



cutting through complexity

City of Fort Saskatchewan - Presentation to Council

2014 External Audit Completion
Summary

April 28, 2015

City of Fort Saskatchewan Overview of External Audit Results

We completed our audit and have provided our audit opinion (dated April 28, 2015) on the consolidated financial statements of the City of Fort Saskatchewan for the year ended December 31, 2014.

- We are satisfied that the consolidated financial statements are fairly presented
- We are satisfied that significant accounting policies, estimates and disclosures in the consolidated financial statements are appropriate

In addition, we have provided separate reports on the following:

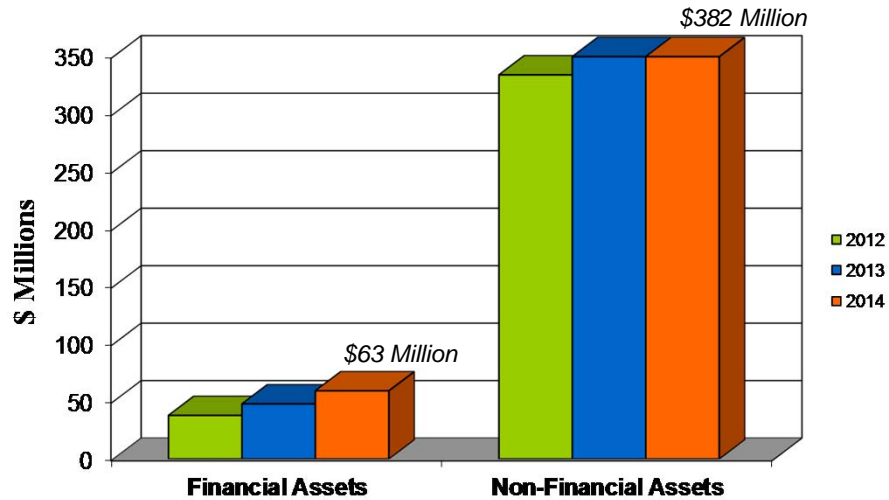
- Municipal Financial Information Return for the City
- Family and Community Support Services
- Local Authorities Pension Plan (City and Library)

We separately reported to the Fort Saskatchewan Public Library board on April 6, 2015

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL.

1

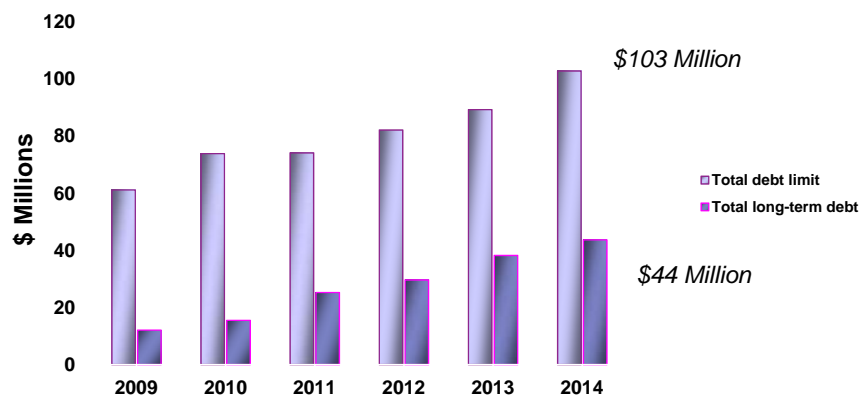
City of Fort Saskatchewan 2014 Audited Results - Financial and Non-Financial Assets



© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL.

2

City of Fort Saskatchewan 2014 Audited Results - Long-term Debt



- New debentures in 2014 totaling \$7,500,000 (2013 - \$10,200,000), 2015 principal repayments of approximately \$2,400,000 expected
- Well within legislative limits.

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL.

3

City of Fort Saskatchewan 2014 Audited Results - Revenue

	Budget	2014	2013
Net Municipal Taxes	\$ 33,984,129	\$ 34,917,932	\$ 32,052,803
Government Transfers	11,953,043	6,300,329	8,385,102
Sales, User Charges and Penalties	21,811,090	22,926,316	20,632,684
Developer Agreements and Levies	-	8,329,614	3,369,359
Contributed Tangible Capital Assets	-	12,623,304	18,309,536
Gain on Disposal of Tangible Capital Assets	98,350	-	-
Other Revenues	448,045	278,597	641,329
Interest	<u>439,200</u>	<u>705,567</u>	<u>566,607</u>
Total Revenue	\$ 68,733,857	\$ 86,081,659	\$ 83,957,420

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL. 4

City of Fort Saskatchewan 2014 Audited Results - Expenses

	Budget	2014	2013
Salaries, Wages and Benefits	\$ 22,269,374	\$ 21,595,415	\$ 19,489,772
Contracted and General Services	19,357,662	19,382,931	17,222,051
Materials, Goods, Supplies and Utilities	8,329,514	8,159,640	7,991,216
Transfers to Individuals and Others	383,611	363,067	1,040,826
Interest Expense (LTD, bank and other)	1,779,925	1,608,425	1,304,402
Other Expenses	444,375	106,726	202,026
Loss on Disposal of Tangible Capital Assets	-	902,012	496,322
Amortization of Tangible Capital Assets	<u>-</u>	<u>10,803,235</u>	<u>9,208,543</u>
Total Expenses	\$ 52,564,461	\$ 62,921,451	\$ 56,955,158

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL. 5

City of Fort Saskatchewan 2014 Audited Results - Summary

	Budget	2014	2013
Revenue	\$ 68,733,857	\$ 86,081,659	\$ 83,957,420
Expenses	<u>52,564,461</u>	<u>62,921,451</u>	<u>56,955,158</u>
Annual Surplus	\$ 16,169,396	\$ 23,160,208	\$ 27,002,262

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL.

6

City of Fort Saskatchewan 2014 Audited Results - Accumulated Surplus

	2014	2013
Unrestricted Surplus	\$ -	\$ -
General Operating and Capital Restricted Surplus	40,704,794	35,500,599
Invested in Tangible Capital Assets	338,019,228	320,063,215
Accumulated Surplus	\$ 378,724,022	\$ 355,563,814

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. KPMG CONFIDENTIAL.

7

Thank you

Presentation by

Mr. John Stelter, CA – Partner

Ms. Taylor Rolheiser, CA – Senior Manager



KPMG CONFIDENTIAL

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2015 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International.