

City of Prince Rupert

2013 Audited Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
City of Prince Rupert

Report on the Financial Statements

We have audited the accompanying consolidated statement of financial position of the City of Prince Rupert as at December 31, 2013 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended and a summary of significant accounting policies.

Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with Canadian generally accepted auditing standards. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

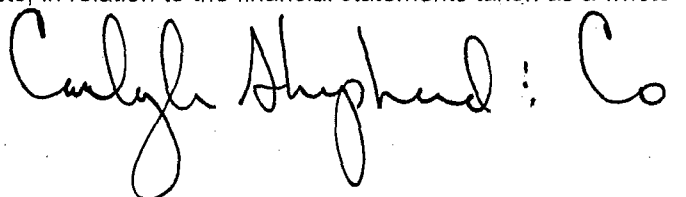
Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2013 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the City taken as a whole. The current year's supplementary information in Statements C, F to I and schedules 1 to 8 is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all materially respects, in relation to the financial statements taken as a whole

Prince Rupert, BC
May 12, 2014



City of Prince Rupert

Consolidated Statement of Financial Position December 31

	<u>2013</u>	<u>2012</u>
Financial Assets		
Cash and Cash Equivalents	\$ 23,714,876	\$ 19,597,527
Taxes Receivable (Note 2a)	1,165,936	1,556,694
General Receivables (Note 2b)	1,980,474	1,875,471
Deposit-Municipal Finance Authority (Note 3)	157,511	150,190
Land Inventory Held for Resale (Note 4)	7,091,112	7,091,112
	<u>34,109,909</u>	<u>30,270,994</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5a)	9,806,999	9,465,325
Deferred Revenue (Note 5b)	5,688,232	5,392,839
Landfill Closure Cost (Note 8b)	2,250,000	2,050,000
Reserves - Municipal Finance Authority (Note 3)	157,511	150,190
Leases Payable (Schedule 6 and Note 6)	128,920	226,809
Debenture Debt (Schedule 7 and Note 6)	5,709,416	6,236,920
	<u>23,741,078</u>	<u>23,522,083</u>
Net Financial Assets (Statement D)	<u>10,368,831</u>	<u>6,748,911</u>
Non-financial Assets		
Tangible Capital Assets (Statement G and Note 1c)	45,957,213	45,070,693
Investment in City West Cable & Tel. Corp. (Statement H and Note 7)	30,735,763	28,895,763
Inventory (Note 1d)	684,282	781,551
	<u>77,377,258</u>	<u>74,748,007</u>
Surplus and Equity (Statement B)	<u>\$ 87,746,089</u>	<u>\$ 81,496,918</u>
City Position		
Accumulated Operating Surplus (Statement C)		
Unappropriated	\$ 7,480,079	\$ 4,983,918
Appropriated	1,166,000	1,091,500
	<u>8,646,079</u>	<u>6,075,418</u>
Bylaw and Statutory Reserve Funds (Statement F)	6,880,370	6,553,773
Investment in City West Cable & Tel. Corp. (Statement H and Note 7)	30,735,763	28,895,763
Investment in Tangible Capital Assets (Statement I)	41,483,877	39,971,964
Net Position (Statement B)	<u>\$ 87,746,089</u>	<u>\$ 81,496,918</u>



Corinne Bomben, CA
Chief Financial Officer

City of Prince Rupert

Consolidated Statement of Operations For The Year Ended December 31

	Unaudited <u>2013 Budget</u>	2013 <u>Actual</u>	2012 <u>Actual</u>
Revenues			
Taxes (Net) (Schedule 1)	\$ 16,709,000	\$ 18,645,403	\$ 16,708,479
Sale of Services (Schedule 2)	8,817,000	9,228,009	8,644,334
Services Provided to Other Government	70,000	86,893	71,000
Government Transfers (Schedule 3)	1,556,500	2,122,306	1,384,852
Fees, Permits, Licenses and Fines (Schedule 4)	530,000	494,339	527,491
Investment Income	110,000	265,333	171,781
City West Cable & Tel. Corp. Income	-	1,840,000	1,359,000
Miscellaneous Revenues (Schedule 4)	<u>1,702,000</u>	<u>2,320,004</u>	<u>2,189,729</u>
Total Revenue	<u>\$ 29,494,500</u>	<u>\$ 35,002,287</u>	<u>\$ 31,056,666</u>
Expenses			
Protection to Persons and Property	\$ 8,054,000	\$ 7,652,149	\$ 7,606,783
Water, Sewage and Solid Waste	4,973,000	4,690,713	4,734,187
Roadways and Transportation	5,407,260	4,669,442	4,937,525
Recreation and Culture	4,868,500	4,797,888	5,229,303
General Government	4,599,500	4,294,406	4,631,075
Other	<u>278,740</u>	<u>259,481</u>	<u>270,623</u>
Total Expenses (Schedule 5)	<u>\$ 28,181,000</u>	<u>\$ 26,364,078</u>	<u>\$ 27,409,496</u>
Revenue Over Expenditure Before Amortization	\$ 1,313,500	\$ 8,638,209	\$ 3,647,170
Amortization of Tangible Capital Assets	\$ -	\$ (1,719,193)	\$ (1,616,726)
Donated Land	\$ -	\$ -	\$ 36,800
Writedown of Capital Assets	<u>\$ -</u>	<u>\$ (669,845)</u>	<u>\$ -</u>
Revenue Over Expenditure	\$ 1,313,500	\$ 6,249,171	\$ 2,067,244
Opening City Position	<u>\$ 81,496,918</u>	<u>\$ 81,496,918</u>	<u>\$ 79,429,674</u>
Closing City Position (Statement A)	<u>\$ 82,810,418</u>	<u>\$ 87,746,089</u>	<u>\$ 81,496,918</u>

