



TO: Greg Scerbak  
City Manager

DATE: March 14, 2011

FROM: Susan Walker  
Accounting Manager

SUBJECT: **UNAUDITED FINANCIAL STATEMENTS – DECEMBER 31, 2010**

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**RECOMMENDATION**

It is recommended that Council receive for information the unaudited financial statements and schedules for the twelve month period ended December 31, 2010.

**BACKGROUND**

The purpose of this report is to present the financial statements and supplementary schedules for the twelve month period ended December 31, 2010.

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
- Travel Expense Reimbursement to Council

**ANALYSIS**

Operating variances have been reported on Appendix A.

**SUMMARY/CONCLUSION**

An operating surplus of \$916,427 is reported for the year ended December 31, 2010.

CC: Ken Anderson, CA, MBA  
Chief Financial Officer

**City of Grande Prairie**  
**Summary of All Programs**  
**For the Period Ending December 31, 2010**

| Description                          | YTD<br>Actual   | YTD<br>Budget | Variance       |
|--------------------------------------|-----------------|---------------|----------------|
| City Manager                         | 4,773,101       | 5,215,720     | 442,619        |
| Corporate Services                   | 8,705,982       | 8,447,639     | -258,343       |
| Fiscal Services                      | -73,428,928     | -72,087,820   | 1,341,108      |
| Protective Services                  | 23,616,932      | 24,146,028    | 529,096        |
| Public Works                         | 19,840,199      | 18,070,101    | -1,770,098     |
| Community Services                   | 15,576,287      | 16,208,332    | 632,045        |
| <b>Total Summary of All Programs</b> | <u>-916,427</u> | <u>0</u>      | <u>916,427</u> |

**Depreciation Expense** 10,904,502

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>  |      | 443    |
| Council & Legislative mainly cost savings for per diem, travel, conferences & branding   | 151  |        |
| City Manager mainly cost savings in salaries & travel  | 23   |        |
| Intergovernmental Services reduced travel  | 14   |        |
| Marketing & Communication reduced consulting   | 20   |        |
| Economic Development grant funding received in 2010 for 2009 expenditures related to business visitation program & salary savings                | 77   |        |
| Legislative Services mainly salary savings   | 20   |        |
| Common Services mainly insurance savings   | 138  |        |
| <b>Corporate Services</b>  |      | -258   |
| Accounting Services mainly salary savings  | 28   |        |
| Purchasing mainly salary savings   | 10   |        |
| Assessment & Taxation salary savings   | 30   |        |
| Facilities reduced maintenance requirement in outdoor facilities, firehall, library/gallery, service centre, leisure centre & canada games arena | 147  |        |
| Facility Renewal Projects  | 165  |        |
| York Hotel operations & abatement  | -638 |        |
| <b>Fiscal Services</b>   |      | 1,340  |
| Net Taxes mainly supplementary assessment lower than budget  | -141 |        |
| Other Revenue mainly increased tax penalties, tax sharing, franchise fee revenue & conditional policing grant                                    | 597  |        |
| Conditional Grants municipal policing grant higher then expected   | 354  |        |
| Debt Servicing savings due to delay in borrowing   | 244  |        |
| Operating Contingency surplus mainly unspent salary provision  | 286  |        |
| <b>Protective Services</b>   |      | 529    |
| RCMP increased costs   | -19  |        |
| Crime Prevention delay of Safe Growth program  | 81   |        |
| Fire Department increased costs  | -12  |        |
| Disaster & Protective Services   | 4    |        |
| Enforcement Svc mainly increased court fine revenue, business licenses & permits, animal licenses, parking & traffic, & parking meters           | 475  |        |
| <b>Public Works</b>  |      | -1,770 |
| Engineering salary savings   | 29   |        |
| Snow Removal mainly salaries, contracted services, salt & sand   | -834 |        |
| Gravel Roads maintenance costs   | -215 |        |
| Street Cleaning reduced maintenance costs  | 87   |        |
| Asphalt Roads reduced maintenance costs  | 23   |        |
| Concrete reduced maintenance costs   | 51   |        |
| Street Lighting increased electricity costs  | -818 |        |
| Railway Crossing maintenance costs   | -23  |        |
| Traffic Signs maintenance costs  | -27  |        |
| Development Services mainly reduced permit revenue   | -122 |        |
| Storm Sewers reduced maintenace costs  | 76   |        |
| Other savings  | 3    |        |

