

CITY OF MARTENSVILLE

Auditor's Report

Financial Statements

December 31, 2012

MANAGEMENT'S RESPONSIBILITY

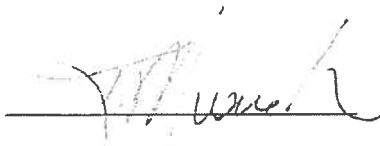
To the Ratepayers of
City of Martensville :

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Council is composed of elected officials who are not employees of the City. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors.

Jensen Stromberg Chartered Accountants, an independent firm of Chartered Accountants, is appointed by the councilors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.



Mayor



City Manager

INDEPENDENT AUDITOR'S REPORT

To the **Mayor** and Council of the **City of Martensville**

Report on the Financial Statements

We have audited the accompanying financial statements of **City of Martensville**, which comprise the statement of financial position as at **December 31, 2012** and the statements of financial activities, changes in net financial assets and changes in financial position 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

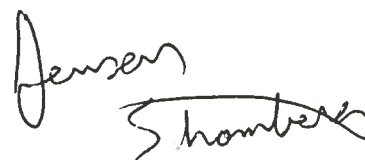
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable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

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the 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 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 financial statements present fairly, in all material respects, the financial position of **City of Martensville** as at **December 31, 2012**, and the results of its financial activities, changes in net financial assets and changes in financial position for the year then ended in accordance with Canadian public sector accounting standards.



Saskatoon, Saskatchewan
May 29, 2013

Chartered Accountants

CITY OF MARTENSVILLE

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2012
with comparative figures for 2011

| | <u>2012</u> | <u>2011</u> Restated (see note 8) |
|--|----------------------|---|
| <u>ASSETS</u> | | |
| Financial assets: | | |
| Cash and temporary investments (Note 2) | \$ 9,230,391 | 6,081,059 |
| Taxes receivable (Note 3) | 468,238 | 503,177 |
| Other accounts receivable (Note 4) | 2,888,816 | 2,848,335 |
| Land for re-sale (Note 5) | 42,670 | 42,670 |
| Long-term investments | - | - |
| Other | - | - |
| | 12,630,115 | 9,475,241 |
| <u>LIABILITIES</u> | | |
| Bank indebtedness | - | - |
| Accounts payable | 336,726 | 247,096 |
| Accrued liabilities payable | - | - |
| Deposits | 339,048 | 316,803 |
| Deferred Revenue (Note 6) | 1,050 | - |
| Accrued landfill costs | - | - |
| Other liabilities | 51,945 | 78,727 |
| Long-term debt (Note 7) | 2,225,669 | 2,912,116 |
| Lease obligations | - | - |
| | 2,954,438 | 3,554,742 |
| Total liabilities | | |
| NET FINANCIAL ASSETS | 9,675,677 | 5,920,499 |
| Non-financial assets: | | |
| Tangible capital assets | 51,033,059 | 50,509,817 |
| Prepaid and deferred charges | 72,671 | 59,922 |
| Stock and supplies | - | - |
| | 51,105,730 | 50,569,739 |
| Total non-financial assets | | |
| NET ASSETS | \$ 60,781,407 | \$ 56,490,238 |
| Accumulated Surplus | | |
| Accumulated Surplus (Deficit) (Schedule 8) | \$ 60,781,407 | \$ 56,490,238 |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2012
with comparative figures for 2011

| | | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> Restated (see note 8) |
|--|-----------------|------------------------------|------------------------------|--|
| Revenues: | | | | |
| Taxes and other unconditional revenue | (Schedule 1) | \$ 7,209,900 | 7,072,419 | 6,098,671 |
| Fees and charges | (Schedule 4, 5) | 4,268,400 | 4,182,661 | 3,182,836 |
| Conditional grants | (Schedule 4, 5) | 104,100 | 115,939 | 131,619 |
| Tangible capital asset sales - gain (loss) | (Schedule 4, 5) | 2,000 | (5,821) | 1,470 |
| Land sales - gain (loss) | (Schedule 4, 5) | - | - | - |
| Investment income and commissions | (Schedule 4, 5) | 70,000 | 95,381 | 69,626 |
| Other revenues | (Schedule 4, 5) | <u>291,400</u> | <u>285,060</u> | <u>250,866</u> |
| Total Revenues | | 11,945,800 | 11,745,639 | 9,735,088 |
| Expenditures: | | | | |
| General government services | (Schedule 3) | 789,000 | 832,357 | 694,830 |
| Protective services | (Schedule 3) | 880,000 | 866,494 | 806,013 |
| Transportation services | (Schedule 3) | 1,269,200 | 1,925,963 | 1,735,119 |
| Environmental and public health services | (Schedule 3) | 504,500 | 506,259 | 388,456 |
| Planning and development services | (Schedule 3) | 535,100 | 516,549 | 477,734 |
| Recreation and cultural services | (Schedule 3) | 1,426,100 | 1,888,911 | 1,821,593 |
| Utility services | (Schedule 3) | <u>2,318,600</u> | <u>2,620,648</u> | <u>2,512,274</u> |
| Total Expenditures | | <u>7,722,500</u> | <u>9,157,181</u> | <u>8,436,019</u> |
| Surplus (deficit) of revenues over expenditures before other capital contributions | | <u>4,223,300</u> | <u>2,588,458</u> | <u>1,299,069</u> |
| Provincial/Federal capital grants and contributions | | <u>1,032,400</u> | <u>1,702,711</u> | <u>3,661,303</u> |
| Surplus (deficit) of revenues over expenditures | | 5,255,700 | 4,291,169 | 4,960,372 |
| Accumulated surplus (deficit), beginning of year | | <u>56,490,238</u> | <u>56,490,238</u> | <u>51,529,866</u> |
| Accumulated surplus (deficit), end of year | | <u>\$ 61,745,938</u> | <u>60,781,407</u> | <u>56,490,238</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> Restated (see note 8) |
|---|------------------------------|------------------------------|--|
| Surplus (deficit) | \$ <u>5,255,700</u> | <u>4,291,169</u> | <u>4,960,372</u> |
| (Acquisition) of tangible capital assets | - | (2,696,769) | (6,034,524) |
| Amortization of tangible capital assets | - | 2,165,207 | 1,702,868 |
| Proceeds on disposal of tangible capital assets | - | 2,500 | 1,470 |
| Loss (gain) on disposal of tangible capital assets | <u>(2,000)</u> | <u>5,821</u> | <u>(1,470)</u> |
| Surplus (deficit) of capital expenses over expenditures | <u>(2,000)</u> | <u>(523,241)</u> | <u>(4,331,656)</u> |
| (Acquisition) of supplies inventories | - | - | - |
| (Acquisition) of prepaid expenses | - | (72,672) | (59,922) |
| Consumption of supplies inventories | - | - | - |
| Use of prepaid expenses | <u>-</u> | <u>59,922</u> | <u>74,168</u> |
| Surplus (deficit) of expenses of other non-financial over expenditures | <u>-</u> | <u>(12,750)</u> | <u>14,246</u> |
| Increase (decrease) in Net Financial Assets | 5,253,700 | 3,755,178 | 642,962 |
| Net Financial Assets - Beginning of the year | <u>5,920,499</u> | <u>5,920,499</u> | <u>5,277,537</u> |
| Net Financial Assets - End of year | \$ <u>11,174,199</u> | <u>9,675,677</u> | <u>5,920,499</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> | <u>2011</u> Restated (see note 8) |
|---|---------------------|---|
| Cash provided by (used in) the following activities: | | |
| Operating: | | |
| Surplus (deficit) | \$ 4,291,169 | 4,960,372 |
| Amortization | 2,165,206 | 1,702,868 |
| Loss (gain) on disposal of tangible capital assets | <u>5,821</u> | <u>(1,470)</u> |
| | 6,462,196 | 6,661,770 |
| Change in assets/liabilities | | |
| Taxes receivable - Municipal | 34,939 | (128,558) |
| Other accounts receivable | (40,480) | 1,488,308 |
| Land for re-sale | - | - |
| Other financial assets | - | - |
| Accounts and accrued liabilities payable | 89,630 | (28,336) |
| Deposits | 22,245 | 22,665 |
| Deferred revenue | 1,050 | - |
| Other liabilities | (26,782) | (69,709) |
| Stock and supplies for use | - | - |
| Prepayments and deferred charges | (12,749) | 14,246 |
| Other | <u>-</u> | <u>-</u> |
| Net cash from operations | <u>6,530,049</u> | <u>7,960,386</u> |
| Capital: | | |
| Aquisition of capital assets | (2,696,769) | (6,034,524) |
| Proceeds from the disposal of capital assets | 2,500 | 1,470 |
| Other capital | <u>-</u> | <u>-</u> |
| Net cash used for capital | <u>(2,694,269)</u> | <u>(6,033,054)</u> |
| Investing: | | |
| Long-term investments | - | - |
| Other investments | <u>-</u> | <u>-</u> |
| Net cash from investing | <u>-</u> | <u>-</u> |
| Financing activities: | | |
| Long-term debt issued | - | - |
| Long-term debt repaid | (686,448) | (50,056) |
| Other financing | <u>-</u> | <u>-</u> |
| Net cash used for financing | <u>(686,448)</u> | <u>(50,056)</u> |
| Increase (decrease) in cash resources | 3,149,332 | 1,877,276 |
| Cash and temporary investments, beginning of year | <u>6,081,059</u> | <u>4,203,783</u> |
| Cash and temporary investments, end of year (Note 2) | <u>\$ 9,230,391</u> | <u>6,081,059</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Reporting Entity

The financial statements consolidate the assets, liabilities and flow of resources of the City. The entity is comprised of all organizations owned or controlled by the City and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board and conservation and development authorities are collected and remitted in accordance with the relevant legislation. The amounts collected are disclosed in Note 3.

(d) Government Transfers

Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as:

- a) the transfer is authorized
- b) eligibility criteria have been met by the recipient; and,
- c) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received but not earned will be recorded as deferred revenue. Earned government transfer amounts not received will be recorded as an amount receivable.

(e) Deferred Revenue - Fees and Charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(f) Local Improvement Charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

(g) Net-Financial Assets

Net-Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(h) Non-Financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(i) Appropriated Reserves

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

CITY OF MARTENSVILLE

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) **Tangible Capital Assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of the contribution. The tangible capital assets that are recognized at a nominal value are disclosed on schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The City's tangible capital asset useful lives are estimated as follows:

| | <u>Asset</u> | <u>Useful Life</u> |
|------------------------------|-------------------------------|--------------------|
| <i>General Assets</i> | | |
| | Land | Indefinite |
| | Land improvements | 15 to 20 years |
| | Buildings | 20 to 60 years |
| | Vehicles and equipment | |
| | Vehicles | 10 to 15 years |
| | Machinery & Equipment | 5 to 30 years |
| <i>Infrastructure Assets</i> | | |
| | Infrastructure assets | 20 to 40 Years |
| | Water and sewer | 30 to 75 Years |

Government contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of art: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of interest: The City does not capitalize interest incurred while a tangible capital asset is under construction.

(k) **Measurement Uncertainty**

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Basis of Segmentation/Segment Report

The City has adopted the new Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. City services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowing.

These segments (functions) are as follows:

General Government: The general government segment provides for the administration of the City.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

Transportation Services: The transportation services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the City.

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The Utility services segment provides for the delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

2. CASH AND TEMPORARY INVESTMENTS

| | <u>2012</u> | <u>2011</u> |
|-----------------------|---------------------|------------------|
| Cash | \$ 9,230,391 | 6,081,059 |
| Temporary investments | <u>-</u> | <u>-</u> |
| | <u>\$ 9,230,391</u> | <u>6,081,059</u> |

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

3. TAXES AND GRANTS IN LIEU RECEIVABLE

| | <u>2012</u> | <u>2011</u> |
|--|-------------------|------------------|
| Municipal: - Current | \$ 336,982 | 350,584 |
| - Arrears | <u>131,256</u> | <u>152,593</u> |
| | 468,238 | 503,177 |
| Less: allowance for uncollectibles | <u>-</u> | <u>-</u> |
| Total municipal taxes receivable | <u>468,238</u> | <u>503,177</u> |
| School: - Current | 175,567 | 176,699 |
| - Arrears | <u>68,384</u> | <u>76,909</u> |
| Total school taxes receivable | <u>243,951</u> | <u>253,608</u> |
| Other: - Current | - | - |
| - Arrears | <u>-</u> | <u>-</u> |
| Total other collections receivable | <u>-</u> | <u>-</u> |
| Total taxes and grants in lieu receivable | 712,189 | 756,785 |
| Deduct taxes receivable to be collected on behalf of other organizations | <u>(243,951)</u> | <u>(253,608)</u> |
| Municipal and grants in lieu taxes receivable | <u>\$ 468,238</u> | <u>503,177</u> |

