

TOWN OF HARDISTY

FINANCIAL STATEMENTS

DECEMBER 31, 2007

**TOWN OF HARDISTY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

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AUDITOR'S REPORT

To the Members of Council:

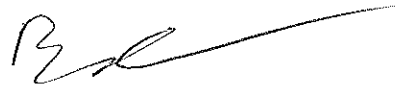
I have audited the consolidated statement of financial position of the Town of Hardisty as at December 31, 2007 and the consolidated statement of financial activities with change in fund balances and the consolidated statement of changes in financial position for the year then ended. These financial statements are the responsibility of the Town's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Hardisty as at December 31, 2007 and the results of its financial activities and the changes in its financial position for the year ended in accordance with Canadian generally accounting principles.

M.D. of Wainwright

April 14, 2008



Certified General Accountant

TOWN OF HARDISTY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2007

	2007	2006
ASSETS		
Financial Assets		
Cash		
Term deposits	199,109	86,036
Property taxes receivable (Note 2)	868,922	221,118
Trade accounts receivable	21,268	37,135
Inventory held for resale	526,878	159,213
Prepaid expenses	92,868	25,261
	11,400	14,440
Total financial assets	<u>1,720,445</u>	<u>543,203</u>
Capital Assets		
Land	37,325	37,325
Buildings	1,126,009	1,126,009
Distribution system - water	2,433,169	2,240,602
Distribution system - sewer	364,238	364,238
Other engineering structures	2,925,834	2,793,424
Equipment	345,013	315,268
Automotive equipment	421,820	400,320
Total capital assets	<u>7,653,408</u>	<u>7,277,186</u>
Total assets	<u>9,373,853</u>	<u>7,820,389</u>

TOWN OF HARDISTY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2007

	2007	2006
LIABILITIES		
Accounts payable and accrued liabilities	161,970	121,943
Deposits held in trust	7,173	4,720
Deferred revenue (Note 4)	90,096	7,113
Long term debt (Note 5)	1,053,483	585,641
Total liabilities	<u>1,312,722</u>	<u>719,417</u>
MUNICIPAL EQUITY		
Fund Balances		
Accumulated surplus	84,755	15,101
Reserves (Note 6)	1,376,451	394,326
Total fund Balances	<u>1,461,206</u>	<u>409,427</u>
Equity in capital assets	6,599,925	6,691,545
	<u>8,061,131</u>	<u>7,100,972</u>
Total Liabilities and Municipal Equity	<u>9,373,853</u>	<u>7,820,389</u>

Signed on behalf of the municipality:



MAYOR



CHIEF ADMINISTRATIVE OFFICER

TOWN OF HARDISTY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	2007	2006
Revenues			
Net municipal property taxes (Schedule 5)	504,962	506,609	477,105
User fees and sales of goods	768,198	1,263,162	570,985
Penalties and costs on taxes	22,352	15,069	22,706
Licenses and permits	7,044	7,974	6,414
Fines	3,354	2,829	3,004
Franchise and concession contracts	35,016	41,433	43,042
Return on investments	5,723	32,076	19,042
Rentals	20,068	18,071	25,611
Government transfers	695,523	347,684	560,990
Local improvement levy	3,954	3,954	3,954
Disposition of physical assets	-	8,000	26,200
Other	73,088	288,921	78,154
	<u>2,139,282</u>	<u>2,535,782</u>	<u>1,837,207</u>
Operating expenditures			
Council and general administrative	297,699	362,331	290,814
Protective services	120,562	140,910	127,848
Transportation	250,778	314,320	181,777
Environmental use and protection	272,804	286,183	222,009
Public health and welfare	25,913	29,950	39,191
Planning and development	233,701	177,298	19,498
Recreation and culture	238,562	239,631	151,908
	<u>1,440,019</u>	<u>1,550,623</u>	<u>1,033,045</u>
Capital expenditures			
Administration	-	24,695	-
Transportation	573,500	79,012	186,105
Environmental use and protection	525,000	192,566	276,868
Planning and development	-	104,950	-
Recreation and culture	10,000	-	-
	<u>1,108,500</u>	<u>401,223</u>	<u>462,973</u>
Total expenditures	<u>2,548,519</u>	<u>1,951,846</u>	<u>1,496,018</u>
Excess (deficit) of revenues over expenditures	(409,237)	583,936	341,189
Less: Transfers (to) from reserves	(46,500)	(982,125)	(209,746)
Debenture issued	525,000	533,885	-
Debt repayment	(65,929)	(66,042)	(74,052)
Increase (decrease) in accumulated surplus	<u>3,334</u>	<u>69,654</u>	<u>57,391</u>

