

TOWN OF RIMBEY
AUDITED FINANCIAL STATEMENTS
For the year ended
December 31, 2009



Wilde and Company

Chartered Accountants

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AUDITORS' REPORT

To the Mayor and Council of Town of Rimbey

We have audited the consolidated statement of financial position as at December 31, 2009, the consolidated statement of change in net financial assets (debt), the consolidated statement of operations and the consolidated statement of cash flows for the year then ended. These consolidated financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2009 and the change in its net financial assets (debt), the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Vegreville, AB
February 12, 2010

Wilde & Company
Chartered Accountants

TOWN OF RIMBEY
Consolidated Statement of Financial Position
As at December 31, 2009

	2009 \$	2008 \$ (Restated)
Financial Assets		
Cash and temporary investments (Note 2)	665,181	2,311,762
Receivables		
Taxes and grants in place of taxes receivable (Note 3)	105,762	63,891
Due from governments	1,111,896	454,591
Trade and other receivables	201,967	264,272
Investments	2,329	2,329
	2,087,135	3,096,845
Liabilities		
Accounts payable and accrued liabilities	319,786	660,620
Trust funds (Note 10)	77,270	67,814
Deferred revenue (Note 4)	647,167	799,159
Long term debt (Note 5, Note 6)	2,627,367	2,320,905
	3,671,590	3,848,498
Net Financial Assets (Debt)	(1,584,455)	(751,653)
Non-Financial Assets		
Tangible capital assets (Schedule 1)	24,168,998	21,879,413
Prepaid expenses	54,626	49,795
	24,223,624	21,929,208
Accumulated Surplus (Note 9)	22,639,168	21,177,554
<i>Contingencies (Note 12)</i>		

TOWN OF RIMBEY
Consolidated Statement of Operations
Year Ended December 31, 2009

	Budget \$ (Unaudited)	2009 \$	2008 \$ (Restated)
Revenue			
Net municipal taxes (Schedule 3)	1,717,415	1,717,415	1,640,474
User fees and sales of goods	1,454,728	1,454,347	1,473,625
Government transfers for operating (Schedule 4)	884,850	960,677	437,101
Investment income	13,029	25,565	75,884
Penalties and costs on taxes	65,550	25,791	17,996
Rentals	168,370	173,421	323,466
Franchise revenues	177,000	192,532	156,986
Licenses, permits and fines	64,650	85,350	107,104
Other	208,562	350,375	170,329
Total revenue	4,754,154	4,985,473	4,402,965
Expenses			
Administration and legislative	801,502	765,367	715,707
Fire protection and safety services	157,441	154,304	104,869
Ambulance services	658,518	656,007	503,359
Bylaw enforcement	12,700	10,618	8,850
Roads, streets, walks, lighting	506,643	487,132	342,616
Airport	9,100	6,477	6,790
Water supply and distribution	234,889	254,554	209,697
Wastewater treatment and disposal	212,746	189,539	135,066
Waste management	363,910	344,514	352,862
Family and community support	177,191	177,191	180,912
Cemetery	10,300	9,607	7,975
Land use planning, zoning and development	367,467	340,204	194,283
Economic and Agricultural development			
Subdivision land and development			
Parks and recreation	445,815	445,736	353,448
Culture	492,898	450,248	359,252
Amortization	854,000	856,679	887,077
Loss on disposal of capital assets	-	109,825	-
Total expenses	5,305,120	5,258,002	4,362,763
Excess (deficiency) of revenue over expenses before other	(550,966)	(272,529)	40,202
Other			
Government transfers for capital (Schedule 4)	2,205,764	1,734,143	2,980,545
Other capital contributions	-	-	82,973
Excess (deficiency) of revenues over expenses	1,654,798	1,461,614	3,103,720
Accumulated surplus - beginning of the year	21,177,554	21,177,554	18,073,834
Accumulated surplus - end of the year	22,832,352	22,639,168	21,177,554

Consolidated Statement of Change in Net Financial Assets (Debt)
Year Ended December 31, 2009