4. OTHER ACCOUNTS RECEIVABLE

| | <u>2012</u> | <u>2011</u> |
|------------------------------------|---------------------|------------------|
| Federal government | \$ 84,331 | 303,121 |
| Provincial government | 101,816 | 128,744 |
| Local government | - | - |
| Utility | 232,690 | 196,297 |
| Trade | 2,098,528 | 1,755,655 |
| Other | <u>372,451</u> | <u>465,239</u> |
| Total other accounts receivable | 2,889,816 | 2,849,056 |
| Less: allowance for uncollectibles | <u>1,000</u> | <u>721</u> |
| Net other accounts receivable | <u>\$ 2,888,816</u> | <u>2,848,335</u> |

5. LAND FOR RESALE

| | <u>2012</u> | <u>2011</u> |
|---|------------------|---------------|
| Tax title property | \$ - | - |
| Less: - allowance for market value adjustment | <u>-</u> | <u>-</u> |
| Net tax title Property | <u>-</u> | <u>-</u> |
| Other land | 42,670 | 42,670 |
| Less: - allowance for market value adjustment | <u>-</u> | <u>-</u> |
| Total land for resale | <u>\$ 42,670</u> | <u>42,670</u> |

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

6. DEFERRED REVENUE

| | <u>2012</u> | <u>2011</u> |
|------------------|-----------------|-------------|
| Deferred Revenue | \$ <u>1,050</u> | <u>-</u> |

7. LONG-TERM DEBT

The debt limit for the city is \$18,000,000. The debt limit for a city is established by the Saskatchewan Municipal Board (the Cities Act section 133).

| | <u>2012</u> | <u>2011</u> |
|--|---------------------|------------------|
| Debenture, repayable in annual payments of \$71,629 including interest at 4.60%; matures in 2015. | \$ 196,534 | 256,369 |
| Debenture, repayable in annual payments of \$73,021 including interest at 5.90%; matures in 2012. | - | 68,953 |
| Debenture, repayable in annual payments of \$34,459 including interest at 4.70%; matures in 2018. | 176,592 | 201,577 |
| Debenture, repayable in annual payments of \$14,528 including interest at 4.25%; matures in 2015. | 40,125 | 52,425 |
| Debenture, repayable in annual payments of \$37,948 including interest at 4.60%; matures in 2015. | 104,121 | 135,821 |
| Debenture, repayable in annual payments of \$100,343 including interest at 4.70%; matures in 2015. | 275,321 | 359,144 |
| Debenture, repayable in annual payments of \$8,172 including interest at 4.25%; matures in 2015. | 22,571 | 29,489 |
| Debenture, repayable in annual payments of \$27,872 including interest at 4.55%; matures in 2019. | 163,940 | 183,464 |
| Debenture, repayable in annual payments of \$27,872 including interest at 4.55%; matures in 2019. | 163,940 | 183,464 |
| Debenture, repayable in annual payments of \$320,239 including interest at 3.40%; matures in 2014. | 609,234 | 898,910 |
| Debenture, repayable in annual payments of \$49,935 including interest at 3.75%; matures in 2018 | 263,909 | 302,500 |
| Debenture, repayable in annual payments of \$39,618 including interest at 3.75%; matures in 2018 | <u>209,382</u> | <u>240,000</u> |
| | <u>\$ 2,225,669</u> | <u>2,912,116</u> |

Future principal and interest payments are as follows:

| Year | Principal | Interest | Current Total | Prior Year Total |
|------------|---------------------|----------------|------------------|------------------|
| 2013 | \$ 641,773 | 90,840 | 732,613 | 805,635 |
| 2014 | 667,026 | 65,588 | 732,614 | 732,613 |
| 2015 | 373,053 | 39,321 | 412,374 | 732,614 |
| 2016 | 156,867 | 22,888 | 179,755 | 412,374 |
| 2017 | 163,408 | 16,347 | 179,755 | 179,755 |
| Thereafter | <u>223,542</u> | <u>11,956</u> | <u>235,498</u> | <u>415,252</u> |
| Balance | <u>\$ 2,225,669</u> | <u>246,940</u> | <u>2,472,609</u> | <u>3,278,243</u> |

CITY OF MARTENSVILLE
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2012

8. PRIOR PERIOD ADJUSTMENT

The City has restated the comparative figures to record the disposal of capital land which was not previously recorded in the prior financial statement figures. These assets were acquired prior to 2005, when a land sale agreement was made to sell the land to a developer. The agreement stated that title to the land was not to transfer until all payments had been received. The assets remained the City's until 2011 when the final payment had been received however, the disposal had not been recorded. The City has restated the comparative figures to include the disposal of these capital assets. There has been no affect to the prior year's statement of operations.

Effect of Change on 2011 Statement of Financial Position

| | |
|---|-----------------------------|
| 2011 Accumulated Surplus/Deficit as previously reported | \$ 56,606,902 |
| Less: Unrecorded capital asset disposals | <u>(116,664)</u> |
| Restated 2011 Accumulated Surplus/Deficit (Schedule 8) | \$ <u>56,490,238</u> |

9. PENSION PLAN

Employees of the City participate in the Municipal Employees Pension Plan ("MEPP") and contributions are a percentage of salary. All members contributed 7.4% to the plan. The City matches all the employees' contributions to the plan. Pension expense for the year included in the Salaries, Wages and Benefits expenses is \$121,924 (2011 \$113,907).

