

ADMINISTRATIVE REPORT

TO: Greg Scerbak
City Manager

DATE: November 2, 2015

FROM: Reginald Hammond, CPA,CGA
Assistant Finance Manager

SUBJECT: Unaudited Financial Statement – September 30, 2015

1. RECOMMENDATION

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

2. BACKGROUND

The purpose of this report is to present the financial statements and supplementary schedules for the nine month period ended September 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
- Council Travel Expense

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 31st 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 \$2,850,000 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 Period Ending September 30, 2015**

Description	YTD Actuals	YTD Budget	Variance	Annual Forecasted Variance
City Manager	1,634,776	2,020,211	385,435	119,000
Community Growth	8,798,899	9,210,309	411,410	444,000
Community Living	13,726,670	17,490,286	3,763,616	865,000
Community Safety	34,982,354	33,959,738	(1,022,616)	(578,000)
Corporate Services	6,879,083	8,459,864	1,580,781	416,000
Fiscal Services	(97,700,000)	(95,588,124)	2,111,876	1,584,000
Total Summary of All Programs	<u>(31,678,217)</u>	<u>(24,447,716)</u>	<u>7,230,501</u>	<u>2,850,000</u>
Depreciation Expense	13,151,567			17,535,422

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

The City of Grande Prairie
 Financial Statement Highlights
 30-Sep-15

**Appendix A
 (In Thousands)**

City Manager		119
	City Manager salary savings	17
	Internship Program savings due to vacancies	70
	Human Resources salary savings due to unpaid absence	12
	Health and Safety savings mainly due to reduced programming	20
Community Growth		444
	Economic development salary savings due to vacancies	60
	Corporate Web Management general cost savings	33
	Geographical Information Systems salary savings	11
	Transit salary savings due to vacancies	200
	Planning and Development salary savings mainly due to vacancies	50
	Revolution Place salary savings due to vacancies and increased programs	90
Community Living		865
	Community Recreation and Sports salary savings	24
	Montrose Cultural Center- Savings in security and utility expenses and increased rental revenue	84
	Heritage Resources- Increased cost due to additional building operations and maintenance expenses, decreased sponsorship and higher utility expenses	(68)
	Parks Admin (and Parks General)- Salary savings and decreased utility costs	98
	The Leisure Center savings due to closure	112
	Dave Barr savings due to program restructuring, increased concession revenue and salary savings	136
	Coca Cola Center- Salary savings	187
	Eastlink savings due to decreased utility costs	217
	Muskoseepi Park Admin (15) and Special Events (10)- Increased cost of service delivery and utility costs and reduced concession revenue	(25)
	CSD Building maintenance cost savings	35
	FCSS Home Support Services - Salary savings due to vacancies	65
Community Safety		(578)
	RCMP shortfall mainly increased overtime	(24)
	Crime Prevention savings mainly due to salary savings from vacancies and unpaid absence	100
	Fire Department shortfall mainly overtime related to severity of structure fires	(22)
	Community Safety savings due to utility cost savings	15
	Enforcement Svc revenue shortfall due to delayed installation of photo enforcement equipment	(700)
	Engineering services mainly due to salary savings from vacancies	403

	Street Lighting shortfalls mainly due to increased electricity costs	(350)	
Corporate Services			416
	Accounting Services- Mostly salary savings	30	
	Common Services shortfall due to purchase of postage equipment	(10)	
	Assessment salary savings mainly due to vacancies	125	
	Facilities Department savings due to lower maintenance requirements	263	
	General savings in all Departments	8	
Fiscal Services			1,584
	Increased Concession and franchise revenue, increased return on investments and penalty revenue	1,584	
			<u><u>2,850</u></u>

**CITY OF GRANDE PRAIRIE
STATEMENT OF FINANCIAL POSITION
September 30, 2015**

	<u>September 30 2015</u>	<u>DEC 31 2014</u>
FINANCIAL ASSETS		
Cash & Temporary Investments	381,273,957	331,724,460
Taxes & Grants in Lieu of Taxes	17,305,194	2,855,984
Trade & Other Receivables	9,108,197	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>493,825,616</u>	<u>430,098,258</u>
FINANCIAL LIABILITIES		
Accounts Payable & Accrued Liab	10,447,017	13,646,401
Deferred Revenue	25,883,596	18,335,725
Long-term Debt	135,227,893	141,458,560
	<u>171,558,506</u>	<u>173,448,061</u>
NET FINANCIAL ASSETS	322,267,110	256,650,197
NON FINANCIAL ASSETS		
Inventory for Consumption	692,258	672,160
Prepaid Expenses	441,356	133,370
Tangible Capital Assets	552,682,186	533,041,019
	<u>553,815,800</u>	<u>533,846,548</u>
NET ASSETS	876,082,910	790,496,745
MUNICIPAL EQUITY		
ACCUMULATED SURPLUS	876,082,910	790,496,745