	Budget \$ (Unaudited)	2009 \$	2008 \$ (Restated)
Excess (deficiency) of revenues over expenses	1,654,798	1,461,614	3,103,720
Acquisition of tangible capital assets	(3,510,300)	(3,155,602)	(5,329,335)
Contributed tangible capital assets		(109,136)	-
Proceeds on disposal of tangible capital assets		8,650	-
Amortization of tangible capital assets	850,000	856,678	887,077
(Gain) loss on sale of tangible capital assets		109,825	-
	(2,660,300)	(2,289,585)	(4,442,258)
Acquisition of supplies inventories			
Acquisition of prepaid assets		(4,831)	(2,566)
Use of supplies inventories			
Use of prepaid assets			
	-	(4,831)	(2,566)
(Increase) Decrease in net debt	(1,005,502)	(832,802)	(1,341,104)
Net Financial Assets (Debt), beginning of year	(751,653)	(751,653)	589,451
Net Financial Assets (Debt), end of year	(1,757,155)	(1,584,455)	(751,653)

TOWN OF RIMBEY
Consolidated Statement of Cash Flows
Year Ended December 31, 2009

	2009 \$	2008 \$ (Restated)
Operating		
Excess (deficiency) of revenue over expenses	1,461,614	3,103,720
Net changes in non-cash items included in excess of revenues over expenses		
Amortization of tangible capital assets	856,679	887,077
Loss on disposal of tangible capital assets	109,625	-
Tangible capital assets received as contributions	(109,140)	-
Net changes in non-cash charges to operation		
Decrease (increase) in taxes and grants in lieu receivable	(41,871)	699,553
Decrease (increase) in government receivables	(657,305)	-
Decrease (increase) in trade and other receivables	62,305	-
Decrease (increase) in land held for resale	-	-
Decrease (increase) in prepaid expenses	(4,831)	(2,563)
Increase (decrease) in accounts payable and accrued liabilities	(340,834)	330,140
Increase (decrease) in deposit liabilities and deferred revenues	(142,536)	401,676
<i>Cash provided by operating transactions</i>	1,193,706	5,419,603
Capital		
Acquisition of tangible capital assets	(3,155,600)	(5,329,335)
Proceeds from sale of tangible capital assets	8,850	-
<i>Cash applied to capital transactions</i>	(3,146,750)	(5,329,335)
Investing		
Decrease (increase) in restricted cash or cash equivalents		
Decrease (increase) in investments	-	-
<i>Cash provided by investing transactions</i>	-	-
Financing		
Term debt issued		
Long-term debt issued	610,000	1,847,000
Term debt repaid		
Long-term debt repaid	(303,537)	(190,787)
<i>Cash used in financing transactions</i>	306,463	1,656,213
Change in cash and cash equivalents during the year	(1,646,581)	1,746,481
Cash and cash equivalents, beginning of year	2,311,762	565,281
Cash and cash equivalents, end of year	665,181	2,311,762
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 2)	665,181	2,311,762

See accompanying notes

TOWN OF RIMBEY
Schedule of Tangible Capital Assets
Year Ended December 31, 2009
Schedule 1

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2009 \$	2008 \$ (Restated)
Cost								
Balance, beginning of year	2,392,136	797,509	5,073,844	21,797,372	1,331,647	668,379	32,060,887	26,731,552
Acquisition of tangible capital assets	11,207	135,777	537,786	2,338,691	60,661	180,616	3,264,738	5,329,335
Construction in progress	-	-	-	(337,824)	(20,592)	(49,000)	(407,416)	-
Disposal of tangible capital assets	-	-	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-	-	-
Balance, end of year	2,403,343	933,286	5,611,630	23,798,239	1,371,717	799,995	34,918,210	32,060,887
Accumulated amortization								
Balance, beginning of year	-	213,181	1,656,511	7,598,837	313,595	399,350	10,181,474	9,294,397
Annual amortization	-	30,649	136,077	584,880	70,596	34,476	856,679	887,077
Accumulated amortization on disposals	-	-	-	(219,349)	(20,592)	(49,000)	(288,940)	-
Balance, end of year	-	243,831	1,792,588	7,964,369	363,599	384,826	10,749,212	10,181,474
Net book value of tangible capital assets	2,403,343	689,455	3,819,042	15,833,871	1,008,118	415,169	24,168,998	21,879,413
2008 Net book value of tangible capital assets (restated)	2,392,136	584,328	3,417,333	14,198,535	1,018,052	269,029	21,879,413	-

