

**CITY OF
GRANDE PRAIRIE**

ADMINISTRATIVE REPORT

TO: Greg Scerbak
City Manager

DATE: April 18, 2012

FROM: Susan Walker
Finance Manager

SUBJECT: UNAUDITED FINANCIAL STATEMENTS – DECEMBER 31, 2011

RECOMMENDATION

It is recommended that Council receive for information the unaudited financial statements and schedules for the twelve month period ended December 31, 2011.

BACKGROUND

The purpose of this report is to present the financial statements and supplementary schedules for the twelve month period ended December 31, 2011.

The following financial statements and schedules are provided:

- Operating Revenue and Expenditure Summary
- Operating Reserves
- Long Term Debt and Debt Servicing
- Travel Expense Reimbursement to Council

ANALYSIS

Operating variances have been reported on Appendix A.

SUMMARY/CONCLUSION

An operating surplus of \$3,564,734 is reported for the year ended December 31, 2011.

CC: Ken Anderson, CA, MBA
Chief Financial Officer

City of Grande Prairie
Summary of All Programs
For the Period Ending December 31, 2011

| Description | YTD Actual | YTD Budget | Variance |
|--------------------------------------|-------------------|---------------|------------------|
| City Manager | 1,237,355 | 1,376,201 | 138,846 |
| Council & Intergovernmental Services | 3,711,987 | 4,362,617 | 650,630 |
| Corporate Services | 9,230,934 | 9,978,845 | 747,911 |
| Fiscal Services | -83,176,863 | -79,508,674 | 3,668,189 |
| Protective Services | 26,283,390 | 26,022,612 | -260,778 |
| Public Works | 21,595,667 | 19,445,185 | -2,150,482 |
| Community Services | 17,552,796 | 18,323,214 | 770,418 |
| Total Summary of All Programs | <u>-3,564,734</u> | <u>0</u> | <u>3,564,734</u> |
| | | | |
| Depreciation Expense | 14,334,674 | | |
| Land for Resale Write Downs | 1,159,210 | | |
| Gain/Loss on Disposal | -72,207 | | |

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

**THE CITY OF GRANDE PRAIRIE
FINANCIAL STATEMENT HIGHLIGHTS**

**Appendix A
(In Thousands)**

| | | |
|---|--------|--------------|
| City Manager | | 139 |
| City Manager mainly expenditure savings in salaries & travel | 18 | |
| Human Resource mainly expenditure savings in salaries | 114 | |
| Health & Safety program savings | 7 | |
| Council & Intergovernmental Services | | 651 |
| Council savings in remuneration & branding costs | 166 | |
| Intergovernmental Services mainly additional salaries | -14 | |
| Marketing & Communication salary savings | 110 | |
| Economic Development mainly savings in salaries & consulting | 73 | |
| Strategic Services mainly salary savings | 52 | |
| Legislative Services salary savings & increased ARB revenue | 86 | |
| Environmental Sustainability mainly savings in public relations | 18 | |
| Common Services increased legal expenditures offset by insurance savings | 160 | |
| Corporate Services | | 747 |
| Accounting Services salary & computer rent savings | 109 | |
| Information Technology increased consulting services | -128 | |
| Geographic Information Systems salary savings | 9 | |
| Purchasing salary savings | 18 | |
| Assessment & Taxation salary savings | 152 | |
| Facilities: | | |
| City Hall salary savings due to vacant positions | 16 | |
| RCMP Building maintenance savings | 48 | |
| Fire Halls maintenance savings | 45 | |
| Service Centre maintenance savings | 32 | |
| Leisure Centre mainly salary & maintenance savings | 113 | |
| Coca Cola Centre mainly salary & maintenance savings | 69 | |
| Eastlink Centre salary & maintenance savings delayed opening | 124 | |
| Dave Barr maintenance savings | 32 | |
| Outdoor facilities maintenance savings | 86 | |
| Canada Games Arena salary & maintenance savings | 50 | |
| Muskoseepi Park salary & maintenance savings | 23 | |
| Montrose Cultural Centre deficit offset in MCC budget below | -120 | |
| Creative Arts Centre decreased maintenance due to renovations | 69 | |
| Fiscal Services | | 3,668 |
| Other Revenue: | | |
| Aquateira revenue from sale of Hansen customizations | 100 | |
| Increased franchise revenue Aquatera \$124, Atco Gas (\$88), Atco Electric \$342 | 378 | |
| Increased tax penalties | 453 | |
| WCB special dividend | 300 | |
| Aquateira additional dividend 1M offset by transfer to FSReserve 1M | 0 | |
| RCMP Grant | 300 | |
| Debt Servicing cost savings due to delay in debt acquisition | 1,674 | |
| Operating Contingency surplus salary contingency | 463 | |
| Protective Services | | -260 |
| RCMP increased revenue for searches \$57, court fines \$145, vacancy recovery \$169 & expenditure cost savings \$126 | 497 | |
| Fire Dept mainly increased salaries (\$278), overtime (\$145), vacation liability (\$125), travel costs (\$111) & reduced fire protection revenue (\$385) | -1,044 | |
| Crime Prevention savings due to delay in start up of neighbourhood assn | 93 | |