|   |     |                   |
|---|-----|-------------------|
| <b>Community Services</b>   |     | 632               |
| Community Services/Recreation & Community Development mainly salary savings           | 58  |                   |
| Public Library maintenance savings  | 77  |                   |
| Heritage Resources increased costs due to flood & salaries                            | -49 |                   |
| Prairie Gallery maintenance savings   | 16  |                   |
| Cemetery operations reduced revenues  | -52 |                   |
| Parks mainly increased tree watering due to drought                                   | -48 |                   |
| Leisure Centre mainly increased revenues  | 13  |                   |
| Coca Cola Centre mainly concession revenues   | 125 |                   |
| Crystal Centre mainly increased event revenue, salary savings & reduced utility costs | 442 |                   |
| Muskoseepi Park increased Interpretive Program & Special Events costs                 | -24 |                   |
| Community Social Development mainly Home Support Services increased revenue           | 74  |                   |
| <b>Total</b>  |     | <b><u>916</u></b> |

**CITY OF GRANDE PRAIRIE  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2010  
(THOUSANDS)**

|                                 | <u>DEC 31<br/>2010</u> | <u>DEC 31<br/>2009</u> |
|---------------------------------|------------------------|------------------------|
| <b>FINANCIAL ASSETS</b>         |                        |                        |
| Cash & Temporary Investments    | 99,251,760             | 104,211,930            |
| Taxes & Grants in Lieu of Taxes | 6,837,110              | 4,303,574              |
| Trade & Other Receivables       | 7,093,025              | 7,164,639              |
| Agreements Receivable           | 14,390,274             | 14,974,986             |
| Land Held for Resale            | 1,868,710              | 768,710                |
| Investments                     | 41,940,025             | 41,940,025             |
|                                 | <u>171,380,904</u>     | <u>173,363,863</u>     |
| <b>FINANCIAL LIABILITIES</b>    |                        |                        |
| Accounts Payable & Accrued Liab | -13,575,754            | -16,977,843            |
| Due to Aquatera Utilities       | -383,267               | -1,595,580             |
| Deferred Revenue                | -31,869,925            | -31,342,011            |
| Long-term Debt                  | -121,328,922           | -103,956,311           |
|                                 | <u>-167,157,868</u>    | <u>-153,871,745</u>    |
| <b>NET FINANCIAL ASSETS</b>     | <b>4,223,037</b>       | <b>19,492,118</b>      |
| <b>NON FINANCIAL ASSETS</b>     |                        |                        |
| Inventory for Consumption       | 586,467                | 487,575                |
| Prepaid Expenses                | 36,114                 | 38,120                 |
| Tangible Capital Assets         | 417,939,491            | 370,846,330            |
|                                 | <u>418,562,073</u>     | <u>371,372,025</u>     |
| <b>NET ASSETS</b>               | <b>422,785,109</b>     | <b>390,864,143</b>     |
| <b>MUNICIPAL EQUITY</b>         |                        |                        |
| <b>ACCUMULATED SURPLUS</b>      | <b>422,785,109</b>     | <b>390,864,143</b>     |