TOWN OF RIMBEY
Schedule of Changes in Accumulated Surplus
Year Ended December 31, 2009
Schedule 2

	Unrestricted Surplus	Restricted Operating Reserves	Restricted Capital Reserves	Equity in Capital Assets	2009 \$	2008 \$ (Restated)
Balance, beginning of year	520,656	143,896	954,494	19,558,508	21,177,554	18,073,834
Excess (deficiency) of revenues over expenses	1,461,614		89,480		1,461,614	3,103,720
Unrestricted funds designated for future use	(89,480)		(257,241)		-	-
Restricted funds used for operations	258,182	(941)	(278,128)		-	-
Restricted funds used for TCA				278,128	-	-
Current year funds used for TCA	(2,877,474)			2,877,474	-	-
Donated and contributed TCA	(109,138)			109,138	-	-
Disposals of TCA	118,476			(118,476)	-	-
Annual amortization expense	856,678			(856,678)	-	-
TCA long term debt issued	610,000			(610,000)	-	-
TCA long term debt repaid	(303,537)			303,537	-	-
Balance, end of year	445,977	142,955	508,605	21,541,631	22,639,168	21,177,554
2008 Accumulated Surplus (restated)					-	
Balance, end of year - before restatement						
Adjustment to net book value of TCA	520,656	143,896	954,494	25,664,986	27,284,032	
Unexpended debenture funds				(6,106,478)	(6,106,478)	
TCA long term debt repaid					-	
Prior period adjustment - grant revenue					-	
Balance, end of year - after restatement	520,656	143,896	954,494	19,558,508	21,177,554	

TOWN OF RIMBEY
Schedule of Property and Other Taxes
Year Ended December 31, 2009
Schedule 3

	Budget \$ (Unaudited)	2009 \$	2008 \$
Taxation			
Real property taxes	1,645,335	1,645,335	1,591,743
Linear property	651,057	651,057	629,166
Government grants in place of property taxes	65,111	65,111	66,254
Special assessments and local improvement taxes	-	-	-
	2,361,503	2,361,503	2,287,163
Requisitions			
Alberta School Foundation Fund	635,876	635,876	638,893
Rimoka Seniors Foundation	8,212	8,212	7,796
	644,088	644,088	646,689
Net Municipal Taxes	1,717,415	1,717,415	1,640,474

TOWN OF RIMBEY
Schedule of Government Transfers
Year Ended December 31, 2009
Schedule 4

	Budget \$ (Unaudited)	2009 \$	2008 \$ (Restated)
Transfers for operating			
Federal Government	6,350	-	2,814
Provincial Government	467,572	608,396	364,577
Other Local Governments	410,928	352,281	69,710
	884,850	960,677	437,101
Transfers for Capital			
Federal Government	6,700	9,555	62,443
Provincial Government	2,136,064	1,724,588	2,918,102
Other Local Governments	63,000	-	-
	2,205,764	1,734,143	2,980,545
Total Government Transfers	3,090,614	2,694,820	3,417,646

TOWN OF RIMBEY
Schedule of Consolidated Expenses by Object
Year Ended December 31, 2009
Schedule 5

	Budget \$ (Unaudited)	2009 \$	2008 \$ (Restated)
Consolidated Expenses by Object			
Salaries, wages and benefits	1,895,785	1,720,353	1,562,398
Contracted and general services	1,156,375	1,083,586	904,502
Purchases from other governments	109,670	317,503	78,472
Materials, goods, supplies and utilities	795,037	685,670	536,337
Provision for allowances	99,200	110,180	65,660
Transfers to local boards and agencies	281,615	256,385	244,822
Bank charges and short term interest	2,000	2,300	-
Interest on long term debt	111,438	106,871	83,495
Net loss on sale of tangible capital assets	-	118,475	-
Amortization of tangible capital assets	854,000	856,679	887,077
	5,305,120	5,258,002	4,362,763

TOWN OF RIMBEY

Notes to Consolidated Financial Statements

Year Ended December 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the municipality 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 municipality are as follows:

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 municipality and are, therefore, accountable to 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.

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

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, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, 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, services performed or the tangible capital assets are acquired.

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.