TOWN OF HARDISTY

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION FOR THE YEAR ENDED DECEMBER 31, 2007

	2007	2006
Operations		
Excess (deficit) of revenues over expenditures	583,936	341,189
Decrease (increase) in property taxes receivable	15,867	34,615
Decrease (increase) in trade accounts receivable	(367,665)	(66,046)
Decrease (increase) in inventory	(67,607)	(25,261)
Increase (decrease) in accounts payable and accrued liabilities	40,027	24,048
Increase (decrease) in deposits held in trust	2,453	1,087
Increase (decrease) in deferred revenue	82,983	(234,811)
Increase (decrease) in prepaid expenses	3,040	760
Net cash (used for) from operations	<u>293,034</u>	<u>75,581</u>
Investing		
Decrease (increase) in term deposits	(647,804)	3,840
Net cash (used for) from investing	<u>(647,804)</u>	<u>3,840</u>
Financing		
Long-term debt repaid	(66,042)	(74,052)
Net cash (used for) from financing	<u>467,843</u>	<u>(74,052)</u>
Increase (decrease) in cash and cash equivalents	113,073	5,369
Cash and temporary investments at beginning of year	86,036	80,667
Cash and temporary investments at end of year	<u>199,109</u>	<u>86,036</u>
Cash is comprised of:		
Cash in bank	198,609	85,536
Cash on hand	500	500
	<u>199,109</u>	<u>86,036</u>

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Hardisty are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Town of Hardisty are as follows:

a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the town are, therefore accountable to the Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

b) Basis of Accounting

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the town has met any eligibility criteria, and reasonable estimates of the amounts can be made.

Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

c) Fund Accounting

Management funds consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate equity account. Proceeds from land sales are recorded as operating fund revenues.

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Pension Expenditure

The Town participates in a multi-employer defined benefit pension plan. This plan is accounted for as a defined contribution plan.

e) Investments

Investments are recorded at cost.

e) Inventories

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

f) Capital Assets

Capital assets are reported as expenditures in the period they are acquired. Capital assets are reported at cost except for donated assets, which are reported at estimated fair value.

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

Capital assets for government purposes are not amortized.

g) Reserves for Future Expenditures

Reserves are established at the discretion of Council to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund.

h) Equity in Capital Assets

Equity in capital assets represents the town's net investment in its total capital assets after deducting work in progress, the portion financed by third parties through debenture, bond and mortgage debts, long term capital borrowings, capitalized leases and other capital liabilities.

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Over-levies and Under-levies

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property taxes.

j) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount 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 expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

2. TAXES AND GRANTS IN LIEU RECEIVABLE

All of the current year taxes and grants in lieu receivable are considered to be collectible.

3. BANK INDEBTEDNESS

Bank indebtedness consists of an authorized overdraft of \$300,000 bearing interest at prime and is secured by a borrowing resolution authorizing the overdraft.

4. DEFERRED INCOME

Deferred income consists of the following:

	<u>2007</u>	<u>2006</u>
Municipal Sustainability Initiative	83,374	-
Prepaid property taxes	6,722	7,113
	<u>90,096</u>	<u>7,113</u>

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

5. LONG TERM DEBT

	<u>2007</u>	<u>2006</u>
Alberta Capital Finance Authority	507,704	561,627
Canadian Imperial Bank of Commerce	533,885	-
Long term creditor	11,894	24,014
	<u>1,053,483</u>	<u>585,641</u>

Principal and interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	177,709	62,732	240,441
2009	171,439	51,761	223,200
2010	177,624	40,302	217,926
2011	161,273	28,225	189,498
2012	161,010	18,144	179,154
Thereafter	204,428	54,567	258,995
	<u>1,053,483</u>	<u>255,731</u>	<u>1,309,214</u>

Alberta Capital Finance Authority debt bears interest at rates ranging from 4.795% to 11.5% per annum, and mature in periods 2010 through 2024.

Canadian Imperial Bank of Commerce debt bears interest at 4.94% and matures in 2012.

The weighted average annual interest rate is 6.406% (2006 - 8.095%). Debenture debt is issued on the credit and security of the Town of Hardisty at large.

