MEYERS NORRIS PENNY LLP

February 18, 2002

Village Council
Village of Beiseker
Box 349
Beiseker, Alberta
T0M 0G0

Dear Council Members:

We have been engaged to audit the financial statements of the Village of Beiseker for the year ending December 31, 2001.

Assurance and Related Services Guideline AuG-11, *Communications with audit committees (or equivalent)* (the "Guideline"), requires that we communicate at least annually with you regarding all relationships between the Village of Beiseker and Meyers Norris Penny LLP that, in our professional judgement, may reasonably be thought to bear on our independence. In determining which relationships to report, the Guideline requires us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

(a) Holding a financial interest, either directly or indirectly, in a client;

(b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;

(c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;

(d) Economic dependence on a client; and

(e) Provision of services in addition to the audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters.

We are not aware of any relationship between the organization and Meyers Norris Penny LLP that, in our professional judgement, may reasonably be thought to bear on our independence, which have occurred from January 1, 2001 to February 18, 2002.

The Guideline requires that we confirm our independence to the Village Council members. However, since the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta deal with the concept of independence in terms of objectivity, our confirmation is to be made in that context. Accordingly, we hereby confirm that Meyers Norris Penny LLP is objective with respect to the organization within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta as of February 18, 2002.

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This report is intended solely for the use of Village Council, management and others within the Village and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you at our upcoming meeting on April 8, 2002. We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Yours truly,

MEYERS NORRIS PENNY LLP

Stewart Scott, CA
Partner

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MEYERS NORRIS PENNY LLP

April 8, 2002

VILLAGE OF BEISEKER
Report of the Auditors to Council

The primary purpose of this report is to present significant findings arising from our audit procedures, to highlight those areas of importance in respect of financial statement presentation and disclosure and to discuss the conduct of the audit examination.

Our audit included the consolidated financial statements of the Village of Beiseker (the "Village") for the year ended December 31, 2001.

Our audit of the financial statements was made in accordance with Canadian generally accepted auditing standards, with the objective of expressing an opinion as to whether the financial statements present fairly the financial position and results of operations of the Village in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. In forming our opinion on the financial statements, we performed sufficient tests and other procedures to obtain reasonable assurance whether information contained in the underlying accounting records and other source data was reliable and sufficient as a basis for the preparation of the financial statements. We also considered whether the information is appropriately communicated in the financial statements.

We also audited the Municipal Financial Information Return in accordance with Canadian generally accepted auditing standards to ensure it has been prepared in accordance with accepted accounting principles prescribed by the Minister of Alberta Municipal affairs as provided for in Section 277 of the Municipal Government Act. Our opinions are unqualified as to scope and fair presentation.

All adjustments suggested were made to the financial statements. We found no instances of controversial accounting practices or policies and our audit testing revealed that estimates made by management were appropriate.

During the course of our audit, we received the full assistance of management and staff and there were no limitations placed on the scope of our audit. We encountered no difficulties in dealing with management and are not aware of any accounting or auditing matters discussed by management with other accountants.

No disagreements with management were encountered about matters that could be significant to the Village's financial statements or the Auditors Report. No irregularities or illegal acts came to our attention during the course of the audit.

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CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
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In planning and performing the audit, we considered the Village's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements of the Village. We did not perform an in-depth evaluation of internal controls related to financial reporting.

To the limited extent that we reviewed them, we noted no matters involving internal controls and their operations that we considered to be material weaknesses. A material weakness is a condition in which the design or operation of the specific internal controls does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

We confirm that we are independent of the Village and are not aware of any relationship between the Village and Meyers Norris Penny LLP that, in our professional judgment, may reasonably be thought to bear on our independence.

There are several aspects of the financial statements we want to highlight to you.

The Village's cash position, has increased $206,467 from December 31, 2000. The increase primarily results from net new debt of $16,823, positive cash flows from operations of $592,070 less $402,926 spent on physical assets. The operating cash flow results mainly from the operating surplus, and increases in accounts payable of $22,065 and deferred revenue of $37,850. The deferred revenue is a grant relating to the 2002 year-end received in the current year. The investing cash flow results from a repayment of a note receivable.

During the year, the Village spent $402,926 on physical asset additions, an increase of roughly $56,000 from 2000. Major additions included reconstruction related to 1st Avenue of $297,794, a truck purchased for $25,505, chain link fencing purchased for the sewer lagoon of $15,182, equipment purchases for the fire department of $13,467, and shoring equipment purchased for public works of $11,683. Funding for these asset additions was provided for through government grants, new debt, and from operations.

These capital expenditures represent the increased demands placed on the facilities of a growing municipality. Capital budgeting and the setting of priorities continue to be imperative as does establishing a source of funding for capital projects. The recent provincial budget will increase the diligence required in this process.

An increase in trade payables caused the year-end balance of accounts payable and accruals to increase by $22,064. New long-term debt of $123,620 was issued, and $106,797 in debt was repaid during the year.

Equity in physical assets increased $385,603 as a result of the asset additions of $402,926, asset disposals of $500, net of the increase in debt of $16,823.

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The surplus in the operating fund increased $127,542 due to a current year surplus of $117,383, net of transfers to the reserves for future expenditures of $6,664 and a net long-term debt increase of $16,823. The current year surplus is $88,830 more than the surplus in 2000 due to several factors. Favourable variances include: Provincial grants increased $114,325, planning and development revenue increased $66,796 and contracted and general services expense decreased $31,900. Unfavourable variances include: physical assets acquired increased $56,398 and salaries, wages and benefits increased $29,956

Reserves for future expenditures increased $6,664 due to a transfer from the operating fund.

Note 8 to the financial statements outlines the debt capacity as defined under the Act. The calculations indicate the Village is well onside in both the amount of debt and the ability to service the debt, with both measures continuing to improve.

The matters raised in this and other reports that will flow from the audit are only those which have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising, and in particular we cannot be held responsible for reporting all risks in your business or all internal control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has been prepared for, and is not intended for, any other purpose.

We thank Ruth Copeland-Brunelle, and the Village staff for their help and assistance. Without their full cooperation the audit can be very difficult and time consuming. We wish you continued success in 2002.

Yours truly,

MEYERS NORRIS PENNY LLP

Stewart Scott, CA
Partner

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Village of Beiseker

Consolidated Financial Statements

December 31, 2001

To the citizens of the:

Village of Beiseker

Management has the responsibility for preparing the accompanying consolidated financial statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian generally accepted accounting principles.

In discharging its responsibility 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 proper records are maintained.

The Mayor and Council are composed entirely of citizens who are neither management nor employees of the Village.

External auditors are appointed by the citizens 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 Mayor and Council and management to discuss their audit findings.

