

MINUTES OF THE REGULAR MEETING OF THE COUNCIL OF THE VILLAGE OF BEISEKER HELD MONDAY, JANUARY 27, 1997 AT 7:00 P.M. IN COUNCIL CHAMBERS

PRESENT

MAYOR:	Dennis Taylor
COUNCILLOR	Dave Fegan
COUNCILLOR	Vera Schmaltz
MUNICIPAL ADMINISTRATOR	Wendy Ramberg
PUBLIC WORKS FOREMAN	Bill Clift
FIVE VILLAGE WEEKLY	Geoff Taylor

CALL TO ORDER

Mayor Taylor called the meeting to order at 7:00 P.M.

ADOPTION OF AGENDA

Councillor Schmaltz moved to approve the Agenda with the following additions: Under Delegation Linda Yaran 7:15 P.M. Re Snow Removal; Under #5 Public Works #1 Massey Ferguson. CARRIED UNAN.

ADOPTION OF MINUTES

Councillor Fegan moved to approve the minutes of the Regular Meeting of the Council of the Village of Beiseker held January 13, 1997 as corrected; under RCMP statistical report last line should insert the word "in" after "help". CARRIED UNAN.

DELEGATIONS

Wild Rose Economic Develop. Brian Robison and George Pinchbeck representing Team Wild Rose Economic Development came to Council to explain the Wild Rose Economic Development Program with regard to its services and the career development program.

PUBLIC WORKS ITEMS

Massey Ferguson The Public Works Foreman advised Council that repairs needed to be done to the steering box on the Massey Ferguson tractor. They have ordered some parts, rather than buying a new power steering box in hopes that this will solve the problem. Public Works will know by the next Council meeting as to the status of the machine.

Mayor Taylor reminded the Public Works Foreman that we need to get a list of equipment on hand so that we can compare them with other municipalities.

ACCOUNTS FOR APPROVAL

Mayor Taylor moved that the following accounts cheque #1736 through #1763 in the amount of \$15,434.06 be approved for payment. CARRIED UNAN.

BUSINESS ARISING FROM MINUTES

1736	AMEBS	2,280.92
1737	Village of Beiseker	20.00
1738	VOID	00.00
1739	Canada Post	48.40
1740	Canadian Linen Supply	75.24
1741	Canwest Propane Inc.	722.72
1742	Carmacks Enterprises Ltd.	208.65
1743	Cheryl Houston	65.00
1744	City of Airdrie	375.00
1745	Ruth Copeland	85.69
1746	Country Graphics	144.45
1747	Drumheller & District Solid Waste	5,891.00
1748	Fremar Enterprises	72.81
1749	Hi-Way 9 Express Ltd.	13.36

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OF BEISEKER HELD MONDAY, JANUARY 27 1997 AT 7:00 P.M. IN COUNCIL  
CHAMBERS

Page 2

1750	LaFarge Construction	46.68
1751	Laidlaw Waste Systems	48.13
1752	Lammle Electric Ltd.	323.97
1753	Mitch MacLeod	309.67
1754	Meyer Norris Penny	856.00
1755	Mountainview Credit Union Ltd.	1565.01
1756	Mountainview Credit Union Ltd.	43.04
1757	Mountainview Credit Union	823.59
1758	Wendy Ramberg	64.60
1759	Silver Site Construction Ltd.	946.95
1760	Mary Straub	35.00
1761	TECL Inspection Service	36.48
1762	Westec Security Systems	272.85
1763	Western Water Utility	58.85

BUSINESS ARISING FROM MINUTES

Rate Per foot for  
Snow Removal

There was discussion on what the rate for snow removal should be.

Res. 97-10

Mayor Taylor moved that the Village charge \$1.00 per foot for snow removal by Public Works after failure to remove snow from sidewalks after 24 hours of written notice. The policy will be to send a notice on sidewalk snow removal after we have received a written complaint at the Village Office. **CARRIED UNAN.**

Administration to write a letter to Linda Yaran explaining the snow removal policy to her.

CORRESPONDENCE

Rocky View Found.