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TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

Debt charges recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long term debt, less actuarial requirements for the retirement of any sinking fund debentures.

Requisition over-levy and under-levy

Over-levies and under-levies arise from the difference between the actual property tax 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 tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

Inventories for resale

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 levelling 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 the respective function.

Prepaid local improvement 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.

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TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Landfill closure and post-closure liability

Pursuant to the Alberta Environmental Protection and Enhancement Act, the municipality is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The requirement is being provided for over the estimated remaining life of the landfill site based on usage.

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

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TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets (Debt) for the year.

a) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	YEARS
Land improvements	10-25
Buildings	25-50
Engineered structures	
Water system	35-75
Wastewater system	35-75
Other engineered structures	5-80
Machinery and equipment	5-40
Vehicles	10-40

No amortization is charged in the year of acquisition and 100% of the annual amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

b) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

c) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

d) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

2. CASH AND TEMPORARY INVESTMENTS

	2009	2008
Cash	\$ 665,181	\$ 2,311,762

Temporary investments are short term deposits with original maturities of three months or less.
Council has designated funds of \$508,605 (2008 - \$954,496) included in the above amounts for equipment replacement.

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE

	2009	2008
Current taxes and grants in place of taxes	\$ 81,759	\$ 45,714
Arrears taxes	24,003	18,177
	\$ 105,762	\$ 63,891

4. DEFERRED REVENUE

	2009	2008
Alberta Municipal Infrastructure Program	\$ 289,451	\$ 258,876
Municipal Sponsorship Grant	-	271,771
Municipal Sustainability Initiative	27,238	121,137
Prepaid local improvement charges	93,839	48,392
Special Grant	92,228	92,228
Street Improvement Program	84,760	-
Other	59,651	6,755
	\$ 647,167	\$ 799,159

The use of these are restricted to eligible projects as approved under the funding agreements. Unexpended funds are supported by cash in the bank.

TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

5. LONG TERM DEBT

	2009	2008
Tax and special levy supported debentures	\$ 2,219,654	\$ 1,751,221
Self supported debentures	21,508	63,481
Alberta Treasury Branch loan	279,992	350,000
Bank of Montreal loan	106,213	156,203
	\$ 2,627,367	\$ 2,320,905

Principal and interest repayments are as follows:

	Principal	Interest	Total
2010	\$ 307,194	\$ 115,506	\$ 422,700
2011	287,184	101,749	388,933
2012	233,767	88,408	322,175
2013	232,580	77,377	309,957
2014	169,942	68,161	238,103
Thereafter	1,396,700	274,042	1,670,742
	<u>\$ 2,627,367</u>	<u>\$ 725,243</u>	<u>\$ 3,352,610</u>

The current portion of the long term debt amounts to \$307,194 (2008 - \$288,950)

Debenture debt is repayable to the Alberta Capital Finance Authority and bears interest at rates ranging from 3.308% to 9.875% per annum and matures in periods 2010 through 2018. The average annual interest rate is 5.57% for 2009 (5.72% for 2008).

Debenture debt is issued on the credit and security of the municipality at large.

The BMO Bank of Montreal loan bears interest at 4.89% and matures in 2011. The ATB Alberta Treasury Branch loan bears interest at 2.25% and matures in 2013.

Interest on long term debt amounted to \$14,709 (2008 - \$,9,442).

The municipality's total cash payments for interest in 2009 were \$109,171 (2008 - \$83,495).

TOWN OF RIMBEY**Notes to Consolidated Financial Statements****Year Ended December 31, 2009****6. 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 municipality be disclosed as follows:

	2009	2008
Total debt limit	\$ 7,478,209	\$ 6,728,905
Total debt	(2,627,367)	(2,320,904)
Amount of debt limit unused	\$ 4,850,842	\$ 4,408,001
Debt servicing limit	\$ 1,246,368	\$ 1,121,484
Debt servicing	(422,700)	(390,073)
Amount of debt servicing limit unused	\$ 823,668	\$ 731,411

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 that 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.