R. Copeland-Brunelle
Village Administrator

To the Mayor and Council of the
Village of Beiseker

We have audited the consolidated statement of financial position of the Village of Beiseker as at December 31, 2001 and the consolidated statements of financial activities, and cash flows 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 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 Village as at December 31, 2001 and the results of its financial activities and cash flows for the year then ended in accordance with the accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Meyers Norris Penny LLP

Calgary, Alberta
February 18, 2002

Chartered Accountants

Village of Beiseker
Consolidated Statement of Financial Position
As at December 31, 2001

	2001	*2000*
Assets		
Financial		
Cash	**344,121**	214,034
Receivables		
Taxes and grants in lieu *(Note 2)*	**168,308**	155,709
Utilities	**42,815**	42,022
Trade and other	**40,948**	49,711
Note receivable *(Note 3)*	**36,750**	50,625
Prepaid expenses	**1,581**	-
	634,523	512,101
Physical assets		
Land	**86,555**	62,038
Buildings	**545,720**	529,960
Engineering structures	**6,481,839**	6,171,082
Machinery and equipment	**517,554**	491,168
Vehicles	**174,375**	149,370
	7,806,043	7,403,618
	8,440,566	7,915,719
Liabilities		
Bank indebtedness	**-**	76,380
Accounts payable and accruals	**122,297**	100,233
Deposits and other liabilities	**25,295**	20,331
Prepaid local improvement charges	**3,190**	3,473
Deferred revenue *(Note 4)*	**37,850**	-
Long-term debt *(Note 5)*	**505,874**	489,051
	694,505	689,468
Municipal position		
Equity in physical assets *(Schedule 1)*	**7,300,169**	6,914,566
Operating fund *(Schedule 2)*	**249,354**	121,812
Reserves for future expenditures *(Schedule 3)*	**196,537**	189,873
	7,746,061	7,226,251
	8,440,566	7,915,719

Approved on behalf of the Council:

The accompanying notes are an integral part of these financial statements.

Village of Beiseker
Consolidated Statement of Financial Activities
For the year ended December 31, 2001

	2001	2000
Revenues		
Property taxes and government grants in lieu of property taxes *(Schedule 4)*	813,824	814,634
Special levies and local improvement	25,462	28,326
Provincial grants – unconditional	5,856	7,613
Provincial grants – conditional	249,589	135,264
Federal grants – conditional	2,820	4,559
Sale of garbage	30,204	29,710
Sale of water	125,591	123,097
Sale of sewer	58,203	51,661
Parks and recreation	4,468	5,223
Planning and development	47,811	18,985
Franchise fees	2,537	11,150
Investment income	11,458	8,077
Penalties and costs – taxes and utilities	26,845	20,486
Fines	462	401
Miscellaneous	75,599	64,552
	1,480,729	1,323,738
Expenditures		
Requisitions *(Schedule 4)*	226,487	251,010
Salaries, wages and benefits	256,896	226,940
Materials, goods and utilities	152,326	127,999
Contracted and general services	223,300	255,200
Bank charges and short-term interest	762	733
Interest on long-term debt	52,878	52,981
Physical assets acquired	402,926	346,528
Other expenditures	47,771	33,794
	1,363,346	1,295,185
Excess of revenue over expenditures	117,383	28,553
New long-term debt issued	123,620	69,384
Repayment of long-term debt	(106,797)	(97,780)
	16,823	(28,396)
Net change in fund balance	134,206	157
Surplus and reserves, beginning of year as previously reported	311,685	238,028
Prior period adjustment *(Note 10)*	-	73,500
Surplus and reserves, beginning of year as restated	311,685	311,528
Surplus and reserves, end of year	445,891	311,685

The accompanying notes are an integral part of these financial statements.

Village of Beiseker
Consolidated Statement of Cash Flows
For the year ended December 31, 2001

	2001	2000
Cash provided by (used for) the following activities		
Operating activities		
Excess of revenues over expenditures	**117,383**	28,553
Add-back physical assets acquired (included under investing activities)	**402,926**	346,527
Deduct proceeds on disposal of physical assets (included under investing activities)	(500)	-
	519,809	375,080
Changes in other operating items		
Receivables		
Taxes and grants in lieu	**(12,599)**	(44,358)
Utilities	**(793)**	(5.090)
Trade and other	**8,763**	15,603
Prepaid expenses	**(1,581)**	12,613
Accounts payable and accruals	**22,065**	(55,866)
Deposits and other liabilities	**4,964**	1,235
Prepaid local improvement charges	**(283)**	(284)
Deferred revenue	**37,850**	
	578,195	298,933
Financing activities		
New long-term debt issued	**123,620**	69,384
Repayment of long-term debt	(106,797)	(97,780)
	16,823	(28,396)
Investing activities		
Physical assets acquired	**(402,926)**	(346,528)
Proceeds on disposal of physical assets	**500**	-
Repayment of note receivable	**13,875**	22,875
	(388,551)	(323,653)
Increase (decrease) in cash position	**206,467**	(53,116)
Cash position, beginning of year	**137,654**	190,770
Cash position, end of year	**344,121**	137,654

Cash position is made up of the following:		
Cash	**344,121**	214,034
Bank overdraft	**-**	(76,380)
	344,121	137,654

The accompanying notes are an integral part of these financial statements.

Village of Beiseker
Consolidated Schedule of Equity in Physical Assets
For the year ended December 31, 2001

SCHEDULE 1

	2001	*2000*
Balance, beginning of year	**6,914,566**	6,539,643
Additions		
Buildings	**15,761**	2,632
Engineering structures	**310,757**	326,965
Machinery and equipment	**26,386**	13,529
Land	**24,517**	3,401
Vehicles	**25,505**	-
	402,926	346,527
Disposals		
Vehicles	(500)	-
Repayment of long-term debt	**106,797**	97,780
Proceeds on long-term debt	**(123,620)**	(69,384)
	(16,823)	28,396
Balance, end of year	**7,300,169**	6,914,566

The accompanying notes are an integral part of these financial statements.

Village of Beiseker
Consolidated Schedule of Operating Fund
For the year ended December 31, 2001

SCHEDULE 2

	2001	*2000*
Revenues		
Property taxes and government grants in lieu of property taxes *(Schedule 4)*	813,824	814,634
Special levies and local improvement	25,462	28,326
Provincial grants – unconditional	5,856	7,613
Provincial grants – conditional	249,589	135,264
Federal grants – conditional	2,820	4,559
Sale of garbage	30,204	29,710
Sale of water	125,591	123,097
Sale of sewer	58,203	51,661
Parks and recreation	4,468	5,223
Planning and development	47,811	18,985
Franchise fees	2,537	11,150
Investment income	11,458	8,077
Penalties and costs – taxes and utilities	26,845	20,486
Fines	462	401
Miscellaneous	75,599	64,552
	1,480,729	1,323,738
Expenditures		
Requisitions (Schedule 4)	226,487	251,010
Salaries, wages and benefits	256,896	226,940
Materials, goods and utilities	152,326	127,999
Contracted and general services	223,300	255,200
Bank charges and short-term interest	762	733
Interest on long-term debt	52,878	52,981
Physical assets acquired	402,926	346,528
Other expenses	47,771	33,794
	1,363,346	1,295,185
Excess of revenue over expenditures	117,383	28,553
Net inter-fund transfers		
To reserves for future expenditures	(6,664)	(5,930)
New long-term debt issued	123,620	69,384
Repayment of long-term debt	(106,797)	(97,780)
	10,159	(34,326)
Net change in fund balance	127,542	(5,773)
Balance, beginning of year as previously reported	121,812	54,085
Prior period adjustment *(Note 10)*	-	73,500
Balance, as restated	121,812	127,585
Balance, end of year	249,354	121,812

The accompanying notes are an integral part of these financial statements.

