

ADMINISTRATIVE REPORT

TO: Greg Scerbak, City Manager	DATE: August 16, 2016
FROM: Reginald Hammond, CPA, CGA Assistant Finance Manager	MEETING: Corporate Services Committee
SUBJECT: Unaudited Financial Statement- June 30, 2016	

RECOMMENDATIONS

That the Corporate Services Committee receive for information the unaudited financial statements and schedules for the six month period ended June 30, 2016.

PREVIOUS COUNCIL / COMMITTEE DIRECTIONS

There are no previous Council or Committee directions.

BACKGROUND

The purpose of this report is to present the financial statements and supplementary schedules for the six month period ended June 30, 2016.

ANALYSIS

Analysis of this information are attached to this report.

Relationship to City Council's Strategic Priorities

Adopting this reporting model and the communication of it with the city's stakeholders aligns with Council's Guiding Principle of being Fiscally Responsible.

Environmental Impact

There are no environmental impacts.

Economic Impact

There are no relevant economic impacts.

Social Impact

There are no relevant social impacts.

Relevant Statutes / Master Plans / City Documents

Section 153(d) of the Municipal Government Act states that:

“Councillors have the duty to obtain information about the operation of administration of the municipality from the chief administrative officer or a person designated by the chief administrative officer”.

Risk

There are no relevant risks associated with this information

Alternatives (Optional)

The Corporate Services Committee may:

1. Receive the unaudited financial statements for information
2. Request further information from Administration

STAKEHOLDER ENGAGEMENT

The unaudited financial statements will be posted on the City’s website

BUDGET / FINANCIAL IMPLICATIONS

Operating variances have been reported on Appendix A.

It is anticipated that all other revenues and expenditures will be essentially as per the operating budget.

SUMMARY / CONCLUSION

An operating surplus of \$1,180,000 is forecasted for the year ended December 31, 2016. This projected surplus does not include the depreciation expense.

ATTACHMENTS

The following financial statements and schedules are attached:

- Attachment 1. - Operating Revenue and Expenditure Summary
- Attachment 2. - Statement of Financial Position
- Attachment 3. - Operating Reserves
- Attachment 4. - Long Term Debt and Debt Servicing
- Attachment 5. - Council Travel Expense

**City of Grande Prairie
 Operating Revenue And Expenditure Summary
 For the Period Ending June 30, 2016**

Description	YTD Actuals	YTD Budget	Variance	Annual Forecasted Variance
City Manager	1,051,195	1,375,347	324,152	220
Community Growth	6,036,428	5,807,513	(228,915)	35
Community Living	10,030,784	10,985,122	954,338	319
Community Safety	23,732,673	24,442,696	710,023	481
Corporate Services	5,086,478	4,992,431	(94,047)	(5)
Fiscal Services	112,298,065	112,825,767	527,702	130
Total Summary of All Programs	<u>158,235,623</u>	<u>160,428,876</u>	<u>2,193,253</u>	<u>1,180</u>
Depreciation Expense	9,336,837			18,673,674

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

The City of Grande Prairie
 Financial Statement Highlights
 30-Jun-16

**Appendix A
 (In Thousands)**

City Manager		220
	Council general savings mainly due to reduced travel and discretionary spending	120
	City Manager shortfall mainly due to recruitment cost	(22)
	Internship Program savings due to vacancies	45
	Human Resources salary savings due to vacancies	65
	Health and Safety savings mainly due to program restructuring	12
Community Growth		35
	Communications and Citizen Engagement surplus due to revenue generated from Community Connections publication and vacancies	70
	Planning and Development shortfall due to lower permit revenue	(50)
	Revolution Place savings mainly due to vacancies	15
Community Living		319
	Montrose Cultural Center savings mainly due to vacancies and utility costs	132
	Heritage Resources- Increased cost due to additional building operations and maintenance expenses and decreased sponsorship revenue	(80)
	Peace Library- savings due grant allocation being lower than anticipated.	50
	The Leisure Center savings due to closure	35
	Dave Barr savings mainly due to vacancies and increased concession revenue.	25
	Coca Cola Center salary savings, decreased utility costs and other general cost savings	60
	Muskoseepi Park Pavillion surplus due to general cost savings	53
	CSD Building maintenance cost savings	35
	FCSS Home Support Services - mainly salary savings due to vacancies	9
Community Safety		481
	RCMP surplus mainly due to staff vacancies	100
	Fire Department surplus due to general costs savings and revenue from motor vehicle collision	137
	Engineering services savings mainly due to vacancies	244
Corporate Services		(5)
	Accounting Services- mainly salary savings	10
	Legislative services surplus due to increased Assessment Review Board(ARB) application fees	30
	Common Services shortfall due to increased insurance claims and legal matters	(200)
	Assessment - salary savings	35
	Facilities Department mainly salary savings and increased operational efficiencies.	120
Fiscal Services		130
	Increased :	
	Return on Investments	100
	Penalties	30