CITY OF MARTENSVILLE

SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|--|------------------------------|------------------------------|------------------------------|
| TAXES | | | |
| General municipal tax levy | \$ 5,225,000 | 5,085,441 | 4,661,593 |
| Abatements and adjustments | (2,000) | (4,783) | (1,235) |
| Discount on current year taxes | <u>(165,000)</u> | <u>(163,851)</u> | <u>(145,367)</u> |
| Net municipal taxes | 5,058,000 | 4,916,807 | 4,514,991 |
| Potash tax share | 1,500 | - | 1,434 |
| Trailer license fees | 3,000 | 2,918 | 2,849 |
| Penalties on tax arrears | 54,000 | 54,817 | 52,459 |
| Special tax levy | 19,400 | 19,403 | 22,230 |
| Other | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Taxes | <u>5,135,900</u> | <u>4,993,945</u> | <u>4,593,963</u> |
| UNCONDITIONAL GRANTS | | | |
| Equalization (Revenue Sharing) | 1,545,200 | 1,545,168 | 984,447 |
| Organized Hamlet | - | - | - |
| Other | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Unconditional Grants | <u>1,545,200</u> | <u>1,545,168</u> | <u>984,447</u> |
| GRANTS IN LIEU OF TAXES | | | |
| Federal | - | - | - |
| Provincial | | | |
| S.P.C. Electrical | - | - | - |
| SaskEnergy Gas | 82,000 | 78,244 | 80,538 |
| Transgas | - | - | - |
| SPMC - Municipal Share | - | - | - |
| Sasktel | 2,200 | 2,156 | 2,023 |
| Other | <u>-</u> | <u>-</u> | <u>-</u> |
| Local/Other | | | |
| Housing Authority | 1,400 | 1,470 | 1,365 |
| C.P.R. Mainline | - | - | - |
| Treaty Land Entitlement | - | - | - |
| Other | 8,200 | 8,218 | 8,218 |
| Other Government Transfers | | | |
| S.P.C. Surcharge | 435,000 | 443,218 | 428,117 |
| Other | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Grants in Lieu of Taxes | <u>528,800</u> | <u>533,306</u> | <u>520,261</u> |
| TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE | \$ <u>7,209,900</u> | <u>7,072,419</u> | <u>6,098,671</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|---|------------------------------|------------------------------|------------------------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Custom work | \$ - | - | - |
| Sales of supplies | 1,500 | 1,112 | 2,713 |
| Other Licences, permits and other | <u>2,500</u> | <u>5,130</u> | <u>2,046</u> |
| Total Fees and Charges | 4,000 | 6,242 | 4,759 |
| Tangible capital asset sales - gain (loss) | 2,000 | (5,821) | 1,470 |
| Land sales - gain (loss) | - | - | - |
| Investment income and commissions | 70,000 | 95,381 | 69,626 |
| Other (Specify) | - | - | - |
| Total other segmented revenue | <u>76,000</u> | <u>95,802</u> | <u>75,855</u> |
| Conditional Grants | | | |
| Student employment | - | - | - |
| Other | - | - | 2,947 |
| Total Conditional Grants | <u>-</u> | <u>-</u> | <u>2,947</u> |
| Total Operating | <u>76,000</u> | <u>95,802</u> | <u>78,802</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | - | - | - |
| Canadian/Saskatchewan Municipal Rural Infrastructure Fund | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Other Capital asset grant | - | - | 236,531 |
| Total Capital | <u>-</u> | <u>-</u> | <u>236,531</u> |
| Total General Government Services | <u>76,000</u> | <u>95,802</u> | <u>315,333</u> |
| PROTECTIVE SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Other Policing and fire fees | <u>75,700</u> | <u>76,213</u> | <u>80,852</u> |
| Total Fees and Charges | 75,700 | 76,213 | 80,852 |
| Tangible capital asset sales - gain (loss) | - | - | - |
| Other (Specify) | - | - | - |
| Total other segmented revenue | <u>75,700</u> | <u>76,213</u> | <u>80,852</u> |
| Conditional Grants | | | |
| Student employment | - | - | - |
| Local government | - | - | - |
| Other Donations and fundraising | <u>15,800</u> | <u>15,895</u> | <u>148</u> |
| Total Conditional Grants | <u>15,800</u> | <u>15,895</u> | <u>148</u> |
| Total Operating | <u>91,500</u> | <u>92,108</u> | <u>81,000</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Local government | - | - | - |
| Other Capital revenue | - | - | 60,000 |
| Total Capital | <u>-</u> | <u>-</u> | <u>60,000</u> |
| Total Protective Services | <u>91,500</u> | <u>92,108</u> | <u>141,000</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|--|------------------------------|------------------------------|------------------------------|
| TRANSPORTATION SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Custom work | \$ - | - | - |
| Sales of supplies | - | - | - |
| Road Maintenance and Restoration Agreements | - | - | - |
| Frontage | 13,200 | 13,241 | 15,800 |
| Other operating revenue | - | 5,432 | 228 |
| Total Fees and Charges | <u>13,200</u> | <u>18,673</u> | <u>16,028</u> |
| Tangible capital asset sales - gain (loss) | - | - | - |
| Other Local improvement charges | 35,000 | - | - |
| Total other segmented revenue | <u>48,200</u> | <u>18,673</u> | <u>16,028</u> |
| Conditional Grants | | | |
| Primary Weight Corridor | - | - | - |
| Student employment | - | - | - |
| Other (Specify) | - | - | - |
| Total Conditional Grants | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Operating | <u>48,200</u> | <u>18,673</u> | <u>16,028</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | 299,100 | 367,900 | 149,537 |
| Canadian/Saskatchewan Municipal Rural Infrastructure Fund | - | - | - |
| Heavy Haul | - | - | - |
| Designated Municipal Roads and Bridges | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Other Contributed Assets | 400,000 | 975,518 | 3,026,343 |
| Total Capital | <u>699,100</u> | <u>1,343,418</u> | <u>3,175,880</u> |
| Total Transportation Services | <u>747,300</u> | <u>1,362,091</u> | <u>3,191,908</u> |
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Waste and Disposal Fees | - | - | - |
| Other (Specify) | - | - | - |
| Total Fees and Charges | <u>-</u> | <u>-</u> | <u>-</u> |
| Tangible capital asset sales - gain (loss) | - | - | - |
| Other Licences, permits and other | 21,100 | 18,093 | 9,714 |
| Total other segmented revenue | <u>21,100</u> | <u>18,093</u> | <u>9,714</u> |
| Conditional Grants | | | |
| Student employment | - | - | - |
| Local government | 5,000 | 10,320 | 5,256 |
| Other (Specify) | 1,500 | 86 | 990 |
| Total Conditional Grants | <u>6,500</u> | <u>10,406</u> | <u>6,246</u> |
| Total Operating | <u>27,600</u> | <u>28,499</u> | <u>15,960</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | - | - | - |
| Canadian/Saskatchewan Municipal Rural Infrastructure Fund | - | - | - |
| Transit for Disabled | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Other (Specify) | - | - | - |
