

## **ADMINISTRATIVE REPORT**

**TO:** Greg Scerbak  
City Manager

**DATE:** August 18, 2015

**FROM:** Reginald Hammond, CPA,CGA  
Assistant Finance Manager

**SUBJECT: Unaudited Financial Statement – June 30, 2015**

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### **1. RECOMMENDATION**

It is recommended that Committee receive for information the unaudited financial statements and schedules for the six month period ended June 30, 2015.

### **2. BACKGROUND**

The purpose of this report is to present the financial statements and supplementary schedules for the six month period ended June 30, 2015.

The following financial statements and schedules are provided:

- Operating Revenue and Expenditure Summary
- Statement of Financial Position
- Operating Reserves
- Long Term Debt and Debt Servicing

### **3. ALTERNATIVES**

- Committee receive the unaudited statements for information.
- Committee request further information from Administration.

### **4. ANALYSIS**

#### **1. Legislative Responsibilities**

Under the Municipal Government Act, municipality's year end is December 31<sup>st</sup> of each year.

#### **2. Strategic Implications**

This report helps the City identify trends, issues, opportunities and threats to short-term or long-term success

**3. Financial Considerations**

Operating variances have been reported on Appendix A.  
It is anticipated that all other revenues and expenditures will be essentially as per budget

**4. Staff Implications**

There are no staff implications.

**5. Community impact**

**a. Environment**

There is no environmental impact

**b. Economic**

There is no economic impact

**c. Social**

There is no social impact

**d. Infrastructure**

There is no infrastructure impact

**e. Governance**

There is no governance impact

**6. Communication Strategy**

Quarterly unaudited financial statements will be posted on the City's website.

**5. SUMMARY/CONCLUSION**

An operating surplus of \$653,000 is projected for the year ended December 31, 2015. This projected surplus does not include the depreciation expense.

**CC:** Ken Anderson, CA, MBA  
Chief Financial Officer

**City of Grande Prairie  
 Operating Revenue And Expenditure Summary  
 For The Six Months Ending June 30, 2015**

<b>Description</b>	<b>YTD Actuals</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>Annual Forecasted Variance</b>
<b>City Manager</b>	669,312	878,662	209,350	20,000
<b>Community Growth</b>	5,616,968	6,335,634	718,666	320,000
<b>Community Living</b>	10,126,792	10,750,000	623,208	330,000
<b>Community Safety</b>	22,819,722	22,450,000	(369,722)	(420,000)
<b>Corporate Services</b>	2,340,968	2,624,423	283,455	300,000
<b>Fiscal Services</b>	(115,870,265)	(115,750,000)	120,265	103,000
<b>Total Summary of All Programs</b>	<u>(74,296,503)</u>	<u>(72,711,281)</u>	<u>1,585,222</u>	<u>653,000</u>
<b>Depreciation Expense</b>	8,767,711			17,535,422

Note: This report is a net of Revenue and Expenditures.

# The City of Grande Prairie

## Financial Statement Highlights

### Appendix A (In Thousands)

<b>City Manager</b>		<b>20</b>
Human Resources salary savings due to unpaid absence	20	
<b>Community Growth</b>		<b>320</b>
Environmental Stewardship savings in public relations due to decreased programming for the year	30	
Planning and Development- mainly due to salary savings from vacancies	130	
Transit- Salary savings due to vacancies	100	
Crystal Center- Mainly due to Salary savings from vacancies within the department.	60	
<b>Community Living</b>		<b>330</b>
Custodial Services - Mainly due to salary savings from vacancies	35	
Montrose Cultural Center- Savings in security and utility expenses	50	
Heritage Resources- Increased cost due to additional building operations and maintenance expenses, decreased sponsorship and higher utility expenses.	(160)	
Outdoor Recreational Facilities-Mainly due to electricity cost savings	40	
Sanitation and Festive Lights- Increased salary costs due to early start of spring cleanup	(50)	
The Leisure Center and the Bear Creek Pool - Mainly due to salary and utility cost savings	110	
Dave Barr Arena- Mainly due to salary savings from vacancies	100	
Coca Cola Center- Electricity cost savings	100	
Eastlink- Electricity cost savings	40	
FCSS Facilities- Utilities and natural gas cost savings	15	
FCSS Home Support savings mainly as a result of decreased salary expense due to vacancies and the decline in home support clients	30	
FCSS Administration savings Mainly due to vacancies	20	
<b>Community Safety</b>		<b>(420)</b>
RCMP - Salary savings due to vacancies	220	
Enforcement Services -revenue shortfall due to delayed installation of photo enforcement equipment	(700)	
Community Safety - Mainly due to utility cost savings.	20	
Engineering Services- Mainly due to salary savings from vacancies	290	
Street Lighting - Mainly due to higher electricity costs	(250)	