Long term creditor is a credit arrangement with one of the subcontractors of the Parkview Subdivision, the credit is repayable in equal annual instalments without interest over a period of three years and is secured on the credit of the Town of Hardisty at large.

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

6. RESERVES

Reserves for operating and capital activities have changed as follows:

	<u>2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>2007</u>
Operating reserves				
Cemetery	50	-	-	50
Community hall	13,135	3,500	-	16,635
Park's and recreation	27,626	11,750	16,430	22,946
Land development	136,250	-	-	136,250
	<u>177,061</u>	<u>15,250</u>	<u>16,430</u>	<u>175,881</u>
Capital reserves				
Fire department	60,660	25,000	-	85,660
Centennial	4,000	-	-	4,000
Office and administration	1,500	1,500	-	3,000
Physician recruitment	53,160	12,687	42,000	23,847
Professional building	-	116,248	-	116,248
Public works	13,745	6,500	-	20,245
Streets and roads	34,200	350,000	-	384,200
Water	30,000	10,000	-	40,000
Water system upgrade loan proceeds	-	491,546	-	491,546
Water resource development	20,000	11,824	-	31,824
	<u>217,265</u>	<u>1,025,305</u>	<u>42,000</u>	<u>1,200,570</u>
	<u>394,326</u>	<u>1,040,555</u>	<u>58,430</u>	<u>1,376,451</u>

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

7. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials, the chief administrative officer as required by Alberta Regulation 379/94 is as follows:

	2007			2006
	Salary	Benefits & Allowances	Total	Total
Armer	875	-	875	-
Betts	1,715	-	1,715	-
Buelow	3,235	-	3,235	4,320
Calliau	150	-	150	4,865
Fossum	5,240	-	5,240	4,320
Lefebvre	1,855	-	1,855	-
Manning	3,525	-	3,525	3,660
Miller	6,580	-	6,580	5,400
Piller	4,170	-	4,170	2,465
Pioker	5,540	-	5,540	4,875
Strunk	-	-	-	900
Delegate's	286	-	286	-
CAO	82,788	11,416	94,204	76,721

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
2. Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition.

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

8. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town of Hardisty participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The LAPP serves about 133,000 people and 389 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The town is required to make current service contributions to the LAPP of 5.525% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 7.4% on pensionable earnings above this amount. Employees of the town are required to make current service contributions of 4.525% of pensionable salary up to the year's maximum pensionable salary and 6.4% on pensionable salary above this amount.

Total current service contributions by the town to the LAPP in 2007 were \$16,877 (2006 - \$11,858). Total current service contributions by the employees of the town to the LAPP in 2007 were \$14,844 (2006 - \$10,391).

At December 31, 2006, the LAPP disclosed an actuarial deficiency of \$1,288.9 million.

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

9. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Town of Hardisty be disclosed as follows:

	<u>2007</u>	<u>2006</u>
Total debt limit	3,477,596	2,075,075
Total debt	1,053,483	585,641
Surplus debt limit	<u>2,424,113</u>	<u>1,489,434</u>
Debt servicing limit	579,599	345,846
Debt servicing	240,441	111,305
Surplus debt servicing	<u>339,158</u>	<u>234,541</u>

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities, which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

TOWN OF HARDISTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

10. CONTINGENCIES

The town is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

11. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash and temporary investments, accounts receivable, investments, bank indebtedness, accounts payable and accrued liabilities, deposit liabilities and long-term debt. It is management's opinion that the town is not exposed to significant interest, currency or credit risk arising from these financial statements.

The town is subject to credit risk with respect to taxes receivable and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

12. TANGIBLE CAPITAL ASSETS

Effective January 1, 2009 the Town of Hardisty must comply with Section 3150 - Tangible Capital Assets of the Public Sector Accounting Handbook. At the present time little work has been done with regards to implementation of this section of the handbook. It is managements position that they will be in full compliance with the section before completion of the 2009 fiscal year budget.

13. COMPARITIVE FIGURES

Certain of the prior year figures have been reclassified in order to conform with the financial statement presentation adopted in the current year.

14. APPROVAL OF FINANCIAL STATEMENTS

Council and Management approved these financial statements.