**CITY OF GRANDE PRAIRIE  
OPERATING RESERVES  
DECEMBER 31, 2010**

|                                 | BALANCE<br>DEC 31/09 | TRANSFER TO<br>RESTRICTED<br>FUND | OTHER<br>ADDITIONS | SUB TOTAL<br>ADDITIONS | REDUCTIONS        | BALANCE<br>DEC 31/10 |
|---------------------------------|----------------------|-----------------------------------|--------------------|------------------------|-------------------|----------------------|
| Fleet Management System         | 5,298,557            | 501,974                           | 3,008,412          | 3,510,385              | 1,349,851         | 7,459,092            |
| Engineering Fund                | 384,256              | 33,146                            | 137,950            | 171,097                | 93,833            | 461,519              |
| Winter Stabilization            | 2,384,966            | 194,018                           | 0                  | 194,018                | 0                 | 2,578,984            |
| Redevelopment Levy              | 26,102               | 2,124                             | 0                  | 2,123                  | 0                 | 28,226               |
| Transit                         | 3,559,585            | 285,913                           | 685,652            | 971,565                | 771,251           | 3,759,899            |
| Cemetery Perpetual Care         | 850,513              | 74,351                            | 120,690            | 195,041                | 0                 | 1,045,554            |
| Land Equalization               | 403,865              | 28,959                            | 74,660             | 103,619                | 165,746           | 341,738              |
| Public Housing Commission       | 216,717              | 17,965                            | 7,841              | 25,806                 | 0                 | 242,523              |
| Urban Park                      | 188,635              | 15,346                            | 0                  | 15,346                 | 0                 | 203,981              |
| Fire Dept Equipment Replacement | 673,171              | 48,805                            | 179,692            | 228,498                | 319,008           | 582,660              |
| RCMP Detachment Reserve         | 514,906              | 41,888                            | 0                  | 41,888                 | 0                 | 556,794              |
| Geographic Information Systems  | 188,794              | 20,926                            | 160,936            | 181,863                | 30,767            | 339,889              |
| Facility Depreciation           | 4,835,098            | 0                                 | 3,126,774          | 3,126,774              | 3,614,566         | 4,347,306            |
| Public Reserve                  | 1,430,248            | 114,359                           | 0                  | 114,359                | 46,578            | 1,498,029            |
| Information Technology          | 4,109,506            | 377,166                           | 4,865,798          | 5,242,964              | 3,863,758         | 5,488,712            |
| Paving Levies                   | 30,895               | 2,513                             | 0                  | 2,513                  | 0                 | 33,408               |
| Transportation System Levy      | 9,903,423            | 771,593                           | 0                  | 771,593                | 796,286           | 9,878,730            |
| Aquatics Centre Reserve         | 2,318,489            | 170,813                           | 0                  | 170,813                | 416,134           | 2,073,168            |
| Future Capital Expenditure      | 11,137,239           | 0                                 | 2,537              | 2,537                  | 1,887,944         | 9,251,832            |
| Financial Stabilization         | 5,889,650            | 0                                 | 210,957            | 210,957                | 240,634           | 5,859,973            |
|                                 | <u>54,344,615</u>    | <u>2,701,859</u>                  | <u>12,581,899</u>  | <u>15,283,758</u>      | <u>13,596,356</u> | <u>\$56,032,017</u>  |

**Long-term Debt and Debt Servicing  
For the Quarter Ended  
December 31, 2010**

|   | <u>Actual</u>      |
|---|--------------------|
| Opening Balance October 1, 2010   | 114,579,349        |
| Less:   |                    |
| Principal portion of debt payments                                      | -945,727           |
| Plus:   |                    |
| Additional debt taken, December 15, 2010                                | 7,695,300          |
| Ending Balance December 31, 2010  | <u>121,328,922</u> |
| Interest paid on Long-Term Debt<br>October 31, 2010 - December 31, 2010 | <u>753,833</u>     |

**Contribution Room**

|                                    |                   |
|------------------------------------|-------------------|
| Legal Debt Limit December 31, 2009 | 184,395,525       |
| Ending Balance December 31, 2010   | 121,328,922       |
| Remaining Debt Limit               | <u>63,066,603</u> |

CITY OF GRANDE PRAIRIE  
TRAVEL EXPENSE REIMBURSEMENT TO COUNCIL  
AS AT DECEMBER 31, 2010

| COUNCIL MEMBER    | TOTAL<br>PAYMENT |
|-------------------|------------------|
| GIVEN, BILL       | 4,874.68         |
| LOGAN, DWIGHT     | 570.33           |
| BLACKMORE, GLADYS | 4,694.38         |
| CROKEN, JOHN      | 4,024.38         |
| DEIMERT, ELROY    | 5,426.89         |
| GUSTAFSON, ALEX   | 2,521.83         |
| MCLEAN, KEVIN     | 2,054.13         |
| MINHAS, YAD       | 1,528.26         |
| MUNROE, JUSTIN    | 2,782.92         |
| O'TOOLE, KEVIN    | 2,374.81         |
| RADBOURNE, LORNE  | 4,920.82         |
| RICE, HELEN       | 6,117.62         |
| WONG, DAN         | 8,175.59         |
|                   | <hr/>            |
|                   | 50,066.64        |
|                   | <hr/> <hr/>      |

NB

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