| Total Capital | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Environmental and Public Health Services Services | <u>27,600</u> | <u>28,499</u> | <u>15,960</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|--|------------------------------|------------------------------|------------------------------|
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Maintenance and Development Charges | \$ - | - | - |
| Other Building permits and development | 1,080,200 | 1,018,689 | 306,609 |
| Total Fees and Charges | 1,080,200 | 1,018,689 | 306,609 |
| Tangible capital asset sales - gain (loss) | - | - | - |
| Other Licences, permits and other | 220,300 | 248,528 | 226,594 |
| Total other segmented revenue | 1,300,500 | 1,267,217 | 533,203 |
| Conditional Grants | | | |
| Student employment | - | - | - |
| Other Property clean up fees | 5,000 | 1,552 | 37,922 |
| Total Conditional Grants | 5,000 | 1,552 | 37,922 |
| Total Operating | <u>1,305,500</u> | <u>1,268,769</u> | <u>571,125</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Other (Specify) | - | - | - |
| Total Capital | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Planning and Development Services | <u>1,305,500</u> | <u>1,268,769</u> | <u>571,125</u> |
| RECREATION AND CULTURAL SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Other Registration, fees and rentals | 499,500 | 524,616 | 481,209 |
| Total Fees and Charges | 499,500 | 524,616 | 481,209 |
| Tangible capital asset sales - gain (loss) | - | - | - |
| Other (Specify) | - | - | - |
| Total other segmented revenue | 499,500 | 524,616 | 481,209 |
| Conditional Grants | | | |
| Student employment | 8,500 | 5,000 | 9,693 |
| Local government | 41,800 | 41,793 | 41,991 |
| Donations | 22,500 | 21,738 | 23,050 |
| Other Literacy plan and other | 4,000 | 8,104 | 9,181 |
| Total Conditional Grants | 76,800 | 76,635 | 83,915 |
| Total Operating | <u>576,300</u> | <u>601,251</u> | <u>565,124</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | - | - | - |
| Local government | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Other Other capital grants | 333,300 | 207,618 | 115,640 |
| Total Capital | <u>333,300</u> | <u>207,618</u> | <u>115,640</u> |
| Total Recreation and Cultural Services | <u>909,600</u> | <u>808,869</u> | <u>680,764</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|--|------------------------------|------------------------------|------------------------------|
| UTILITY SERVICES | | | |
| Operating | | | |
| Other Segmented Revenue | | | |
| Fees and Charges | | | |
| Water | \$ - | - | - |
| Sewer | - | - | - |
| Other Water and Sewer fees and Charges | <u>2,595,800</u> | <u>2,538,228</u> | <u>2,293,379</u> |
| Total Fees and Charges | <u>2,595,800</u> | <u>2,538,228</u> | <u>2,293,379</u> |
| Tangible capital asset sales - gain (loss) | - | - | - |
| Other Lagoon disposal fees | <u>15,000</u> | <u>18,439</u> | <u>14,558</u> |
| Total other segmented revenue | <u>2,610,800</u> | <u>2,556,667</u> | <u>2,307,937</u> |
| Conditional Grants | | | |
| Student employment | - | - | - |
| Other | - | <u>11,451</u> | <u>441</u> |
| Total Conditional Grants | <u>-</u> | <u>11,451</u> | <u>441</u> |
| Total Operating | <u>2,610,800</u> | <u>2,568,118</u> | <u>2,308,378</u> |
| Capital | | | |
| Conditional Grants | | | |
| Gas Tax | - | - | - |
| Sask Water Corporation | - | - | - |
| Provincial Disaster Assistance | - | - | - |
| Other Contributed Assets | - | <u>151,675</u> | <u>73,252</u> |
| Total Capital | <u>-</u> | <u>151,675</u> | <u>73,252</u> |
| Total Utility Services | <u>2,610,800</u> | <u>2,719,793</u> | <u>2,381,630</u> |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | <u>\$ 5,768,300</u> | <u>6,375,931</u> | <u>7,297,720</u> |
| SUMMARY | | | |
| Total Other Segmented Revenue | \$ 4,631,800 | 4,557,281 | 3,504,798 |
| Total Conditional Grants | 104,100 | 115,939 | 131,619 |
| Total Capital Grants and Contributions | <u>1,032,400</u> | <u>1,702,711</u> | <u>3,661,303</u> |
| TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION | <u>\$ 5,768,300</u> | <u>6,375,931</u> | <u>7,297,720</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|--------------------------------------|------------------------------|------------------------------|------------------------------|
| GENERAL GOVERNMENT SERVICES | | | |
| Council remuneration and travel | \$ 93,400 | 88,982 | 83,900 |
| Wages and benefits | 451,800 | 466,765 | 404,670 |
| Professional/Contractual services | 144,600 | 152,629 | 119,239 |
| Utilities | 11,000 | 10,174 | 9,783 |
| Maintenance, materials, and supplies | 86,500 | 83,246 | 59,725 |
| Grants and contributions | - | - | - |
| -operating | - | - | - |
| -capital | - | - | - |
| Amortization | - | 25,259 | 17,462 |
| Interest | - | - | 51 |
| Allowance for uncollectibles | - | - | - |
| Other Election costs | 1,700 | 5,302 | - |
| Total Government Services | <u>789,000</u> | <u>832,357</u> | <u>694,830</u> |
| PROTECTIVE SERVICES | | | |
| Police protection | | | |
| Wages and benefits | 83,500 | 93,349 | 78,432 |
| Professional/Contractual services | 511,500 | 443,731 | 446,761 |
| Utilities | 5,200 | 4,834 | 4,669 |
| Maintenance, materials, and supplies | 11,200 | 8,312 | 8,545 |
| Grants and contributions | - | - | - |
| -operating | - | - | - |
| -capital | - | - | - |
| Amortization | - | 12,977 | 7,407 |
| Interest | - | - | - |
| Other (specify) | - | - | - |
| Fire protection | | | |
| Wages and benefits | 112,900 | 114,125 | 90,467 |
| Professional/Contractual services | 41,300 | 45,267 | 20,358 |
| Utilities | 14,700 | 13,123 | 14,150 |
| Maintenance, materials, and supplies | 91,300 | 82,098 | 83,704 |
| Grants and contributions | - | - | - |
| -operating | - | - | - |
| -capital | - | - | - |
| Amortization | - | 40,330 | 42,323 |
| Interest | 8,400 | 8,348 | 9,197 |
| Other (specify) | - | - | - |
| Total Protective Services | <u>880,000</u> | <u>866,494</u> | <u>806,013</u> |
| TRANSPORTATION SERVICES | | | |
| Wages and benefits | 586,900 | 471,084 | 457,889 |
| Professional/Contractual services | 79,700 | 97,940 | 55,835 |
| Utilities | 129,000 | 124,647 | 122,529 |
| Maintenance, materials, and supplies | 445,000 | 188,960 | 269,398 |
| Gravel | 15,000 | 23,963 | 6,599 |
| Grants and contributions | - | - | - |
| -operating | - | - | - |
| -capital | - | - | - |
| Amortization | - | 1,011,920 | 788,857 |
| Interest | 13,600 | 7,449 | 34,012 |
| Other (specify) | - | - | - |
| Total Transportation Services | <u>1,269,200</u> | <u>1,925,963</u> | <u>1,735,119</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