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

	BALANCE DEC 31/14	TRANSFER TO RESTRICTED FUND	OTHER ADDITIONS	SUB TOTAL ADDITIONS	REDUCTIONS	BALANCE September 30, 2015
Fleet Management System	9,796,172	63,574	0	63,574	1,464,890	8,394,856
Winter Stabilization	1,429,380	9,718	0	9,718	0	1,439,098
Cemetery Perpetual Care	2,066,383	14,049	24,195	38,244	0	2,104,627
Public Housing Commission	279,962	1,903	0	1,903	0	281,865
Fire Dept Equipment Replacemen	1,055,617	7,177	174,749	181,927	0	1,237,543
RCMP Detachment Reserve	290,727	1,976	0	1,976	0	292,703
Facility Renewal Reserve	7,248,381	49,279	0	49,279	5,618,700	1,678,960
Public Reserve	182,360	1,240	758,978	760,218	0	942,577
Transportation System Levy	9,628,324	65,459	3,791,459	3,856,918	0	13,485,242
Future Expenditure	5,754,331	38,612	101,863	140,474	1,095,310	4,799,496
Financial Stabilization	6,914,794	47,011	118,946	165,956	0	7,080,751
Pinnacle Ridge Special Tax	466	3	0	3	0	470
	\$44,646,897	\$300,001	\$4,970,190	\$5,270,189	\$8,178,900	\$41,738,188

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

		<u>Actual</u>
Opening Balance:	June 30, 2015	137,503,930
Less:		
Principal portion of debt payments		-2,276,037
Plus:		
Additional debt taken		0
Ending Balance:	September 30, 2015	<u>135,227,893</u>
Interest paid on Long-Term Debt		<u>1,817,240</u>
July 1, 2015 - September 30, 2015		<u>1,817,240</u>

Contribution Room

Legal Debt Limit:	December 31, 2014	223,851,789
Ending Balance:	September 30, 2015	135,227,893
Remaining Debt Limit		<u>88,623,896</u>

**CITY OF GRANDE PRAIRIE
TRAVEL EXPENSE REIMBURSEMENT TO COUNCIL
AS AT SEPTEMBER 30,2015**

Council Members	Mandatory and City Business Expenditures	Discretionary Expenditure	Total
GIVEN, BILL	5,796.96	4,413.74	10,210.70
CLAYTON, JACKIE	522.39	5,732.65	6,255.04
LOGAN, DWIGHT	0.00	160.00	160.00
MCLEAN, KEVIN	2,201.58	1,081.75	3,283.33
O'TOOLE, KEVIN	1,112.82	9,980.35	11,093.17
RADBOURNE, LORNE	0.00	3,479.97	3,479.97
RICE, HELEN	917.38	661.75	1,579.13
THEISEN, CHRIS	2,901.52	5,419.42	8,320.94
TARANT, RORY	1,532.76	3,392.15	4,924.91
	<u>14,985.41</u>	<u>34,321.78</u>	<u>49,307.19</u>

Notes:

Mandatory and City Business expenditures include:

- AUMA Conference
- All Committee or Board meetings where the Council member attends as the City's representative.
Examples of meetings out of town are : ALERT, Inter-City Forum on Social Policy, Mid-Sized Cities Mayor's, Mighty Peace Watershed Alliance, Northern AB Elected Leaders, Peace Air shed Zone, and Wapiti Corridor Planning Group Steering Committee.
- Expenses on these meetings would be travel, meals and accommodations

Discretionary Expenditures are for the following:

- All Per diems
- FCM Conference
- Any other conferences that Councillors wish to attend
- Public relation items that include: non-for-profit fundraisers, local and out of town events that groups have asked for Council presence at their events.
- Expenses on these events would be travel, meals, accommodations for the out of town events and for the in town events, the cost of tickets for fundraisers, etc.