][2]	10,015	10,161	-	20,176
Uniting to Heal	455	-	-	455
Veteran's Graves [1]	71,522	899	-	72,421
Winterburn Estate	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
	<u>\$ 238,704</u>	<u>\$ 12,103</u>	<u>\$ 219</u>	<u>\$ 250,588</u>

[1] Interest earned on investment and/or bank account balance

[2] Transfer from General Operating Fund of \$10,000

[3] Payment of John Vandale Memorial Award