

Consolidated Financial Statements of the

TOWN OF SUNDRE

December 31, 2008

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Town of Sundre

Management's Responsibility for Financial Statements

The accompanying financial statements of the Town of Sundre are the responsibility of management and have been approved by the Town's Council. The financial statements have been prepared in conformity with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants, using management's best estimates and judgements, where appropriate. In the opinion of management, these financial statements reflect fairly the financial position, the results of its financial activities and changes in financial position of the Town within reasonable limits of materiality.

A system of internal accounting and administrative controls is maintained by management to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that the financial records are properly maintained to provide accurate and reliable financial statements.

Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal controls. Council carries out this responsibility through regular meetings with management throughout the year to review significant accounting and auditing matters.

These financial statements have been audited, in accordance with Canadian generally accepted auditing standards, by Chengkalath Van Eyck, Chartered Accountants, who were appointed by Council. Chengkalath Van Eyck, Chartered Accountants have full and unrestricted access to management and Council to discuss their audit and related findings as to the integrity of the organization's financial reporting. The Auditors' Report outlining the scope of their examination and their opinion on the financial statements is presented on the following page.

Wanda Watson-Neufeld, CGA
Director of Corporate Services
May 07, 2009

Auditors' Report

To the Members of Council:

We have audited the consolidated statement of financial position of the Town of Sundre as at December 31, 2008 and the consolidated statement of financial activities with change in fund balance and the non-consolidated statement of changes in financial position for the year then ended. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 consolidated financial statements present fairly, in all material respects, the financial position of the Town of Sundre as at December 31, 2008 and the results of its financial activities and the changes in its financial position for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Chengkalath Van Eyck


Chartered Accountants

May 07, 2009

TOWN OF SUNDRE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2008 and 2007

	2008	2007
Financial Assets		
Cash (Note 2)	\$ 4,462,887	\$ 4,475,785
Investments (Note 3)	1,569,338	851,900
Accounts receivable (Note 4)	1,316,055	765,056
Prepaid expenses	61,139	58,659
	7,409,419	6,151,400
Financial Liabilities		
Accounts payable and accrued liabilities	1,120,012	573,183
Deposits liabilities	21,473	22,585
Deferred revenue (Note 6)	133,076	141,173
Builders deposit	120,000	120,000
Long-term debt (Note 7)	3,497,001	2,894,648
	4,891,562	3,751,589
Net Financial Assets	2,517,857	2,399,811
Capital Assets		
Inventory of material and supplies	49,060	43,454
Physical Assets (Notes 5)	24,981,018	23,523,195
	25,030,078	23,566,649
Net Position	\$ 27,547,935	\$ 25,966,460
Municipal Position		
Equity in capital assets (Schedule 1)	\$ 21,484,016	\$ 20,628,547
Capital fund (Schedule 2)	-	-
Operating fund (Schedule 3)	2,042,739	2,092,189
Reserves for future expenditures (Schedule 4)	4,021,180	3,245,724
	\$ 27,547,935	\$ 25,966,460

Approved on behalf of Council by:



 Wanda Watson

TOWN OF SUNDRE**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND CHANGE IN FUND BALANCES****For the Years Ended December 31, 2008 and 2007**