1,180

CITY OF GRANDE PRAIRIE
STATEMENT OF FINANCIAL POSITION
June 30, 2016

	<u>June 30 2016</u>	<u>DEC 31 2015</u>
FINANCIAL ASSETS		
Cash & Temporary Investments	410,708,549	345,617,025
Taxes & Grants in Lieu of Taxes	39,244,839	3,212,980
Trade & Other Receivables	8,916,600	25,561,040
Agreements Receivable	20,742,654	20,742,654
Land Held for Resale	752,300	752,300
Investments	67,656,385	67,656,385
	<u>548,021,327</u>	<u>463,542,383</u>
FINANCIAL LIABILITIES		
Accounts Payable & Accrued Liab	5,310,878	11,038,315
Deferred Revenue	23,498,624	24,498,064
Long-term Debt	129,668,105	133,672,371
	<u>158,484,971</u>	<u>169,208,750</u>
NET FINANCIAL ASSETS	389,536,356	294,333,633
NON FINANCIAL ASSETS		
Inventory for Consumption	694,970	744,595
Prepaid Expenses	841,670	273,570
Tangible Capital Assets	572,512,148	558,697,187
	<u>574,048,788</u>	<u>559,715,353</u>
NET ASSETS	963,585,144	854,048,986
MUNICIPAL EQUITY		
ACCUMULATED SURPLUS	963,585,144	854,048,986

**CITY OF GRANDE PRAIRIE
OPERATING RESERVES
June 30, 2016**

	BALANCE DEC 31/15	TRANSFER TO RESTRICTED FUND	OTHER ADDITIONS	SUB TOTAL ADDITIONS	REDUCTIONS	BALANCE June 30, 2016
Fleet Management System	13,188,420	52,841	5,229	58,070	18,712	13,227,778
Winter Stabilization	1,442,337	6,393	1,000,000	1,006,393	43	2,448,687
Cemetery Perpetual Care	2,293,660	9,855	19,302	29,156	0	2,322,817
Public Housing Commission	455,122	1,759	245	2,004	0	457,126
Fire Dept Equipment Replacement	806,867	3,963	131,499	135,463	312,911	629,418
RCMP Detachment Reserve	293,362	1,300	0	1,300	9	294,653
Facility Renewal Reserve	801,935	13,305	3,570,444	3,583,749	4,334,508	51,176
Public Reserve	1,053,560	3,368	1,582,847	1,586,215	200,200	2,439,575
Transportation System Levy	8,857,102	40,546	1,543,141	1,583,686	5,141,168	5,299,620
Future Expenditure	10,958,086	39,189	1,024,624	1,063,813	2,986,521	9,035,378
Financial Stabilization	7,096,421	31,278	954,000	985,278	1,460,256	6,621,443
Pinnacle Ridge Special Tax	0	0	0	0	0	0
	\$47,246,872	\$203,797	\$9,831,331	\$10,035,128	\$14,454,328	\$42,827,671

**Long-Term Debt and Debt Servicing
For the Quarter Ended
June 30, 2016**

		<u>Actual</u>
Opening Balance:	March 31, 2016	131,495,543
Less:		
Principal portion of debt payments		-1,827,438
Plus:		
Additional debt taken		0
Ending Balance:	June 30, 2016	<u><u>129,668,105</u></u>
Interest paid on Long-Term Debt		<u>1,191,306</u>
April 1, 2016 - June 30, 2016		<u><u>1,191,306</u></u>

Contribution Room

Legal Debt Limit:	December 31, 2015	252,281,447
Ending Balance:	June 30, 2016	129,668,105
Remaining Debt Limit		<u><u>122,613,342</u></u>

**CITY OF GRANDE PRAIRIE
TRAVEL EXPENSE REIMBURSEMENT TO COUNCIL
AS AT June 30, 2016**

Council Members	Mandatory and City Business Expenditures	Discretionary Expenditure	Total
GIVEN, BILL	8,962.23	1,302.95	10,265.18
CLAYTON, JACKIE	3,519.61	795.70	4,315.31
LOGAN, DWIGHT	0.00	63.00	63.00
MCLEAN, KEVIN	3,705.14	2,323.50	6,028.64
O'TOOLE, KEVIN	5,323.26	945.41	6,268.67
RADBOURNE, LORNE	600.00	2,691.26	3,291.26
RICE, HELEN	519.75	5,937.52	6,457.27
THIESSEN, CHRIS	7,730.33	3,465.31	11,195.64
TARANT, RORY	4,293.30	749.25	5,042.55
	<u>34,653.62</u>	<u>18,273.90</u>	<u>52,927.52</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 including travel, meals, accommodations and per diems.

Discretionary Expenditures include:

- FCM Conference
- Other conferences that Councillors attend
- Public relation items including cost of attendance at not-for-profit fundraisers or other events, travel, meals, accommodations and per diems.