TOWN OF HARDISTY

SCHEDULE OF OPERATING FUND FINANCIAL ACTIVITIES AND CHANGE IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 1)

	Budget	2007	2006
Revenues			
Net municipal property taxes (Schedule 5)	504,962	506,609	477,105
User fees and sales of goods	768,198	1,263,162	570,985
Penalties and costs on taxes	22,352	15,069	22,706
Licenses and permits	7,044	7,974	6,414
Fines	3,354	2,829	3,004
Franchise and concession contracts	35,016	41,433	43,042
Return on investments	5,723	32,076	19,042
Rentals	20,068	18,071	25,611
Government transfers	144,208	138,299	133,366
Local improvement levy	3,954	3,954	3,954
Other	73,088	288,921	78,154
	<u>1,587,967</u>	<u>2,318,397</u>	<u>1,383,383</u>
Expenditures			
Council and general administrative	297,699	362,331	290,814
Protective services	120,562	140,910	127,848
Transportation	250,778	314,320	181,777
Environmental use and protection	272,804	286,183	222,009
Public health and welfare	25,913	29,950	39,191
Planning and development	233,701	177,298	19,498
Recreation and culture	238,562	239,631	151,908
	<u>1,440,019</u>	<u>1,550,623</u>	<u>1,033,045</u>
Excess of revenue over expenditures	147,948	767,774	350,338
Net inter-fund transfers			
Transfers (to) from capital fund (Schedule 2)	(78,685)	(633,258)	(54,649)
Transfers (to) from reserve fund (Schedule 3)	-	1,180	(164,246)
Capital debt repaid (Schedule 4)	(65,929)	(66,042)	(74,052)
Change in operating fund balance	3,334	69,654	57,391
Fund balance at beginning of year	<u>15,101</u>	<u>15,101</u>	<u>(42,290)</u>
Fund balance at end of year	<u><u>18,435</u></u>	<u><u>84,755</u></u>	<u><u>15,101</u></u>

TOWN OF HARDISTY

SCHEDULE OF CAPITAL FUND FINANCIAL ACTIVITIES AND CHANGE IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 2)

	Budget	2007	2006
Revenues			
Government transfers	551,315	209,385	427,624
Physical assets disposed	-	8,000	26,200
	<u>551,315</u>	<u>217,385</u>	<u>453,824</u>
Expenditures			
Council and general administrative	-	24,695	-
Transportation	573,500	79,012	186,105
Environmental use and protection	525,000	192,566	276,868
Planning and development	-	104,950	-
Recreation and culture	10,000	-	-
	<u>1,108,500</u>	<u>401,223</u>	<u>462,973</u>
Excess (deficiency) of revenue over expenditures	(557,185)	(183,838)	(9,149)
Net inter-fund transfers			
Transfers (to) from operating fund (Schedule 1)	78,685	633,258	54,649
Transfers (to) from reserve fund (Schedule 3)	(46,500)	(983,305)	(45,500)
Capital debt issued (Schedule 4)	525,000	533,885	-
Change in capital fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

TOWN OF HARDISTY

SCHEDULE OF RESERVE FUND FINANCIAL ACTIVITIES AND CHANGE IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 3)

	Budget	2007	2006
Net inter-fund transfers			
Transfers (to) from operating fund (Schedule 1)	-	(1,180)	164,246
Transfers (to) from capital fund (Schedule 2)	46,500	983,305	45,500
	<u>46,500</u>	<u>983,305</u>	<u>45,500</u>
Change in reserve fund balance	46,500	982,125	209,746
Fund balance at beginning of year	394,326	394,326	184,580
	<u>394,326</u>	<u>394,326</u>	<u>184,580</u>
Fund balance at end of year	440,826	1,376,451	394,326
	<u>440,826</u>	<u>1,376,451</u>	<u>394,326</u>

TOWN OF HARDISTY

SCHEDULE OF EQUITY IN CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 4)

	Budget	2007	2006
Acquisition of capital assets			
Council and general administrative	-	24,695	-
Transportation	573,500	79,012	186,105
Environmental use and protection	525,000	192,566	276,868
Planning and development	-	104,950	-
Recreation and culture	10,000	-	-
	<u>1,108,500</u>	<u>401,223</u>	<u>462,973</u>
Disposal of capital assets (cost)			
Protective services	-	-	31,000
Transportation	-	25,000	9,500
	<u>-</u>	<u>25,000</u>	<u>40,500</u>
Capital financing			
Capital debt issued (Schedule 2)	(525,000)	(533,885)	-
Capital debt repaid from operating fund (Schedule 1)	65,929	66,042	74,052
	<u>(459,071)</u>	<u>(467,843)</u>	<u>74,052</u>
Change in equity balance	649,429	(91,620)	496,525
Equity Balance at beginning of year	<u>6,691,545</u>	<u>6,691,545</u>	<u>6,195,020</u>
Equity balance at end of year	<u><u>7,340,974</u></u>	<u><u>6,599,925</u></u>	<u><u>6,691,545</u></u>