	2008 Budget Unaudited	2008	2007
Revenues (Revenues by object)			
Net municipal property taxes (Schedule 5)	\$ 1,896,444	\$ 1,904,106	\$ 1,783,243
User fees:			
General Administration	174,839	362,976	200,381
Protective Services	62,132	71,537	20,928
Roads, streets, walks and lighting	54,912	208,257	196,744
Water supply and distribution	470,228	402,982	475,098
Wasterwater treatment and development	305,348	303,982	387,472
Waste management	193,760	188,992	173,965
F.C.S.S	1,350	1,498	1,298
Subdivision land and development	700	6,128	2,404
Parks and recreation	208,606	247,337	186,214
Culture - libraries and museums	25,600	27,158	74,782
Gas production and distribution	1,969,943	2,142,362	1,842,596
Penalties and cost on taxes	28,000	47,005	35,299
Licenses and permits	95,800	87,038	105,130
Fines	37,200	29,710	35,678
Investment income	94,625	179,095	255,918
Rentals	73,420	70,656	75,340
Provincial government trasfers	67,571	704,193	633,072
Local government transfers	13,382	242,788	179,328
Other revenue	9,909	24,525	20,726
	<u>5,783,769</u>	<u>7,252,325</u>	<u>6,685,616</u>
Expenditures (Schedule 6)			
Legislative	143,971	146,443	135,008
Administration	508,237	516,972	394,980
Protective services	211,953	188,535	185,433
Roads, streets, walks and lighting	569,649	548,506	634,659
Airport	-	-	1,000
Water supply and distribution	335,987	351,870	329,108
Wasterwater treatment and development	268,193	284,788	296,837
Waste management	171,866	178,159	189,101
F.C.S.S	72,350	85,281	72,298
Subdivision land and development	323,390	248,470	365,189
Parks and recreation	940,992	989,974	700,573
Culture - libraries and museums	136,253	169,875	235,630
Gas production and distribution	1,846,195	1,970,477	1,779,691
Other	12,800	11,499	11,134
	<u>5,541,836</u>	<u>5,690,849</u>	<u>5,330,641</u>
Excess of revenues over expenditures	<u>\$ 241,933</u>	<u>\$ 1,561,476</u>	<u>\$ 1,354,975</u>

TOWN OF SUNDRE**CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION**

For the Years Ended December 31, 2008 and 2007

	2008	2007
Cash Flows from Operating Activities		
Excess of revenues over expenditures	\$ 1,561,476	\$ 1,354,974
Adjustment for:		
Amortization of gas system	27,620	27,620
Deferred revenue	(8,097)	137,564
Appropriated surplus	20,000	(98,865)
	<u>1,600,999</u>	<u>1,421,293</u>
Changes in non-cash working capital balances		
Receivables:	(550,999)	81,720
Inventory of materials and supplies	(5,606)	(15,955)
Prepaid expenses	(2,480)	(3,326)
Accounts payable and accrued liabilities	546,829	(224,748)
Deposit liabilities	(1,112)	(2,818)
	<u>1,587,631</u>	<u>1,256,166</u>
Cash flows used for investing activities:		
Purchases of capital assets	(1,485,443)	(2,408,946)
Investment in short-term deposits	(717,439)	314,093
	<u>(2,202,882)</u>	<u>(2,094,853)</u>
Cash flows used for financing activities:		
Long-term debt repaid	(197,647)	(166,889)
Long-term debt issued	800,000	530,000
	<u>602,353</u>	<u>363,111</u>
Decrease in cash during year	<u>(12,898)</u>	<u>(475,576)</u>
Cash beginning of year	<u>4,475,785</u>	<u>4,951,361</u>
Cash, end of year	<u>\$ 4,462,887</u>	<u>\$ 4,475,785</u>

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

1. SIGNIFICANT ACCOUNTING POLICIES

The non-consolidated financial statements of the Town of Sundre 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 Town of Sundre are as follows:

(a) Reporting entity

The non-consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and changes in financial position of the reporting entity. This 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 affairs and resources. They include the following:

- (i) General – activities associated with the provision of conventional municipal services including General Administrative Services, Protective Services (Fire, Police, Disaster Services and 911 Communications) and Public Services (Municipal Works, Community Development, and Parks and Outdoor Recreation).
- (ii) Utilities – Self-supporting activities which provide Water, Sewer and Solid Waste Services.

The schedule of taxes levied also includes requisitions for education 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. Inter-departmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

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

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

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

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

(c) Fund accounting

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

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Fund accounting (Continued)

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

(d) Government grants

Government grants are recognized in the non-consolidated financial statements as revenues in the period that the grants are received.

(e) Taxes and grants in place of taxes receivable

Taxes and grants in place of taxes receivable consist of current and non-current property tax levies, which remain outstanding at December 31.

(f) Capital assets

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

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

In the gas utility function, capital assets are amortized on a straight line basis over an estimated useful life of 30 years.

(g) Reserves for future expenditures

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

(h) Equity in capital assets

Equity in capital assets represents the Town of Sundre's net investment in its total capital assets, after deducting the portion financed by third parties through debentures, bond or mortgage debts, long-term capital borrowings, capitalized leases and other capital liabilities.

