

**Annual Financial Statements**

**And Supporting Schedules**

**For The**

**Rural Municipality of Beaver River No. 622**

**For The Year Ended December 31, 2012**

## Management's Responsibility

To the Ratepayers of Rural Municipality of Beaver River No. 622

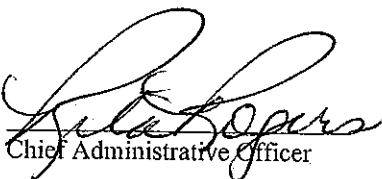
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report 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 Municipality. 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. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Pinnacle Business Solutions, an independent firm of Chartered Accountants, is appointed by the council 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.

Reeve



Chief Administrative Officer

# *Pinnacle Business Solutions*

*Chartered Accountant P.C. Ltd.*

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## INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying financial statements of the Rural Municipality of Beaver River No. 622, which comprise the consolidated statement of financial position as at December 31, 2012, and the consolidated statements of operations, consolidated statement of change in net financial assets and consolidated cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles as established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, 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*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes 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 the 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 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 evaluation of 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, these financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Beaver River No. 622 as at December 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles as established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Meadow Lake, Saskatchewan  
April 25, 2013

*Pinnacle Business Solutions*  
Chartered Accountant

Rural Municipality of Beaver River No. 622  
 Consolidated Statement of Financial Position  
 As at December 31, 2012

Statement 1

	2012	2011
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 2)	\$ 2,100,874	\$ 1,540,926
Taxes Receivable - Municipal (Note 3)	66,178	199,981
Other Accounts Receivable (Note 4)	78,284	76,954
Land for Resale (Note 5)		140,000
Long-Term Investments (Note 6)	72,189	66,877
Other (Specify)		
<b>Total Financial Assets</b>	<b>2,317,525</b>	<b>2,024,738</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 7)		
Accounts Payable	91,819	117,002
Accrued Liabilities Payable		
Deposits		
Deferred Revenue (Note 8)		
Accrued Landfill Costs (Note 9)		
Other Liabilities		
Long-Term Debt (Note 10)	196,523	260,506
Lease Obligations (Note 11)		
<b>Total Liabilities</b>	<b>288,342</b>	<b>377,508</b>
<b>NET FINANCIAL ASSETS</b>	<b>\$ 2,029,183</b>	<b>\$ 1,647,230</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule 6, 7)	\$ 16,134,573	\$ 11,937,894
Prepayments and Deferred Charges	2,101	875
Stock and Supplies	402,539	203,435
Other (Note 12)	10	10
<b>Total Non-Financial Assets</b>	<b>16,539,223</b>	<b>12,142,214</b>
<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 18,568,406</b>	<b>\$ 13,789,444</b>

Rural Municipality of Beaver River No. 622

Consolidated Statement of Operations

As at December 31, 2012

Statement 2

Revenues	2012 Budget	2012	2011
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 1,713,090	\$ 1,702,500	\$ 1,631,861
Fees and Charges (Schedule 4, 5)	298,920	252,695	644,271
Conditional Grants (Schedule 4, 5)	3,500	3,500	68,441
Tangible Capital Asset Sales - Gain (Schedule 4, 5)		(5,588)	(49,837)
Land Sales - Gain (Schedule 4, 5)		23,214	960
Investment Income and Commissions (Schedule 4, 5)	24,100	30,474	24,100
Other Revenues (Schedule 4, 5)		4,328,000	1,587,794
<b>Total Revenues</b>	<b>2,039,610</b>	<b>6,334,795</b>	<b>3,907,590</b>
<b>Expenses</b>			
General Government Services (Schedule 3)	300,990	300,454	279,963
Protective Services (Schedule 3)	72,890	73,509	68,818
Transportation Services (Schedule 3)	1,259,280	1,010,891	972,452
Environmental and Public Health Services (Schedule 3)	65,500	65,646	68,570
Planning and Development Services (Schedule 3)	64,400	62,851	74,057
Recreation and Cultural Services (Schedule 3)	67,100	68,301	38,012
Utility Services (Schedule 3)	15,370	39,754	9,867
<b>Total Expenses</b>	<b>1,845,530</b>	<b>1,621,406</b>	<b>1,511,739</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>194,080</b>	<b>4,713,389</b>	<b>2,395,851</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	219,200	65,573	141,320
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>413,280</b>	<b>4,778,962</b>	<b>2,537,171</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>13,789,444</b>	<b>13,789,444</b>	<b>11,252,273</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>\$ 14,202,724</b>	<b>\$ 18,568,406</b>	<b>\$ 13,789,444</b>