Village of Beiseker
Consolidated Schedule of Reserves for Future Expenditures
For the year ended December 31, 2001

SCHEDULE 3

	2001	*2000*
Balance, beginning of year	**189,873**	183,943
Net inter-fund transfers		
From operating fund	**6,664**	5,930
Balance, end of year	**196,537**	189,873

Reserves for future operating and capital activities changed as follows:

	2000	*Increases*	*Decreases*	*2001*
Operating				
General	12,002	3,000	(3,000)	**12,002**
Fire fighting	22,709	1,900	(14,269)	**10,340**
Transportation	1,870	-	-	**1,870**
Water	26,951	-	-	**26.951**
Economic development	1,051	-	-	**1,051**
Subdivision	18,033	-	-	**18,033**
Recreation	1,882	1,414	(325)	**2,971**
Cash in lieu	587	-	-	**587**
RSP reserves	4,500	5,500	(3,512)	**6,488**
F.C.S.S.	-	400	-	**400**
Economic development	-	5,000	-	**5,000**
	89,585	17,214	(21,106)	**85,693**
Capital				
Airport	6,500	15,556	-	**22,056**
Sewer	58,475	-	-	**58,475**
Industrial Park	24,113	-	-	**24,113**
Tourism	500	-	-	**500**
CPR Station	10,700	-	(7,000)	**3,700**
Common services	-	2,000	-	**2,000**
	100,288	17,556	(7,000)	**110,844**
	189,873	34,770	(28,106)	**196,537**

The accompanying notes are an integral part of these financial statements.

Village of Beiseker
Consolidated Schedule of Net Taxes Levied
For the year ended December 31, 2001

SCHEDULE 4

	2001	*2000*
Taxation		
Real property taxes	**737,678**	728,789
Linear property taxes – power, pipe, cable	**64,091**	74,190
Government grants in lieu of property taxes	**12,055**	11,655
	813,824	814,634
Requisitions		
Alberta School Foundation Fund	**223,833**	248,900
Rockyview Foundation	**2,654**	2,110
	226,487	251,010
Net taxes levied	**587,337**	563,624

The accompanying notes are an integral part of these financial statements.

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:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, and changes in fund balances and in cash resources of the village. The Village is comprised of all 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. Interdepartmental and organizational transactions and balances have been eliminated.

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

Basis of accounting

The consolidated financial statements recognize 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.

Fund accounting

Management funds consist of the operating and reserve funds. Transfers between funds are recorded as adjustments to the appropriate equity account.

The operating fund is further segregated by functions that relate to specific areas of activity of the Village.

Government transfers

Government transfers are recognized in the consolidated 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 Village, and reasonable estimates of the amounts can be made.

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.

Land held 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 their respective function.

1. Accounting policies (continued)

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.

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 Village.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as prepaid revenue. Prepaid 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 prepaid revenue is amortized to revenue by an amount equal to the debt repayment.

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.

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.

Equity in physical assets

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

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. Taxes and grants in lieu receivable

	2001	*2000*
Current taxes and grants in lieu receivable	**77,264**	75,909
Non-current taxes receivable	**91,044**	79,800
	168,308	155,709

3. Note receivable

Note receivable includes a note resulting from the sale of land held for resale in 1999. The note is repayable by four consecutive annual equal payments of $18,375 less $1,500 per lot sold and is due April 2003.

4. Deferred revenue

Deferred revenue consists of an Alberta Government infrastructure grant for the year 2002 received in the current year. The amount will be recognized in revenue in 2002.

5. Long-term debt

	2001	*2000*
Debentures	**287,484**	348,851
Finance contract	**980**	11,369
Bank loans	**217,410**	128,831
	505,874	489,051

Principal and interest payments are as follows:

	Principal	*Interest*	*Total*
2002	97,606	45,603	143,209
2003	85,779	36,868	122,647
2004	92,277	28,155	120,432
2005	71,009	18,528	89,537
2006	23,989	11,109	35,098
Subsequent	135,214	25,342	160,556
	505,874	165,605	671,479

Debenture debt is repayable to Alberta Municipal Financing Corporation and bears interest at rates ranging from 9.125% to12.0% per annum, before Provincial subsidy, and mature in periods 2002 through 2010. The average annual interest rate is 10.925% for 2001 and 2000. 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 at large.

The finance contract, bearing interest at 10.25%, is repayable monthly at $975, including interest, and is due January 2002.

The bank loans, bearing interest from 6.60% to 6.95%, are repayable monthly at $3,463, including interest, and are due in periods 2003 through 2011.

6. Salary and benefits disclosure

Disclosure of salaries and benefits for Municipal Officials and Administrators as required by Alberta Regulation 379/4 is as follows:

	Salary	*Benefits*	*2001 Total*	*2000 Total*
Mayor Fegan	1,800	119	1,919	360
Deputy Mayor Courtman	1,050	119	1,169	119
	2,850	238	3,088	479
Councillor Courtman	-	-	-	930
Councillor Fegan	-	-	-	1,379
Councillor L'Abbee	-	2,291	2,291	2,727
Councillor Priestman	150	2,749	2,899	2,666
Councillor Walters	-	2,291	2,291	2,787
Councillor Rowe	210	20	230	-
Councillor Herman	360	20	380	-
	720	7,371	8,091	10,489
Administrator – Ramberg	-	-	-	16,615
Administrator – Copeland-Brunelle	34,089	2,238	36,327	21,584
	34,089	2,238	36,327	38,199
	37,659	9,847	47,506	49,167

7. Contingencies

The Village is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the Village 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.

8. Debt limits

Section 276 (2) of the Municipal Government Act requires that debt and debt servicing limits as defined by Alberta Regulation 375/94 for the Village of Beiseker be disclosed as follows:

	2001	*2000*
Total debt limit	1,550,494	1,443,941
Total debt	505,874	489,051
Amount of total debt limit available	1,044,620	954,890
Debt servicing limit	258,416	240,657
Debt servicing	143,209	154,023
Amount of debt servicing limit available	115,207	86,634

8. Debt limits (continued)

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 375/94) 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.

9. Financial instruments

The Village as part of its operations carries a number of financial instruments. It is management's opinion that the Village is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

10. Prior period adjustment

During 1999, the Village entered into a sale of land held for re-sale agreement, that resulted in a note receivable to be paid by four consecutive annual payments. In 2000, it was determined that this note receivable was not accounted for in the Village's prior year financial statements. Prior period figures have been adjusted to correct the note receivable which resulted in an increase for 1999 in the net operating fund balance of $73,500.