<b>Corporate Services</b>		<b>300</b>
Accounting Services- Mainly due to salary savings	20	
Assessment- Mainly increased tax search revenue and salary savings	100	
Facilities Department savings due to lower maintenance requirements	140	
Service Center- Mainly due to utility cost savings	40	
<b>Fiscal Services</b>		<b>103</b>
Increased Concession and franchise revenue ( ATCO Gas \$57,000 and ATCO Electric \$46,000)	103	
		<hr/> <hr/> <b>653</b>

**CITY OF GRANDE PRAIRIE**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2015**  
**(THOUSANDS)**

	<u>June 30</u> <u>2015</u>	<u>DEC 31</u> <u>2014</u>
<b>FINANCIAL ASSETS</b>		
Cash & Temporary Investments	393,928,135	331,724,460
Taxes & Grants in Lieu of Taxes	36,771,817	2,855,984
Trade & Other Receivables	5,252,818	16,618,307
Agreements Receivable	21,729,582	21,824,701
Land Held for Resale	752,300	752,300
Investments	63,656,385	56,322,506
	<u>522,091,037</u>	<u>430,098,258</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts Payable & Accrued Liab	11,962,806	13,646,401
Deferred Revenue	16,469,642	18,335,725
Long-term Debt	137,503,930	141,458,560
	<u>165,947,282</u>	<u>173,448,061</u>
<b>NET FINANCIAL ASSETS</b>	<b>356,143,755</b>	<b>256,650,197</b>
<b>NON FINANCIAL ASSETS</b>		
Inventory for Consumption	697,328	672,160
Prepaid Expenses	708,304	133,370
Tangible Capital Assets	542,455,108	533,041,019
	<u>543,860,740</u>	<u>533,846,548</u>
<b>NET ASSETS</b>	<b>900,004,495</b>	<b>790,496,745</b>
<b>MUNICIPAL EQUITY</b>		
<b>ACCUMULATED SURPLUS</b>	<b>900,004,495</b>	<b>790,496,745</b>

**CITY OF GRANDE PRAIRIE  
OPERATING RESERVES  
June 30, 2015**

	BALANCE DEC 31/14	TRANSFER TO RESTRICTED FUND	OTHER ADDITIONS	SUB TOTAL ADDITIONS	REDUCTIONS	BALANCE June 30, 2015
<b>Fleet Management System</b>	9,796,172	42,382	0	42,382	1,405,447	8,433,107
<b>Winter Stabilization</b>	1,429,380	6,479	0	6,479	0	1,435,859
<b>Cemetery Perpetual Care</b>	2,066,383	9,366	10,000	19,365	0	2,085,749
<b>Public Housing Commission</b>	279,962	1,269	0	1,269	0	281,231
<b>Fire Dept Equipment Replacemen</b>	1,055,617	4,784	116,500	121,285	0	1,176,901
<b>RCMP Detachment Reserve</b>	290,727	1,317	0	1,317	0	292,044
<b>Facility Renewal Reserve</b>	7,248,381	32,853	1,585,000	1,617,852	3,170,000	5,696,233
<b>Public Reserve</b>	182,360	826	0	826	0	183,186
<b>Transportation System Levy</b>	9,628,324	43,639	3,286,134	3,329,774	0	12,958,098
<b>Future Expenditure</b>	5,754,331	25,741	101,863	127,604	1,095,310	4,786,625
<b>Financial Stabilization</b>	6,914,794	31,341	0	31,341	0	6,946,135
<b>Pinnacle Ridge Special Tax</b>	467	2	0	2	0	469
	<b>\$44,646,898</b>	<b>\$199,999</b>	<b>\$5,099,497</b>	<b>\$5,299,496</b>	<b>\$5,670,757</b>	<b>\$44,275,637</b>

**Long-Term Debt and Debt Servicing  
For the Quarter Ended  
June 30, 2015**

		<u><b>Actual</b></u>
Opening Balance:	March 31, 2015	139,375,202
Less:		
Principal portion of debt payments		-1,871,272
Plus:		
Additional debt taken		0
Ending Balance:	June 30, 2015	<u><u>137,503,930</u></u>
Interest paid on Long-Term Debt		<u><u>1,273,448</u></u>
April 1, 2015 - June 30, 2015		

**Contribution Room**

Legal Debt Limit:	December 31, 2014	223,851,789
Ending Balance:	June 30, 2015	137,503,930
Remaining Debt Limit		<u><u>86,347,859</u></u>