Rural Municipality of Beaver River No. 622  
 Consolidated Statement of Change in Net Financial Assets  
 As at December 31, 2012

Statement 3

	2012 Budget	2012	2011
<b>Surplus (Deficit)</b>	\$ 413,280	\$ 4,778,962	\$ 2,537,171
(Acquisition) of tangible capital assets		(4,474,467)	(2,500,519)
Amortization of tangible capital assets		266,550	171,224
Proceeds on disposal of tangible capital assets		5,650	50,000
Loss (gain) on the disposal of tangible capital assets		5,588	49,837
<b>Surplus (Deficit) of capital expenses over expenditures</b>		<b>(4,196,679)</b>	<b>(2,229,458)</b>
(Acquisition) of supplies inventories		(199,104)	(93,086)
(Acquisition) of prepaid expense		(1,226)	(489)
Consumption of supplies inventory			
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>(200,330)</b>	<b>(93,575)</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>413,280</b>	<b>381,953</b>	<b>214,138</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>1,647,230</b>	<b>1,647,230</b>	<b>1,433,091</b>
<b>Net Financial Assets - End of Year</b>	<b>\$ 2,060,510</b>	<b>\$ 2,029,183</b>	<b>\$ 1,647,230</b>

Rural Municipality of Beaver River No. 622  
 Consolidated Statement of Cash Flow  
 As at December 31, 2012

Statement 4

Cash provided by (used for) the following activities

2012 2011

Operating:

Surplus (Deficit)	\$	4,778,962	\$	2,537,171
Amortization		266,550		171,224
Loss (gain) on disposal of tangible capital assets		5,588		49,837
		<u>5,051,100</u>		<u>2,758,232</u>

Change in assets/liabilities

Taxes Receivable - Municipal		133,803		(127,844)
Other Receivables		(1,330)		(5,337)
Land for Resale		140,000		(140,000)
Other Financial Assets				
Accounts and accrued liabilities payable		(25,183)		14,847
Deposits				
Deferred Revenue				
Other Liabilities				
Stock and supplies for use		(199,104)		(93,085)
Prepayments and Deferred Charges		(1,226)		(484)
Other (specify)				221
<b>Net cash from (used for) operations</b>		<b>5,098,060</b>		<b>2,406,549</b>

Capital:

Acquisition of capital assets		(4,474,467)		(2,500,519)
Proceeds from the disposal of capital assets		5,650		50,000
Other capital				
<b>Net cash from (used for) capital</b>		<b>(4,468,817)</b>		<b>(2,450,519)</b>

Investing:

Long-term investments		(5,312)		(3,339)
Other investments				(5)
<b>Net cash from (used for) investing</b>		<b>(5,312)</b>		<b>(3,343)</b>

Financing:

Long-term debt issued				130,965
Long-term debt repaid		(63,983)		(42,092)
Other financing				(18,669)
<b>Net cash from (used for) financing</b>		<b>(63,983)</b>		<b>70,204</b>

**Increase (Decrease) in cash resources** 559,948 22,891

**Cash and Investments - Beginning of Year** 1,540,926 1,518,035

**Cash and Investments - End of Year** \$ 2,100,874 \$ 1,540,926

1. Significant accounting policies

The consolidated financial statements of the municipality 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:

**Basis of accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognized revenue 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.

- a) **Reporting Entity:** The financial statements consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Operations of controlled entities that would not materially affect the financial statements of the municipality are not disclosed.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 3.
- c) **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.

- d) **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.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **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.
- g) **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.
- h) **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.
- i) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Rural Municipalities - Self insurance fund are accounted for on the equity basis.

1. Significant accounting policies - continued

j) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

k) **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 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 municipality'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 years
Buildings	to 40 years
<b>Vehicles &amp; Equipment</b>	
Vehicles	10 years
Machinery and Equipment	5 to 20 years
<i>Infrastructure Assets</i>	
Infrastructure Assets	15 to 40 years
Water & Sewer	40 years
Road Network Assets	15 to 40 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 municipality does not capitalize interest incurred while a tangible capital asset is under construction.

**Leases:** All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a straight line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.

l) **Landfill liability:** The Rural Municipality of Beaver River No. 622 maintains a waste disposal site. The Municipality is unable to estimate closure and post-closure costs. The costs have not been determined at this time, however they are not considered to be material and will be matched against future revenue of the municipality.

m) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note 16.