City of Prince Rupert

Operating Funds and Surplus Allocation For The Year Ended December 31

Fund	General	Water	Sewer	Solid Waste	2013 Total	2012 Total
Operating Results						
Revenue	\$ 28,042,141	\$ 2,458,333	\$ 2,043,631	\$ 2,458,182	\$ 35,002,287	\$ 31,056,666
Expenditure (Exclude Tangible Capital Assets)	21,673,366	1,585,493	1,031,524	2,073,696	26,364,078	27,409,496
	6,368,775	872,840	1,012,107	384,486	8,638,209	3,647,170
Add /(Less)						
Investment in Tangible Capital Assets	(1,464,787)	(771,764)	(972,896)	(66,110)	(3,275,557)	(1,799,007)
Land Donation	-	-	-	-	-	36,800
Debt payment and Actuarial Adjustments	(487,631)	(122,296)	(15,466)	-	(625,393)	(502,650)
Bylaw and Statutory Reserve Fund Income	(129,864)	-	-	-	(129,864)	(70,351)
City West Cable & Tel. Corp (Income)/Loss	(1,840,000)	-	-	-	(1,840,000)	(1,359,000)
City West Cable & Tel. Corp Loan Repayment	-	-	-	-	-	500,000
Transfer (to)/ from Reserves	(196,734)	-	-	-	(196,734)	(86,632)
	(4,119,016)	(894,060)	(988,362)	(66,110)	(6,067,548)	(3,280,840)
Total Operating Surplus/(Deficit)	2,249,760	(21,220)	23,746	318,376	2,570,661	366,330
Balance forward Surplus/(Deficit)	3,566,646	1,760,210	1,026,713	(278,151)	6,075,418	5,709,088
Accumulated Surplus/(Deficit)	<u>\$ 5,816,406</u>	<u>\$ 1,738,990</u>	<u>\$ 1,050,459</u>	<u>\$ 40,225</u>	<u>\$ 8,646,079</u>	<u>\$ 6,075,418</u>
Surplus Allocation						
Unappropriated Surplus	\$ 3,856,406	\$ 1,151,990	\$ 974,459	\$ 40,225	\$ 7,480,079	\$ 4,983,918
2014 Appropriated Surplus	1,960,000	587,000	76,000	-	1,166,000	1,091,500
	<u>\$ 5,816,406</u>	<u>\$ 1,738,990</u>	<u>\$ 1,050,459</u>	<u>\$ 40,225</u>	<u>\$ 8,646,079</u>	<u>\$ 6,075,418</u>

City of Prince Rupert

Consolidated Statement of Change in Net Financial Assets For The Year Ended December 31

	2013	2012
	<u>Actual</u>	<u>Actual</u>
Revenue Over Expenditure (Statement B)	\$ 6,249,171	\$ 2,067,244
Acquisition of Tangible Capital Assets	(3,275,558)	(1,799,006)
Amortization of Tangible Capital Assets	1,719,193	1,616,726
Writedown of Capital Assets	669,845	-
City West Cable and Tel. Corp. (Increase)/Decrease in Equity	(1,840,000)	(859,000)
Change in Inventory	97,269	170,054
Change in Net Financial Assets	<u>\$ 3,619,920</u>	<u>\$ 1,196,018</u>
Net Financial Assets/(Debt) at Beginning of Year	<u>\$ 6,748,911</u>	<u>\$ 5,552,893</u>
Net Financial Assets/(Debt) at End of Year	<u><u>\$ 10,368,831</u></u>	<u><u>\$ 6,748,911</u></u>