TOWN OF HARDISTY

SCHEDULE OF PROPERTY TAXES LEVIED AND GENERAL REVENUE FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 5)

	Budget	2007	2006
OPERATIONS			
Taxation			
Property tax levy	<u>682,073</u>	<u>683,719</u>	<u>658,168</u>
Requisitions			
Alberta School Foundation	169,064	169,063	172,925
Flagstaff lodge requisition	<u>8,047</u>	<u>8,047</u>	<u>8,138</u>
	<u>177,111</u>	<u>177,110</u>	<u>181,063</u>
Net municipal property taxes	<u>504,962</u>	<u>506,609</u>	<u>477,105</u>
General revenue			
Rentals	2,000	3,000	10,400
Government transfers	31,000	-	31,814
Investment income	5,723	32,076	19,042
Penalties on taxes and utilities	22,352	15,069	22,706
Fines	3,254	-	-
Franchise and concession contracts	<u>35,016</u>	<u>41,433</u>	<u>43,042</u>
	<u>99,345</u>	<u>91,578</u>	<u>127,004</u>
Net municipal property taxes and general revenue	<u>604,307</u>	<u>598,187</u>	<u>604,109</u>

TOWN OF HARDISTY

SCHEDULE OF GOVERNMENT TRANSFERS FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 6)

	Budget	2007	2006
Federal transfers			
Shared-cost agreements and grants	<u>-</u>	<u>17,560</u>	<u>-</u>
Provincial transfers			
Entitlements	31,000	-	39,814
Shared-cost agreements and grants	<u>576,743</u>	<u>248,233</u>	<u>451,550</u>
	<u>607,743</u>	<u>248,233</u>	<u>491,364</u>
Local government transfers			
Shared-cost agreements and grants	<u>87,780</u>	<u>81,891</u>	<u>69,626</u>
Total government transfers	<u>695,523</u>	<u>347,684</u>	<u>560,990</u>

TOWN OF HARDISTY

SCHEDULE OF EXPENDITURE BY OBJECT FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 7)

	Budget	2007	2006
Expenditures			
Salaries, wages and benefits	399,377	381,149	311,864
Contracted and general services	376,082	620,921	309,939
Materials, goods and utilities	454,895	340,498	192,025
Provision for allowances	992	965	5,385
Purchases from other governments	32,163	43,910	32,163
Transfers to other governments	-	-	23,003
Transfers to local boards and agencies	102,369	52,624	93,685
Transfers to individuals and organizations	21,020	27,808	2,750
Bank charges and short term interest	3,262	3,750	3,335
Interest on long term debt	45,372	62,793	48,790
Other expenditures	4,487	16,205	10,106
	<u>1,440,019</u>	<u>1,550,623</u>	<u>1,033,045</u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES COUNCIL AND GENERAL ADMINISTRATION FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 8)

	Budget	2007	2006
OPERATING FUND			
Revenues			
User fees and sales of goods	5,000	6,698	6,337
Licenses and permits	6,644	7,689	6,019
Government transfers	-	4,714	-
Other income	60,057	226,726	26,948
	<u>71,701</u>	<u>245,827</u>	<u>39,304</u>
Expenditures - Council			
Salaries, wages and benefits	39,050	33,171	30,805
Contracted and general services	12,059	8,557	9,982
Other expenditures	1,023	13,679	943
	<u>52,132</u>	<u>55,407</u>	<u>41,730</u>
Expenditures - General Administrative			
Salaries, wages and benefits	101,377	114,165	82,479
Contracted and general services	101,923	140,764	105,552
Materials, goods and utilities	28,033	37,337	34,144
Provision for allowances	992	965	5,385
Bank charges and short term interest	3,262	3,750	3,335
Interest on long term debt	5,496	5,207	6,276
Grants to persons and organizations	1,020	2,210	2,750
Other expenditures	3,464	2,526	9,163
	<u>245,567</u>	<u>306,924</u>	<u>249,084</u>
Deficit of operating revenues over expenditures	<u>(225,998)</u>	<u>(116,504)</u>	<u>(251,510)</u>
 CAPITAL FUND			
Physical assets acquired	-	24,695	-
Debt repayment	10,074	10,074	9,034
Transfer to (from) reserves	1,500	130,435	5,500
	<u>(11,574)</u>	<u>(165,204)</u>	<u>(14,534)</u>
Deficit of capital revenues over expenditures	<u>(11,574)</u>	<u>(165,204)</u>	<u>(14,534)</u>
Total deficit of revenue over expenditures	<u><u>(237,572)</u></u>	<u><u>(281,708)</u></u>	<u><u>(266,044)</u></u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES PROTECTIVE SERVICES FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 9)