(i) Inventories

Inventories of materials and supplies are valued at the lower of cost or net realizable value with cost determined by the average cost method.

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

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Inventories (Continued)

street lighting are recorded as inventory. When land is sold the inventory balance is reduced with an offsetting entry to expenses.

(j) Prepaid local improvement charges

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

Where a tax payer 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 related borrowings, the deferred revenue is amortized to revenue by an amount equal to the debt repayment.

(k) 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.

(l) Investments

Investments are recorded at amortized cost. When there is a loss in value that is other than a temporary decline, the respective investment is written down to recognize loss.

2. CASH

	<u>2008</u>	<u>2007</u>
Unrestricted cash		
Petty cash	\$ 200	\$ 200
General Account	441,507	1,229,861
	<u>\$ 441,707</u>	<u>\$ 1,230,061</u>
Restricted Cash	4,021,180	3,245,724
	<u>\$ 4,462,887</u>	<u>\$ 4,475,785</u>

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

3. INVESTMENTS

	<u>2008</u>	<u>2007</u>
Short term deposits	\$ 1,541,638	\$ 824,200
Investment in Gas Alberta Inc.		
Shares at cost	200	200
Debentures	27,500	27,500
	<u>\$ 1,569,338</u>	<u>\$ 851,900</u>

Short-term deposits have effective interest rate of 2.40% to 3.25% and mature in less than one year. Included in short term deposits is \$ 120,000, which will be used to refund the builder's deposits once they have successfully completed development.

The debenture with Gas Alberta Inc. is non-interest bearing and is due on June 30, 2009.

4. ACCOUNTS RECEIVABLE

	<u>2008</u>	<u>2007</u>
Taxes and grants in place of taxes	\$ 189,197	\$ 132,323
Trade and other	1,126,858	632,733
	<u>\$ 1,316,055</u>	<u>\$ 765,056</u>

5. PHYSICAL ASSETS

	<u>2008</u>		<u>2007</u>	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 526,230	\$ -	\$ 526,230	\$ 526,230
Buildings	6,520,356	87,091	6,433,265	5,747,803
Distribution System;				
Water	3,858,321	-	3,858,321	3,698,815
Wastewater	4,863,657	-	4,863,657	4,378,228
Gas	539,330	538,295	1,035	1,035
Other engineering structures	7,207,078	-	7,207,078	7,179,108
Machinery and equipment	1,732,017	230	1,731,787	1,691,688
Vehicle	359,645	-	359,645	300,288
	<u>\$ 25,606,634</u>	<u>\$ 625,616</u>	<u>\$ 24,981,018</u>	<u>\$ 23,523,195</u>

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

6. DEFERRED REVENUE

	<u>2008</u>	<u>2007</u>
Deposit on land improvement	\$ 133,076	\$ 141,173

7. LONG-TERM DEBT

	<u>2008</u>	<u>2007</u>
Tax supported debentures	\$ 1,172,822	\$ 1,244,776
Special levies supported debentures	2,044,680	1,329,426
Utility supported debentures	279,499	320,446
	<u>\$ 3,497,001</u>	<u>\$ 2,894,648</u>
Less: Current portion	166,889	190,643
	<u>\$ 3,330,112</u>	<u>\$ 2,704,005</u>

Principal and interest repayments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 225,232	\$ 155,711	\$ 380,943
2010	217,674	145,701	363,375
2011	200,235	136,280	336,515
2012	209,301	127,177	336,478
2013	211,645	117,770	329,415
Thereafter	2,432,914	847,782	3,280,696
	<u>\$ 3,497,001</u>	<u>\$ 1,530,421</u>	<u>\$ 5,027,422</u>

Debenture debt is repayable to Alberta Finance Authority and ATB Financial bearing interest rate ranging from 4.267% to 9.5% per annum, before Provincial subsidy and matures in periods 2008 to 2033. For qualifying debentures, the Province of Alberta rebates interest on certain debentures. Debentures debt is issued on the credit and security of the Town of Sundre at large.