City of Prince Rupert

Consolidated Statement of Cash Flows For The Year Ended December 31

	<u>2013</u>	<u>2012</u>
Operating Activities		
Revenue Over Expenditure	\$ 6,249,171	\$ 2,067,244
Non-cash Items		
Amortization	1,719,193	1,616,726
Write down of Tangible Capital Assets	669,845	-
City West Cable & Tel. Corp (Income)/loss	(1,840,000)	(1,359,000)
Taxes Receivable	390,758	245,188
Land Inventory Held for Resale	-	173,642
General Receivables	(105,003)	40,907
Loan to Museum	-	125,991
Inventory	97,269	170,054
Accounts Payable and Accrued Liabilities	341,674	(1,003,499)
Deferred Revenue	295,393	991,366
Landfill Closure Costs	200,000	175,000
Cash Provided by Operating Activities	<u>\$ 8,018,300</u>	<u>\$ 3,243,619</u>
Financing Activities		
Principal Repayments	<u>\$ (625,393)</u>	<u>\$ (628,641)</u>
Cash provided by/(applied to) Financing Activities	<u>\$ (625,393)</u>	<u>\$ (628,641)</u>
Investing Activities		
Tangible Capital Assets Additions	\$ (3,275,558)	\$ (1,799,006)
City West Cable & Tel. Corp. Loan Repayment	-	500,000
Cash Provided by/(applied to) Investing Activities	<u>\$ (3,275,558)</u>	<u>\$ (1,299,006)</u>
Increase/(Decrease) in Cash and Cash Equivalents	\$ 4,117,349	\$ 1,315,972
Cash and Cash Equivalents at Beginning of Year	<u>19,597,527</u>	<u>18,281,555</u>
Cash and Cash Equivalents at End of Year	<u>\$ 23,714,876</u>	<u>\$ 19,597,527</u>

City of Prince Rupert

Statement of Bylaw and Statutory Reserve Fund Balances December 31, 2013

Reserves	<u>Bylaw Reserves</u>			<u>Statutory Reserves</u>				<u>Total</u>
	<u>General Reserve</u>	<u>Public Works General Equipment</u>	<u>Ferry Maintenance</u>	<u>Capital Assets & Land Acquisition</u>	<u>Parkland Reserves</u>	<u>Parking Space Requirements</u>	<u>Cemetery Care Trust</u>	
Balance Beginning of Year	\$ 3,343,989	\$ 534,422	\$ 201,057	\$ 2,173,557	\$ 6,079	\$ 121,695	\$ 172,974	\$ 6,553,772
Interest Income	65,208	10,421	3,921	42,385	118	2,373	5,438	129,864
Transfers (to)/from Other Funds	(143,266)	240,000	100,000	-	-	-	-	196,734
Balance End of Year	<u>\$ 3,265,931</u>	<u>\$ 784,843</u>	<u>\$ 304,978</u>	<u>\$ 2,215,942</u>	<u>\$ 6,197</u>	<u>\$ 124,068</u>	<u>\$ 178,412</u>	<u>\$ 6,880,370</u>
Reserve Allocation								
2014 Budget Appropriations	\$ 750,000	\$ 312,000	\$ 300,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 1,387,000
Unappropriated Reserve	<u>2,515,931</u>	<u>472,843</u>	<u>4,978</u>	<u>2,190,942</u>	<u>6,197</u>	<u>124,068</u>	<u>178,412</u>	<u>5,493,370</u>
Balance End of Year	<u>\$ 3,265,931</u>	<u>\$ 784,843</u>	<u>\$ 304,978</u>	<u>\$ 2,215,942</u>	<u>\$ 6,197</u>	<u>\$ 124,068</u>	<u>\$ 178,412</u>	<u>\$ 6,880,370</u>

City of Prince Rupert

**Consolidated Statement of Tangible Capital Assets
December 31**

	<u>CAPITAL ASSETS</u>				<u>ACCUMULATED AMORTIZATION</u>			<u>NET BOOK VALUE</u>		
	<u>Opening Balance</u>	<u>Additions</u>	<u>Disposals/ Write-Downs</u>	<u>Closing Balance</u>	<u>Opening Balance</u>	<u>Amortization</u>	<u>Disposals/ Write-Downs</u>	<u>Closing Balance</u>	<u>2013</u>	<u>2012</u>
Land	\$ 4,563,912	\$ -	\$ -	\$ 4,563,912	\$ -	\$ -	\$ -	\$ -	\$ 4,563,912	\$ 4,563,912
Buildings	9,698,674	11,249	(1,154,905)	8,555,018	6,113,907	184,669	(485,060)	5,813,516	2,741,502	3,584,767
Equipment	6,449,749	821,393	(54,500)	7,216,642	3,974,762	447,400	(54,500)	4,367,662	2,848,980	2,474,987
Infrastructure	75,055,243	2,442,916	(53,952)	77,444,207	40,608,216	1,087,124	(53,952)	41,641,388	35,802,819	34,447,027
	<u>\$ 95,767,578</u>	<u>\$ 3,275,558</u>	<u>\$ (1,263,357)</u>	<u>\$ 97,779,779</u>	<u>\$ 50,696,885</u>	<u>\$ 1,719,193</u>	<u>\$ (593,512)</u>	<u>\$ 51,822,566</u>	<u>\$ 45,957,213</u>	<u>\$ 45,070,693</u>