A letter from Lauren Ingalls, Administrator of the Rocky View Foundation, enclosing a copy of the 1997 budget for the lodge, Administration, and Self Contained housing operations. **FILED**

Kevin & Lisa  
Murphy

A letter from Kevin Murphy regarding his property tax penalty on Tax Roll #4023 asking for a credit on the penalty applied to his taxes as his taxes were paid around September 23. He also suggested that Council charge penalties on a per diem basis. This was discussed and the consensus of Council was not to change the policy for penalty placement and to decline penalty forgiveness on this property.

Alta. Mun. Affairs  
Home Page

A letter from Rae Runge, Acting Assistant Deputy Minister, Local Government Services Alberta Municipal Affairs, regarding the launch of the Alberta Municipal Affairs Home Page. **FILED**

Alberta Environ-  
mental Protection

A letter from G.A. McMillan, Section Head, Water Administration Branch (Calgary) Alberta Environmental Protection regarding Alberta Water Management and Erosion Control Program. **FILED**

Alberta Transp. &  
Utilities

A letter from Dave MacIntyre, Alberta Transportation & Utilities regarding the Alberta Municipal Water Waste/Water Partnership. Enclosed was an agreement for the Sewer Lagoon Project for signing. **FILED**

Res. 97-11

Councillor Fegan moved to have Mayor Taylor and the Municipal Administrator sign the contract with Alberta Transportation and Utilities for the Lagoon Project. **CARRIED UNAN.**

AUMA

A letter from Tom McGee, President of AUMA, regarding request for resolutions for the 1997 AUMA conference October 1 through 4, 1997 at Banff Springs. **FILED**

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CHAMBERS

Page 3

Alta Family &  
Social Services

A letter from Stockwell Day, Minister of Alberta Family and Social Services, regarding the unconditional funding for Family and Community Support Services. FILED

M.D. of Rockyview

A letter from the M.D. of Rockyview regarding the Citizenship Recognition Award. FILED

E911 Contracts

The contracts to finalize fire dispatch and other emergency dispatching with the City of Calgary should be finalized by Wednesday. Administration given permission to sign on behalf of the Village.

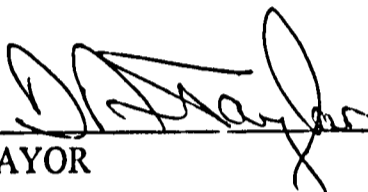
Utility Comparison  
Study  
Res 97-12

Councillor Fegan moved to purchase a utility comparison study from Nicols Applied Management when it is complete at a cost of approximately \$75.00. CARRIED UNAN.

ADJOURNMENT

Mayor Taylor moved the meeting adjourn at 8:46 P.M.

CARRIED UNAN.

  
\_\_\_\_\_  
MAYOR

  
\_\_\_\_\_  
MUNICIPAL ADMINISTRATOR

**VILLAGE OF BEISEKER**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 1996**

# MEYERS NORRIS PENNY & Co.

CHARTERED ACCOUNTANTS



SILVER SPONSOR

## AUDITORS' REPORT

To the Mayor and Council  
VILLAGE OF BEISEKER

We have audited the statement of financial position of the Village of Beiseker as at December 31, 1996 and the statements of financial activities and changes in cash resources for the year then ended. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 1996 and the results of its financial activities and the changes in its cash resources for the year then ended in accordance with the accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

February 5, 1997

*Meyers Norris Penny & Co.*  
CHARTERED ACCOUNTANTS.

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PARTNERS:

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E.A. DREW, C.A.\*  
E.J. BENWOOD, C.A.\*  
A.J. SEQUEIRA, C.A.  
A.E. SMITH, C.A.  
D.S. RUTHERFORD, C.A.

PROFESSIONALS:

G.K. ENNS, M.B.A.  
M.G. THOMPSON, C.A.  
A.K. ROSS, C.G.A.  
S.J. MILROY, C.A.