Rural Municipality of Beaver River No. 622  
Notes to the Consolidated Financial Statements  
As at December 31, 2012

- n) **Measurement Uncertainty:** The preparation of financial statements in conformity with 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 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.

The measurement of materials and supplies are based on estimates of volume and quality.  
The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.  
Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

- o) **Basis of segmentation/Segment report:** The Municipality has adopted the new Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal 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 borrowings.

The segments (functions) are as follows:

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

**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 municipality.

**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 delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

2. Cash and temporary investments

	2012	2011
Cash	\$ 811,424	\$ 699,364
Temporary Investments	1,289,450	841,562
<b>Total Cash and temporary investments</b>	<b>\$ 2,100,874</b>	<b>\$ 1,540,926</b>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Taxes and grants in lieu receivable

	2012	2011
Municipal - Current	\$ 66,219	\$ 190,522
- Arrears	249	9,749
- Less Allowance for Uncollectibles	(290)	(290)
<b>Total municipal taxes receivable</b>	<b>66,178</b>	<b>199,981</b>
School - Current	57,122	109,869
- Arrears		9,324
<b>Total school taxes receivable</b>	<b>57,122</b>	<b>119,193</b>
Other	7,772	93
<b>Total taxes and grants in lieu receivable</b>	<b>131,072</b>	<b>319,267</b>
Deduct taxes receivable to be collected on behalf of other organizations	(64,894)	(119,286)
<b>Municipal and grants in lieu taxes receivable</b>	<b>\$ 66,178</b>	<b>\$ 199,981</b>

Rural Municipality of Beaver River No. 622  
Notes to the Consolidated Financial Statements  
As at December 31, 2012

	2012	2011
<b>4. Other Accounts Receivable</b>		
Federal government	\$ 24,256	\$ 50,085
Provincial government		
Local government		
Utility		
Trade	54,976	28,869
<b>Other (specify)</b>		
Total Other Accounts Receivable	79,232	78,954
Less Allowance for Uncollectibles	(948)	(2,000)
<b>Net Other Accounts Receivable</b>	<b>\$ 78,284</b>	<b>\$ 76,954</b>

**5. Land for Resale**

Tax Title Property		
Allowance for market value adjustment		
Net Tax Title Property		
Other Land		\$ 140,000
Allowance for market value adjustment		
Net Other Land		140,000
<b>Total Land for Resale</b>		<b>\$ 140,000</b>

**6. Long-term investments**

Sask Assoc of Rural Municipalities - General Insurance Fund	\$ 14,095	\$ 11,582
Sask Assoc of Rural Municipalities - Self Insurance Fund	58,094	55,295
	<b>\$ 72,189</b>	<b>\$ 66,877</b>

The long term investments in the Saskatchewan Rural - Self Insurance Fund are accounted for on the equity basis.

The municipality has no other long-term investments.

**7. Bank indebtedness**

Bank indebtedness includes an operating loan amounting to \$500,000 and bearing interest at prime. No assets are pledged as collateral.

**Credit Arrangements**

At December 31, 2012, the Municipality had lines of credit totaling \$500,000 none of which were drawn. The following has been collateralized in connection with this line of credit:

-- General security agreement

**8. Deferred revenue**

The Municipality has no deferred revenue.

**Rural Municipality of Beaver River No. 622**

**Notes to the Consolidated Financial Statements**

**As at December 31, 2012**

**9. Accrued landfill costs**

In 2012 the Municipality has not accrued an overall liability for environmental matters which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

There is no amount included in environmental liabilities for the estimated total landfill closure and post-closure care expenses.

**10. Long-term debt**

a) The debt limit of the municipality is \$1,946,607. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161).

b) The Municipality does not have debenture debt.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2013	\$ 25,106	\$ 4,594	\$ 29,700	\$ 29,700
2014	26,388	3,312	29,700	29,700
2015	27,736	1,964	29,700	29,700
2016	23,895	476	24,371	29,700
2017				24,376
Thereafter				
Balance	\$ 103,125	\$ 10,346	\$ 113,471	\$ 143,176

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2013	\$ 42,115	\$ 3,743	\$ 45,858	\$ 45,858
2014	44,269	1,588	45,857	45,857
2015	7,014	48	7,062	45,857
2016				7,089
2017				
Thereafter				
Balance	\$ 93,398	\$ 5,379	\$ 98,777	\$ 144,661

**Rural Municipality of Beaver River No. 622**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2012**

**11. Lease obligations**

The Municipality does not have any lease obligations.