Interest on Long – term debt to \$ 138,849 (2007 - \$109,061)

The Town's total cash payments for interest in 2008 are \$ 138,272 (2007 - \$ 108,927)

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

8. 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:

	2008			2007
	Salary	Benefits and Allowances	Total	Total
Mayor and Councillors:				
Mayor Cummings	\$ 17,034	\$ 1,225	\$ 18,259	\$ 16,822
Councilor Clews	11,583	4,900	16,483	13,881
Councilor Henze	11,583	2,800	14,383	11,931
Councilor McIntyre	11,583	3,675	15,258	2,147
Councilor Savage-Howe	-	-	-	9,637
Councilor Taylor	11,583	4,025	15,608	13,140
Councilor Toone	11,583	2,275	13,858	12,081
Councilor White	11,583	525	12,108	2,297
Councilor Brosh	-	-	-	10,237
	\$ 86,532	\$ 19,425	\$ 105,957	\$ 92,173
Chief Administration Officer	\$ 93,934	\$ 1,208	\$ 95,142	\$ 87,246

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
2. Benefits may include the 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. Allowances may also includes the Employer's share of the cost of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances, conferences and club memberships.

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

9. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires disclosure of debt and debt limits for the Town of Sundre. The debt limit is calculated at 1.5 times revenue (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue.

	<u>2008</u>	<u>2007</u>
Total debt limit	\$ 9,644,448	\$ 9,410,422
Total debt	3,497,001	2,894,648
Amount total debt limit exceeds total debt	\$ 6,147,447	\$ 6,515,774
Debt servicing limit	\$ 1,607,408	\$ 1,568,403
Debt servicing	380,943	317,259
Amount debt servicing limit exceeds debt servicing	\$ 1,226,465	\$ 1,251,144

10. COMMITMENTS

Town of Sundre has an agreement with Wild Rose Assessment Services Inc. to provide assessment services. Assessment services are required by the municipalities in order to carry out the assessment of property within each municipality, primarily for taxation purposes. Under the terms of the agreements the Town of Sundre is committed to the following minimum payments until end of March 31, 2012.

2009	-	\$ 34,200
2010	-	no. of parcels @ \$20/parcel
2011	-	Option year to be negotiated

11. FINANCIAL INSTRUMENTS

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

The Town is subject to credit risk with respect to taxes, utilities and other accounts receivable. Credit risk arises from the possibility that some taxpayers and other customers may experience financial difficulty and may not be able to fulfill their financial obligations. The Town's customers and taxpayers are diverse which minimizes this risk.

The fair values of these financial instruments approximate their carrying amounts due to the short-term maturity of these instruments unless disclosed otherwise.

Long-term debt as described in note 7 is subject to fixed interest rates; therefore the Town is not subject to interest rate risk.

TOWN OF SUNDRE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008 and 2007

12. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town of Sundre participate in the Local Authorities Pension Plan (LAPP), which is covered by the Alberta Public Sector Pension Plans Act.

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

The Town of Sundre is required to make current service contributions to the Plan of 7.75% (2007-7.75%) of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 10.64% (2007-10.64%) for the excess. Employees of the Town are required to make current service contributions of 6.75% of pensionable salary up to the year's maximum pensionable salary and 9.64% on pensionable salary above this amount.

Total current service contributions by the Town of Sundre to the LAPP in 2008 were \$87,740 (2007 - \$80,242). Total current service contributions by the employees of the Town of Sundre to the LAPP in 2008 were \$77,182 (2007 - \$70,574).

The plan disclosed an actuarial deficiency of \$1,187 billion as per the latest information available as per the audited financial statements for the year ended December 31, 2007. The Town of Sundre's share loss is not determinable.

13. TANGIBLE CAPITAL ASSETS

Section 3150 - Tangible Capital Assets section of the Public Sector Accounting Board comes into effect on January 1, 2009. During 2008 the Town continued to work towards compliance with the new recommendations for accounting for tangible capital assets. A complete listing of assets and their values for Land and its improvements, Buildings, Machinery and Equipment, Vehicles and Engineering Structures is currently underway and is expected to be completed by the due date.

14. BUDGET AMOUNTS

The 2008 Budget of the Town of Sundre was approved by the Council and has been reported in the financial statements for information purposes only. These budget amounts have not been audited.

15. APPROVAL OF FINANCIAL STATEMENTS

The Council and Management have approved these financial statements.