CONSULTING PARTNERS:

E.R.J. MCGREGOR, C.A.\*  
H.R. SHIER, C.A.\*

\* DENOTES PROFESSIONAL CORPORATION

BRANDON  
BROOKS  
CALGARY  
DELORAINÉ  
EDMONTON  
HUDSON BAY  
INNISFAIL  
KILLARNEY  
MEDICINE HAT  
WELFORD  
MOOSOMIN  
NEEPAWA  
PINCHER CREEK  
PORTAGE LA PRAIRIE  
RED DEER  
REGINA  
SASKATOON  
SWIFT CURRENT  
VIRDEN  
WAINWRIGHT  
WINNIPEG

# VILLAGE OF BEISEKER

## STATEMENT OF FINANCIAL POSITION DECEMBER 31, 1996

	1996	1995
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	255,093	206,193
Receivables		
Taxes and grants in lieu (Note 3)	60,022	47,879
Utilities	37,038	27,927
Trade and other	37,754	143,447
Land held for resale	308,339	290,495
Prepaid expenses	<u>13,979</u>	<u>12,765</u>
	<u>712,225</u>	<u>728,706</u>
<b>PHYSICAL ASSETS</b>		
Land	50,810	50,810
Buildings	493,242	478,333
Engineering structures	4,164,820	4,164,820
Machinery and equipment	293,707	258,968
Vehicles	<u>229,745</u>	<u>208,419</u>
	<u>5,232,324</u>	<u>5,161,350</u>
	<u>5,944,549</u>	<u>5,890,056</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	23,884	67,473
Deposits and other liabilities	16,618	17,356
Prepaid local improvement charges	16,234	17,608
Long-term debt (Note 4)	<u>597,619</u>	<u>661,659</u>
	<u>654,355</u>	<u>764,096</u>
<b>MUNICIPAL POSITION</b>		
Equity in physical assets (Schedule 1)	4,943,044	4,790,186
Operating fund (Schedule 2)	111,733	60,943
Reserves for future expenditures (Schedule 3)	<u>235,417</u>	<u>274,831</u>
	<u>5,290,194</u>	<u>5,125,960</u>
	<u>5,944,549</u>	<u>5,890,056</u>

# VILLAGE OF BEISEKER

## STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED DECEMBER 31, 1996

	Budget	1996	1995
<b>REVENUES</b>			
Property taxes and government grants in lieu of property taxes (Schedule 4)	665,693	661,727	599,525
Special levies and local improvement	28,289	28,289	28,289
Provincial grants - unconditional	21,360	24,409	27,843
Provincial grants - conditional	25,414	37,132	75,758
Federal grants - conditional	-	-	42,663
Sale of garbage	15,850	16,929	15,193
Sale of water	97,030	114,538	98,755
Sale of sewer	37,500	40,788	27,474
Parks and recreation	9,800	12,025	12,241
Planning and development	3,000	3,734	29,575
Franchise fees	10,348	2,136	13,544
Mobile unit licenses	-	-	3,120
Bylaws	1,000	1,215	1,000
Investment income	23,000	18,376	28,448
Penalties and costs - taxes	11,000	16,027	11,175
Penalties and costs - water and sewer	550	803	676
Fire department	800	500	800
Miscellaneous	28,603	35,220	45,736
	<u>979,237</u>	<u>1,013,848</u>	<u>1,061,815</u>
<b>EXPENDITURES</b>			
Requisitions (Schedule 4)	238,582	239,337	245,304
Salaries, wages and benefits	191,182	199,528	183,617
Materials, goods and utilities	251,905	285,047	317,763
Contracted and general services	32,267	27,450	26,345
Bad debts	20,000	20,000	-
Bank charges and short-term interest	125	768	126
Interest on long-term debt	71,373	71,373	77,628
Physical assets acquired	60,598	70,974	84,361
Land purchased for resale	-	17,844	264,586
Other expenditures	19,703	6,111	16,646
	<u>885,735</u>	<u>938,432</u>	<u>1,216,376</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>93,502</u>	<u>75,416</u>	<u>(154,561)</u>
New long-term debt issued	-	7,500	103,500
Repayment of long-term debt	(71,540)	(71,540)	(67,874)
	<u>(71,540)</u>	<u>(64,040)</u>	<u>35,626</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>21,962</u>	<u>11,376</u>	<u>(118,935)</u>