**12. Other non-financial assets**

Credit Union Membership Shares

2012		2011	
\$	10	\$	10

**13. Contingent liabilities**

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

The municipality is has no other contingent liabilities.

**14. Change in accounting policies**

Effective January 1, 2009, the municipality adopted the Public Sector Accounting Board's recommendations for recording tangible capital assets and the new financial statement presentation. The tangible capital asset section, PSAB 3150, establishes standards on how to account for and report tangible capital assets in government financial statements. The financial statement presentation section, PSAB 1201, establishes general reporting principles and standards for the disclosure of information based on the underlying financial statement concepts and the objectives of the government financial statements.

**15. Comparative figures**

Prior year comparative figures have been restated to conform to the current year's presentation.

**16. Trusts Administered by the Municipality**

The Municipality does not administer any trusts.

Rural Municipality of Beaver River No. 622  
 Schedule of Taxes and Other Unconditional Revenue  
 As at December 31, 2012

Schedule 1

	2012 Budget	2012	2011
<b>TAXES</b>			
General municipal tax levy	\$ 1,445,730	\$ 1,442,893	\$ 1,423,491
Abatements and adjustments	(41,000)	(41,538)	(97,567)
Discount on current year taxes	(52,700)	(63,710)	(52,703)
<b>Net Municipal Taxes</b>	<b>1,352,030</b>	<b>1,337,645</b>	<b>1,273,221</b>
Potash tax share			
Trailer license fees			
Penalties on tax arrears	5,000	8,157	4,055
Special tax levy			
Other (Specify)			
<b>Total Taxes</b>	<b>1,357,030</b>	<b>1,345,802</b>	<b>1,277,276</b>
<b>UNCONDITIONAL GRANTS</b>			
Equalization (Revenue Sharing)	246,490	246,493	246,493
Organized Hamlet			
<b>Total Unconditional Grants</b>	<b>246,490</b>	<b>246,493</b>	<b>246,493</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal			
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas	81,640	81,195	80,095
Sask Ag and Food Community Pasture	7,500	7,580	7,580
SaskTel	9,600	9,882	9,582
Other (Specify)			
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement	10,830	11,548	10,835
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge			
Sask Energy Surcharge			
Other (Specify)			
<b>Total Grants in Lieu of Taxes</b>	<b>109,570</b>	<b>110,205</b>	<b>108,092</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 1,713,090</b>	<b>\$ 1,702,500</b>	<b>\$ 1,631,861</b>

Rural Municipality of Beaver River No. 622  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2012

Schedule 2 - 1

**GENERAL GOVERNMENT SERVICES**

**2012 Budget      2012      2011**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 2,100	\$ 6,136	\$ 2,162
- Sales of supplies	2,190	1,934	2,195
- Other (Specify)			
Total Fees and Charges	4,290	8,070	4,357
- Tangible capital asset sales - gain (loss)		23,214	960
- Land sales - gain		30,474	24,100
- Investment income and commissions	24,100		
- Other (Specify)			
Total Other Segmented Revenue	28,390	61,758	29,417
Conditional Grants			
- Student Employment			
- Other (Specify)      Employment Insurance	1,000	1,000	
Total Conditional Grants	1,000	1,000	
<b>Total Operating</b>	<b>29,390</b>	<b>62,758</b>	<b>29,417</b>

**Capital**

Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Provincial Disaster Assistance			
- Other (Specify)			

**Total Capital**

<b>Total General Government Services</b>	<b>29,390</b>	<b>62,758</b>	<b>29,417</b>
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**PROTECTIVE SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other (Specify)	9,000	5,576	12,865
Total Fees and Charges	9,000	5,576	12,865
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	9,000	5,576	12,865
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	<b>9,000</b>	<b>5,576</b>	<b>12,865</b>

**Capital**

Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- Local government			
- Other (Specify)			

**Total Capital**

<b>Total Protective Services</b>	<b>\$ 9,000</b>	<b>\$ 5,576</b>	<b>\$ 12,865</b>
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Rural Municipality of Beaver River No. 622  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2012