TOTAL EXPENSES BY FUNCTION

Year ended December 31, 2012
with comparative figures for 2011

| | <u>2012</u> <u>Budget</u> | <u>2012</u> <u>Actual</u> | <u>2011</u> <u>Actual</u> |
|---|------------------------------|------------------------------|------------------------------|
| ENVIRONMENTAL AND PUBLIC HEALTH SERVICES | | | |
| Wages and benefits | - | - | - |
| Professional/Contractual services | 502,000 | 502,257 | 387,973 |
| Utilities | 500 | 465 | 483 |
| Maintenance, materials, and supplies | 2,000 | 3,537 | - |
| Grants and contributions | | | |
| -operating | | | |
| Waste disposal | - | - | - |
| Public Health | - | - | - |
| -capital | | | |
| Waste disposal | - | - | - |
| Public Health | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Other (specify) | - | - | - |
| Total Environmental and Public Health Services | <u>504,500</u> | <u>506,259</u> | <u>388,456</u> |
| PLANNING AND DEVELOPMENT SERVICES | | | |
| Wages and benefits | 258,200 | 242,448 | 242,047 |
| Professional/Contractual services | 262,800 | 263,131 | 224,596 |
| Utilities | 5,700 | 5,322 | 5,750 |
| Maintenance, materials, and supplies | 8,300 | 5,461 | 5,291 |
| Grants and contributions | | | |
| -operating | - | - | - |
| -capital | - | - | - |
| Amortization | - | - | - |
| Interest | - | - | - |
| Other (specify) | 100 | 187 | 50 |
| Total Planning and Development Services | <u>535,100</u> | <u>516,549</u> | <u>477,734</u> |
| RECREATION AND CULTURAL SERVICES | | | |
| Wages and benefits | 690,100 | 698,852 | 647,816 |
| Professional/Contractual services | 143,900 | 135,249 | 144,933 |
| Utilities | 192,100 | 176,911 | 181,962 |
| Maintenance, materials, and supplies | 336,400 | 313,078 | 347,271 |
| Grants and contributions | | | |
| -operating | 20,400 | 20,811 | 18,905 |
| -capital | - | - | - |
| Amortization | - | 501,095 | 426,059 |
| Interest | 43,200 | 42,915 | 54,647 |
| Allowance for uncollectibles | - | - | - |
| Other Swim capital land improvement | - | - | - |
| Total Recreation and Cultural Services | <u>1,426,100</u> | <u>1,888,911</u> | <u>1,821,593</u> |
| UTILITY SERVICES | | | |
| Wages and benefits | 358,700 | 359,438 | 299,249 |
| Professional/Contractual services | 72,000 | 61,105 | 30,561 |
| Utilities | 97,500 | 85,582 | 84,807 |
| Maintenance, materials, and supplies | 1,720,200 | 1,475,345 | 1,555,263 |
| Grants and contributions | | | |
| -operating | - | - | - |
| -capital | - | - | - |
| Amortization | - | 573,625 | 420,759 |
| Interest | 55,000 | 54,912 | 57,087 |
| Allowance for uncollectibles | - | 3,509 | - |
| Other Plumbing rebate | 15,200 | 7,132 | 64,548 |
| Total Utility Services | <u>2,318,600</u> | <u>2,620,648</u> | <u>2,512,274</u> |
| TOTAL EXPENDITURES BY FUNCTION | <u>\$ 7,722,500</u> | <u>9,157,181</u> | <u>8,436,019</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE
SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
Year ended December 31, 2012

| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|---|-----------------------|------------------------|----------------------------|-------------------------------------|-----------------------------|---------------------------|------------------|---------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and charges | \$ 6,242 | 76,213 | 18,673 | - | 1,018,689 | 524,616 | 2,538,228 | 4,182,661 |
| Tangible capital asset sales - Gain (loss) | (5,821) | - | - | - | - | - | - | (5,821) |
| Land sales - Gain (loss) | - | - | - | - | - | - | - | - |
| Investment income and commissions | 95,381 | - | - | - | - | - | - | 95,381 |
| Other revenues | - | - | - | 18,093 | 248,528 | - | 18,439 | 285,060 |
| Grants - Conditional | - | 15,895 | - | 10,406 | 1,552 | 76,635 | 11,451 | 115,939 |
| Grants - Capital | - | - | 1,343,418 | - | - | 207,618 | 151,675 | 1,702,711 |
| Total revenues | <u>95,802</u> | <u>92,108</u> | <u>1,362,091</u> | <u>28,499</u> | <u>1,268,769</u> | <u>808,869</u> | <u>2,719,793</u> | <u>6,375,931</u> |
| Expenses (Schedule 3) | | | | | | | | |
| Wages & Benefits | 555,747 | 207,474 | 471,084 | - | 242,448 | 698,852 | 359,438 | 2,535,043 |
| Professional/Contractual Services | 152,629 | 488,998 | 97,940 | 502,257 | 263,131 | 135,249 | 61,105 | 1,701,309 |
| Utilities | 10,174 | 17,957 | 124,647 | 465 | 5,322 | 176,911 | 85,582 | 421,058 |
| Maintenance, materials and supplies | 83,246 | 90,410 | 212,923 | 3,537 | 5,461 | 313,078 | 1,475,345 | 2,184,000 |
| Grants and contributions | - | - | - | - | - | 20,811 | - | 20,811 |
| Amortization | 25,259 | 53,307 | 1,011,920 | - | - | 501,095 | 573,625 | 2,165,206 |
| Interest | - | 8,348 | 7,449 | - | - | 42,915 | 54,912 | 113,624 |
| Allowance for uncollectibles. | - | - | - | - | - | - | 3,509 | 3,509 |
| Other | 5,302 | - | - | - | 187 | - | 7,132 | 12,621 |
| Total expenses | <u>832,357</u> | <u>866,494</u> | <u>1,925,963</u> | <u>506,259</u> | <u>516,549</u> | <u>1,888,911</u> | <u>2,620,648</u> | <u>9,157,181</u> |
| Surplus (deficit) by function | (736,555) | (774,386) | (563,872) | (477,760) | 752,220 | (1,080,042) | 99,145 | (2,781,250) |
| Taxation and other unconditional revenue (Schedule 1) | | | | | | | | <u>7,072,419</u> |
| Net Surplus (Deficit) | | | | | | | | <u>\$ 4,291,169</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Schedule 5

SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION

Year ended December 31, 2011

| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning and Development | Recreation and Culture | Utility Services | Total |
|---|-----------------------|------------------------|----------------------------|-------------------------------------|-----------------------------|---------------------------|------------------|---------------------|
| Revenues (Schedule 2) | | | | | | | | |
| Fees and charges | \$ 4,759 | 80,852 | 16,028 | - | 306,609 | 481,209 | 2,293,379 | 3,182,836 |
| Tangible capital asset sales - Gain (loss) | 1,470 | - | - | - | - | - | - | 1,470 |
| Land sales - Gain (loss) | - | - | - | - | - | - | - | - |
| Investment income and commissions | 69,626 | - | - | - | - | - | - | 69,626 |
| Other revenues | - | - | - | 9,714 | 226,594 | - | 14,558 | 250,866 |
| Grants - Conditional | 2,947 | 148 | - | 6,246 | 37,922 | 83,915 | 441 | 131,619 |
| Grants - Capital | <u>236,531</u> | <u>60,000</u> | <u>3,175,880</u> | <u>-</u> | <u>-</u> | <u>115,640</u> | <u>73,252</u> | <u>3,661,303</u> |
| Total revenues | <u>315,333</u> | <u>141,000</u> | <u>3,191,908</u> | <u>15,960</u> | <u>571,125</u> | <u>680,764</u> | <u>2,381,630</u> | <u>7,297,720</u> |
| Expenses (Schedule 3) | | | | | | | | |
| Wages & Benefits | 488,570 | 168,899 | 457,889 | - | 242,047 | 647,816 | 299,249 | 2,304,470 |
| Professional/Contractual Services | 119,239 | 467,119 | 55,835 | 387,973 | 224,596 | 144,933 | 30,561 | 1,430,256 |
| Utilities | 9,783 | 18,819 | 122,529 | 483 | 5,750 | 181,962 | 84,807 | 424,133 |
| Maintenance, materials and supplies | 59,725 | 92,249 | 275,997 | - | 5,291 | 347,271 | 1,555,263 | 2,335,796 |
| Grants and contributions | - | - | - | - | - | 18,905 | - | 18,905 |
| Amortization | 17,462 | 49,730 | 788,857 | - | - | 426,059 | 420,759 | 1,702,867 |
| Interest | 51 | 9,197 | 34,012 | - | - | 54,647 | 57,087 | 154,994 |
| Allowance for uncollectibles. | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | 50 | - | 64,548 | 64,598 |
| Total expenses | <u>694,830</u> | <u>806,013</u> | <u>1,735,119</u> | <u>388,456</u> | <u>477,734</u> | <u>1,821,593</u> | <u>2,512,274</u> | <u>8,436,019</u> |
| Surplus (deficit) by function | (379,497) | (665,013) | 1,456,789 | (372,496) | 93,391 | (1,140,829) | (130,644) | (1,138,299) |
| Taxation and other unconditional revenue (Schedule 1) | | | | | | | | <u>6,098,671</u> |
| Net Surplus (Deficit) | | | | | | | | <u>\$ 4,960,372</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

Year ended December 31, 2012
with comparative figures for 2011

| | 2012 | | | | | | | 2011 | |
|---|-------------------|-------------------|-------------------|----------------|-----------------------|-----------------------|--|-------------------|-------------------|
| | General Assets | | | | | Infrastructure Assets | General / Infrastructure Assets Under Construction | Total | Total |
| | Land | Land Improvements | Buildings | Vehicles | Machinery & Equipment | Linear Assets | | | |
| Asset cost | | | | | | | | | |
| Opening asset costs | \$ 876,309 | 5,314,027 | 11,261,810 | 836,410 | 3,725,479 | 47,779,631 | - | 69,793,666 | 63,759,142 |
| Additions during the year | - | 950,658 | 174,072 | 93,106 | 268,641 | 1,210,293 | - | 2,696,770 | 6,151,190 |
| Disposals and write-downs during the year | - | - | - | (15,056) | - | (16,050) | - | (31,106) | (116,666) |
| Transfers (from) assets under construction | - | - | - | - | - | - | - | - | - |
| Closing asset costs | <u>876,309</u> | <u>6,264,685</u> | <u>11,435,882</u> | <u>914,460</u> | <u>3,994,120</u> | <u>48,973,874</u> | <u>-</u> | <u>72,459,330</u> | <u>69,793,666</u> |
| Accumulated amortization cost | | | | | | | | | |
| Opening accumulated amortization costs | - | 918,448 | 3,962,922 | 299,362 | 2,016,650 | 12,086,467 | - | 19,283,849 | 17,580,981 |
| Add: Amortization taken | - | 279,597 | 268,911 | 51,381 | 161,896 | 1,403,422 | - | 2,165,207 | 1,702,868 |
| Less: Accumulated amortization on disposals | - | - | - | (13,556) | - | (9,229) | - | (22,785) | - |
| Closing accumulated amortization costs | <u>-</u> | <u>-</u> | <u>4,231,833</u> | <u>337,187</u> | <u>2,178,546</u> | <u>13,480,660</u> | <u>-</u> | <u>21,426,271</u> | <u>19,283,849</u> |
| Net book value | <u>\$ 876,309</u> | <u>6,264,685</u> | <u>7,204,049</u> | <u>577,273</u> | <u>1,815,574</u> | <u>35,493,214</u> | <u>-</u> | <u>51,033,059</u> | <u>50,509,817</u> |

