

ADMINISTRATIVE REPORT

TO: Greg Scerbak, City Manager	DATE: May 24, 2016
FROM: Reginald Hammond, CPA, CGA Assistant Finance Manager	MEETING: Corporate Services Committee
SUBJECT: Unaudited Financial Statement- March 31, 2016	

RECOMMENDATIONS

That the Corporate Services Committee receive for information the unaudited financial statements and schedules for the three month period ended March 31, 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 three month period year ended March 31, 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 \$1,586,000 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

**Attachment 1 -
City of Grande Prairie
Operating Revenue And Expenditure Summary
For the Period Ending March 31, 2016**

Description	YTD Actuals	YTD Budget	Variance	Annual Forecasted Variance
City Manager	510,508	682,629	172,121	216
Community Growth	3,049,415	2,974,909	(74,506)	(60)
Community Living	5,059,069	5,832,640	773,571	431
Community Safety	12,145,931	12,849,715	703,784	667
Corporate Services	2,278,203	1,744,868	(533,335)	332
Fiscal Services	6,041,831	6,533,169	491,338	-
Total Summary of All Programs	<u>29,084,957</u>	<u>30,617,930</u>	<u>1,532,973</u>	<u>1,586</u>
Depreciation Expense	4,668,419			18,673,674

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

The City of Grande Prairie
 Financial Statement Highlights
 31-Mar-16

**Appendix A
 (In Thousands)**

City Manager			216
	Council general savings mainly due to reduced travel and other costs.	100	
	City Manager shortfall mainly due to recruitment cost	(22)	
	Internship Program savings due to vacancies	70	
	Human Resources salary savings due to vacancies	60	
	Health and Safety savings mainly due to program restructuring	8	
Community Growth			(60)
	Communications and Citizen Engagement surplus due to revenue generated from Community Connections publication	30	
	Transit shortfall due to reduced revenue	(100)	
	Revolution Place savings mainly due to vacancies	10	
Community Living			431
	Montrose Cultural Center savings mainly due to vacancies	30	
	Heritage Resources- Increased cost due to additional building operations and maintenance expenses and decreased sponsorship revenue	(30)	
	Parks Admin (and Parks General)- mainly salary savings and decreased utility costs	100	
	The Leisure Center savings due to closure	83	
	Dave Barr savings mainly due to vacancies and increased concession revenue.	45	
	Coca Cola Center salary savings, decreased utility costs and other general cost savings	112	
	Eastlink savings due to decreased utility costs, increased operational efficiencies and salary savings.	43	
	CSD Building maintenance cost savings	39	
	FCSS Home Support Services - mainly salary savings due to vacancies	9	
Community Safety			667
	RCMP surplus mainly due to vacancies	300	
	Fire Department surplus due to general cost savings and revenue from motor vehicle collisions	50	
	Community Safety Director's savings mainly due to general costs savings	50	
	Engineering services savings mainly due to vacancies	267	
Corporate Services			332
	Accounting Services- Mainly salary savings	20	
	Assessment - salary savings	50	
	Facilities Department mainly salary savings and increased operational efficiencies.	262	

1,586

**Attachment 2 -
CITY OF GRANDE PRAIRIE
STATEMENT OF FINANCIAL POSITION
March 31, 2016**

	<u>March 31 2016</u>	<u>DEC 31 2015</u>
FINANCIAL ASSETS		
Cash & Temporary Investments	356,652,265	345,617,025
Taxes & Grants in Lieu of Taxes	0	3,212,980
Trade & Other Receivables	8,486,135	25,561,040
Agreements Receivable	20,620,126	20,742,654
Land Held for Resale	752,300	752,300
Investments	67,656,385	67,656,385
	<u>454,167,211</u>	<u>463,542,383</u>
FINANCIAL LIABILITIES		
Accounts Payable & Accrued Liab	6,840,193	11,038,315
Deferred Revenue	24,262,404	24,498,064
Deferred Property Taxes	12,895,473	0
Long-term Debt	131,495,543	133,672,371
	<u>175,493,613</u>	<u>169,208,750</u>
NET FINANCIAL ASSETS	278,673,598	294,333,633
NON FINANCIAL ASSETS		
Inventory for Consumption	698,146	744,595
Prepaid Expenses	1,111,454	273,570
Tangible Capital Assets	562,218,382	558,697,187
	<u>564,027,982</u>	<u>559,715,353</u>
NET ASSETS	842,701,580	854,048,986
MUNICIPAL EQUITY		
ACCUMULATED SURPLUS	842,701,580	854,048,986

**Long-Term Debt and Debt Servicing
For the Quarter Ended
March 31, 2016**

		<u>Actual</u>
Opening Balance:	December 31, 2015	133,672,371
Less:		
Principal portion of debt payments		-2,176,828
Plus:		
Additional debt taken		0
Ending Balance:	March 31, 2016	<u>131,495,543</u>
Interest paid on Long-Term Debt		<u>1,693,970</u>
January 1, 2016 - March 31, 2016		<u>1,693,970</u>

Contribution Room

Legal Debt Limit:	December 31, 2015	252,281,447
Ending Balance:	March 31, 2016	131,495,543
Remaining Debt Limit		<u>120,785,904</u>

**Attachment 3 -
CITY OF GRANDE PRAIRIE
OPERATING RESERVES
March 31, 2016**

	BALANCE DEC 31/15	TRANSFER TO RESTRICTED FUND	OTHER ADDITIONS	SUB TOTAL ADDITIONS	REDUCTIONS	BALANCE March 31, 2016
Fleet Management System	13,188,420	23,806	5,229	29,035	0	13,217,455
Winter Stabilization	1,442,337	2,160	1,001,058	1,003,218	43	2,445,512
Cemetery Perpetual Care	2,293,660	3,122	12,085	15,207	0	2,308,867
Public Housing Commission	455,122	423	579	1,002	0	456,124
Fire Dept Equipment Replacement	806,867	1,595	66,341	67,937	411	874,392
RCMP Detachment Reserve	293,362	439	215	655	9	294,007
Facility Renewal Reserve	801,935	10,951	3,571,033	3,581,983	2,251,506	2,132,412
Public Reserve	1,053,560	276	316,684	316,959	0	1,370,519
Transportation System Levy	8,857,102	14,546	953,833	968,380	1,547	9,823,935
Future Expenditure	10,958,086	8,580	1,032,276	1,040,857	1,836,521	10,162,421
Financial Stabilization	7,096,421	10,447	959,208	969,655	31	8,066,045
Pinnacle Ridge Special Tax	0	0	0	0	0	0
	\$47,246,872	\$76,345	\$7,918,541	\$7,994,887	\$4,090,068	\$51,151,689

**CITY OF GRANDE PRAIRIE
TRAVEL EXPENSE REIMBURSEMENT TO COUNCIL
AS AT March 31, 2016**

Council Members	Mandatory and City Business Expenditures	Discretionary Expenditure	Total
GIVEN, BILL	3,963.19	692.95	4,656.14
CLAYTON, JACKIE	1,950.82	505.70	2,456.52
LOGAN, DWIGHT	0.00	63.00	63.00
MCLEAN, KEVIN	3,176.97	124.50	3,301.47
O'TOOLE, KEVIN	2,848.12	292.95	3,141.07
RADBOURNE, LORNE	600.00	1,821.26	2,421.26
RICE, HELEN	519.75	1,078.00	1,597.75
THIESSEN, CHRIS	514.65	574.45	1,089.10
TARANT, RORY	1,523.42	513.00	2,036.42
	<u>15,096.92</u>	<u>5,665.81</u>	<u>20,762.73</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, accomodations and per diems.