11. Comparative figures

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

FINANCIAL INFORMATION RETURN

FOR THE YEAR ENDING DECEMBER 31, 2001

Chief Administrative Officer or Designated Officer Certification

Municipality Name: Village of Beiseker

The information contained in this Financial Information Return presents fairly, to the best of my knowledge, the information requested and complies with the accompanying Financial Information Manual.

Signature R. Copeland-Brunelle **Dated** April 8, 2002

Auditors' Report
On Municipal Financial Information Return

To the Mayor and Council of the
Village of Beiseker

We have audited the municipal financial information return of the Village of Beiseker for the year ended December 31, 2001. This financial information is the responsibility of the municipal administration. 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, this financial information return presents fairly, in all material respects, the financial position of the Village as at December 31, 2001 and the results of its operations for the year then ended in accordance with the accounting principles prescribed by the Minister of Alberta Municipal Affairs as provided for in Section 277 of the Municipal Government Act.

It is understood that this report, as requested by the Minister of Alberta Municipal Affairs, is to be used primarily for provincial statistical purposes. We have issued an audit report dated March 11, 2002 on the consolidated financial statements of the Village of Beiseker for the year ended December 31, 2001 and reference should be made to those audited financial statements for complete information.

Meyers Norris Penny LLP

Calgary, Alberta
March 11, 2002

Chartered Accountants

FINANCIAL POSITION — Schedule A

		Operating 1	Capital 2	Reserves 3	Total 4
Assets	0010				
Cash and Temporary Investments	0020	344,121			344,121
Taxes and Grants in Place Receivables	0030				
. Current	0040	77,264			77,264
. Arrears	0050	91,044			91,044
. Allowance	0060				0
Receivable From Other Governments	0070				0
Loans Receivable	0080				0
Trade and Other Receivables	0090	83,763			83,763
Due From Excluded Functions	0100				0
Due From Other Funds	0110			196,537	
Inventory of Consumable Supplies	0120				0
Inventories Held for Resale	0130				
. Land	0140				0
. Other	0150				0
Prepaid Expenses	0160	1,580			1,580
Long Term Investments	0170				
. Federal Government	0180				0
. Provincial Government	0190				0
. Local Governments	0200				0
. Other	0210				0
Capital Property	0220		7,806,044		7,806,044
Other Current Assets	0230				0
Other Long Term Assets	0240	36,750			36,750
	0250	634,522	7,806,044	196,537	
Total Assets	0260				8,440,566
Liabilities	0270				
Temporary Loans Payable	0280				0
Payable To Other Governments	0290				0
Accounts Payable & Accrued Liabilities	0300	122,296			122,296
Deposit Liabilities	0310	25,295			25,295
Due To Excluded Functions	0320				0
Due To Other Funds	0330	196,537			
Deferred Revenue	0340	37,850			37,850
Long Term Debt	0350		505,874		505,874
Other Current Liabilities	0360	3,190			3,190
Other Long Term Liabilities	0370				0
	0380	385,168	505,874	0	
Total Liabilities	0390				694,505

Equity	0400				
Restricted Fund Balances	0405	0	0	0	0
Unrestricted Fund Balances	0406	249,354	7,300,170	196,537	7,746,061
Total Fund Balances	0410	249,354	7,300,170	196,537	7,746,061
Unfunded Liabilities	0415				
Total Equity	0418	249,354	7,300,170	196,537	7,746,061
	0420	634,522	7,806,044	196,537	
Total Liabilities and Equity	0430				8,440,566

FUND EQUITY

Schedule B

		Operating	Capital	Reserves	Total
		1	2	3	4
Net Revenue (Expenditure)	0500	299,230	220,580		519,810
Net Transfers From / To Reserves Fund	0510	-6,664		6,664	
Net Transfers From / To Excluded Function	0520	-58,227	58,227		0
Net Transfers From / To Operating / Capital Funds	0530				
Transfer To Capital: Principal Repayments on L\T Debt	0540	-106,797	106,797		
Appropriated From Beginning of Year Fund Balance	0550				0
Other Inter-Fund Adjustments	0560				
Increase (Decrease) In Unfunded Liabilities	0565				
Change In Fund Balances	0570	127,542	385,604	6,664	519,810
Fund Balances	0575				
Balance at Beginning of Year	0580	121,812	6,914,566	189,873	7,226,251
Prior Period Adjustments	0590				0
Appropriated To Operating Fund	0600				0
Other Adjustments	0610				0
Balance at End of Year	0620	249,354	7,300,170	196,537	7,746,061

FINANCIAL ACTIVITIES BY FUNCTION

Schedule C

		Operating	Capital	Total
		1	2	3
Total General Revenue	0700	612,800		612,800
Function Revenue	0710			
General Government	0720			
Council and Other Legislative	0730			0
General Administration	0740	93,741		93,741
Other General Government	0750			0
Protective Services	0760			
Police	0770			0
Fire	0780	1,305	6,610	7,915
Disaster and Emergency Measures	0790			0
Ambulance and First Aid	0800			0
Bylaws Enforcement	0810	2,377		2,377
Other Protective Services	0820			0
Transportation	0830			
Common and Equipment Pool	0840	7,762		7,762
Roads, Streets, Walks, Lighting	0850	50	212,569	212,619
Airport	0860	23,317		23,317
Public Transit	0870			0
Storm Sewers and Drainage	0880			0
Other Transportation	0890			0
Environmental Use and Protection	0900			
Water Supply and Distribution	0910	130,404	1,401	131,805
Wastewater Treatment and Disposal	0920	58,420		58,420
Waste Management	0930	37,422		37,422
Other Environmental Use and Protection	0940			0
Public Health and Welfare	0950			
Family and Community Support	0960	20,098		20,098
Day Care	0970			0
Cemeteries and Crematoriums	0980			0
Other Public Health and Welfare	0990			0
Planning and Development	1000			
Land Use Planning, Zoning and Development	1010	11,352		11,352
Economic/Agricultural Development	1020	97		97
Subdivision Land and Development	1030			0
Public Housing Operations	1040			0
Land, Housing and Building Rentals	1050			0
Other Planning and Development	1060	1,397		1,397
Recreation and Culture	1070			
Recreation Boards	1080			0
Parks and Recreation	1090	31,596		31,596
Culture: Libraries, Museums, Halls	1100	1,525		1,525
Convention Centres	1110			0
Other Recreation and Culture	1120			0
Other	1130			0
Total Revenue	1140	1,033,663	220,580	1,254,243

FINANCIAL ACTIVITIES BY FUNCTION

Schedule C (cont.)