7. TANGIBLE CAPITAL ASSETS (net book value)

	2009	2008
Land	\$ 2,403,343	\$ 2,392,136
Land improvements	689,455	584,328
Buildings	3,819,042	3,417,333
Engineered structures		
Roadway system	5,523,889	4,913,639
Roadway system - construction-in-progress	-	-
Storm system	816,666	693,656
Water distribution system	2,127,954	2,051,942
Wastewater treatment system	7,365,362	6,539,298
Machinery, equipment and furnishings	1,008,118	1,018,052
Vehicles	415,169	269,029
	\$ 24,168,998	\$ 21,879,413

TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

8. EQUITY IN TANGIBLE CAPITAL ASSETS

	2009	2008
		(restated)
Tangible capital assets (Schedule 1)	\$ 34,918,210	\$ 32,060,887
Accumulated amortization (Schedule 1)	(10,749,212)	(10,181,474)
Long term debt (Note 5)	(2,627,367)	(2,320,905)
	\$ 21,541,631	\$ 19,558,508

9. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2009	2008
Unrestricted surplus	\$ 445,977	\$ 520,656
Restricted surplus		
Operating reserves	142,955	143,896
Restricted reserves	508,605	954,494
Equity in tangible capital assets	21,541,631	19,558,508
	\$ 22,639,168	\$ 21,177,554

10. TRUST FUNDS

The municipality administers the following trust funds:

	2009	2008
Ambulance donations	\$ 2,500	\$ 4,316
Cemetery Perpetual Care	31,650	31,980
Community Centre donation	6,376	6,376
Fire department funds	32,579	21,077
Library donations	4,065	3,965
Other	100	100
	\$ 77,270	\$ 67,814

TOWN OF RIMBEY

Notes to Consolidated Financial Statements

Year Ended December 31, 2009

11. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	2009		2008	
	Salary	Benefits & allowances (1)	Salary	Benefits & allowances (2)
Mayor	\$ 61,309	\$ 5,050	\$ 66,359	\$ 54,149
Wayne Clark	20,193	3,582	23,775	17,993
Kathy Davies	5,650	1,481	7,131	15,699
Dave Huff	18,397	3,532	21,929	19,143
David Karroll	18,549	3,534	22,083	18,615
Steve Schrader	5,955	1,299	7,254	-
Municipal Treasurer	37,397	6,752	44,149	75,919
Chief Administrative Officer	93,213	17,467 (3)	110,680	103,391

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.
3. Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial and retirement planning services, concessionary loans, travel allowances, car allowances and club memberships.

12. CONTINGENT LIABILITY

The municipality is a member of the Jubilee Reciprocal Insurance Exchange. Under the terms of the membership, the municipality 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.

TOWN OF RIMBEY

Notes to Consolidated Financial Statements

Year Ended December 31, 2009

13. FINANCIAL INSTRUMENTS

The municipality's financial instruments consist of cash and temporary investments, accounts receivable, investments, debt charges recoverable, bank indebtedness, accounts payable and accrued liabilities, deposit liabilities, requisition over-levy, and long-term debt. It is management's opinion that the municipality is not exposed to significant interest or currency risks arising from these financial instruments.

The municipality is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the municipality 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 carrying value of the financial instrument approximates fair value.

14. PRIOR PERIOD ADJUSTMENTS

The municipality has restated its financial statements to comply with the provisions of Section 3150 of the Public Sector Accounting Board Handbook, which requires governments to record and amortize their tangible capital assets on their financial statements. In addition, revenue from contributed assets and government grants and transfers relating to capital acquisitions has been included in income. These adjustments are as follows:

	2008
Adjustments to opening accumulated surplus:	
As previously reported	\$ 27,284,032
Adjustment to net book value of tangible capital assets	(6,106,478)
As restated	\$ 21,177,554
Adjustments to shortfall of revenues over expenses:	
As previously reported	\$ (1,338,539)
Tangible capital assets recorded but previously expensed	5,329,336
Annual amortization expense	(887,077)
As restated	\$ 3,103,720
Adjustments to tangible capital assets:	
As previously reported	\$ 27,985,891
Adjustment to historical cost of tangible capital assets	4,074,996
Accumulated amortization recorded	(10,181,474)
As restated	\$ 21,879,413

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

TOWN OF RIMBEY
Notes to Consolidated Financial Statements
Year Ended December 31, 2009

15. BUDGET FIGURES

Budget figures are included for information purposes only and are not audited.

16. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.