OPERATING FUND	Budget	2007	2006
Revenues			
User fees and sales of goods	43,000	37,298	34,648
Licenses and permits	400	285	395
Government transfers	52,122	50,151	42,846
Penalties and fines	100	2,829	3,004
Other	5,000	4,780	19,790
	<u>100,622</u>	<u>95,343</u>	<u>100,683</u>
Expenditures			
Salaries, wages and benefits	32,546	18,619	24,758
Contracted and general services	31,456	34,579	20,812
Materials, goods and utilities	24,397	40,267	27,112
Transfers to other governments	-	-	23,003
Purchases from other governments	32,163	43,910	32,163
Grants to persons and organizations	-	3,535	-
	<u>120,562</u>	<u>140,910</u>	<u>127,848</u>
Deficit of operating revenues over expenditures	<u>(19,940)</u>	<u>(45,567)</u>	<u>(27,165)</u>
CAPITAL FUND			
Revenues			
Physical assets disposed	-	-	26,200
	<u>-</u>	<u>-</u>	<u>26,200</u>
Transfer to reserves	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Excess (deficit) of capital revenues over expenditures	<u>(25,000)</u>	<u>(25,000)</u>	<u>1,200</u>
Total deficit of revenue over expenditures	<u><u>(44,940)</u></u>	<u><u>(70,567)</u></u>	<u><u>(25,965)</u></u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES TRANSPORTATION FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 10)

	Budget	2007	2006
OPERATING FUND			
Revenues			
User fees and sales of goods	3,000	-	374
Government transfers	10,086	17,467	4,200
Local improvement levy	3,954	3,954	3,954
Other	1,931	3,001	1,893
	<u>18,971</u>	<u>24,422</u>	<u>10,421</u>
Expenditures			
Salaries, wages and benefits	99,450	127,938	77,149
Contracted and general services	44,469	72,534	44,518
Materials, goods and utilities	102,933	110,111	55,172
Interest on long term debt	3,926	3,737	4,938
	<u>250,778</u>	<u>314,320</u>	<u>181,777</u>
Deficit of operating revenues over expenditures	<u>(231,807)</u>	<u>(289,898)</u>	<u>(171,356)</u>
CAPITAL FUND			
Revenues			
Physical assets disposed	-	8,000	-
Government transfers	551,315	5,050	171,895
	<u>551,315</u>	<u>13,050</u>	<u>171,895</u>
Physical assets acquired	573,500	79,012	186,105
Debt repayment	10,635	10,699	23,090
Transfer to (from) reserves	6,500	(35,500)	5,000
	<u>(39,320)</u>	<u>(41,161)</u>	<u>(42,300)</u>
Deficit of capital revenues over expenditures	<u>(39,320)</u>	<u>(41,161)</u>	<u>(42,300)</u>
Total deficit of revenue over expenditures	<u><u>(271,127)</u></u>	<u><u>(331,059)</u></u>	<u><u>(213,656)</u></u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES ENVIRONMENTAL USE AND PROTECTION FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 11)