# VILLAGE OF BEISEKER

## STATEMENT OF CHANGES IN CASH RESOURCES YEAR ENDED DECEMBER 31, 1996

	1996	1995
<b>CASH RESOURCES PROVIDED BY (USED FOR)</b>		
<b>OPERATING</b>		
Excess (deficiency) of revenues over expenditures	75,416	(154,561)
Addback: physical assets acquired (included under investing)	70,974	84,361
land purchased for resale (included under investing)	<u>17,844</u>	<u>264,586</u>
	164,234	194,386
Changes in other operating items		
Receivables		
Taxes and grants in lieu	(12,143)	(9,588)
Utilities	(9,111)	(1,440)
Trade and other	105,693	(114,630)
Prepaid expenses	(1,214)	1,304
Accounts payable and accrued liabilities	(43,589)	13,386
Deposits and other liabilities	(738)	744
Prepaid local improvement charges	<u>(1,374)</u>	<u>(1,374)</u>
	<u>201,758</u>	<u>82,788</u>
<b>FINANCING</b>		
New long-term debt issued	7,500	103,500
Repayment of long-term debt	<u>(71,540)</u>	<u>(67,874)</u>
	<u>(64,040)</u>	<u>35,626</u>
<b>INVESTING</b>		
Physical assets acquired	(70,974)	(84,361)
Land purchased for resale	<u>(17,844)</u>	<u>(264,586)</u>
	<u>(88,818)</u>	<u>(348,947)</u>
<b>INCREASE (DECREASE) IN CASH RESOURCES</b>	48,900	(230,533)
Cash resources, beginning of year	<u>206,193</u>	<u>436,726</u>
<b>CASH RESOURCES, END OF YEAR</b>	<u>255,093</u>	<u>206,193</u>



# VILLAGE OF BEISEKER

## SCHEDULE OF EQUITY IN PHYSICAL ASSETS YEAR ENDED DECEMBER 31, 1996

### SCHEDULE 1

	1996	1995
BALANCE, BEGINNING OF YEAR	4,790,186	4,486,199
Additions		
Buildings	14,909	-
Engineering structures	-	67,624
Machinery and equipment	34,739	12,617
Vehicles	21,326	4,120
Land held for resale	17,844	264,586
Repayment of long-term debt	71,540	67,874
Disposals		
Land held for resale	-	(9,334)
New long-term debt issued	<u>(7,500)</u>	<u>(103,500)</u>
BALANCE, END OF YEAR	<u>4,943,044</u>	<u>4,790,186</u>

# VILLAGE OF BEISEKER

## SCHEDULE OF OPERATING FUND YEAR ENDED DECEMBER 31, 1996

### SCHEDULE 2

	Budget	1996	1995
<b>REVENUES</b>			
Property taxes and government grants in lieu of property taxes (Schedule 4)	665,693	661,727	599,525
Special levies and local improvement	28,289	28,289	28,289
Provincial grants - unconditional	21,360	24,409	27,843
Provincial grants - conditional	25,414	37,132	75,758
Federal grants - conditional	-	-	42,663
Sale of garbage	15,850	16,929	15,193
Sale of water	97,030	114,538	98,755
Sale of sewer	37,500	40,788	27,474
Parks and recreation	9,800	12,025	12,241
Planning and development	3,000	3,734	29,575
Franchise fees	10,348	2,136	13,544
Mobile unit licenses	-	-	3,120
Bylaws	1,000	1,215	1,000
Investment income	23,000	18,376	28,448
Penalties and costs - taxes	11,000	16,027	11,175
Penalties and costs - water and sewer	550	500	800
Fire department	800	803	676
Miscellaneous	<u>28,603</u>	<u>35,220</u>	<u>45,736</u>
	<u>979,237</u>	<u>1,013,848</u>	<u>1,061,815</u>
<b>EXPENDITURES</b>			
Requisitions (Schedule 4)	238,582	239,337	245,304
Salaries, wages and benefits	191,182	199,528	183,617
Materials, goods and utilities	251,905	285,047	317,763
Contracted and general services	32,267	27,450	26,345
Bad debts	20,000	20,000	-
Bank charges and short-term interest	125	768	126
Interest on long-term debt	71,373	71,373	77,628
Physical assets acquired	60,598	70,974	84,361
Land purchased for resale	-	17,844	264,586
Other expenditures	<u>19,703</u>	<u>6,111</u>	<u>16,646</u>
	<u>885,735</u>	<u>938,432</u>	<u>1,216,376</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>93,502</u>	<u>75,416</u>	<u>(154,561)</u>
Net interfund transfers			
From reserves for future expenditures	29,048	39,414	68,722
New long-term debt issued	-	7,500	103,500
Repayment of long-term debt	<u>(71,540)</u>	<u>(71,540)</u>	<u>(67,874)</u>
	<u>(42,492)</u>	<u>(24,626)</u>	<u>104,348</u>
<b>CHANGE IN FUND BALANCE (Schedule 5)</b>	51,010	50,790	(50,213)
Opening balance	<u>60,943</u>	<u>60,943</u>	<u>111,156</u>
<b>CLOSING BALANCE</b>	<u>111,953</u>	<u>111,733</u>	<u>60,943</u>