Schedule 2 - 2

	2012/Budget	2012	2011
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 7,000	\$ 4,065	\$ 23,476
- Sales of supplies	17,000	13,669	13,530
- Road Maintenance and Restoration Agreements	60,000	41,439	27,576
- Frontage			
- Other (Specify)			
Total Fees and Charges	84,000	59,173	64,582
- Tangible capital asset sales - gain (loss)		(5,588)	(49,837)
- Other (Specify) LL Contributed Assets		943,000	1,587,794
Total Other Segmented Revenue	84,000	996,585	1,602,539
Conditional Grants			
- Primary Weight Corridor			
- Student Employment			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	84,000	996,585	1,602,539
<b>Capital</b>			
Conditional Grants			
- Gas Tax	66,700	62,132	74,618
- Canada/Sask Municipal Rural Infrastructure Fund			
- Heavy Haul	150,000		
- Designated Municipal Roads and Bridges			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	216,700	62,132	74,618
<b>Total Transportation Services</b>	<b>300,700</b>	<b>1,058,717</b>	<b>1,677,157</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	3,000	2,123	1,502
- Other (Specify) Pest Control Supplies	2,630	4,289	2,633
Total Fees and Charges	5,630	6,412	4,135
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	5,630	6,412	4,135
Conditional Grants			
- Student Employment			
- Local government			
- Other (Specify)			
Total Conditional Grants			
<b>Total Operating</b>	5,630	6,412	4,135
<b>Capital</b>			
Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Transit for Disabled			
- Provincial Disaster Assistance			
- Other (Specify) Pest Control	2,500	3,441	522
<b>Total Capital</b>	2,500	3,441	522
<b>Total Environmental and Public Health Services</b>	<b>\$ 8,130</b>	<b>\$ 9,853</b>	<b>\$ 4,657</b>

Rural Municipality of Beaver River No. 622  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2012

Schedule 2 - 3

**PLANNING AND DEVELOPMENT SERVICES**

2012 Budget	2012	2011
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**Operating**

Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	\$ 142,000	\$ 91,350	\$ 509,910
Vet Rental	6,000	6,000	6,000
- Other (Specify) Building Permits	32,000	43,402	31,529
Total Fees and Charges	180,000	140,752	547,439
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	180,000	140,752	547,439
Conditional Grants			
- Can/Sask Employment Grant	2,500	2,500	22,500
- Other (Specify)			
Total Conditional Grants	2,500	2,500	22,500
<b>Total Operating</b>	<b>182,500</b>	<b>143,252</b>	<b>569,939</b>

**Capital**

Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- Other (Specify)			

**Total Capital**

<b>Total Planning and Development Services</b>	<b>182,500</b>	<b>143,252</b>	<b>569,939</b>
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**RECREATION AND CULTURAL SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Other Boat Dock Fees	\$ 4,000	\$ 4,000	\$ 400
Total Fees and Charges	4,000	4,000	400
- Tangible capital asset sales - gain (loss)			
- Other (Specify) LL Contributed Assets		732,000	
Total Other Segmented Revenue	4,000	736,000	400
Conditional Grants			
- Student Employment			
- Local government			
- Donations			2,583
- Other (Specify)			
Total Conditional Grants			2,583
<b>Total Operating</b>	<b>4,000</b>	<b>736,000</b>	<b>2,983</b>

**Capital**

Conditional Grants			
- Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- Other (Specify)			

**Total Capital**

<b>Total Recreation and Cultural Services</b>	<b>\$ 4,000</b>	<b>\$ 736,000</b>	<b>\$ 2,983</b>
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Rural Municipality of Beaver River No. 622  
 Schedule of Operating and Capital Revenue by Function  
 As at December 31, 2012

Schedule 2 - 4

**UTILITY SERVICES**

**2012 Budget      2012      2011**

**Operating**

Other Segmented Revenue			
Fees and Charges			
- Water		\$ 17,700	
- Sewer	\$ 12,000	11,012	\$ 10,493
- Other (Specify)			
Total Fees and Charges	12,000	28,712	10,493
- Tangible capital asset sales - gain (loss)			
- Other (Specify)      LL Contributed Assets		2,653,000	
Total Other Segmented Revenue	12,000	2,681,712	10,493
Conditional Grants			
- Student Employment			
- Other (Specify)      Contributed Assets			42,836
Total Conditional Grants			42,836
<b>Total Operating</b>	<b>12,000</b>	<b>2,681,712</b>	<b>53,329</b>

**Capital**

Conditional Grants			
- Gas Tax			
- Sask Water Corp.			66,702
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>			<b>66,702</b>
<b>Total Utility Services</b>	<b>12,000</b>	<b>2,681,712</b>	<b>120,031</b>

**TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION    \$    545,720    \$    4,697,868    \$    2,417,049**

**SUMMARY**

Total Other Segmented Revenue	\$ 323,020	\$ 4,628,795	\$ 2,207,288
Total Conditional Grants	3,500	3,500	67,919
Total Capital Grants and Contributions	219,200	65,573	141,842
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 545,720</b>	<b>\$ 4,697,868</b>	<b>\$ 2,417,049</b>

Rural Municipality of Beaver River No. 622

Total Expenses by Function

As at December 31, 2012

Schedule 3 - 1

	2012 Budget	2012	2011
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 40,330	\$ 42,028	\$ 44,743
Wages and benefits	164,020	159,106	150,151
Professional/Contractual services	65,400	67,378	55,178
Utilities	9,400	10,137	8,428
Maintenance, materials and supplies	19,350	13,764	17,171
Grants and contributions - operating	200	409	205
- capital			
Amortization	2,290	2,295	2,084
Interest			
Allowance for uncollectibles			2,000
Other (Specify) Stray Animals Act		5,337	
<b>Total Government Services</b>	<b>300,990</b>	<b>300,454</b>	<b>279,961</b>

**PROTECTIVE SERVICES**

**Police protection**

Wages and benefits			
Professional/Contractual services	40,000	34,985	35,955
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating			
- capital			
Other (Specify)			

**Fire protections**

Wages and benefits			
Professional/Contractual services	15,890	11,524	15,863
Utilities			
Maintenance, material and supplies			
Grants and contributions - operating	17,000	17,000	17,000
- capital		10,000	
Amortization			
Interest			
Other (Specify)			
<b>Total Protective Services</b>	<b>72,890</b>	<b>73,509</b>	<b>68,818</b>

**TRANSPORTATION SERVICES**

Wages and benefits	337,000	305,724	288,655
Professional/Contractual Services	106,000	50,735	76,396
Utilities	22,700	19,137	19,508
Maintenance, materials, and supplies	303,500	247,633	240,280
Gravel	225,000	126,105	177,690
Grants and contributions - operating			
- capital			
Amortization	255,080	249,982	160,610
Interest	10,000	11,575	7,363
Other (Specify)			1,950
<b>Total Transportation Services</b>	<b>1,259,280</b>	<b>1,010,891</b>	<b>972,452</b>

Rural Municipality of Beaver River No. 622

Total Expenses by Function

As at December 31, 2012

Schedule 3 - 2

	2012 Budget	2012	2011
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	\$ 23,000	\$ 16,705	\$ 15,793
Professional/Contractual services	37,000	41,351	42,387
Utilities			
Maintenance, materials and supplies	5,000	7,092	9,892
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization	500	498	498
Interest			
Other (Specify)			
<b>Total Environmental and Public Health Services</b>	<b>65,500</b>	<b>65,646</b>	<b>68,570</b>

<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Wages and benefits	2,500	2,500	
Professional/Contractual Services	61,900	60,351	49,588
Grants and contributions - operating			22,500
- capital			
Amortization			
Interest			
Other (Specify)			1,969
<b>Total Planning and Development Services</b>	<b>64,400</b>	<b>62,851</b>	<b>74,057</b>

<b>RECREATION AND CULTURAL SERVICES</b>			
Wages and benefits	300		
Professional/Contractual services	53,500	39,909	27,657
Utilities			
Maintenance, materials and supplies	1,200	1,773	68
Grants and contributions - operating	10,000	10,000	10,000
- capital		3,557	
Amortization	2,100	2,097	287
Interest			
Allowance for uncollectibles			
Other (Specify) MR Property		10,965	
<b>Total Recreation and Cultural Services</b>	<b>67,100</b>	<b>68,301</b>	<b>38,012</b>

Rural Municipality of Beaver River No. 622

Total Expenses by Function

As at December 31, 2012

Schedule 3 - 3

UTILITY SERVICES

	2012 Budget	2012	2011
Wages and benefits		\$ 2,095	
Professional/Contractual services	\$ 3,690	20,444	\$ 2,122
Utilities		944	
Maintenance, materials and supplies		4,593	
Grants and contributions - operating			
- capital			
Amortization	11,680	11,678	7,745
Interest			
Allowance for uncollectibles			
Other (Specify)			
<b>Total Utility Services</b>	<b>15,370</b>	<b>39,754</b>	<b>9,867</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 1,845,530</b>	<b>\$ 1,621,406</b>	<b>\$ 1,511,737</b>

Rural Municipality of Beaver River No. 622  
 Consolidated Schedule of Segment Disclosure by Function  
 As at December 31, 2012