	Budget	2007	2006
OPERATING FUND			
Revenues	225,609	229,517	220,746
User fees and sales of goods	-	77	-
Other	<u>225,609</u>	<u>229,594</u>	<u>220,746</u>
 Expenditures			
Salaries, wages and benefits	78,820	51,472	59,182
Contracted and general services	125,383	138,228	93,527
Materials, goods and utilities	37,343	46,925	36,856
Interest on long term debt	31,258	49,558	32,444
	<u>272,804</u>	<u>286,183</u>	<u>222,009</u>
 Deficit of operating revenues over expenditures	<u>(47,195)</u>	<u>(56,589)</u>	<u>(1,263)</u>
CAPITAL FUND			
Revenue	525,000	533,885	-
Debenture issued	-	141,115	255,729
Government transfers	<u>525,000</u>	<u>675,000</u>	<u>255,729</u>
 Physical assets acquired	525,000	192,566	276,868
Debt repayment	37,246	37,295	34,754
Transferred to (from) reserves	10,000	501,546	10,000
	<u>(47,246)</u>	<u>(56,407)</u>	<u>(65,893)</u>
 Deficit of capital revenues over expenditures	<u>(47,246)</u>	<u>(56,407)</u>	<u>(65,893)</u>
 Total deficit of revenue over expenditures	<u><u>(94,441)</u></u>	<u><u>(112,996)</u></u>	<u><u>(67,156)</u></u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES PUBLIC HEALTH AND WELFARE FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 12)

	Budget	2007	2006
OPERATING FUND			
Revenues			
User fees and sales of goods	3,295	6,250	6,450
Government transfers	-	-	8,384
Other	4,500	10,463	14,565
	<u>7,795</u>	<u>16,713</u>	<u>29,399</u>
Expenditures			
Salaries, wages and benefits	12,378	4,956	9,207
Contracted and general services	10,535	14,470	25,679
Materials, goods and utilities	3,000	2,407	4,305
Grants to organizations	-	8,117	-
	<u>25,913</u>	<u>29,950</u>	<u>39,191</u>
Deficit of operating revenues over expenditures	<u>(18,118)</u>	<u>(13,237)</u>	<u>(9,792)</u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES PLANNING AND DEVELOPMENT FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 13)

	Budget	2007	2006
OPERATING FUND			
Revenues			
User fees and sales of goods	480,000	959,333	283,467
Rentals	2,500	-	-
	<u>482,500</u>	<u>959,333</u>	<u>283,467</u>
Expenditures			
Contracted and general services	2,000	154,892	-
Materials, goods and utilities	211,701	343	19,498
Grants to individuals	20,000	22,063	-
	<u>233,701</u>	<u>177,298</u>	<u>19,498</u>
Excess of operating revenues over expenditures	<u>248,799</u>	<u>782,035</u>	<u>263,969</u>
CAPITAL FUND			
Revenue			
Government transfers	-	63,220	-
	<u>-</u>	<u>63,220</u>	<u>-</u>
Physical assets acquired	-	104,950	-
Transferred to reserves	-	350,000	136,250
	<u>-</u>	<u>454,950</u>	<u>136,250</u>
Deficit of capital revenues over expenditures	<u>-</u>	<u>(391,730)</u>	<u>(136,250)</u>
Total excess of revenue over expenditures	<u>248,799</u>	<u>390,305</u>	<u>127,719</u>

TOWN OF HARDISTY

SCHEDULE OF REVENUE & EXPENDITURES RECREATION AND CULTURE FOR THE YEAR ENDED DECEMBER 31, 2007 (Schedule 14)

	Budget	2007	2006
OPERATING FUND			
Revenues			
User fees and sales of goods	8,294	24,066	18,963
Government transfers	51,000	65,967	46,122
Rentals	15,568	15,071	15,211
Other	1,600	43,874	14,958
	<u>76,462</u>	<u>148,978</u>	<u>95,254</u>
Expenditures			
Salaries, wages and benefits	35,756	30,828	28,284
Contracted and general services	48,257	56,897	9,869
Materials, goods and utilities	47,488	103,108	14,938
Interest on long term debt	4,692	4,291	5,132
Grants to organizations	102,369	44,507	93,685
Transfer to (from) reserves	3,500	(1,180)	27,996
	<u>242,062</u>	<u>238,451</u>	<u>179,904</u>
Deficit of operating revenues over expenditures	<u>(165,600)</u>	<u>(89,473)</u>	<u>(84,650)</u>
CAPITAL FUND			
Physical assets acquired	10,000	-	-
Debt repayment	7,974	7,974	7,174
Transfer to (from) reserves	-	11,824	-
	<u>(17,974)</u>	<u>(19,798)</u>	<u>(7,174)</u>
Deficit of capital revenues over expenditures	<u>(17,974)</u>	<u>(19,798)</u>	<u>(7,174)</u>
Total deficit of revenue over expenditures	<u><u>(183,574)</u></u>	<u><u>(109,271)</u></u>	<u><u>(91,824)</u></u>