# VILLAGE OF BEISEKER

## SCHEDULE OF RESERVES FOR FUTURE EXPENDITURES YEAR ENDED DECEMBER 31, 1996

SCHEDULE 3

	Budget	1996	1995
BALANCE, BEGINNING OF YEAR	274,831	274,831	343,553
Net interfund transfers			
To operating fund	<u>(29,048)</u>	<u>(39,414)</u>	<u>(68,722)</u>
BALANCE, END OF YEAR	<u>245,783</u>	<u>235,417</u>	<u>274,831</u>

Reserves for future operating and capital activities changed as follows:

	1995	Increases	Decreases	1996
Operating				
General	<u>2,651</u>	<u>-</u>	<u>2,049</u>	<u>602</u>
Capital				
General	126,500	-	4,530	121,970
Fire fighting	18,000	2,000	20,000	-
Airport	18,500	-	-	18,500
Transportation	20,828	-	17,290	3,538
Common services	9,000	-	8,963	37
Water	34,522	-	-	34,522
Economic development	-	8,418	-	8,418
Industrial park	20,000	-	-	20,000
Tourism	5,500	-	-	5,500
CPR station	3,700	-	-	3,700
Recreation	15,043	3,000	-	18,043
Cash in lieu	<u>587</u>	<u>-</u>	<u>-</u>	<u>587</u>
	<u>272,180</u>	<u>13,418</u>	<u>50,783</u>	<u>234,815</u>
	<u>274,831</u>	<u>13,418</u>	<u>52,832</u>	<u>235,417</u>

# VILLAGE OF BEISEKER

## SCHEDULE OF TAXES LEVIED YEAR ENDED DECEMBER 31, 1996

### SCHEDULE 4

	Budget	1996	1995
<b>TAXATION</b>			
Real property taxes	592,110	588,143	532,613
Linear property taxes - power, pipe, cable	63,211	63,211	57,680
Government grants in lieu of property taxes	<u>10,372</u>	<u>10,373</u>	<u>9,232</u>
	<u>665,693</u>	<u>661,727</u>	<u>599,525</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	236,830	236,830	243,561
Rockyview Foundation	<u>1,752</u>	<u>2,507</u>	<u>1,743</u>
	<u>238,582</u>	<u>239,337</u>	<u>245,304</u>
<b>NET TAXES</b>	<u>427,111</u>	<u>422,390</u>	<u>354,221</u>