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 8,070	\$ 5,576	\$ 59,173	\$ 6,412	\$ 140,752	\$ 4,000	\$ 28,712	\$ 252,695
Tangible Capital Asset Sales - Gain	23,214		(5,588)					(5,588)
Land Sales - Gain	30,474		943,000			732,000	2,653,000	23,214
Investment Income and Commissions					2,500			30,474
Other Revenues	1,000		62,132	3,441				4,328,000
Grants - Conditional								3,500
- Capital								65,573
<b>Total revenues</b>	<b>62,758</b>	<b>5,576</b>	<b>1,058,717</b>	<b>9,853</b>	<b>143,252</b>	<b>736,000</b>	<b>2,681,712</b>	<b>4,697,868</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	201,134		305,724	16,705	2,500		2,095	528,158
Professional/ Contractual Services	67,378	46,509	50,735	41,351	60,351	39,909	20,444	326,677
Utilities	10,137		19,137				944	30,218
Maintenance Materials and Supplies	13,764		373,738	7,092		1,773	4,593	400,960
Grants and Contributions	409	27,000				13,557		40,966
Amortization	2,295		249,982	498		2,097	11,678	266,550
Interest			11,575					11,575
Allowance for Uncollectibles								
Other	5,337					10,965		16,302
<b>Total expenses</b>	<b>300,454</b>	<b>73,509</b>	<b>1,010,891</b>	<b>65,646</b>	<b>62,851</b>	<b>68,301</b>	<b>39,754</b>	<b>1,621,406</b>
<b>Surplus (Deficit) by Function</b>	<b>(\$237,696)</b>	<b>(\$67,933)</b>	<b>\$47,826</b>	<b>(\$55,793)</b>	<b>\$80,401</b>	<b>\$667,699</b>	<b>\$2,641,958</b>	<b>\$3,076,462</b>
Taxation and other unconditional revenue (Schedule 1)								1,702,500
<b>Net Surplus (Deficit)</b>								<b>\$ 4,778,962</b>

Rural Municipality of Beaver River No. 622  
 Consolidated Schedule of Segment Disclosure by Function  
 As at December 31, 2011

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 4,357	\$ 12,865	\$ 64,582	\$ 4,135	\$ 547,439	\$ 400	\$ 10,493	\$ 644,271
Tangible Capital Asset Sales - Gain	960		(49,837)					(49,837)
Land Sales - Gain	24,100		1,587,794					24,100
Investment Income and Commissions			74,618	522	22,500	2,583	42,836	1,587,794
Other Revenues							66,702	67,919
Grants - Conditional								141,842
- Capital								
<b>Total revenues</b>	<b>29,417</b>	<b>12,865</b>	<b>1,677,157</b>	<b>4,657</b>	<b>569,939</b>	<b>2,983</b>	<b>120,031</b>	<b>2,417,049</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	194,894		288,655	15,793				499,345
Professional/ Contractual Services	55,178	51,818	76,396	42,387	49,588	27,657	2,122	305,146
Utilities	8,428		19,508			68		27,936
Maintenance Materials and Supplies	17,171		417,970	9,892				445,101
Grants and Contributions	205	17,000			22,500	10,000		49,705
Amortization	2,084		160,610	498		287		171,224
Interest			7,363				7,745	15,108
Allowance for Uncollectibles								
Other	2,000		1,950		1,969			7,363
<b>Total expenses</b>	<b>279,960</b>	<b>68,818</b>	<b>972,452</b>	<b>68,570</b>	<b>74,057</b>	<b>38,012</b>	<b>9,867</b>	<b>1,511,739</b>
<b>Surplus (Deficit) by Function</b>	<b>(\$250,543)</b>	<b>(\$55,953)</b>	<b>\$704,705</b>	<b>(\$63,913)</b>	<b>\$495,882</b>	<b>(\$35,029)</b>	<b>\$110,164</b>	<b>\$905,310</b>
Taxation and other unconditional revenue (Schedule 1)								1,631,861
<b>Net Surplus (Deficit)</b>								<b>\$ 2,537,171</b>

Rural Municipality of Beaver River No. 622  
 Consolidated Schedule of Tangible Capital Assets by Object  
 As at December 31, 2012