City of Prince Rupert

City West Cable & Telephone Corporation Statement of Financial Position December 31

	<u>2013</u>	<u>2012</u>
ASSETS		
City West Cable & Telephone Corporation		
Investment	\$ 1	\$ 1
Loan	21,232,762	21,232,762
Equity	9,503,000	7,663,000
	<u>\$ 30,735,763</u>	<u>\$ 28,895,763</u>
LIABILITIES AND EQUITY		
Equity, Beginning of Year	\$ 28,895,763	\$ 28,036,763
Net Income/(Loss) of Corporation	1,840,000	1,359,000
Transfer to operating fund	-	(500,000)
Equity, End of Year	<u>\$ 30,735,763</u>	<u>\$ 28,895,763</u>

City of Prince Rupert

Statement of Changes in Investment in Tangible Capital Assets
December 31

	<u>2013</u>	<u>2012</u>
Opening Balance	\$ 39,971,964	\$ 39,287,034
Tangible Capital Assets Purchased By Operations	3,275,558	1,799,006
Museum Loan Principal Repayment	-	(125,991)
Debenture Debt Repayment	355,239	355,239
Actuarial Additions	172,265	150,661
Lease Repayment	97,889	122,741
Writedown of Tangible Capital Assets	(669,845)	-
Amortization	<u>(1,719,193)</u>	<u>(1,616,726)</u>
Closing Balance	<u>\$ 41,483,877</u>	<u>\$ 39,971,964</u>

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2013

1) Significant accounting policies

a) *Basis of presentation*

It is the Municipality's policy to follow accounting principles generally accepted for British Columbia Municipalities and to apply such principles consistently. These consolidated statements include the operations of the General, Water, Sewer, Solid Waste, Capital and Reserve Funds. They have been prepared using guidelines issued in the CICA Public Sector Accounting Handbook.

b) *Revenue and expenses recognition*

The accrual method for reporting revenues and expenditures has been used.

Revenues are normally recognized in the year in which they are earned and measurable.

Government transfers are recognized in the financial statements as revenue in the period in which the eligibility criteria have been met and reasonable estimates of the amounts can be made. Transfers received for which the expenditures have not yet been incurred are reported as deferred revenue.

Deferred revenue includes grants, contributions and other amounts received from third parties which are specifically designated and the expenditures have not yet been incurred.

c) *Tangible capital assets*

Tangible capital assets are reported at cost. Donated assets are reported at fair market value at the time of donation. Tangible capital assets are amortized using the straight-line method as follows:

Buildings	50 years
Equipment	5 to 20 years
Infrastructure	25 to 100 years

d) *Inventory*

Inventory is reported at average cost.

e) *Estimates*

The preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2013

f) Financial instruments

The City's financial instruments consist of cash, taxes and accounts receivable, accounts payable, accruals and deferred revenue, capital leases and debenture debt. It is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

2) Receivables

	<u>2013</u>	<u>2012</u>
a) Taxes receivable		
Current	\$ 680,239	\$ 978,315
Arrears	438,434	532,678
Delinquent	5	-
Tax sale properties	47,258	45,701
Net Taxes Receivable	<u>\$ 1,165,936</u>	<u>\$ 1,556,694</u>
b) General receivables		
General receivables	\$ 1,992,974	\$ 1,845,879
Other governments	-	40,492
	<u>1,992,974</u>	<u>1,886,371</u>
Allowance for doubtful accounts	(12,500)	(10,900)
Net general receivables	<u>\$ 1,980,474</u>	<u>\$ 1,875,471</u>

3) Municipal Finance Authority reserve deposits

The City issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the Municipality may be required to loan certain amounts to the Municipal Finance Authority.