		Operating 1	Capital 2	Total 3
Expenditures	1150			
General Government	1160			
Council and Other Legislative	1170	16,366		16,366
General Administration	1180	139,472		139,472
Other General Government	1190			0
Protective Services	1200			
Police	1210			0
Fire	1220	47,341		47,341
Disaster and Emergency Measures	1230	2,469		2,469
Ambulance and First Aid	1240	14,135		14,135
Bylaws Enforcement	1250	7,465		7,465
Other Protective Services	1260			0
Transportation	1270			
Common and Equipment Pool	1280	81,008		81,008
Roads, Streets, Walks, Lighting	1290	93,861		93,861
Airport	1300	4,251		4,251
Public Transit	1310			0
Storm Sewers and Drainage	1320			0
Other Transportation	1330			0
Environmental Use and Protection	1340			
Water Supply and Distribution	1350	90,501		90,501
Wastewater Treatment and Disposal	1360	49,983		49,983
Waste Management	1370	53,256		53,256
Other Environmental Use and Protection	1380			0
Public Health and Welfare	1390			
Family and Community Support	1400	22,495		22,495
Day Care	1410			0
Cemeteries and Crematoriums	1420	5,000		5,000
Other Public Health and Welfare	1430			0
Planning and Development	1440			
Land Use Planning, Zoning and Development	1450	9,207		9,207
Economic/Agricultural Development	1460	11,286		11,286
Subdivision Land and Development	1470	5,986		5,986
Public Housing Operations	1480			0
Land, Housing and Building Rentals	1490			0
Other Planning and Development	1500	10,609		10,609
Recreation and Culture	1510			
Recreation Boards	1520	155		155
Parks and Recreation	1530	52,995		52,995
Culture: Libraries, Museums, Halls	1540	16,592		16,592
Convention Centres	1550			0
Other Recreation and Culture	1560			0
Other	1570			0
Total Expenditures	1580	734,433	0	734,433
Net Revenue (Expenditure)	1590	299,230	220,580	519,810

FINANCIAL ACTIVITIES BY TYPE / OBJECT

Schedule D

		Operating	Capital	Total
		1	2	3
Revenues	1700			
Taxation and Grants in Place	1710			
. Property (Net Municipal)	1720	612,800		612,800
. Business	1730			0
. Business Revitalization Zone	1740			0
. Special	1750			0
. Well Drilling	1760			0
. Local Improvement	1770			0
. Mobile Home License Fees	1780			
Sales To Other Governments	1790			0
Sales and User Charges	1800	287,859		287,859
Penalties and Costs on Taxes	1810	26,845		26,845
Licenses and Permits	1820	11,908		11,908
Fines	1830	462		462
Franchise and Concession Contracts	1840	2,537		2,537
Returns on Investments	1850	11,458		11,458
Rentals	1860	12,220		12,220
Insurance Proceeds	1870			0
Proceeds From Disposal of Capital Property	1880			0
Federal Government Unconditional Transfers	1890			0
Federal Government Conditional Transfers	1900	2,820		2,820
Provincial Government Unconditional Transfers	1910	5,856		5,856
Provincial Government Conditional Transfers	1920	29,009	220,580	249,589
Local Government Transfers	1930			0
Transfers From Local Boards and Agencies	1940			0
Drawn From Allowances	1950			
Developers' Agreements and Levies	1960			0
Other Revenues	1970	29,889		29,889
Total Revenue	1980	1,033,663	220,580	1,254,243
Expenditures	1990			
Salaries, Wages, and Benefits	2000	256,896		256,896
Contracted and General Services	2010	223,300		223,300
Purchases from Other Governments	2020			0
Materials, Goods, Supplies, and Utilities	2030	152,326		152,326
Provision For Allowances	2040			0
Transfers to Other Governments	2050			0
Transfers to Local Boards and Agencies	2060	21,804		21,804
Transfers to Individuals and Organizations	2070	7,363		7,363
Bank Charges and Short Term Interest	2080	762		762
Interest on Operating Long Term Debt	2090	0		0
Interest on Capital Long Term Debt	2100	52,878		52,878
Amortization of Capital Property	2110			0
Unamortized Cost of Capital Property Disposed	2120			0
Other Expenditures	2130	19,104		19,104
Total Expenditures	2140	734,433	0	734,433
Net Revenue (Expenditure)	2150	299,230	220,580	519,810

OPERATING FUND SUPPLEMENTARY DETAIL

Schedule E

		Operating Revenue		Operating Expenditures	
		Sales and User Charges	Provincial Government Conditional Transfers	Interest on Operating Long Term Debt	Interest on Capital Long Term Debt
		1	2	3	4
General Government	2200				
Council and Other Legislative	2210				
General Administration	2220	436			
Other General Government	2230				
Protective Services	2240				
Police	2250				
Fire	2260				
Disaster and Emergency Measures	2270				
Ambulance and First Aid	2280				
Bylaws Enforcement	2290				
Other Protective Services	2300				
Transportation	2310				
Common and Equipment Pool	2320		5,544		
Roads, Streets, Walks, Lighting	2330	50			24,195
Airport	2340	2,000			
Public Transit	2350				
Storm Sewers and Drainage	2360				
Other Transportation	2370				2,157
Environmental Use and Protection	2380				
Water Supply and Distribution	2390	125,591	2,959		18,555
Wastewater Treatment and Disposal	2400	58,203	217		7,971
Waste Management	2410	30,204			
Other Environmental Use and Protection	2420				
Public Health and Welfare	2430				
Family and Community Support	2440	3,540	14,764		
Day Care	2450				
Cemeteries and Crematoriums	2460				
Other Public Health and Welfare	2470				
Planning and Development	2480				
Land Use Planning, Zoning and Development	2490	2,714			
Economic/Agricultural Development	2500	97			
Subdivision Land and Development	2510	45,000			
Public Housing Operations	2520				
Land, Housing and Building Rentals	2530				
Other Planning and Development	2540				
Recreation and Culture	2550				
Recreation Boards	2560				
Parks and Recreation	2570	4,468	4,000		
Culture: Libraries, Museums, Halls	2580		1,525		
Convention Centres	2590				
Other Recreation and Culture	2600				
Other	2610	15,556			
Total	2620	287,859	29,009	0	52,878

CAPITAL FUND SUPPLEMENTARY DETAIL

Schedule F

		Capital Revenue	Capital Assets	Capital Fund Long Term Debt	
		Provincial Government Conditional Transfers	Capital Property Additions	Principal Additions During Year	Principal Reductions During Year
		1	2	3	4
General Government	2700				
Council and Other Legislative	2710				
General Administration	2720		6,236		
Other General Government	2730				
Protective Services	2740				
Police	2750				
Fire	2760	6,610	18,266		
Disaster and Emergency Measures	2770				
Ambulance and First Aid	2780				
Bylaws Enforcement	2790				
Other Protective Services	2800				
Transportation	2810				
Common and Equipment Pool	2820		31,126		
Roads, Streets, Walks, Lighting	2830	212,569	303,441	98,857	48,437
Airport	2840				
Public Transit	2850				
Storm Sewers and Drainage	2860				
Other Transportation	2870			24,762	9,886
Environmental Use and Protection	2880				
Water Supply and Distribution	2890	1,401	6,667		37,088
Wastewater Treatment and Disposal	2900		27,514		11,385
Waste Management	2910				
Other Environmental Use and Protection	2920				
Public Health and Welfare	2930				
Family and Community Support	2940				
Day Care	2950				
Cemeteries and Crematoriums	2960				
Other Public Health and Welfare	2970				
Planning and Development	2980				
Land Use Planning, Zoning and Development	2990				
Economic/Agricultural Development	3000				
Subdivision Land and Development	3010				
Public Housing Operations	3020				
Land, Housing and Building Rentals	3030				
Other Planning and Development	3040				
Recreation and Culture	3050				
Recreation Boards	3060				
Parks and Recreation	3070		9,676		
Culture: Libraries, Museums, Halls	3080				
Convention Centres	3090				
Other Recreation and Culture	3100				
Other	3110				
Total	3120	220,580	402,926	123,619	106,796