1. Total contributed/donated assets received in 2012: \$ -
2. List of assets recognized at nominal value in 2012 are:
- Infrastructure Assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2012: \$ -

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

Schedule 7

SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

Year ended December 31, 2012
 with comparative figures for 2011

| | 2012 | | | | | | | 2011 | |
|---|--------------------|---------------------|-------------------------|-------------------------------|------------------------|----------------------|-------------------|-------------------|-------------------|
| | General Government | Protective Services | Transportation Services | Environmental & Public Health | Planning & Development | Recreation & Culture | Water & Sewer | Total | |
| Asset cost | | | | | | | | | |
| Opening asset costs | \$ 867,445 | 1,632,141 | 28,494,435 | - | - | 14,464,197 | 24,335,448 | 69,793,666 | 63,759,142 |
| Additions during the year | 139,361 | 59,262 | 1,374,307 | - | - | 821,980 | 301,860 | 2,696,770 | 6,151,190 |
| Disposals and write-downs during the year | - | - | (16,050) | - | - | (15,056) | - | (31,106) | (116,666) |
| Closing asset costs | <u>1,006,806</u> | <u>1,691,403</u> | <u>29,852,692</u> | <u>-</u> | <u>-</u> | <u>24,637,308</u> | <u>24,637,308</u> | <u>72,459,330</u> | <u>69,793,666</u> |
| Accumulated amortization cost | | | | | | | | | |
| Opening accumulated amortization costs | 235,559 | 808,387 | 8,569,299 | - | - | 4,447,281 | 5,223,323 | 19,283,849 | 17,580,981 |
| Add: Amortization taken | 25,259 | 53,307 | 1,011,920 | - | - | 501,095 | 573,626 | 2,165,207 | 1,702,868 |
| Less: Accumulated amortization on disposals | - | - | (9,229) | - | - | (13,556) | - | (22,785) | - |
| Closing accumulated amortization costs | <u>260,818</u> | <u>861,694</u> | <u>9,571,990</u> | <u>-</u> | <u>-</u> | <u>5,796,949</u> | <u>5,796,949</u> | <u>21,426,271</u> | <u>19,283,849</u> |
| Net book value | <u>\$ 745,988</u> | <u>829,709</u> | <u>20,280,702</u> | <u>-</u> | <u>-</u> | <u>18,840,359</u> | <u>18,840,359</u> | <u>51,033,059</u> | <u>50,509,817</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE
SCHEDULE OF ACCUMULATED SURPLUS
Year ended December 31, 2012

| | <u>2011</u> | <u>Changes</u> | <u>2012</u> |
|--|----------------------|------------------|--------------------|
| UNAPPROPRIATED SURPLUS | \$ <u>5,316,254</u> | <u>(944,182)</u> | <u>4,372,072</u> |
| APPROPRIATED RESERVES | | | |
| Machinery and equipment | - | - | - |
| Public reserve | 3,576,283 | 4,025,661 | 7,601,944 |
| Capital trust | - | - | - |
| Utility | - | - | - |
| Total Appropriated | <u>3,576,283</u> | <u>4,025,661</u> | <u>7,601,944</u> |
| ORGANIZED HAMLETS | | | |
| Hamlet of (Name) | - | - | - |
| NET INVESTMENT IN TANGIBLE CAPITAL ASSETS | | | |
| Tangible capital assets (Schedule 6) | 50,509,817 | 523,242 | 51,033,059 |
| Less: Related debt | <u>(2,912,116)</u> | <u>686,448</u> | <u>(2,225,668)</u> |
| Net Investment in Tangible Capital Assets | <u>47,597,701</u> | <u>1,209,690</u> | <u>48,807,391</u> |
| Other | - | - | - |
| Total Accumulated Surplus | \$ <u>56,490,238</u> | <u>4,291,169</u> | <u>60,781,407</u> |

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE

SCHEDULE OF MILL RATES AND ASSESSMENTS

Year ended December 31, 2012
with comparative figures for 2011

| | PROPERTY CLASS | | | | | | Total |
|---|--------------------|--------------------|------------------------------------|---------------------------------|--|---------------------------|----------------|
| | <u>Agriculture</u> | <u>Residential</u> | <u>Residential Condominium</u> | <u>Seasonal Residential</u> | <u>Commercial & Industrial</u> | <u>Potash Mine(s)</u> | |
| Taxable Assessment | \$ 115,280 | 345,039,310 | 27,719,650 | - | 14,113,840 | - | \$ 386,988,080 |
| Regional Park Assessment | | | | | | | - |
| Total Assessment | | | | | | | \$ 386,988,080 |
| Mill Rate Factor(s) | 1.0000 | 1.4229 | 1.0000 | 1.0000 | 1.0000 | | |
| Total Base/Minimum Tax (generated for each property class) | - | - | - | - | 2,366,180 | | 2,366,180 |
| Total Municipal Tax Levy (include base and/or minimum tax and special levies) | \$ 797 | 2,387,672 | 191,820 | - | 2,505,152 | | 5,085,441 |

| <u>MILL RATES:</u> | <u>MILLS</u> |
|-----------------------------|--------------|
| Average Municipal* | 13.141 |
| Average School* | 10.080 |
| Potash Mill Rate | - |
| Uniform Municipal Mill Rate | 6.270 |

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority)

See accompanying notes to the financial statements.

CITY OF MARTENSVILLE
SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2012
with comparative figures for 2011

| Name | <u>Remuneration</u> | <u>Reimbursed Costs</u> | <u>Total</u> |
|------------------|----------------------------|------------------------------------|---------------------|
| Tyson Chillog | \$ 9,284 | - | 9,284 |
| Travis Wiebe | 9,284 | - | 9,284 |
| Kurt Dyck | 7,736 | - | 7,736 |
| Terry Kostyna | 9,284 | - | 9,284 |
| Kent Muench | 10,961 | 1,072 | 12,033 |
| Gord Rutten | 16,122 | 200 | 16,322 |
| Bob Blackwell | 1,547 | - | 1,547 |
| Terry Hetterly | 7,736 | 208 | 7,944 |
| Jamie Martens | 1,547 | - | 1,547 |
| Darren MacDonald | 1,547 | - | 1,547 |
| Total | <u>\$ 75,048</u> | <u>1,480</u> | <u>76,528</u> |

See accompanying notes to the financial statements.