As of December 31, the total Debt Reserve Fund was comprised of

	<u>2013</u>	<u>2012</u>
General	\$ 114,298	\$ 108,985
Water	43,213	41,205
	<u>\$ 157,511</u>	<u>\$ 150,190</u>

4) Land held for resale

The Watson Island land property value is reported at the gross value of the property taxes owing when it was taken back on tax sale in 2008, net of a \$641,000 writedown to expected recovery in 2012. Management believes current market value exceeds net book value. There is approximately \$2 million owing to the Ministry of Education and BC Assessment Authority that is included in the accounts payable.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2013

5) Payables, accruals, and deferred Revenue

	<u>2013</u>	<u>2012</u>
a) Accounts payable and accrued liabilities		
Trade payables	\$ 2,225,234	\$ 2,488,898
Accrued liabilities	1,291,643	1,062,417
Accrued interest payable - MFA	81,999	81,999
Taxes due to other governments	2,336,116	1,957,351
Salaries, wages, other payroll payables	3,852,204	3,837,102
Holdbacks and deposits	19,803	37,558
	<u>\$ 9,806,999</u>	<u>\$ 9,465,325</u>
b) Deferred revenue		
Prepaid taxes	\$ 1,059,676	\$ 1,034,040
Other deferred revenue	4,628,556	4,358,799
	<u>\$ 5,688,232</u>	<u>\$ 5,392,839</u>

6) Debenture debts and leases payable

Debenture debt and leases are with the Municipal Finance Authority and are being repaid in accordance with approved bylaws and agreements.

7) Investment in City West Cable & Telephone Corp.

The City is the sole shareholder of City West Cable and Telephone Corp. (the "Company"). The investment in the Company is reported using the modified equity method. During the year, the City received income of \$60,000 as management fees.

Financial information for the Company as at December 31 is as follows

	<u>2013</u>	<u>2012</u>
Assets	\$ 50,042,000	\$ 50,259,000
Liabilities to Arms-length parties	\$ 19,306,000	\$ 21,363,000
Net Income/(loss)	\$ 1,840,000	\$ 1,359,000

8) Commitments and contingencies:

a) Pension information

The City and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly-trusted pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 179,000 active members and approximately 71,000 retired members. Active members include approximately 156 contributors from the City of Prince Rupert.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2013

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount employer contributions made during the fiscal year (defined contribution plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City of Prince Rupert paid \$971,897 (2012- \$951,292) for employer contributions while employees contributed \$809,808 (2012- \$803,006) to the plan in fiscal 2013.

b) Landfill closure costs

The City is responsible for closing the landfill in accordance with Ministry of Environment regulations. The closure costs have been fully accrued based on the latest landfill closure plan.

c) Third party claims

The City has various lawsuits and claims pending by and against it. It is the opinion of management that the determination of these claims will not materially affect the financial position or the operating results of the City.

City of Prince Rupert

Schedule of Tax Revenues For The Year Ended December 31

	Unaudited 2013 Budget	2013 Actual	2012 Actual
Real Property Taxes			
Municipal Property Tax			
Residential	\$ 6,532,600	\$ 6,534,186	\$ 6,446,476
Utilities	163,100	163,085	152,135
Major Industry	2,425,500	2,425,457	2,549,604
Light Industry	525,700	510,305	497,179
Business	4,411,700	4,397,768	4,416,713
Recreational	19,400	19,395	17,687
	<u>\$ 14,078,000</u>	<u>\$ 14,050,196</u>	<u>\$ 14,079,794</u>
Less: Tax Sharing with District of Port Edward	<u>\$ (530,000)</u>	<u>\$ (544,132)</u>	<u>\$ (540,831)</u>
	<u>\$ 13,548,000</u>	<u>\$ 13,506,064</u>	<u>\$ 13,538,963</u>
Special Payments			
Port Competitiveness Tax Grant	<u>\$ 1,578,000</u>	<u>\$ 1,595,695</u>	<u>\$ 1,578,333</u>
Revenue Tax	<u>479,000</u>	<u>490,973</u>	<u>483,150</u>
Specified Area Tax	<u>60,000</u>	<u>60,951</u>	<u>60,951</u>
Payments in Lieu of Tax			
Federal Government Properties	192,000	254,466	191,273
Prince Rupert Port Authority	<u>371,000</u>	<u>2,357,639</u>	<u>372,780</u>
	<u>563,000</u>	<u>2,612,105</u>	<u>564,053</u>
Grants in Lieu of Tax			
Provincial Government Properties	266,000	170,723	266,860
BC Buildings Corp.	58,000	52,788	57,792
BC Housing Commission	105,000	99,914	105,484
BC Hydro and Power Authority	44,000	46,877	44,545
Insurance Corporation of BC	8,000	9,313	8,348
	<u>481,000</u>	<u>379,615</u>	<u>483,029</u>
	<u>\$ 3,161,000</u>	<u>\$ 5,139,339</u>	<u>\$ 3,169,516</u>
Net Tax Revenue	<u><u>\$ 16,709,000</u></u>	<u><u>\$ 18,645,403</u></u>	<u><u>\$ 16,708,479</u></u>