CHANGES IN CAPITAL PROPERTY — Schedule G

		Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
Capital Property - Cost	3200				
Engineering Structures	3210	6,171,083	310,758		6,481,841
Buildings	3220	529,959	15,761		545,720
Machinery and Equipment	3230	491,168	26,386		517,554
Land	3240	62,038	24,517		86,555
Vehicles	3250	149,370	25,504	500	174,374
Total Capital Property Cost	3260	7,403,618	402,926	500	7,806,044
Capital Property - Accumulated Amortization	3270				
Engineering Structures	3280				0
Buildings	3290				0
Machinery and Equipment	3300				0
Land	3310				0
Vehicles	3320				0
Total Capital Property Accumulated Amortization	3330	0	0	0	0
Total Capital Property Net of Accum. Amortization	3340	7,403,618	402,926	500	7,806,044

LONG TERM DEBT SUPPORT — Schedule H

		Operating 1	Capital 2	Total 3
Long Term Debt Support	3400			
Supported by General Tax Levies	3410		416,961	416,961
Supported by Special Levies	3420		88,913	88,913
Supported by Utility Rates	3430			0
Other	3440			0
Total Long Term Debt Principal Balance	3450	0	505,874	505,874

LONG TERM DEBT SOURCES — Schedule I

		Operating 1	Capital 2	Total 3
Alberta Municipal Financing Corporation	3500		287,484	287,484
Province of Alberta	3510			0
Canada Mortgage and Housing Corporation	3520			0
Municipal Development and Loan Board	3530			0
Government of Canada	3540			0
Alberta Mortgage and Housing Corporation	3550			0
Alberta Opportunity Company	3560			0
Public Bond Issue	3570			0
United States Market	3580			0
European Market	3590			0
Mortgage Borrowing	3600			0
Other	3610		218,390	218,390
Total Long Term Debt Principal Balance	3620	0	505,874	505,874

CHANGES IN CAPITAL PROPERTY — Schedule G

		Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
Capital Property - Cost	3200				
Engineering Structures	3210	6,171,083	310,758		6,481,841
Buildings	3220	529,959	15,761		545,720
Machinery and Equipment	3230	491,168	26,386		517,554
Land	3240	62,038	24,517		86,555
Vehicles	3250	149,370	25,504	500	174,374
Total Capital Property Cost	3260	7,403,618	402,926	500	7,806,044
Capital Property - Accumulated Amortization	3270				
Engineering Structures	3280				0
Buildings	3290				0
Machinery and Equipment	3300				0
Land	3310				0
Vehicles	3320				0
Total Capital Property Accumulated Amortization	3330	0	0	0	0
Total Capital Property Net of Accum. Amortization	3340	7,403,618	402,926	500	7,806,044

LONG TERM DEBT SUPPORT — Schedule H

		Operating 1	Capital 2	Total 3
Long Term Debt Support	3400			
Supported by General Tax Levies	3410		287,484	287,484
Supported by Special Levies	3420		218,390	218,390
Supported by Utility Rates	3430			0
Other	3440			0
Total Long Term Debt Principal Balance	3450	0	505,874	505,874

LONG TERM DEBT SOURCES — Schedule I

		Operating 1	Capital 2	Total 3
Alberta Municipal Financing Corporation	3500		287,484	287,484
Province of Alberta	3510			0
Canada Mortgage and Housing Corporation	3520			0
Municipal Development and Loan Board	3530			0
Government of Canada	3540			0
Alberta Mortgage and Housing Corporation	3550			0
Alberta Opportunity Company	3560			0
Public Bond Issue	3570			0
United States Market	3580			0
European Market	3590			0
Mortgage Borrowing	3600			0
Other	3610		218,390	218,390
Total Long Term Debt Principal Balance	3620	0	505,874	505,874

FUTURE LONG TERM DEBT REPAYMENTS

Schedule J

		Operating	Capital	Total
		1	2	3
Principal Repayments by Year	3700			
Current + 1	3710		97,606	97,606
Current + 2	3720		85,779	85,779
Current + 3	3730		92,277	92,277
Current + 4	3740		71,009	71,009
Current + 5	3750		23,989	23,989
Thereafter	3760		135,214	135,214
Total Principal	3770	0	505,874	505,874
Interest by Year	3780			
Current + 1	3790		45,603	45,603
Current + 2	3800		36,868	36,868
Current + 3	3810		28,155	28,155
Current + 4	3820		18,528	18,528
Current + 5	3830		11,109	11,109
Thereafter	3840		25,342	25,342
Total Interest	3850	0	165,605	165,605

PROPERTY TAXES AND GRANTS IN PLACE — Schedule K

		Property Taxes 1	Grants In Place of Property Taxes 2	Total 3
Property Taxes	3900			
Residential Land and Improvements	3910	507,501	6,431	513,932
Non-Residential	3920			
Land	3930	25,462		25,462
Improvements Excluding Machinery and Equipment	3940	208,435	5,624	214,059
Machinery and Equipment	3950	19,927		19,927
Linear Property	3960	64,091		64,091
Railway	3970	1,815		1,815
Farm Land	3980			0
Adjustments to Property Taxes	3990			
Total Property Taxes and Grants In Place	4000	827,231	12,055	839,286

Requisition Transfers	4010	
Education		
Residential/Farm Land	4031	123,000
Non-Residential	4035	100,832
Hospital Districts	4060	
Nursing Homes and Auxiliary Hospitals	4070	
Ambulance Districts	4080	
Seniors Lodges	4090	2,654
Other	4100	
Adjustments to Requisition Transfers	4110	
Total Requisition Transfers	4120	226,486
Net Municipal Property Taxes and Grants In Place	4130	612,800

GRANTS IN PLACE OF TAXES — Schedule L

		Property Taxes 1	Business Taxes 2	Other Taxes 3	Total 4
Federal Government	4200	5,233			5,233
Provincial Government	4210	6,822			6,822
Local Government	4220				0
Other	4230		0		0
Total	4240	12,055	0	0	12,055

EDIT LIST - PLEASE REVIEW AND CORRECT ANY ERRORS NOTED BELOW

Enter **Prior year's** Line 3450 Column 2 balance here: 489051

MINUTES OF THE REGULAR MEETING OF THE COUNCIL OF THE VILLAGE OF BEISEKER HELD MONDAY, APRIL 8, 2002 AT 7:30 P.M.
IN COUNCIL CHAMBERS

PRESENT

MAYOR	Dave Fegan
DEPUTY MAYOR	Ray Courtman
COUNCILLOR	Herman Witt
COUNCILLOR:	Len Priestman
MUNICIPAL ADMINISTRATOR	Ruth Copeland-Brunelle
PUBLIC WORKS FOREMAN	Dale Wells
ROCKYVIEW FIVE VILLAGE WEEKLY	Enrique Massot
DELEGATION	Stewart Scott, Meyers, Norris & Penny
RESIDENT	Bill Turner

ABSENT

COUNCILLOR	Bruce Rowe

CALL TO ORDER

Mayor Fegan called the meeting to order at 7:34 p.m.