2011

2012

	General Assets					Infrastructure Assets	General/Infrastructure Assets Under Construction	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment			
<b>Assets</b>								
Asset cost								
Opening Asset costs	\$ 5,813,160	\$ 539,488	\$ 47,088	\$ 67,936	\$ 1,035,817	\$ 6,487,798	\$ 41,811	\$ 11,749,613
Additions during the year	242,982	3,078,000	77,000	14,131	27,722	858,510	176,122	2,500,519
Disposals and write-downs during the year				(11,500)	(13,348)			(217,034)
Transfers (from) assets under construction								
<b>Closing Asset Costs</b>	<b>6,056,142</b>	<b>3,617,488</b>	<b>124,088</b>	<b>70,567</b>	<b>1,050,191</b>	<b>7,346,308</b>	<b>217,933</b>	<b>14,033,098</b>
<b>Amortization</b>								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs		45,075	15,402	21,452	258,321	1,754,954		2,095,204
Add: Amortization taken		13,488	998	5,080	92,645	154,339		266,550
Less: Accumulated amortization on disposals				(4,000)	(9,610)			(117,197)
<b>Closing Accumulated Amortization Costs</b>		<b>58,563</b>	<b>16,400</b>	<b>22,532</b>	<b>341,356</b>	<b>1,909,293</b>		<b>2,348,144</b>
<b>Net Book Value</b>	<b>\$ 6,056,142</b>	<b>\$ 3,558,925</b>	<b>\$ 107,688</b>	<b>\$ 48,035</b>	<b>\$ 708,835</b>	<b>\$ 5,437,015</b>	<b>\$ 217,933</b>	<b>\$ 11,937,894</b>

1. Total contributed/donated assets received in 2012: \$ 4,328,000

2. List of assets recognized at nominal value in 2012 are:

- Infrastructure Assets
- Vehicles
- Machinery and Equipment

3. Amount of interest capitalized in 2012



Rural Municipality of Beaver River No. 622  
 Consolidated Schedule of Accumulated Surplus  
 As at December 31, 2012

Schedule 8

	2011	Changes	2012
<b>UNAPPROPRIATED SURPLUS</b>	\$ 1,248,172	\$ 92,734	\$ 1,340,906

**APPROPRIATED RESERVES**

Machinery and Equipment	856,470	396,641	1,253,111
Public Reserve	7,414	28,925	36,339
Capital Trust			
Utility			
Other (Specify)			
<b>Total Appropriated</b>	<b>863,884</b>	<b>425,566</b>	<b>1,289,450</b>

**ORGANIZED HAMLETS (add lines if required)**

<b>Total Organized Hamlets</b>			

**NET INVESTMENT IN TANGIBLE CAPITAL ASSETS**

Tangible capital assets (Schedule 6)	11,937,894	4,196,679	16,134,573
Less: Related debt	(260,506)	63,983	(196,523)
<b>Net Investment in Tangible Capital Assets</b>	<b>11,677,388</b>	<b>4,260,662</b>	<b>15,938,050</b>

<b>Total Accumulated Surplus</b>	<b>\$ 13,789,444</b>	<b>\$ 4,778,962</b>	<b>\$ 18,568,406</b>
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Rural Municipality of Beaver River No. 622  
 Schedule of Mill Rates and Assessments  
 As at December 31, 2012

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 24,739,145	\$ 20,049,007		\$ 39,479,580	\$ 21,762,250		\$ 106,029,982
Regional Park Assessment							
Total Assessment							106,029,982
Mill Rate Factor(s)		0.70		0.70	3.0		
Total Base/Minimum Tax (generated for each property class)	64,125	89,450		116,000			269,575
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	274,408	207,644		350,904	609,937		1,442,893

MILL RATES:	MILLS
Average Municipal*	13.6084
Average School*	9.0128
Potash Mill Rate	
Uniform Municipal Mill Rate	8.5000

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

Rural Municipality of Beaver River No. 622  
 Schedule of Council Remuneration  
 As at December 31, 2012

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Councillor	Alexander, Sarah	\$ 5,400	\$ 1,651	\$ 7,051
Councillor	Getzinger, Barry	3,005	967	3,972
Councillor	Klassen, Marie	830	150	980
Councillor	Lange, Doug	2,600	1,174	3,774
Councillor	Nault, Art	3,130	383	3,513
Councillor	Nault, Harley	2,250	402	2,652
Councillor	Wyss, Harvey	2,775	425	3,200
Reeve	Peno, Jim	1,530	929	2,459
Reeve	Rausch, Murray	6,706	3,851	10,557
<b>Total</b>		<b>\$ 22,826</b>	<b>\$ 8,281</b>	<b>\$ 31,107</b>