City of Prince Rupert

Schedule of Sale of Service Revenues For The Year Ended December 31

	Unaudited 2013 Budget	2013 Actual	2012 Actual
GENERAL FUND			
Protective Services (RCMP)	\$ 35,000	\$ 32,101	\$ 37,008
Transportation Services			
Public Transit	355,000	329,443	354,010
Airport Ferry	1,185,000	1,211,434	1,147,280
	<u>\$ 1,540,000</u>	<u>\$ 1,540,877</u>	<u>\$ 1,501,290</u>
Environmental Development Services			
Rezoning / Subdivision Services	7,000	20,165	14,845
Parking	14,000	11,168	12,314
	<u>\$ 21,000</u>	<u>\$ 31,333</u>	<u>\$ 27,159</u>
Public Health (Cemetery)	<u>\$ 40,000</u>	<u>\$ 67,299</u>	<u>\$ 65,744</u>
Recreation and Cultural Services			
Civic Centre Rentals & Programs	163,000	190,246	163,380
Swimming Pool	337,000	386,534	339,622
Arena	143,000	167,111	141,702
Field Rentals	3,000	3,082	3,645
	<u>\$ 646,000</u>	<u>\$ 746,973</u>	<u>\$ 648,349</u>
TOTAL GENERAL OPERATING FUND	<u>\$ 2,282,000</u>	<u>\$ 2,418,583</u>	<u>\$ 2,279,550</u>
SOLID WASTE FUND	<u>\$ 2,413,000</u>	<u>\$ 2,458,182</u>	<u>\$ 2,327,133</u>
WATER FUND	<u>\$ 2,122,000</u>	<u>\$ 2,311,427</u>	<u>\$ 2,126,093</u>
SEWER FUND	<u>\$ 2,000,000</u>	<u>\$ 2,039,817</u>	<u>\$ 1,911,558</u>
	<u>\$ 8,817,000</u>	<u>\$ 9,228,009</u>	<u>\$ 8,644,334</u>

City of Prince Rupert

Schedule of Government Transfers For The Year Ended December 31

	Unaudited 2013 Budget	2013 Actual	2012 Actual
Unconditional			
General Operating - Small Community	\$ 321,000	\$ 409,463	\$ 321,075
- Traffic Fines	223,000	279,423	223,114
- Carbon Tax Rebate	-	225,891	-
Total Unconditional	<u>\$ 544,000</u>	<u>\$ 914,777</u>	<u>\$ 544,189</u>
Conditional			
General Operating Fund			
Victim Services	\$ 54,000	\$ 53,460	\$ 53,460
Two Percent (2%) Hotel Tax	170,000	223,419	170,151
Casino Revenue	400,000	492,303	517,268
Fire and Emergency Services Grant	-	-	18,525
Ministry of Community Services	5,000	6,985	-
Ministry of Highways	-	19,508	43,186
Coast Sustainability Trust	-	-	27,036
Northern Development Initiative Trust	-	30,000	-
ICBC	-	29,500	-
BC Hydro- McBride Pull Out	-	5,000	-
Province of BC- LED Lights	198,500	200,250	-
BC Hydro- LED Lights	147,000	147,104	-
	<u>\$ 974,500</u>	<u>\$ 1,207,529</u>	<u>\$ 829,626</u>
Sewer Fund			
LWMP- Fed of Canadian Municipalities	\$ 38,000	\$ -	\$ 11,037
Total Conditional	<u>\$ 1,012,500</u>	<u>\$ 1,207,529</u>	<u>\$ 840,663</u>
Total Government Transfer	<u>\$ 1,556,500</u>	<u>\$ 2,122,306</u>	<u>\$ 1,384,852</u>

City of Prince Rupert

Schedule of Revenue from Own Sources For The Year Ended December 31

	Unaudited 2013 Budget	2013 Actual	2012 Actual
Licences and Permits	\$ 324,000	\$ 292,296	\$ 317,984
Fines	16,000	25,833	16,403
911 Service Fee	190,000	176,210	193,104
	<u>\$ 530,000</u>	<u>\$ 494,339</u>	<u>\$ 527,491</u>
Miscellaneous revenues			
Actuarial Reduction in Debt	\$ -	\$ 172,265	\$ 150,661
Cemetery Care Fund	-	3,355	3,529
Miscellaneous - General Fund	57,000	224,773	143,212
Parking Space Requirements	-	-	1,000
Penalties and Interest on Taxes	57,000	303,572	234,985
Property Rentals	110,000	108,872	521,201
Watson Island Burn Rate Reimbursement	1,413,000	1,404,620	1,042,200
Water Meter Rentals	65,000	79,047	72,705
Sale of Gravel	-	-	175
Sale of Tangible Capital Assets	-	23,500	20,061
Total Miscellaneous Revenues	<u>\$ 1,702,000</u>	<u>\$ 2,320,004</u>	<u>\$ 2,189,729</u>