ADOPTION OF AGENDA

Deputy Mayor Courtman moved adoption of the Agenda with the addition of the following *In Camera* item:

1. Item #10(c) – Disposition of the CP railway lands.

CARRIED UNAN.

ADOPTION OF THE MINUTES

Deputy Mayor Courtman moved to adopt the minutes of the Regular Meeting of Council held on March 25, 2002. CARRIED UNAN.

DELEGATIONS

Stewart Scott, Meyer, Norris, Penny re 2001 Financial Statement

Stewart Scott representing Meyers, Norris, Penny came to Council to present the 2001 Financial Statement of the Village of Beiseker for the year ending December 31, 2001. Mr. Scott advised Council that Meyers, Norris, Penny actually prepare two distinct audits, one being for Alberta Municipal Affairs to prepare the Financial Information Return and one for the municipality in the form of the Consolidated Financial Statement.

Mr. Scott then reviewed with Council in detail the Consolidated Financial Statement and the Auditor's Report to Council. Mr. Scott noted to Council that the Village's cash position had increased $206,467 from December 31, 2000. It was also noted that the surplus in the operating fund increased $127,542 due to a current year surplus of $117,383 net of transfers to the reserves for future expenditures and a net long-term debt increase. The current year surplus is $88,830 more than the surplus in 2000 due to several factors The debt capacity of the municipality as defined indicates that the Village is well onside in both the amount of debt and the ability to service the debt with both measures continuing to improve.

Mr. Scott thanked the Administrator and her staff for their help and assistance during the audit process.

Res. #2001-26

Councillor Witt moved to accept the Auditor's Report to Council, the consolidated Financial Statement for the year ending December 31, 2001 and the Financial Information Return for 2001 as presented. Copies of each are attached hereto and forming part of these Minutes. CARRIED UNAN.

Res. #2001-27

Mayor Fegan moved to congratulate the Administrator on a job well done during the past year and for her hard work during the audit process. CARRIED UNAN.

PUBLIC WORKS REPORT

Storm Lines	Public Works staff have been steaming storm lines as required.
Reservoir #2	A new sump pump was installed at Reservoir #2.
Beacon Heights Park	Public Works Staff cleaned up lumber etc. from Beacon Heights Park.
Snow fence	The snow fence has been removed from Beacon Heights Road and North Road. The fence posts will be removed at a later date.
CN Property	Public Works staff removed some debris from the CN property. They are keeping track of their hours and machine time to be billed back to CN Rail.
"Ray's Forts"	Public Works Staff cleaned up most of the "forts" that kids had built in the green space behind Beaver Place.
Lount Crescent lane	The Public Works Foreman advised Council that he should be receiving a material list from Urban Systems this week to rectify the Lount Crescent drainage problem.
Water Ponding	Mayor Fegan noted that there was a large pond of water in front of Dynagra's property on 1st Avenue. Council asked the Public Works Foreman to try and dig a swale to allow this water to flow. It was also noted that there was also water ponding problems on 9th Street between 1st Avenue & 2nd Avenue.
Cracks in Roads	Mayor Fegan also noted that there are a number of cracks that need to be filled on the paved roads. The Public Works Foreman advised Council that he would be ordering the supplies needed to fix these cracks.
Culvert by Bill Turner's	The Public Works Foreman was asked to clean out the culvert in the alley beside Bill Turner's property as there was water pooling in his backyard.
Apartment Building Ditch	Councillor Priestman advised Council that vehicles had been driving into the ditch in front of the apartment building on 6th Street and creating large ruts. The Public Works Foreman was instructed to block this area with snow fence to prohibit vehicles from parking in the ditch.

ACCOUNTS FOR APPROVAL

Councillor Witt moved to approve the accounts cheque #2911 to #2951 in the amount of $28,836.12. CARRIED UNAN.

2911	Canada Post	46.76
2912	Mary Straub	72.76
2912 to 2922	Payroll Cheques	5,549.44
2923	Telus	55.65
2924	Acme Farm & Building Centre Inc.	12.75
2925	Telus Mobility	58.73
2926	AUMA Member Services	1,904.99
2927	Beiseker Home Hardware	321.88
2928	Cleartech Industries Inc.	699.91
2929	Enmax	6,211.42
2930	Alberta Association of M.D's & Counties	227.91
2931	City of Airdrie	903.32
2932	Mobilshred	20.77
2933	Regional Assessment Management	503.79
2934	Receiver General	3,876.51
2935	Ruth Copeland	1,848.28
2936	Alberta Health	334.33
2937	Fremar Enterprises	160.76

2938	Urban Systems	2,497.55
2929	Nemeth Planning Services Inc.	971.11
2940	Village of Irricana	164.08
2941	Elyps Dispatch Solutions	770.40
2942	Herman Witt	180.00
2943	Courtney Berg Industries Ltd.	57.14
2944	Canada Customs & Revenue Agency	356.77
2945	X-L Tire & Auto Centres Ltd.	85.10
2946	Dell's Bigway Foods	16.98
2947	Kneehill Transport	181.19
2948	Staples Business Depot	33.28
2949	LGAA Bylaw Workshop	53.50
2950	Street Characters Inc.	625.95
2951	Darcy Saskiw	33.11

NEW BUSINESS

COUNCILLORS REPORTS

Witt
Sustainable Communities Workshop

Councillor Witt advised Council that he recently attended a "Sustainable Communities" workshop in Red Deer on April 4, 2002. The workshop consisted of 5 modules dealing with many areas with one major area being water and how important it is to consider what impact the decisions that are made today will have for future generations. Councillor Witt provided Council with a copy of the workshop materials for their review.

Priestman
Beiseker School Playground

Councillor Priestman advised Council that the Beiseker School has been informed that the Beiseker School playground that was installed approximately two years ago has now been condemned and may be shut down May 15, 2002. Councillor Priestman advised Council that at this point in time it is very unclear as to who has actually condemned the playground equipment and further investigation will be required.

FCSS Funding

Councillor Priestman noted that the Provincial Government has increased the Village's FCCS funding from $12,498.00 to $14, 876.00.

Courtman
Queen Mother's Death
Res. #2002-28

Deputy Mayor Courtman moved to send a letter to the British High Commission in Ottawa extending our condolences on the death of the Queen Mother.

Channel 10
Res. #2002-29

Deputy Mayor Courtman moved that the Villager of Beiseker permit the selling of advertising on Channel 10 with the fee structure to be established by the office staff and comparable to other communities. CARRIED UNAN.

G8 Summit

Deputy Mayor Courtman advised Council that the NOTAM relating to the no fly zone during the G8 Summit had now been issued. It is anticipated that this will create little impact on the Beiseker Airport.