# VILLAGE OF BEISEKER

## SCHEDULE OF OPERATING FINANCIAL ACTIVITIES BY FUNCTION YEAR ENDED DECEMBER 31, 1996

SCHEDULE 5

FUNCTION	1996				1995	
	Revenue	From Reserves	Expenditures	To Reserves	Excess (Deficiency)	Excess (Deficiency)
Council	-	-	12,934	-	(12,934)	(14,149)
Administration	17,666	2,050	129,619	-	(109,903)	(93,143)
Fire department	2,564	24,528	54,240	2,000	(29,148)	(34,213)
Ambulance	-	-	11,183	-	(11,183)	(11,182)
Bylaw enforcement	1,215	-	1,672	-	(457)	(150)
Common services	5,082	17,290	51,334	-	(28,962)	(50,076)
Roads, streets, sidewalks	5,941	-	128,757	-	(122,816)	(56,258)
Airport	4,658	-	6,990	-	(2,332)	(4,265)
Water services	120,062	-	105,362	-	14,700	5,644
Sewer services	41,360	-	75,753	-	(34,393)	(101,799)
Garbage services	16,929	8,963	42,833	-	(16,941)	(12,861)
F.C.S.S.	12,198	-	3,235	-	8,963	1,776
Planning and development	3,734	-	2,719	3,500	(2,485)	700
Community services	1,000	-	11,071	-	(10,071)	(8,600)
Tourism	1,140	-	2,455	-	(1,315)	(441)
Economic development	6,350	-	5,911	4,917	(4,478)	(575)
Industrial subdivision	-	-	-	-	-	(10,580)
Residential subdivision	-	-	61,168	-	(61,168)	(210,058)
Recreation Board	-	-	653	-	(653)	(290)
Parks and recreation	25,443	-	27,485	3,000	(5,032)	(3,017)
Recreation programs	6,248	-	20,664	-	(14,416)	(9,784)
Library	1,434	-	14,592	-	(13,158)	(8,493)
	<u>273,034</u>	<u>52,831</u>	<u>770,630</u>	<u>13,417</u>	<u>(458,182)</u>	<u>(621,814)</u>
<b>GENERAL REVENUES</b>						
Net taxes (Schedule 4)					422,390	354,221
Special levies and local improvement					28,289	28,289
Provincial grants - unconditional					12,211	27,843
Franchise fees					2,136	13,544
Investment income					18,376	28,448
Penalties and costs - taxes					16,027	11,429
Miscellaneous					2,043	4,327
					<u>501,472</u>	<u>468,101</u>
<b>NET EXCESS (DEFICIENCY)</b>					43,290	(153,713)
New long-term debt issued					<u>7,500</u>	<u>103,500</u>
<b>CHANGE IN FUND BALANCE (Schedule 2)</b>					<u>50,790</u>	<u>(50,213)</u>

Note: In the above schedule, repayment of long-term debt of \$71,540 (1995 - \$67,874) has been allocated to the appropriate function.

# VILLAGE OF BEISEKER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1996

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### 1. ACCOUNTING POLICIES

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

*a) Reporting Entity*

The financial statements reflect the assets, liabilities, revenues and expenditures, and changes in fund balances and in cash resources of the municipality.

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

The financial statements exclude any trust assets that may be administered for the benefit of external parties.

*b) Basis Of Accounting*

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the goods and services are acquired and a liability is incurred or transfers are due, with the exception of physical assets as disclosed in Note 1(g).

*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. Capital fund debt principal and interest payments are recorded as operating fund expenditures. Proceeds from sales of land held for resale are recorded as operating fund revenues.

The operating and capital funds are further segregated by functions which relate to specific areas of activity of the municipality.

*d) Government Transfers*

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, any eligibility criteria have been met by the municipality, and reasonable estimates of the amounts can be made.

*e) Taxes And Grants In Lieu Receivables*

Taxes and grants in lieu receivables consist of current and non-current tax levies which remain outstanding at December 31.

# VILLAGE OF BEISEKER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1996

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### 1. ACCOUNTING POLICIES (cont.)

#### f) *Land Held for Resale*

Land held for resale is recorded in the capital fund 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. When land is sold, the inventory balance is reduced with an offsetting adjustment to equity in physical assets.

#### g) *Physical Assets*

Physical assets are recorded at cost except for donated assets, which are recorded at estimated fair value when acquired.

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

Physical assets for tax supported operations are not depreciated.

#### h) *Prepaid Local Improvements Charges*

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectable from property owners for work performed by the municipality.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue on a straight line basis over the remaining term of the related borrowings.

In the event that the prepaid amounts are applied against the related borrowings, the deferred revenue is amortized to revenue by an amount equal to the debt repayment.

#### i) *Allowances for Operating Assets*

Allowances for asset valuations are netted against the related operating asset. Increases in allowances are recorded as an expenditure while decreases in allowances are recorded as an expenditure reduction.