16. COMPARATIVE FIGURE

Certain comparative figures have been reclassified in order to conform to the current year's presentation.

TOWN OF SUNDRE
SCHEDULE OF EQUITY IN CAPITAL ASSETS
For the Years Ended December 31, 2008 and 2007

Schedule 1

	2008 Budget Unaudited	2008	2007
Acquisition of Capital Assets			
General administration	\$ -	\$ 6,091	\$ 1,019,784
Roads, streets, walks and lighting	1,905,500	699,562	905,831
Water supply and distribution	255,346	199,606	149,087
Waste water treatment and disposal	853,620	485,430	163,519
Community center	-	-	30,909
Trails	45,000	-	40,627
Parks and Creations	170,000	94,754	92,302
Gas	13,000	-	6,887
	3,242,466	1,485,443	2,408,946
Expenditures			
Amortization of capital property	(30,000)	(27,620)	(27,620)
Capital Financing			
Capital debt issued	(1,093,300)	(800,000)	(530,000)
Capital debt repaid from operating fund	214,496	197,647	166,889
	(878,804)	(602,353)	(363,111)
Change in equity balance	4,121,270	855,469	2,018,214
Equity balance, beginning of year	21,484,016	20,628,547	18,610,333
Equity balance, end of year	\$ 25,605,286	\$ 21,484,016	\$ 20,628,547

TOWN OF SUNDRE**Schedule 2****SCHEDULE OF CAPITAL FUND FINANCIAL ACTIVITIES AND CHANGE IN FUND****For the Years Ended December 31, 2008 and 2007**

	2008	2007
Revenues		
Government transfer	\$ 1,093,644	\$ 206,000
Expenditures		
Acquisition of capital assets	(1,485,443)	(2,408,946)
Excess of expenditures over revenues	(391,799)	(2,202,946)
Transfer (to) from operating fund	(408,201)	1,672,946
Debt Issued	800,000	530,000
Closing fund balance	\$ -	\$ -

TOWN OF SUNDRE

Schedule 3

SCHEDULE OF OPERATING FUND FINANCIAL ACTIVITIES AND CHANGE IN FUND BALANCE
For the Years Ended December 31, 2008 and 2007

	2008 Budget Unaudited	2008	2007
Revenues			
Net municipal property taxes (Schedule 5)	\$ 1,896,444	\$ 1,904,106	\$ 1,783,243
User fees:			
General Administration	174,839	89,913	200,381
Protective Services	62,132	35,335	20,928
Roads, streets, walks and lighting	54,912	57,177	60,724
Water supply and distribution	470,228	402,982	475,098
Wasterwater treatment and development	305,348	303,982	387,472
Waste management	193,760	188,992	173,965
F.C.S.S	1,350	1,498	1,298
Subdivision land and development	700	6,128	2,404
Parks and recreation	208,606	228,142	186,214
Culture - libraries and museums	25,600	27,158	24,802
Gas production and distribution	1,969,943	2,142,362	1,842,596
Penalties and cost on taxes	28,000	47,005	35,299
Licenses and permits	95,800	87,038	105,130
Fines	37,200	29,710	35,678
Investment income	94,625	179,095	255,918
Rentals	73,420	70,656	75,340
Provincial government transfers	67,571	90,089	613,072
Local government transfers	13,382	242,788	179,328
Other revenue	9,909	24,525	20,726
	5,783,769	6,158,681	6,479,616
Expenditures			
Legislative	143,971	146,443	135,008
Administration	508,237	516,972	394,980
Protective services	211,953	188,535	185,433
Roads, streets, walks and lighting	569,649	548,506	634,659
Airport	-	-	1,000
Water supply and distribution	335,987	351,870	329,108
Wasterwater treatment and development	268,193	284,788	296,837
Waste management	171,866	178,159	189,101
F.C.S.S	72,350	85,281	72,298
Subdivision land and development	323,390	248,470	365,189
Parks and recreation	940,992	989,974	700,573
Culture - libraries and museums	136,253	169,875	235,631
Gas production and distribution	1,846,195	1,942,857	1,752,071
Other	12,800	11,499	11,133
	5,541,836	5,663,229	5,303,021
Excess of revenues over expenditures	241,933	495,452	1,176,595
Transfers to reserves	(201,594)	(775,456)	771,946
Transfers from (to) capital fund	(202,001)	408,201	(1,672,946)
Debt repayment	(214,496)	(197,647)	(166,889)
Inter-fund transfers	-	20,000	(70,924)
Change in fund balance	(376,158)	(49,450)	37,782
Fund balance, beginning of year	2,092,189	2,092,189	2,082,348
Surplus appropriation	-	-	(27,941)
Closing fund balance	\$ 1,716,031	\$ 2,042,739	\$ 2,092,189