Library Board

Deputy Mayor Courtman advised Council that the Library Board will be holding a Small Business Trade Fair at the Beiseker Community Hall on Saturday, May 4, 2002. The Trade Fair is open to all businesses from Linden to Irricana.

Fegan
Campground

Mayor Fegan advised Council that our campground manager requested permission to purchase two flags for the campground which expenditure the Mayor approved.

Kneehill Water Committee

Mayor Fegan advised Council that the Kneehill Water Committee met on March 27, 2002. At this meeting there were presentations from both UMA and Urban Systems. Urban Systems will be doing some number crunching for the project and will be working on some scenarios for the funding of this project. Further updates in this regard will be forthcoming.

ADMINISTRATOR'S REPORT

Administrative Assistant Position

The Administrator was pleased to advise Council that Tanya Klappe was the successful April 2, 2002. The Administrator feels very confident that the right choice was made in hiring Tanya candidate for the Administrative Assistant Position. Tanya started in the office on.

Council & Councillor's Roles/Responsibilities

The Administrator reminded Council that in November 2001 we were provided with pamphlets regarding a workshop being sponsored by Alberta Municipal Affairs on Roles & Responsibilities for Council & Councillors. The administrator registered for the workshop some time ago. Alberta Municipal Affairs has advised that there are two (2) vacancies left for the workshop to be held in Cochrane on April 25th from 1:00 p.m. to 5:00 p.m. The Administrator provided Council with a copy of the pamphlet outlining the workshop agenda in case any Councillor was interested in attending.

Joint Village Council Meeting – April 29/02

The Administrator reminded Council that if they had any Agenda items for the Joint Village Council Meeting on April 29, 2002 to please advise as soon as possible.

2002 Budget

The Administrator provided Council with a copy of the draft budget to date for their review at their leisure. The Administrator noted that there were still some areas that still need to be worked on, primarily the final costing for the paving, curb & gutter in the urban section of 1st Avenue which Urban Systems is in the process of finalizing right now. USL has suggested that we may want to consider tendering the next block of sidewalk replacement on 9th Street with the 1st Avenue curb & gutter work. We are also still waiting for the requisition amount for the Rockyview Foundation. The Administrator suggested that a date be set for the next budget meeting, preferably after Councillor Rowe has returned from Texas. Council set the date of Saturday, May 4, 2002 at 8:00 a.m. for the next budget meeting.

Streets Improvement

The Administrator advised Council that there will be funding in 2002 under the Streets Improvement Program. The Village of Beiseker will be eligible for $48,600.00 based on $60.00/capita with the Village's portion being $16,200.00 for a total project cost of $64,800.00 on a 75/25 split. Funding will be paid once the project is 80% complete and the balance of 20% upon project completion. Suggestions for possible projects were additional sidewalk replacement or aggregate for gravel roads. A package will be forthcoming from Alberta Transportation in the near future.

Recess

Council took a short recess between 10:13 p.m. and 10:15 p.m.

CORRESPONDENCE

Alberta Municipal Affairs

A letter from Alberta Municipal Affairs regarding National Emergency Preparedness Week. FILED

Alberta Municipal Financing Corp.

A letter from Alberta Municipal Financing Corporation regarding Director Class D Shareholders. FILED

Alberta Justice

A letter from Alberta Minister of Justice regarding Traffic Ticket Volumes. FILED

Alberta Children's Services

A letter from Alberta Children's Services regarding the Family and Community Support Services (FCSS) Program. FILED

AAMD & C

The Alberta Association of Municipal Districts & Counties newsletter "Contact" dated March 20, 2002. FILED

Alberta Municipal Affairs

A letter from Alberta Municipal Affairs regarding Education Property Tax Requisition. FILED

AUMA

An E-mail from Stacy Byer of Alberta Urban Municipal Association regarding Regional Seminars. FILED

Alberta Municipal Affairs	A letter from Alberta Municipal Affairs regarding 2002 Municipal Sponsorship Program. FILED Administration to research to find out the types of projects that other municipalities have been approved for in the past.
Legislative Assembly Alberta	A letter from Legislative Assembly Alberta re Farm Property Assessment Issues. FILED
R.C.M.P.	A Report from Beiseker R.C.M.P. for February 2002 and 2002 Business Plan. FILED
Res. #2002-30	Deputy Mayor Courtman moved to send a letter to the Beiseker Detachment of the R.C.M.P. acknowledging the work and effort into developing the 2002 Business Plan. CARRIED UNAN.
AUMA	A memo from AUMA re the death of Michael Senych, AUMA Vice-President and Director – Villages East. FILED
Moe Hamdon	A letter from Moe Hamdon, Mayor of Drayton Valley re director's position on AMFC Board of Directors. FILED
Alberta Trailnet	A letter from Alberta Trailnet re development of the Trans Canada Trail in Alberta. FILED
Minister of Municipal Affairs	A letter from the Minister of Municipal Affairs re 2002 Municipal Sponsorship Program. FILED
AUMA	AUMA Notes to Council from March 22/02 Board of Directors Meeting. FILED
Alberta Children's Services	Amended FCSS Conditional Funding Agreement from Alberta Children's Services.
Res. #2002-31	Councillor Priestman moved to authorize the Mayor and CAO to execute the Amended FCSS Funding Agreement with the Province of Alberta. CARRIED UNAN.
Alberta Municipal Affairs	A letter from Alberta Municipal Affairs re 2001 Statistics Canada Census. FILED
Statistics Canada	A letter from Statistics Canada re 2001 official census population. FILED
AUMA	A memo from AUMA re Impact of Provincial Budget. FILED
AUMA	A memo from AUMA re "Strategies for Overcoming Community Opposition to New Residential Development" Workshop. FILED
Government of Canada	A letter from the Government of Canada re Canada's Innovation Strategy. FILED
Marigold Library System	Marigold Report for March 2002. FILED
Alberta Municipal Financing Corporation	2001 Annual Report from the Alberta Municipal Financing Corporation. FILED

IN CAMERA ITEMS

In Camera — Deputy Mayor Courtman moved that Council go *in camera* @ 10:30 p.m. to discuss:

1. Correspondence from Campbell & Company of April 2, 2002 re RT Joint Venture;
2. Correspondence from Alberta Municipal Affairs re granting of extension for a tax auction; and
3. Disposition of lands for the Railway Museum.

CARRIED UNAN.

Reconvene — Councillor Witt moved that Council reconvene from *in camera* @ 10:58 p.m.
CARRIED UNAN.

Res. #2002-32 — Mayor Fegan moved to send the letter as drafted and presented to Council by the Administrator to RT Joint Venture and a copy to Urban Systems and that a copy of the correspondence from Campbell & Company dated April 2, 2002 be forwarded to Urban Systems for their comments.. CARRIED UNAN.

ADJOURNMENT

Deputy Mayor Courtman moved that the meeting adjourn at 11:00 p.m.
CARRIED UNAN.

Dave Fegan
MAYOR

Ruth Copeland-Brunelle
MUNICIPAL ADMINISTRATOR