City of Prince Rupert

Schedule of Expenditure by Objects of Expense For The Year Ended December 31

	Unaudited 2013 Budget	2013 Actual	2012 Actual
Wages	\$ 11,946,000	\$ 11,638,497	\$ 11,972,581
Benefits	2,778,000	2,626,694	2,804,288
Professional Fees	765,000	776,851	896,036
Supplies	1,938,650	2,134,524	2,275,188
Services	1,761,350	1,712,333	1,961,473
Energy	1,420,000	1,383,745	1,402,265
Fiscal Expenses	957,000	944,986	1,060,567
Grants in Aid to Community Partners	1,360,000	1,471,693	1,502,412
Contracts	<u>4,377,000</u>	<u>3,985,855</u>	<u>3,851,507</u>
	27,303,000	26,675,178	27,726,317
Capital Purchases & Capital Works (Per budget)	6,581,000	4,071,890	2,530,525
Wages & Vehicle cost allocated to Capital Works	(578,000)	(654,304)	(570,360)
Less:			
Investments in Tangible Capital Assets	(4,670,000)	(3,275,558)	(1,799,006)
Long Term Debt Repayment	<u>(455,000)</u>	<u>(453,128)</u>	<u>(477,980)</u>
Total Expenses (Statement C)	<u>\$ 28,181,000</u>	<u>\$ 26,364,078</u>	<u>\$ 27,409,496</u>

City of Prince Rupert

Schedule of Leases December 31

Lease No.	Purpose	New/ Renewal	Amount of Issue	2012 Balance	Additions	Principal Payments	2013 Balance
General Fund							
8370	2009 Pierce Fire Truck	2010	472,757	226,809	-	(97,889)	128,920
				\$ 226,809	\$ -	\$ (97,889)	\$ 128,920

City of Prince Rupert

Schedule of Debenture Debt
December 31

Bylaw No.		Maturity No.	Date	Amount of Issue	2012 Balance	Principal Payment	2012 Accrued Actuarial	2013 Actuarial	2013 Accrued Actuarial	2013 Balance
General Fund										
3129	George Hills Way/Specified Area	75	2021	\$ 700,000	\$ 398,009	\$ (21,170)	\$ 1,236	\$ (15,038)	\$ (1,384)	\$ 361,653
3201	Uplands Development	94	2025	1,054,348	772,273	(35,406)	2,421	(11,186)	(2,826)	725,276
3201	Cruise Ship Dock	94	2025	3,133,056	2,294,854	(105,213)	7,194	(33,240)	(8,393)	2,155,202
3201	Museum	94	2025	2,465,626	1,805,985	(82,800)	5,662	(26,159)	(6,605)	1,696,083
3199	Morse Creek Bridge	99	2017	535,000	237,066	(44,561)	2,364	(11,823)	(2,815)	180,231
					<u>\$ 5,508,187</u>	<u>\$ (289,150)</u>	<u>\$ 18,877</u>	<u>\$ (97,446)</u>	<u>\$ (22,023)</u>	<u>\$ 5,118,445</u>
Water Fund										
2961	New Water Main	63	2016	1,800,000	\$ 474,589	\$ (54,437)	\$ 37,576	\$ (64,392)	\$ (41,043)	352,293
Sewer Fund										
3201	Moresby Sewer Upgrade	94	2025	\$ 346,970	\$ 254,144	\$ (11,652)	\$ 797	\$ (3,681)	\$ (930)	\$ 238,678
					<u>\$ 6,236,920</u>	<u>\$ (355,239)</u>	<u>\$ 57,250</u>	<u>\$ (165,519)</u>	<u>\$ (63,996)</u>	<u>\$ 5,709,416</u>

City of Prince Rupert

Budget Variance Report General Operating Departments For The Year Ended December 31