| | | |
|---|--------|---------------|
| Enforcement Svc mainly expenditure savings in enforcement contract \$75, office expenditures \$50 & utility costs \$69 | 194 | |
| Public Works | | -2,150 |
| Public Works Director mainly savings in salaries, travel & subsistence | 62 | |
| Transportation Admin increased costs | -6 | |
| Engineering increased consultant costs | -9 | |
| Service Centre increased utility costs | -66 | |
| Snow Removal increased costs due to heavy snowfall at beginning of year | -1,921 | |
| Gravel Roads maintenance savings | 462 | |
| Street Cleaning savings due to late start | 209 | |
| Asphalt Roads increased cost of maintenance material | -49 | |
| Concrete reduced maintenance due to wet summer | 53 | |
| Street Lighting increased electricity costs | -373 | |
| Railway Crossings increased maintenance | -20 | |
| Traffic Signals maintenance costs | -43 | |
| Traffic Signs maintenance costs | -28 | |
| Storm Sewers increased costs due to hired equipment for spring thaw | -176 | |
| Development Services mainly reduced building permit revenue | -245 | |
| Community Services | | 770 |
| Community Services salary savings | 28 | |
| Public Housing operating deficit | -16 | |
| Community Recreation & Sports salary savings | 157 | |
| Montrose Cultural Centre offsets additional maintenance cost in Facilities | 153 | |
| Heritage Resources mainly security costs & HDC common cost increases | -19 | |
| Recreation & Culture mainly community group funding not utilized & misc other cost savings | 137 | |
| Community Social Development: | | |
| CSD Admin increased salary costs | -46 | |
| CSD Building mainly utility cost savings | 60 | |
| FCSS Outcomes additional funding dollars approved by Council | -34 | |
| Special Projects additional funding dollars approved by Council | -66 | |
| Day Home administration revenue shortfall | -28 | |
| Community Housing grant funding to be received in 2012 | -45 | |
| Home Support Services salary savings | 15 | |
| External Projects cost savings | 22 | |
| Parks: | | |
| Turf Maintenance lower salaries & maintenance costs due to wet summer conditions | 162 | |
| Trees & Annuals salary & maintenance cost savings | 174 | |
| Outdoor Recreation delayed rink program due warm fall | 142 | |
| Sanitation & Festive Lights cost savings | 123 | |
| Weed & Pest Control savings due to wet weather | 217 | |
| Leisure Centre remained open for most of the year, budget for 3/4 year | -947 | |
| The Beach at Bear Creek cost savings | 20 | |
| Dave Barr Arena reduced revenue due to construction offset by cost savings in expenditures | 57 | |
| Coca Cola Centre mainly salary & utility cost savings | 171 | |
| Crystal Centre cost savings | 136 | |
| Aquatic & Wellness Multiplex mainly revenue higher than anticipated | 105 | |
| Muskoseepi Park Pavilion contracted services savings | 27 | |
| Interpretive Program mainly salary savings | 65 | |