#### j) *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 in the equity account of the appropriate fund.

# VILLAGE OF BEISEKER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1996

### 1. ACCOUNTING POLICIES (cont.)

#### k) Equity In Physical Assets

Equity in physical assets represents the Village of Beiseker's net investment in its total physical assets, including land held for resale, after deducting the portion financed by third parties through debenture, bond and mortgage debts, long-term capital borrowings, capitalized leases and other capital liabilities.

#### l) *Excess Collections And Under-Levies*

Excess collections 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 excess collection is accrued as a liability and shown as an "other" operating expenditure. In situations where the actual levy is less than the requisition amount, the under-levy is accrued as an "other" asset and reflected as "other" operating revenue.

Requisition tax rates in the subsequent year are adjusted for any excess collections or under-levies of the prior year. Amounts previously accrued for excess collections are included in "other" operating expenditures.

### 2. CASH

Cash includes the reserves of the municipality as disclosed in Schedule 3.

### 3. TAXES AND GRANTS IN LIEU RECEIVABLES

	1996	1995
Current taxes and grants in lieu	<u>50,033</u>	<u>15,029</u>
Non-current taxes and grants in lieu	63,869	66,730
Less allowance for doubtful accounts	<u>53,880</u>	<u>33,880</u>
	<u>9,989</u>	<u>32,850</u>
	<u>60,022</u>	<u>47,879</u>



# VILLAGE OF BEISEKER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1996

### 4. LONG-TERM DEBT

	1996	1995
Debentures	555,619	592,659
Agreement payable	34,500	69,000
Note payable	<u>7,500</u>	<u>-</u>
	<u>597,619</u>	<u>661,659</u>

The current portion of the long-term debt amounts to \$79,362 (1995 - \$71,540).

Principal and interest repayments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1997	79,362	64,714	144,076
1998	49,385	57,603	106,988
1999	50,660	52,579	103,239
2000	56,240	46,998	103,238
2001	62,441	40,797	103,238
Subsequent	<u>299,531</u>	<u>100,121</u>	<u>399,652</u>
	<u>597,619</u>	<u>362,812</u>	<u>960,431</u>

Debenture debt is repayable to Alberta Municipal Financing Corporation and bears interest at rates ranging from 9.125% to 12.0% per annum, before Provincial subsidy, and mature in periods 2002 through 2010. The average annual interest rate is 10.925% for 1996 and 1995. For qualifying debentures, the Province of Alberta rebates 60% of interest in excess of 8%, 9% and 11% to a maximum rate of 12.5%, depending on the date borrowed. Debenture debt is issued on the credit and security of the Village of Beiseker at large.

The agreement payable, bearing interest at 7.5%, is repayable in full in 1997. It was issued in 1995 on the purchase of land held for resale.

The interest-free note payable was issued on the purchase of some equipment and is repayable in two equal annual installments to another Alberta municipality.

# VILLAGE OF BEISEKER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1996

### 5. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials and the chief administrative officer as required by provincial regulation is as follows:

	1996			1995
	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>	<u>Total</u>
Mayor Taylor	90	2,288	2,378	3,150
Councillor Beagle	420	2,498	2,918	3,988
Councillor Bell	-	2,288	2,288	2,288
Councillor Fegan	210	2,288	2,498	508
Councillor Gancer	-	-	-	1,984
Councillor Schmaltz	60	2,308	2,368	1,048
Councillor Van Hee	-	-	-	1,149
	780	11,670	12,450	14,115
Administrator - Ramberg	40,080	3,833	43,913	40,470
	40,860	15,503	56,363	54,585

### 6. DEBT LIMITS

Section 271 of the Municipal Government Act requires that debt and debt servicing limits as defined by regulation for the Village of Beiseker be disclosed as follows:

	1996	1995
Total debt limit	1,161,767	1,224,766
Total debt	597,619	661,659
Amount total debt limit available	564,148	563,107
Debt servicing limit	193,628	204,128
Debt servicing	144,076	142,914
Amount debt servicing limit available	49,552	61,214

### 7. COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.