TOWN OF SUNDRE
SCHEDULE OF CHANGE IN FUND BALANCE - RESERVES
For the Years Ended December 31, 2008 and 2007

Schedule 4

	2008	2007
Fund balance, beginning of year	\$ 3,245,724	\$ 4,017,670
Add (deduct)	-	-
Net increase in operating of year	2,242,380	87,687
Net increase in capital reserves	(1,466,924)	(859,633)
Change in reserve fund balance	775,456	(771,946)
Fund balance, end of year	\$ 4,021,180	\$ 3,245,724

Reserves are comprised of the following:

	2007	Additions	Withdrawals	2008
Operating reserves				
General	\$ 278,869	\$ 70,834	\$ 39,072	\$ 310,631
Capital reserves				
Municipal Sustainability	149,056	243,629	21,287	371,398
Police	36,508	10,571	-	47,079
Fire Truck	146,844	98,178	36,202	208,820
Roads	167,697	404,093	269,031	302,759
Street Improvements	98,133	155,895	12,805	241,223
AB Infrastructure	1,309,168	509,144	465,213	1,353,099
Water & Sewer	613,165	389,852	509,254	493,763
New Deals	142,315	76,872	-	219,187
Solid Waste	-	33	-	33
Economic Development	-	7,617	-	7,617
Land	12,401	1,818	-	14,219
SCC	12,140	270	-	12,410
Arena	124,755	56,395	75	181,075
Greenwood Park	29,553	3,823	5,500	27,876
Baseball	9,501	266	1,535	8,232
Parks	70,918	59,672	21,337	109,253
Recreation and Culture	27,261	644	-	27,905
Community Services	-	4,374	-	4,374
Trails	10,404	30,175	12,303	28,276
Outdoor Rinks	3,028	2,885	-	5,913
Gas	4,008	115,340	73,310	46,038
	2,966,855	2,171,546	1,427,852	3,710,549
Total Reserves	\$ 3,245,724	\$ 2,242,380	\$ 1,466,924	\$ 4,021,180

TOWN OF SUNDRE**Schedule 5****SCHEDULE OF TAXES LEVIED****For the Years Ended December 31, 2008 and 2007**

	2008 Budget Unaudited	2008	2007
Taxation			
Real property taxes	\$ 2,659,666	\$ 2,509,475	\$ 2,374,510
Linear property taxes	-	147,327	158,350
Local improvement taxes	105,515	113,523	119,120
	\$ 2,765,181	\$ 2,770,325	\$ 2,651,980
Requisitions			
Alberta School Foundation Fund - Basic	783,717	784,189	783,717
Senior Lodges - Mount View Foundation	25,569	26,047	25,569
Ambulance	59,451	55,983	59,451
	868,737	866,219	868,737
Net municipal property taxes	\$ 1,896,444	\$ 1,904,106	\$ 1,783,243

TOWN OF SUNDRE**Schedule 6****SCHEDULE OF CONSOLIDATED EXPENDITURES BY OBJECT****For the Years Ended December 31, 2008 and 2007**

	2008 Budget Unaudited	2008	2007
Expenditures			
Salaries, wages and benefits	\$ 1,701,188	\$ 1,795,809	\$ 1,481,116
Contracted and general services	1,096,135	1,082,983	1,247,013
Materials, goods, supplies and utilities	2,030,051	2,259,330	2,041,246
Purchases from other governments	129,200	-	87,870
Transfers to other groups	388,388	380,718	306,206
Interest on capital long - term debt	162,724	138,849	109,061
Amortization of gas system	30,000	27,620	27,620
Other	4,150	5,540	30,509
Total expenditures	\$ 5,541,836	\$ 5,690,849	\$ 5,330,641