Department	2013 Budget	YTD 2013 Actual	Budget Variance	Variance %
Revenues				
Airport Ferry	\$ 1,185,000	\$ 1,211,434	\$ 26,434	2.23
Cemetery	40,000	70,654	30,654	76.64
Corporate Administration	8,000	7,025	(975)	(12.19)
Development Services	386,000	369,734	(16,266)	(4.21)
Finance	10,000	24,006	14,006	140.06
FD Fire Protective Services	2,000	12,327	10,327	516.35
FD 911	190,000	176,210	(13,790)	(7.26)
Fiscal Revenues	4,540,000	7,527,330	2,987,330	65.80
Information Technology	2,000	1,265	(735)	(36.75)
PW Engineering	3,000	4,491	1,491	49.70
Parks	8,000	4,556	(3,444)	(43.05)
PW Common Revenues	13,000	51,859	38,859	298.92
RCMP	105,000	118,994	13,994	13.33
Rec. Centre Arena	143,000	167,111	24,111	16.86
Rec. Centre Civic Centre	163,000	190,246	27,246	16.72
Rec. Centre Community Services	16,000	20,154	4,154	25.96
Rec. Centre Pool	337,000	386,534	49,534	14.70
Transit	355,000	329,443	(25,557)	(7.20)
Victim Services	54,000	53,460	(540)	(1.00)
Watson Island	1,413,000	1,435,820	22,820	1.62
	8,973,000	12,162,653	3,189,653	35.55
Property Taxes	14,078,000	14,050,196	(27,804)	(0.20)
Appropriated Surplus	508,000	-	(508,000)	(100.00)
	\$ 23,559,000	\$ 26,212,849	\$ 2,653,849	11.26
Expenditures				
Airport Ferry	\$ 1,935,000	\$ 1,910,132	\$ 24,868	1.29
Cemetery	226,000	243,061	(17,061)	(7.55)
Civic Properties	326,000	250,202	75,798	23.25
Corporate Administration	538,000	586,954	(48,954)	(9.10)
Development Services	657,000	643,547	13,453	2.05
FD 911	471,000	472,504	(1,504)	(0.32)
FD Fire Protective Services	2,239,000	2,179,290	59,710	2.67
FD Emergency Measures	28,000	27,610	390	1.39
Finance	718,000	599,983	118,017	16.44
Finance Cost Allocation	(363,000)	(352,000)	(11,000)	3.03
Fiscal Expenditures	1,898,000	1,901,934	(3,934)	(0.21)
Governance	287,000	278,756	8,244	2.87
Grants	1,360,000	1,471,693	(111,693)	(8.21)
Information Technology	356,000	339,528	16,472	4.63
Parks	825,000	756,306	68,694	8.33
PW Engineering	299,000	268,902	30,098	10.07
PW Common Costs	3,023,000	3,131,273	(108,273)	(3.58)
Allocation of Common Cost	(3,127,000)	(3,333,425)	206,425	6.60
PW Vehicles	1,053,000	1,091,089	(38,089)	(3.62)
PW Net Vehicle Cost & Allocation	(1,253,000)	(1,328,485)	75,485	6.02
RCMP	4,711,000	4,365,354	345,646	7.34
Rec. Centre Arena	301,000	334,671	(33,671)	(11.19)
Rec. Centre Civic Centre	1,370,000	1,412,168	(42,168)	(3.08)
Rec. Centre Community Services	14,000	141	13,859	98.99
Rec. Centre Pool	1,178,000	1,252,095	(74,095)	(6.29)
Roads	1,814,000	1,655,330	158,670	8.75
Transit	760,000	692,732	67,268	8.85
Victim Services	113,000	112,097	903	0.80
Watson Island	1,227,000	1,202,490	24,510	2.00
Transfer to Capital Expenditure	375,000	1,423,763	(1,048,763)	(279.67)
Transfer to Reserves	200,000	373,393	(173,393)	(86.70)
	\$ 23,559,000	\$ 23,963,088	\$ (404,088)	(1.69)

City of Prince Rupert

Budget Variance Report of Utilities For The Year Ended December 31

Utilities	2013 Budget	YTD 2013 Actual	Budget Variance	Variance %
Sewer				
Revenues	\$ 2,000,000	\$ 2,039,817	\$ 39,817	1.99
Grant	691,000	-	\$ (691,000)	
Cap Works & Cap. Purchases Allocation	(1,781,000)	(995,494)	785,506	44.10
Net Revenue	910,000	1,044,323	(134,323)	(14.76)
Expenditures	986,000	1,020,578	(34,578)	(3.51)
Surplus /(Deficit)	\$ (76,000)	\$ 23,745	\$ (168,901)	-
Water				
Revenues	\$ 2,187,000	\$ 2,390,474	\$ 203,474	9.30
Cap Works & Cap. Purchases Allocation	(1,190,000)	(806,895)	383,105	32.19
Net Revenue	997,000	1,583,579	(586,579)	(58.83)
Expenditures	1,584,000	1,604,799	(20,799)	(1.31)
Surplus/(Deficit)	\$ (587,000)	\$ (21,220)	\$ 565,780	-
Solid Waste				
Revenues	\$ 2,413,000	\$ 2,458,182	\$ 45,182	1.87
Cap Works & Cap. Purchases Allocation	(400,000)	(266,110)	133,890	33.47
Net Revenue	2,013,000	2,192,072	179,072	8.90
Expenditures	1,821,000	1,873,696	(52,696)	(2.89)
Surplus /(Deficit)	\$ 192,000	\$ 318,376	\$ 126,376	-