Total

3,565

**CITY OF GRANDE PRAIRIE
OPERATING RESERVES
DECEMBER 31, 2011**

| | BALANCE DEC 31/10 | TRANSFER TO RESTRICTED FUND | OTHER ADDITIONS | SUB TOTAL ADDITIONS | REDUCTIONS | BALANCE DEC 31/11 |
|---------------------------------|----------------------|-----------------------------------|--------------------|------------------------|-------------------|----------------------|
| Fleet Management System | 7,459,092 | 569,253 | 6,513,564 | 7,082,817 | 2,322,378 | 12,219,531 |
| Engineering Fund | 461,520 | 9,230 | 0 | 9,230 | 470,750 | 0 |
| Winter Stabilization | 2,578,984 | 146,610 | 0 | 146,610 | 0 | 2,725,594 |
| Redevelopment Levy | 28,226 | 564 | 0 | 564 | 28,790 | 0 |
| Transit | 3,759,899 | 75,198 | 0 | 75,198 | 3,835,097 | 0 |
| Cemetery Perpetual Care | 1,045,554 | 65,704 | 173,460 | 239,164 | 0 | 1,284,718 |
| Land Equalization | 341,738 | 6,835 | 0 | 6,835 | 348,572 | 1 |
| Public Housing Commission | 242,523 | 24,263 | 290,000 | 314,263 | 0 | 556,786 |
| Urban Park | 203,980 | 4,080 | 0 | 4,080 | 208,060 | 0 |
| Fire Dept Equipment Replacement | 582,660 | 35,107 | 187,722 | 222,829 | 132,840 | 672,649 |
| RCMP Detachment Reserve | 556,794 | 20,456 | 0 | 20,456 | 309,930 | 267,320 |
| Geographic Information Systems | 339,889 | 6,798 | 0 | 6,799 | 346,687 | 0 |
| Facility Depreciation | 4,347,306 | 0 | 6,017,557 | 6,017,557 | 9,241,190 | 1,123,673 |
| Public Reserve | 1,498,029 | 76,656 | 334,018 | 410,674 | 569,416 | 1,339,287 |
| Information Technology | 5,488,712 | 109,774 | 0 | 109,774 | 5,598,486 | 0 |
| Paving Levies | 33,408 | 668 | 0 | 668 | 34,076 | 0 |
| Transportation System Levy | 9,878,730 | 538,799 | 4,793,212 | 5,332,011 | 5,423,960 | 9,786,781 |
| Aquatics Centre Reserve | 2,073,168 | 41,464 | 0 | 41,464 | 2,114,631 | 0 |
| Future Capital Expenditure | 9,251,832 | 0 | 22,125,448 | 22,125,448 | 10,610,530 | 20,766,750 |
| Financial Stabilization | 5,859,973 | 0 | 4,354,368 | 4,354,368 | 1,702,160 | 8,512,181 |
| | <u>56,032,017</u> | <u>1,731,459</u> | <u>44,789,349</u> | <u>46,520,808</u> | <u>43,297,553</u> | <u>\$59,255,271</u> |

**Long-Term Debt and Debt Servicing
For the Quarter Ended
December 31, 2011**

| | | <u>Actual</u> |
|-------------------------------------|--------------------|---------------------------|
| Opening Balance: | September 30, 2011 | 137,038,258 |
| Less: | | |
| Principal portion of debt payments | | -1,187,125 |
| Plus: | | |
| Additional debt taken | | 12,331,150 |
| Ending Balance: | December 31, 2011 | <u><u>148,182,283</u></u> |
| Interest paid on Long-Term Debt | | <u><u>942,095</u></u> |
| October 1, 2011 - December 31, 2011 | | |

Contribution Room

| | | |
|----------------------|-------------------|--------------------------|
| Legal Debt Limit: | December 31, 2011 | 197,178,843 |
| Ending Balance: | December 31, 2011 | 148,182,283 |
| Remaining Debt Limit | | <u><u>48,996,560</u></u> |

CITY OF GRANDE PRAIRIE
TRAVEL EXPENSE REIMBURSEMENT TO COUNCIL
AS AT DECEMBER 31, 2011

| COUNCIL MEMBER | TOTAL PAYMENT |
|------------------|------------------|
| GIVEN, BILL | 6,618.85 |
| CROKEN, JOHN | 11,981.12 |
| GUSTAFSON, ALEX | 2,864.96 |
| MCLEAN, KEVIN | 5,832.73 |
| MUNROE, JUSTIN | 9,009.59 |
| O'TOOLE, KEVIN | 8,612.78 |
| RADBOURNE, LORNE | 6,348.96 |
| RICE, HELEN | 5,359.86 |
| WONG, DAN | 5,867.13 |
| | <hr/> |
| | <u>62,495.98</u> |

NB

This schedule includes travel, subsistence, accommodation and registration fees paid either to, or on behalf of, each councillor.